

## STATE OF MAINE

### COUNTY OF YORK

### CITY OF SACO

**I. CALL TO ORDER** – On Monday, July 11, 2016 at 7:00 p.m. a Council Meeting was held in the City Hall Auditorium.

**II. RECOGNITION OF MEMBERS PRESENT** – Mayor Roland Michaud recognized the members of the Council and determined that the Councilors present constituted a quorum. Councilors present: David Precourt, Roger Gay, William Doyle, Kevin Roche, Alan Minthorn, Eric Cote and Nathan Johnston. City Administrator Kevin Sutherland was also present this evening.

**III. PLEDGE OF ALLEGIANCE**

**IV. GENERAL**

➤ Inauguration of Music in the Park – The first event was held last Thursday and it was a very enjoyable event with good music and the opportunity to see people in your community you don't get to see too often. The events will be held on Thursdays from 6:00 p.m. – 8:00 p.m. in the Dyer Library Parking Lot.

➤ Moment of Silence - Mayor Michaud asked for a moment of silence to remember the folks who have lost family, friends and the 5 Police Officers who are no longer with us down in Dallas and to remember what it takes to build and live as a community.

**V. PUBLIC COMMENT – 3 People**

➤ Margaret Mills, 166 Simpson Road – Stackpole Bridge – Mrs. Mills noted that she was angry about how the process worked out but she is not angry anymore just sad and disappointed. She felt the contract process was very difficult and the Council had to listen to many, many comments over years and evaluate this information and voted for a historic bridge with a particular design and contract and the contractor agreed and multiple engineers said it would work. One engineer said it couldn't be done this way and said that we couldn't have the old bridge and that most of the materials would need to come down and build a modern bridge with some of the features left of the old bridge. We put the city staff, engineers and everyone in a difficult spot by asking for too much by keeping the historic aspect with modern guarantees of engineering and safety. Those things were in conflict. It was impossible to reconcile the unique sense of place and the historical preservation of the oldest bridge of the State with modern requirements and at the onset I think our understanding of what is important in the community may not have been well expressed. I feel bad about the work that everyone has gone through and tried very, very hard to do their best and I'm willing to work with the city staff if they think they can continue to pursue the National Register listing.

➤ Barbara Colman, 45B Stockman Ave. – School Budget – Ms. Colman found several weeks ago an issue with the School Budget Validation Referendum Question and requested information and made telephone calls and sought action through various Councilors to see if there was a resolution. I waited to write my comments tonight in hopes of a resolution I sought would have been provided. It has not. I sought out from the Business Manager of the School Department the numbers related to the school budget ballot question when the financial figures did not match what was supposed to appear on the ballot. This was discovered after the voters had cast their votes. The information about the error was communicated to his Supervisor, School Board and the City Administration. Have the citizens of Saco been informed of the error other than from myself and if so, what is the resolution? The amount of \$25,000 is immaterial from an auditing point of view, but from a taxpayer and individual who voted for the budget it is material. Where is the transparency of letting the public know when there is an error or issue that we face?

➤ John Harkins – Stackpole Bridge – Restoring the historical significance of the bridge was approved at a referendum in November 2014 in the amount of \$990,000 and the lowest bidder was Chesterfield Associates at \$839,500 and the next lowest was CPM at \$1,192,756 and Council awarded the contract to the later the preferred contractor on the bridge group. Central to this project was the restoration of the historic significance of the bridge. Subsequent to the award and several design modifications it was determined and approved that an additional allocation of \$300,000 - \$400,000 would be necessary to implement the historic objective. Since last fall further

changes have been made to the design and progress reports were not evident until a Saco resident also a member of our group publicly requested a status report in May. Again, in June the requested information was pursued and the Mayor acknowledged that the city had received a letter from the Maine Historic Preservation Commission and the bridge would not be recognized for "historic significance". The process leading up to this disclosure has not been transparent by the city. Despite the various design changes not to mention the cost associated with the same the selected contractor cannot deliver on a personal objective to reconstruct the bridge to preserve the historic nature. Where is the oversight? Was the historic goal realistic in light of the dollars approved at referendum? Should the low bidder have been passed over or given an opportunity to submit alternatives with the additional funds afforded? The current bidder was allocated the additional sums in keeping with the referendum intent. Has the city been placed in a position of losing the state funding? Who authorized the various project changes and what role has the Stackpole Bridge played in the process and what legal advice has been sought or given. Where is the City of Saco Council leadership? I hope you gentlemen have had an opportunity to read the contract for this bridge. There is an out and was an out and yet you forged ahead and award the contract despite the controversy pursuing any other options. I'm terribly disappointed with this fact. As concerned citizens, our government needs to be more transparent and attentive to the management of the public affairs.

## **VI. CONSENT AGENDA**

Councilor Precourt moved, Councilor Minthorn seconded to approve the consent agenda minutes and items #A, B, C, D and E as follows:

- "Be it ordered that the City Council approve the minutes for June 6, 2016 and June 20, 2016 and further move to approve the order";
- A. "Be it Ordered that the City Council confirm the Mayor's appointment of John Nickerson III as a full member of the Saco Coastal Waters Commission, with his term ending on July 11, 2019." Further move to approve the Order.
  - B. "Be it Ordered that the City Council grant the application for Licenses to Operate Games of Chance as follows: 2 Licenses for Various pull tickets from September 1, 2016 to August 31, 2017 and October 1, 2016 to September 30, 2017 as submitted by the Fraternal Order of Eagles #3792." Further move to approve the Order.
  - C. "Be it Ordered that the City Council confirm the appointment of Jo Ann Boucher as Chairman of the Registration Appeals Board for a four (4) year term to expire on July 11, 2020." Further move to approve the Order.
  - D. "Be it Ordered that the City Council grant Linda Thibeault d/b/a The Carriage House a Massage Establishment License in accordance to the Codes of the City of Saco, Chapter 138." Further move to approve the Order.
  - E. "Be it Ordered that the City Council confirm the Mayor's appointment of Pamela Cardin as a full member of the Saco Shoreline Commission, with her term ending on December 31, 2016." Further move to approve the Order.

The motion passed with seven (7) yeas.

### **A. CONFIRM THE MAYOR'S APPOINTMENT OF JOHN NICKERSON III TO THE COASTAL WATERS COMMISSION**

The Coastal Waters Commission shall be composed of seven members, to be appointed by the Mayor for a three-year term and approved by the City Council. Each Commission member shall be a resident of the city, shall be persons qualified to perform the duties of such office, and shall serve without compensation.

The Mayor is recommending the appointment of John Nickerson III to serve on the Coastal Waters Commission for a three-year term.

### **B. APPLICATION FOR A LICENSE TO OPERATE GAMES OF CHANCE**

Fraternal Order of Eagles #3792 has applied for Licenses to Operate Games of Chance as follows: 2 Licenses for Various Pull Tickets from September 1, 2016 to August 31, 2017 and October 1, 2016 to September 30, 2017.

The applicant has submitted their application in accordance with the provisions of Title 17 M.R.S.A. Chapter 13-A, and in accordance with the Rules and Regulations promulgated by the Chief of the State Police governing the operation of Beano/Bingo or Games of Chance.

**C. CONFIRM AN APPOINTMENT TO THE REGISTRATION APPEALS BOARD**

The Registration Appeals Board currently consists of 3 members who were appointed on October 5, 2015 as follows: The municipal committee of each of the major political parties nominated one member and an alternate board member who will serve their three year terms. The current Chairman of the Board's term expired on July 2, 2016. The City Clerk is recommending the appointment of Jo Ann Boucher, 9 Pilgrim Lane to serve as the Chairman of the Board for a four year term.

The purpose of the committee: Pursuant to M.R.S.A Title 21-A §103 - If a person is aggrieved by the decision of the registrar of voters to cancel that person's registration in the central voter registration system or to reject that person's voter registration application, that person may appeal in writing to the registration appeals board.

**D. MESSAGE ESTABLISHMENT LICENSE – LINDA THIBEAULT D/B/A THE CARRIAGE HOUSE**

Linda Thibeault d/b/a The Carriage House, 66 North Street has applied for a Massage Establishment License.

The applicant has paid all applicable permit fees and has provided a copy of the City of Saco Application for Business Registration.

**E. CONFIRM THE MAYOR'S APPOINTMENT OF PAMELA CARDIN TO THE SACO SHORELINE COMMISSION**

The Saco Shoreline Commission shall consist of nine members, appointed by the Mayor and confirmed by the Council. Each Commissioner shall be a resident of the City and shall serve without compensation.

The Mayor is recommending the appointment of Ms. Cardin to serve the remainder of Dean Coniaris' term as he recently resigned.

**VII. AGENDA**

**A. ZONING ORDINANCE AMENDMENTS: B-3 ZONE – (PUBLIC HEARING)**

The City has been working with a prospect that is interested in locating its business in Saco. The company is a manufacturer, wholesaler and retailer of kayaks and canoes. Their ideal location would include direct access to water for product demonstrations and rentals. Staff has identified two potential locations, each in the B-3 zone and adjacent to the Saco River.

It is requested that the following two uses be considered for addition as Conditional Uses in the B-3 zone. Please note that the Zoning Ordinance states the B-3 zone "...permits high value business and services of the type needed within walking distance of high density residential dwellings, and which may also serve a regional financial, service or retail role."

- 1.) Amend Section 410-7 to allow "Accessory sales of goods manufactured on the premises" as a Conditional Use.
- 2.) Amend Section 410-7 to allow "Light industry" as a Conditional Use.

The Planning Board considered these issues and held a public hearing on June 7, 2016. The Board recommends that the amendments be adopted as proposed.

Councilor Cote moved, Councilor Doyle seconded to open the Public Hearing to the document titled "Amendments to Sections 410-7 of the Zoning Ordinance, June 20, 2016. The motion passed with seven (7) yeas.

There were no public comments.

Councilor Cote moved, Councilor Doyle seconded to close the Public Hearing and further move to set the Second and Final Reading of the document titled, “Amendments to Sections 410-7 of the Zoning Ordinance, June 20, 2016” for August 15, 2016. The motion passed with seven (7) yeas.

**Amendments to Section 410-7 of the Zoning Ordinance  
June 20, 2016**

*(New language is underlined).*

**410-7. B-3 DOWNTOWN BUSINESS DISTRICT**

(See also special size limitations in portion of B-3 district, Section 733-1)

PERMITTED USES

- |  |   |
|--|---|
| 1. Multifamily dwellings   | 20. Private clubs   |
| 2. Elder/Disability Housing Facility and Elder/Disability Housing Facility – Limited Service (5/21/12)           | 21. Health and fitness clubs (Amended 4/7/03)   |
| 3. Home occupation   | 22. Essential services  |
| 4. Retail businesses excluding outdoor sales   | 23. Public utility buildings  |
| 5. Eating establishments except those listed as conditional uses and excluding drive-in service (Amended 4/7/03) | 24. Municipal uses  |
| 6. Eating and drinking establishments (Amended 4/7/03)   | 25. Quasi-public uses   |
| 7. Business offices (Amended 4/7/03)   | 26. Accessory uses  |
| 8. Professional offices (Amended 4/7/03)   | 27. Funeral homes   |
| 9. Offices of contractors and tradesmen (Amended 4/7/03)   | 28. Any use permitted in the Resource Protection District   |
| 10. Financial institutions   | 29. Bed and breakfast establishments (Amended 9/5/85)   |
| 11. Business services  | 30. Home babysitting service (Amended 8/1/88)   |
| 12. Personal services (Amended 12/5/94)  | 31. Day care home (Amended 8/1/88)  |
| 13. Repair services (Amended 4/7/03)   | 32. Day care center (Amended 8/1/88)  |
| 14. Artist or craftsperson studios (Amended 4/7/03)  | 33. Single family dwellings (Amended 4/3/89)  |
| 15. Reserved (Amended 3/1/10)  | 34. Two family dwellings (Amended 4/3/89)   |
| 16. Tourist homes  | 35. Adult day care center, Type 1 and 2 (Amended 7/1/91)  |
| 17. Health care clinics for humans (Amended 4/7/03)  | 36. Nursery School (Amended 7/6/93)   |
| 18. Places of Worship (Amended 7/16/12)  | 37. One accessory apartment in a single family dwelling (Amended 10/20/08)                          |
| 19. Commercial schools   | 38. Drive-in windows are permitted only in association with financial institutions (Amended 3/1/10) |

CONDITIONAL USES

1. Commercial recreation
2. Indoor recreation (Amended 4/7/03)
3. Fast food restaurants, excluding drive through service (Amended 4/7/03)
4. Elder/Disability Care Facility – Full Service (5/21/12)
5. Drinking establishments (Amended 3/7/94; 4/7/03)
6. Commercial parking lots
7. Marinas (Amended 10/16/85)
8. Water recreation including piers, docks and boathouses related thereto (Amended 10/16/85)
9. High Voltage Transmission Lines (Amended 12/15/08)
10. Hotels and motels (Amended 3/1/10)
10. Registered dispensary (Amended 7/19/10)
11. Registered dispensary, grow-only (Amended 7/19/10)
12. Registered dispensary, non-growing (Amended 7/19/10)
13. Accessory sales of goods manufactured on the premises
14. Light industry

**B. ZONING ORDINANCE AMENDMENTS: I-1 ZONE – (PUBLIC HEARING)**

The City has been working with a prospect that is interested in locating its contracting business to Saco Industrial Park – specifically at 71 Industrial Park Road. Currently, this use is permitted in the I-3 (Mill Brook Business Park) Zone but not in the I-1 (Saco Industrial Park) Zone. All equipment for a contracting business must be either screened by a tree line, hedge row, other acceptable screening or kept inside a building in either zone.

Given the intention that the Mill Brook Business Park be focused on attracting clean, green or light manufacturing businesses it is requested that the following two amendments be considered:

- 1.) Amend Section 410-11 to allow “Contractors” as a permitted use.
- 2.) Amend Section 410-13 to change “Contractors” from a permitted use to a conditional use.

The Planning Board considered these issues and held a public hearing on June 7, 2016. The Board recommends that the amendments be adopted as proposed.

Councilor Doyle moved, Councilor Johnston seconded to open the Public Hearing to the document titled “Amendments to Sections 410-11 and 410-13 of the Zoning Ordinance, June 20<sup>th</sup>, 2016” The motion passed with seven (7) yeas.

There were no public comments.

Councilor Doyle moved, Councilor Minthorn seconded to close the Public Hearing, and further move to set the Second and Final Reading of the document titled, “Amendments to Sections 410-11 and 410-13 of the Zoning Ordinance, June 20<sup>th</sup>, 2016” for August 15, 2016. The motion passed with seven (7) yeas.

**Amendments to Sections 410-11 and 410-13 of the Zoning Ordinance  
June 20, 2016**

*(New language is underlined).*

**410-11. I-1 INDUSTRIAL PARK DISTRICT**

(Amended 8/1/88, 11/17/88, 3/2/92, 7/6/93, 11/7/94, 2/19/02)

**PERMITTED USES**

1. Hotels and motels
2. Supply Yards
3. Parking Lots as an accessory use to abutting lots in the B-6 zone
4. Off-site parking for uses located within the district (Amended 11-7-94)
5. Health Club
6. Financial Institutions
7. Business offices
8. Business services
9. Hospitals and Clinics for humans
10. Research and testing labs
11. Wholesale trade and warehousing
12. Distribution
13. Truck Terminal
14. Light Industry
15. Any use permitted in the Resource Protection District
16. Essential services
17. Accessory uses
18. Municipal Uses
19. Public Utility Buildings
20. Public and private schools
21. Commercial schools
22. Nursery School
23. High Voltage Transmission Lines (Amended 12/15/08)
24. Contractors

**CONDITIONAL USES**

1. Heavy Industry

2. Recycling Center
3. Waste Composting Facility
4. Day Care Center
5. Wireless Telecommunication Facilities (Amended 10/21/02)
7. Registered dispensary, grow-only (Amended 7/19/10)
8. Addiction Treatment Facility (Amended 12/6/10)

**410-13 I-3 LIGHT INDUSTRIAL BUSINESS PARK DISTRICT** (Amended 2/19/02; 4/7/03)

**PERMITTED USES**

1. Hotels and motels
2. Accessory retail sales of goods manufactured on the premises
3. Eating establishments (Amended 4/7/03)
4. Eating and drinking establishments (Amended 4/7/03)
5. Accessory food service facilities
6. Financial institutions
7. Business offices
8. Offices of tradesmen or contractors
9. Business services
10. Repair services
11. Research and testing laboratories/labs
12. Wholesale trade and warehouses
13. Contractors
14. Light industry
15. Any use permitted in the Resource Protection District
16. Essential services
17. Accessory uses
18. Municipal uses
19. Public utility buildings
20. Quasi-public uses
21. Public parks and playgrounds
22. Public schools
23. Private schools
24. Commercial schools
25. Nursery schools
26. Day care centers
27. Agriculture
28. High Voltage Transmission Lines (Amended 12/15/08)

**CONDITIONAL USES**

1. Automobile dealers
2. Indoor recreation/amusement centers
3. Health and fitness clubs
4. Distribution facilities
5. Radio & TV transmission towers
6. Wireless Telecommunication Facilities (Amended 10/21/02)
7. Registered dispensary, grow-only (Amended 7/19/10)
8. Contractors

**C. AUTHORIZE BOND QUESTION REGARDING SCHOOL CONSTRUCTION BOND**

Over the past several years, there has been a lot of discussion regarding the future of a new Young School and the

necessary repairs at Fairfield School. On February 3, 2016, the Saco School Board voted to recommend moving forward with two separate elementary schools, with the motion as follows: “Construction of a new 370 +/- student, pre-kindergarten through 2nd grade school on the existing Young site, and construction of additions to the existing Gov. John Fairfield School and associated renovations to support a 330 +/- student, pre-kindergarten through 2nd grade school with accommodations to provide similar learning spaces to those that will be provided in the new Young School at the November 2016 General Election.”

<b>Project Name</b>	<b>Estimated Cost</b>
New Young School	\$12,000,000
Gov. John Fairfield School Renovations	\$ 5,000,000
School project costs	\$ 4,500,000
<b>TOTAL</b>	<b>\$21,500,000</b>

Councilor Precourt moved, Councilor Doyle seconded “The City of Saco hereby approve the First Reading of the Order entitled, ‘Order Authorizing City of Saco to Borrow An Amount not to Exceed \$21,500,000 for Construction of a new 370 +/- student, pre-Kindergarten through 2nd grade school on the existing Young School site AND Construction of additions to the existing Gov. John Fairfield School and associated renovations to support a 330 +/- student, pre-Kindergarten through 2nd grade school with accommodations to provide similar learning spaces to those that will be provided in the new Young School’ and direct that a copy of said Order be included in the minutes of this meeting and that said Order be scheduled for a Public Hearing on August 15, 2016 and for final Council action on September 6, 2016.” The motion passed with seven (7) yeas.

Mayor Michaud noted that there was an error in the motion on the Public Hearing date, it should read “August 15<sup>th</sup>”. Councilor Precourt acknowledged and agreed to the corrected date.

***Time Line for Referendum Question - November 7, 2016***

1. July 11, 2016 – City Council hold First Reading and calls Public Hearing for Orders.
2. July 12, 2016 – Date for publication of Public Notice (including full text of the Order) in daily newspaper and posting of Public Notice by City Clerk in two public places.
3. August 15, 2016 – City Council holds Public Hearing on proposed Orders.
4. September 6, 2016 – City Council holds Second Reading and adopts proposed Orders requiring that questions be placed on November 8, 2016 ballot.
5. September 7, 2016 (or as soon as practicable if either sooner or later) – Clerk publishes Orders in a daily newspaper together with notice of their adoption.

Note: Final action needs to occur at least 7 and no more than 30 days after hearing. Public Notice should provide at least 7 days’ notice of hearing and 14 days’ notice of final action. Readings should occur at least 7 days apart.

**Order Authorizing the City of Saco to Borrow an Amount  
Not to Exceed \$21,500,000 for Elementary School Construction Purposes**

**BE IT ORDERED BY THE CITY COUNCIL  
OF THE CITY OF SACO, MAINE IN CITY COUNCIL ASSEMBLED:**

1. Bonds Authorized. Pursuant to Maine law, including 30-A M.R.S.A. 5772 and Section 6.15 of the Charter of the City of Saco and all other authority thereto enabling, there is hereby authorized and approved the issuance of general obligation bonds (the “Bonds”) of the City, and temporary notes in anticipation thereof (the “Notes), in an aggregate principal amount not to exceed \$21,500,000. The Bonds shall be designated “City of Saco, Maine, General Obligation Bonds” and any notes in anticipation thereof shall be designated “City of Saco General

Obligation Bond Anticipation Notes.” The proceeds of the Bonds and any Notes shall be used to finance the costs of school construction purposes, including construction and equipping of a new 370+/- student, prekindergarten through 2nd grade school on the existing Young School site, and construction and equipping of additions to the existing Gov. John Fairfield School and associated renovations to support a 330+/- student, prekindergarten through 2nd grade school (the “Project”) and reasonably related costs, costs of issuance of the Bonds and any Notes, and capitalized interest prior to and during construction of the improvements.

2. Period of Utility. The estimated period of utility of the Project is forty (40) years.

3. Tax Levy. Pursuant to Section 6.15 of the Charter of the City of Saco, an amount necessary to meet the annual payments of principal and interest on the Bonds (and any Notes not paid from the proceeds of Bonds issued hereunder) shall be included in the tax levy of the City each year until the debt represented by said Bonds and Notes is extinguished.

4. Details of Bonds. To the extent not inconsistent with this Order and the Charter of the City, the discretion to fix the dates, maturities of the Bonds and/or Notes, denominations, interest rates, place(s) of payment, forms and other details of said Bonds and Notes, and to provide for the sale thereof, including execution of said Bonds and Notes on behalf of the City of Saco and delivery against payment therefore, is hereby delegated to the Treasurer and Mayor of the City of Saco. The Bonds shall be payable within a fixed term of years to be determined by the Mayor and Treasurer, not to exceed thirty (30) years, and Notes in anticipation of Bonds shall not exceed three (3) years from the date of the initial issuance of any Notes. Bonds shall be made payable as pertains to interest semi-annually and as pertains to principal in equal, annual serial installments, except that: (1) each year's installments may be adjusted to the nearest multiple of \$5,000; and (2) the amount of each year's installment may vary provided that it is equal to or greater than the installment due and payable in any succeeding year. The Bonds and any Notes shall contain such terms and provisions, not inconsistent herewith, as the Treasurer and Mayor may hereafter determine. All determinations by the Mayor and Treasurer shall be conclusively evidenced by their execution of the Bonds or Notes. The Treasurer and Mayor are authorized to provide that any of the Bonds and Notes be made callable, with or without premium, prior to their maturity. Each Bond or Note issued hereunder shall be signed by the Treasurer and countersigned by the Mayor. The Mayor and Treasurer are authorized to select a financial advisor and/or an underwriter for the Bonds and Notes, and the Mayor and Treasurer are authorized and empowered to execute and deliver such contracts or agreements as may be necessary or appropriate in connection therewith.

5. Sale of Bonds. The Treasurer is authorized to prepare, or cause to be prepared, a Notice of Sale and/or a Preliminary Official Statement and an Official Statement for use in the offering and sale of the Bonds and/or Notes, such Notice of Sale, Preliminary Official Statement and Official Statement to be in such form and contain such information as may be approved by the Treasurer. Distribution of the Notice of Sale and/or Preliminary Official Statement and the Official Statement in the name of and on behalf of the City in connection with offering the Bonds and/or Notes is hereby authorized and approved. The Treasurer is authorized to covenant, certify and agree, on behalf of the City, for the benefit of the holders of the Notes or Bonds, that the City will file any required reports, make any annual financial or material event disclosure, and take any other action that may be necessary to insure that the disclosure requirements imposed by Rule 15c2-12 of the Securities and Exchange Commission, if applicable, are met.

6. Tax Exempt Bonds. The Treasurer is authorized to covenant and certify on behalf of the City that: (a) no part of the proceeds of the issue and sale of the Notes or the Bonds authorized to be issued hereunder shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Notes or Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), (b) no part of the proceeds of the issue and sale of such Notes or Bonds (including any notes and bonds in renewal thereof) shall be used, directly or indirectly, in such manner which would cause the Notes or Bonds to be "private activity bonds" within the meaning of Section 141 of the Code, (c) all required information reports shall be filed and any rebate due to the United States in connection with the issuance of said Bonds and Notes shall be paid, and (d) the City shall take all other lawful actions necessary to insure the interest on the Bonds and Notes will be excluded from the gross income of the owners thereof for purposes of federal



income taxation and to refrain from taking any action which would cause interest on the Bonds or Notes to become includable in the gross income of the owners thereof. The Treasurer is also authorized and empowered to designate the Bonds and/or Notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Code, if and to the extent the election may be available and advisable as determined by the Treasurer.

7. Documents and Certificates. The Mayor, Treasurer, City Clerk and other appropriate officials of the City of Saco are authorized to execute and deliver on behalf of the City such other documents and certificates as may be required in connection with such Bonds and Notes, and to do or cause to be done all acts and things, not inconsistent herewith, as may be necessary or appropriate in order to effect the issuance, execution, sale and delivery of the Bonds and any Notes, and to carry out the provisions of this Order in connection with the Project.

8. Appropriation. The sum of \$21,500,000 is hereby appropriated to finance the Project costs, such amount to be raised by the issuance of the Bonds and/or Notes of the City. In addition, the investment earnings on the proceeds of the Bonds and Notes, if any, and the excess proceeds of the Bonds and Notes, if any, are hereby appropriated for the following purposes, such proceeds to be held and applied in the following order of priority: (a) to any Project costs in excess of the principal amount of the Bonds or Notes; and (b) in accordance with applicable terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of the Bonds or Notes.

9. Reimbursement. This Bond Order shall constitute the City's declaration of official intent within the meaning of Treasury Regulation 1.150-2 to pay, on an interim basis, costs of the Project in an amount up to the principal amount of the Bonds to be issued, which costs the City reasonably expects to reimburse with proceeds of the Bonds or Notes.

10. Referendum Vote. Pursuant to Section 6.15 of the Charter of the City, the following question shall be submitted to the voters of the City of Saco for ratification or rejection at a referendum vote to be held on November 8, 2016: Shall the Order of the City Council of the City of Saco entitled "Order Authorizing the City of Saco to Borrow an Amount Not to Exceed \$21,500,000 for Elementary School Construction Purposes" be ratified and approved?

11. City Clerk. A copy of this order shall be filed with the City Clerk.

**CITY OF SACO, MAINE  
Treasurer's Financial Statement for Proposed Bonds**

Referendum Question 1: School Construction Bond

As of June 15, 2016, the total amount of bonds of the City of Saco outstanding and unpaid is \$17,099,784 of which \$13,168,198 is principal and \$3,931,586 is interest. The City has no other bonds authorized but not yet issued. The bonded indebtedness to be assumed if the questions authorizing these borrowings are ratified by the voters is as follows:

<u>Question</u>	<u>Proposed Improvements</u>	<u>Bond Principal</u>	<u>Estimated Bond Interest</u>	<u>Total Principal and Interest</u>
Question 1	School Infrastructure	\$21,500,000	\$9,982,500	\$31,482,500

The total debt service costs will vary depending on the prevailing interest rates at the time the bonds are issued. The above estimated costs for the bonds are based upon an estimated interest rate of 3% over an estimated term of 30 years.

The validity of this obligation and of the voters' ratification of this obligation may not be affected by any errors in the estimate made pursuant to the above statement. If the actual amount of the total debt service for the bond issue varies from the estimate, the ratification by the electors is nevertheless conclusive and the validity of the obligation is not affected by reason of the variance.

Dated: \_\_\_\_\_, 2016 at Saco, Maine

\_\_\_\_\_  
Cheryl Fournier, Finance Director/Treasurer  
City of Saco

#### **D. CONTRACT ZONE – U-HAUL, 492 MAIN STREET**

Applicant U-Haul Co. of Maine proposes a significant expansion of its existing business at 492 Main Street. Self-storage is not an allowed use in either of the zones in which the property exists. A contract zone is proposed in order to allow the expansion, a 27,000 s.f, two-story building, to move forward.

Also proposed, a 2,550 s.f. building for warehouse use, which is viewed as an accessory building to the current uses: retail and warehousing, each of which are permitted uses in the B-2d zone, and self-storage, which is not an allowed use in either the B-2d or R-2 zones. The contract zone as proposed would allow the larger building specifically for self-storage; the smaller, proposed for warehousing, would be allowed anyway in the B-2d zone.

This item was reviewed by the Planning Board at its June 7 meeting. The Board arrived at a positive finding on each of the four standards found in Sec. 1403-6, and voted to forward a positive recommendation to the Council.

Councilor Doyle moved, Councilor Precourt seconded “The City Council hereby Ordains and Approves the First Reading and adopt the findings in the contract zone document entitled ‘Contract Zone Agreement by and Between U-Haul Co. of Maine and the City of Saco,’ dated June 7, 2016; and to schedule a Public Hearing for August 15, 2016, for the property identified as Tax Map 40, Lot 33 as authorized by Section 1403 of the Zoning Ordinance, pursuant to 30A M.R.S.A. Section 4352(8).” The motion passed with seven (7) yeas.

Contract Zone Agreement By and Between  
U-Haul Company of Maine and the City of Saco  
June 7, 2016

THE CITY OF SACO HEREBY ORDAINS:

**I. That the Zoning Ordinance of the City of Saco, dated January 2, 1985, and amended through March 28, 2016, is hereby amended by adopting this contract by and between the City of Saco and U-Haul Co. of Maine (Applicant).**

1. The Applicant proposes to expand the existing grandfathered legal nonconforming self-storage business within the subject property by constructing a new self-storage building on the west side of the property.
2. The self-storage business has been in operation in this location since the early 1980's.
3. The subject property is located at 492 Main Street, in Saco, Maine and is identified as Tax Map 40, Lot 33. The subject property has been owned by the Applicant since the early 1980's.
4. The subject property lies within the B-2D zone and the R-2 zone.
5. Self-storage is not a permitted or conditional use within the B-2D or R-2 zones; however, it is a grandfathered legal nonconforming use on the property since the early 1980's.
6. Recognizing the requirements of the Zoning Ordinance, the Applicant hereby makes application for a Contract Zone that would allow for the expansion of the grandfathered legal nonconforming use within the site.
7. The Contract Zone will be applicable to the entire property.

**II. This Contract Zone Agreement amends the Saco Zoning Ordinance as follows:**

This Contract Zone, specifically and exclusively for the parcel at 492 Main Street, Tax Map 40, Lot 33, would allow the Applicant to expand the self-storage business as proposed, subject to the following conditions and restrictions, as provided for in Section 1403 of the Saco Ordinance:

Self-service storage facilities, retail, moving equipment rental and storage, warehousing, propane distribution, trailer hitch installation and rental equipment maintenance shall be permitted uses within

the Contract Zone, in addition to all permitted uses and conditional uses otherwise allowed in the B-2D and R-2 zones.

**III. This Contract Zone Agreement is subject to the following conditions and restrictions, as provided for in Section 1403-5 of the Saco Zoning Ordinance:**

- a. Building setbacks shall conform to the B-2D zone building setbacks requirements.
- b. Vegetated buffers shall be provided along the abutting residential and Thornton Academy property lines where vegetation currently exists. Fencing will be provided along all abutting residential property lines.
- c. A 15-foot wide landscaped buffer shall be provided along the Route 1 road frontage south of the site entrance from Route 1.
- d. The existing Route One driveway entrance shall be re-designated as a right-in/right-out access drive.
- e. Municipal site plan review requirements shall remain in effect with respect to anticipated or future expansion or relocation of structures within the Contract Zone.
- f. The City and Applicant recognize that the plan submitted for contract zone review is representative of the existing and proposed site layout, but is subject to change as a result of site plan review conducted by the Planning Board. If it is determined that the changes constitute a significant change in the contract, then the developer shall also be required to obtain City Council approval of the change.
- g. This contract and its provisions shall specifically and exclusively apply to the Contract Zone request submitted by the Applicant. Approval of this Contract Zone is in part based on the financial and technical qualifications of the Applicant as submitted to the City. Accordingly, this Agreement and the Contract Zone it creates shall not be transferred or assigned, other to another entity of the Applicant, without review and written approval by City Council, such consent not to be reasonably withheld.
- h. Upon approval of this Contract Zone by the City Council, the Applicant shall submit materials required for site plan review to the Planning Office. Failure of the Applicant to secure site plan approval within one year of the approval of this Contract by the Saco City Council shall render this Contract null and void. In the event that permits or approvals are delayed due to circumstances beyond the control of the Applicant, this one year deadline may be extended by one year upon written request to the City Council.
- i. Breach of these conditions and restrictions by the Applicant shall constitute a breach of the contract, and the Applicant shall be required to apply for a contract modification. Failure to apply for or to obtain a modification shall constitute a zoning violation subject to enforcement action.

**IV. Pursuant to authority found in 30A M.R.S.A. Section 4352(8), and the City of Saco Zoning Ordinance, Section 1403, and by Vote of the Saco Planning Board on June 7, 2016; and the Saco City Council on \_\_\_\_\_, the following findings are hereby adopted:**

- A. City Tax Map 40, Lot 33 is a parcel of unusual nature and location for the following reasons:
1. The Applicant has owned the subject property since the early 1980's and has been operating the self-storage and moving equipment rental business since acquisition. There is a growing need in the City of Saco for self-storage facilities due to the expanding population.
  2. The property is uniquely divided into two zoning districts with the east side of the property lying in the B-2D zone and the west side of the property lying in the R-2 zone.
  3. As the entire property has been used only for commercial use since at least the early 1980's and is in a commercially developed area of the Route 1 Corridor in Saco, it is unusual that the property remains divided, with a portion of the long-established commercial property situated within a residential zone.
  4. The property consists of approximately 3.68 acres, of which approximately 1.8 acres are currently undeveloped.
- B. The proposed rezoning is consistent with the Saco Comprehensive Plan, based on the following:  
***Comprehensive Plan – Chapter 5: Community Goals and Policies***
- Local Economy Goals

- “To increase the number and quality of jobs in Saco.”
  - *The proposed project will preserve existing jobs while providing temporary construction jobs and permanent staff jobs at the site.*
- “To strengthen Saco’s role as a service center for the region...”
  - *The proposed project will expand the retail, rental, and self-storage facility for utilization by the residents and businesses of Saco and surrounding towns.*
  - *The U-Haul company has been a well-respected, stable, long term national company doing business since 1945, which will continue to provide service well into the future.*
  - *The expansion of the U-Haul facility will expand services to the Saco region, increasing its retail operation, while increasing the Saco tax base.*
- “To increase the commercial tax base.”
  - *The expansion of the U-Haul facility will utilize presently undeveloped Route One corridor land for commercial purposes, adding to the commercial tax base.*

**Comprehensive Plan – Chapter 6: Land Use Goals and Policies:**

• Local Goals

- “To foster a pattern of land use that respects and builds upon the established settlement pattern of an urban core surrounded by an outlying rural area.”
  - *The proposed project is an expansion of a long-established grandfathered use within the Route 1 commercial corridor. The proposed project will build upon the established settlement pattern.*
- “To discourage urban sprawl.”
  - *The proposed project is located along the Route 1 commercial corridor and will not contribute to urban sprawl.*
- “To accommodate the growth of commercial and industrial activities in designated growth areas where public services and facilities can be provided.”
  - *The proposed project is located along the Route 1 corridor where public services are provided and will not overburden existing public facilities.*
- “To encourage a pattern of land use that can be served efficiently and that does not impose an undue burden on the Town’s financial resources.”
  - *The proposed project is located along the Route 1 corridor where public services already exist. No extensions of public services will be required. Therefore, there will be no undue burden on the Town’s financial resources.*
- “To avoid promoting development in areas of Saco currently used for agriculture and forestry.”
  - *The proposed project is located along the Route 1 commercial corridor on land that will not be used for agriculture or forestry.*

• Commercial Development

- “22. The City should also maintain the Route 1 Corridor from Thornton Academy north to the I-195 spur as a commercial district recognizing the established pattern of commercial use in the area...”
  - *The proposed project is an expansion of a long-established commercial retail business located on a parcel of land that fronts the Route 1 Corridor north of Thornton Academy.*
- “5. The Route One Corridor from Thornton Academy north to the I-195 Spur functions as a community commercial center. The City should work to improve the visual appearance of this area. In addition, efforts should be made to upgrade traffic flow and to improve access to and from adjacent properties and neighborhoods.”
  - *The proposed project will improve the visual appearance of the property and will substantially improve traffic safety by converting an unsignalized full access driveway to a right-in/right-out only access.*

C. The proposed use is consistent with the existing uses and permitted uses within the original zone.

1. The proposed project is an expansion of a long-established self-storage business at the subject property.

The self-storage business is a grandfathered nonconforming use of the property that has been operating since the early 1980's.

2. Existing permitted and conditional uses in the B2-D zone include, in part, wholesale trade and warehouses, retail businesses, eating and drinking establishments, masonry supply yards and gas stations; existing conditional uses in the R-2 zone include, in part, hospitals and clinics, commercial greenhouses, kennels, public utility buildings and funeral homes.
  3. The self-storage expansion is a less intensive use than the uses otherwise permitted in the original zone, and will not create significant noise, odor, pollution, or other nuisances that would be a burden on the neighboring properties.
  4. The self-storage expansion will meet the space and bulk requirements of the underlying zones.
- D. The conditions proposed are sufficient to meet the intent of Section 1403, Contract Zoning, of the Saco Zoning Ordinance

**V. Based on the above findings, conditions and restrictions, the City Council hereby incorporates this Contract Zoning agreement into the Saco Zoning Ordinance by reference. By signing this contract, all parties agree to abide by the conditions and restrictions contained herein.**

Adopted by the Saco City Council on \_\_\_\_\_.

By \_\_\_\_\_  
Kevin L. Sutherland  
City Administrator

By \_\_\_\_\_  
Jon Hynes, President  
U-Haul Co. of Maine

### **VIII. EXECUTIVE SESSION**

Councilor Doyle moved, Councilor Roche seconded “Be it Ordered that the City Council, Pursuant to [M.R.S.A. Chapter 105, Subchapter 8, §841 (2)] (E) Hardship or Poverty and Pursuant to [M.R.S.A. Chapter 18, Subchapter 1, §405 (6)] move to enter into Executive Session to discuss: (C) Acquisition of Real Property and Disposition of Publicly Held Property - Discuss recommended purchase of commercial development real estate located west of 860 Portland Road in Saco.” The motion passed with six (6) yeas and one (1) nay – Councilor Cote. TIME: 7:05 p.m.

### **IX. REPORT FROM EXECUTIVE SESSION**

Councilor Johnston moved, Councilor Precourt seconded to move from the Executive Session. The motion passed with seven (7) yeas. TIME: 7:53 p.m.

Mayor Michaud recognized the members of the Council and determined that the Councilors present constituted a quorum. Councilors present: David Precourt, Roger Gay, William Doyle, Kevin Roche, Alan Minthorn, Eric Cote and Nathan Johnston.

Councilor Minthorn moved, Councilor Johnston seconded to approve the purchase of 12 acres of commercial development real estate located west of 860 Portland Road from WWS Properties Inc.. The motion passed with four (4) yeas and three (3) nays – Councilors Doyle, Roche and Cote.

### **X. ADJOURNMENT**

Mayor Michaud adjourned the meeting with the unanimous consent of the Council at 7:55 p.m.

Attest: \_\_\_\_\_  
Michele L. Hughes, City Clerk