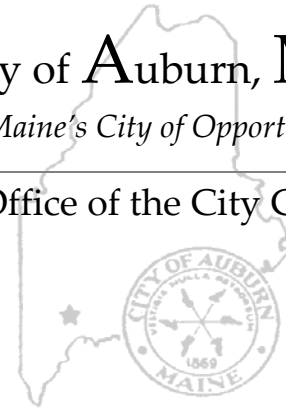


City of Auburn, Maine

"Maine's City of Opportunity"

Office of the City Clerk



Council Meeting Agenda Packet

June 4, 2007

This packet contains the City Council Agenda and supporting documents. The items in this packet are bookmarked in Adobe Acrobat .pdf format. You may need to click on the Bookmark tab on the left to open the Bookmark window. If you do not see a Bookmark tab on the left, you may need to select the Show/Hide Navigation Pane button in your icon toolbar above or update your version of the Adobe Reader. You can download the free Adobe Reader application at www.adobe.com.



City Council Meeting and Workshop June 4, 2007

Agenda

5:00 p.m. Dinner

5:30 p.m. Workshop

7:00 p.m. Council Meeting

- Pledge of Allegiance

* **Consent Items** – All items listed with an asterisk (*) are considered as routine and will be approved in one motion. There will be no separate discussion of these items unless a Councilor or citizen so requests. If requested, the item will be removed from the consent agenda and considered in the order it appears on the agenda.

Minutes

*060407-00 Minutes of May 21, 2007 Council Meeting

Reports

- **Mayor**
- **City Councilors**
 - **Dick Gleason:** Water District, Consolidation, Audit Committee, Procurement Committee
 - **Bob Hayes:** Planning Board, L-A Railroad, Alternative Revenues
 - **Eric Samson:** LAEGC, MMWAC, City Manager Search
 - **Bruce Bickford:** A-L Airport, ABDC, Roads & Sidewalks
 - **Ray Berube:** School Committee, Auburn Housing, Communication
 - **Bob Mennealy:** Sewer District, University of Maine L-A, Impact Fees
 - **Ellen Peters:** 9-1-1 Center, Library Board, Comprehensive Plan
- **City Manager**

Communications and Recognitions

060407-00 Communication from The Liberty Festival Committee Re: Mass Gathering Permit/Request for Services

060407-00 Communication from Balloon Festival Committee Re: Use of City Property/ Request for Services/Waiving License and Tipping Fees

Unfinished Business

060407-01 Resolve – Amendment to the Comprehensive Plan in the Vicinity of Martindale Road from Agriculture and Resource Protection to Medium Density Residential (Tabled 5/21/07)

060407-02 Ordinance – Amendment to the Zoning Map in the Vicinity of Martindale Road from Rural Residential to Suburban Residence (1st Reading – Tabled 5/21/07)

New Business

- 060407-03 Resolve – 2007-08 Annual Appropriation Resolve (1st Reading)
- 060407-04 Resolve – Amendment to Homebuyer and Homeowner Rehabilitation Loan Program Guidelines
- 060407-05 Public Hearing and action on Liquor License and Special Amusement Permit Applications for Hart of Texas, Inc., d/b/a Club Texas, 150 Center Street
- 060407-06 Set date for Special City Council Meeting (June 11th – Annual Appropriation Resolve – Second Reading and Final Passage)

Open Session - Members of the public are invited to speak to the Council about any issue directly related to City business which is *not* on this agenda

ADJOURNMENT

Executives Sessions: On occasion, the City Council discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Councilor must make a motion in public. The motion must be recorded, and 3/5 of the members of the Council must vote to go into executive session. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda.

The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405. Those applicable to municipal government are:

1. Discussion of personnel issues
2. Discussion or consideration of the condition, acquisition, or the use of real or personal property or economic development if premature disclosure of the information would prejudice the competitive or bargaining position of the body or agency.
3. Discussion of labor contracts and proposals and meetings between a public agency and its negotiators.
4. Consultations between a body or agency and its attorney
5. Discussion of information contained in records made, maintained or received by a body or agency when access by the general public to those records is prohibited by statute.
6. Discussion or approval of the content of examinations administered by a body or agency for licensing, permitting or employment purposes
7. Consultations between municipal officers and a code enforcement officer relating to enforcement matter pending in District Court.

**CITY OF AUBURN
MAY 21, 2007
CITY COUNCIL MEETING**

PRESENT

Mayor John T. Jenkins, Councilors Richard D. Gleason, Robert P. Hayes, Eric G. Samson, Bruce A. Bickford, Raymond C. Berube, C. Ellen Peters, and Robert C. Mennealy, City Manager Pat Finnigan, Assistant City Manager Laurie Smith, City Clerk Mary Lou Magno, and Finance Director Chris Trenholm. There were 55 people in the audience.

Mayor Jenkins called the meeting to order at 7:00 p.m. in the Council Chambers of Auburn Hall with a salute to the flag.

NATIONAL ANTHEM

The following students sang the National Anthem:

PUBLIC HEARING: FISCAL YEAR 2007-08 MUNICIPAL AND SCHOOL BUDGETS

Mayor Jenkins noted that the purpose of this portion of the meeting was to hold a public hearing on the proposed 2007-08 budget, and that remarks would be made by David Das, Chair of the School Committee and Pat Finnigan, City Manager. Following their presentations, the public will have an opportunity to make comments regarding the proposed budget.

Mayor Jenkins opened the public hearing: Brian Demers, 1085 Riverside Drive; Mayor Jenkins closed the public hearing.

CONSENT AGENDA

Councilor Samson moved to accept, approve and place on file the following items listed with an asterisk. Seconded by Councilor Bickford. Vote: 7 Yeas.

***MINUTES – MAY 7, 2007**

Approved under consent agenda.

REPORTS OF THE MAYOR

PROCLAMATION – NATIONAL MISSING CHILDREN'S DAY

Mayor Jenkins read a proclamation naming May 25, 2007 as National Missing Children's Day.

PROCLAMATION – EMERGENCY MEDICAL SERVICES WEEK

Mayor Jenkins read a proclamation naming May 20-26 as Emergency Medical Services Week.

PROCLAMATION – MAINE ARBOR WEEK

Mayor Jenkins read a proclamation naming May 21 – 25 as Maine Arbor Week.

REPORTS OF CITY COUNCILORS

Councilors reported on their respective Council Committee Assignments.

REPORTS OF THE CITY MANAGER

FINANCE REPORT – MONTH OF APRIL

Councilor Berube moved to accept and place on file the Finance Report for the month of April as prepared and presented by Chris Trenholm, Finance Director. Seconded by Councilor Mennealy. Vote: 7 Yeas.

COMMUNICATIONS AND RECOGNITIONS

***COMMUNICATION FROM POLICE CHIEF CROWELL RE: CONSTABLE**

Approved under consent agenda.

***COMMUNICATION FROM PATHWAYS, INC. RE: WAIVE FEE FOR DAY CARE LICENSE**

Approved under consent agenda.

***COMMUNICATION FROM ANDROSCOGGIN VALLEY COUNCIL OF GOVERNMENTS RE: REGIONAL STRATEGIC TRANSPORTATION INVESTMENTS**

Approved under consent agenda.

UNFINISHED BUSINESS

1. ORDINANCE – ESTABLISHING AN ANNUAL BUDGET CAP (2ND READING)

Councilor Bickford moved for acceptance of second reading and final passage. Seconded by Councilor Samson.

The following people made comments regarding the above ordinance: Ron Potvin, 82 Northern Avenue; Dick Bussiere, 9 Winter Street; Dan Herrick, 470 Hatch Road; and Bob Cavanagh, 127 Field Avenue.

Vote: 5 Yeas with Councilors Gleason and Peters voting Nay.

NEW BUSINESS

2. RESOLVE – AMENDMENT TO THE COMPREHENSIVE PLAN IN THE VICINITY OF MARTINDALE ROAD FROM AGRICULTURE AND RESOURCE PROTECTION TO MEDIUM DENSITY RESIDENTIAL

Councilor Samson moved for passage of the resolve. Seconded by Councilor Hayes.

Eric Cousens, City Planner, explained the above resolve and answered Councilors questions.

James McPhee, 72 Hillcrest Street, spoke in favor of the above resolve.

Councilor Gleason moved to table. Seconded by Councilor Berube. Vote: 7 Yeas.

**3. ORDINANCE – AMENDMENT TO THE ZONING MAP IN THE VICINITY OF
MARTINDALE ROAD FROM RURAL RESIDENTIAL TO SUBURBAN
RESIDENCE (1ST READING)**

Councilor Hayes moved for acceptance of first reading. Seconded by Councilor Samson.

Eric Cousens, City Planner, explained the above ordinance and answered Councilors questions.

Councilor Bickford Bickford moved to table. Seconded by Councilor Samson. Vote: 4 Yeas with Councilors Hayes, Peters and Mennealy voting Nay.

OPEN SESSION

Ron Potvin, 82 Northern Avenue, was the only person to comment during open session

CLOSED OPEN SESSION

ADJOURNMENT – 9:10 P.M.

Councilor Bickford moved to adjourn. Seconded by Councilor Hayes. Vote: 7 Yeas.

A TRUE RECORD

ATTEST: _____
City Clerk

Mass Gathering Permit Request

Submitted To The

City of Auburn

Liberty Festival 2007

Per Chapter 24 Licenses and Permits...Article 2 Licenses...Section 2.32 Mass Gathering and Events...we, the Liberty Festival Board of Directors, submit the following request to the City of Auburn.

The Liberty Festival requests permission from the City of Auburn for exclusive use, responsibility and control of all property specified within this request that is owned and/or controlled by the City of Auburn during the times necessary for set-up and tear down of the Fourth of July event.

The Liberty Festival requests that the Longley Bridge be restricted to varying degrees throughout the day on the Fourth of July. We request that one lane be closed by 7:00 a.m. with a second lane closed between 4:00 p.m. and 7:00 p.m. These times may be adjusted by the Auburn Police Department as they see necessary the day of the event.

The Liberty Festival requests that the City of Auburn provide the services of its departments at no charge. The Liberty Festival is responsible for the cost of any additional, private security.

The Liberty Festival requests that all city license fees for vendor licenses to non-profit organizations approved by the Liberty Festival for all days in question be waived. A list of vendors will be forwarded to the City Clerk as soon as possible prior to the event.

Festival Director/President of the Independence Day Committee Richard Martin, and Logistics Coordinator Peter Bushway, respectfully submit this request.

Re: 24/2/2.32/C1 Permit Application

The Liberty Festival requests a waiver of the specified submission requirement for the mass gathering permit, as the event is in it's 11th year, and is sponsored in part by the City of Auburn.

Re: 24/2/2.32/C/2 Fee

The Liberty Festival requests a waiver of all fees as specified in the article.

Re: 24/2/2.32/D/1 Operator/Landowner

Liberty Festival
P.O. Box 97
Lewiston, Maine 04243-0097

Richard Martin, President of the Independence's Day Committee
754-9828.

Mass Gathering Permit Request

Submitted To The

City of Auburn

The Liberty Festival is Maine's Premier Fourth of July event. On the 4th of July, the Festival provides music on two concert stages (Main Street in Auburn and Veteran's Park in Lewiston), ground activities, food vendors, and a fireworks display. Past Festivals have entertained a conservative estimate of more than 40,000 to 50,000 local citizens and residents of surrounding communities.

Re: 24/2/2.32/G Insurance

The Liberty Festival shall provide to the City of Auburn at their request a copy of our certificate of insurance listing the City as an additional insured as soon as it is issued.

Re: 24/2/2.32/D/3 Date and Time

The opening ceremonies will begin at 4:00 p.m. on July 4th 2007.
There will be a fireworks display at approximately 9:15 p.m.
The event will end at 11:00 p.m.

Re: 24/2/2.32/D/4 Curfew

The event will end at 11:00 p.m., within the City of Auburn's Curfew guidelines.

Re: 24/2/2.32/D/5 Site Plan

- The site in question is the land in and around Great Falls Plaza, and West Pitch Park, and Main Street from Mechanics Row to Court Street.
- There will be one concert stage in Auburn on Main Street (**refer to Site Map, Area 5**).
- Other areas include, Court Street, Main Street, the Great Falls parking lot. Approximately 10-20 profit and/or non-profit vendors provide food to Festival goers, and will establish their own water and waste water disposal system (**refer to Site Map, Area 4**); and the site for Pyrotechnics, traditionally located at West Pitch Park (**refer to Site Map, Area 1**).
- There are many egress and access points to the site.
- There are parking spaces available for staff, vendors and necessary personnel. There will also be limited parking reserved for handicapped drivers on a first come basis. (**refer to Site Map, Area 3**)
- There will be 9 portable toilets arranged throughout the site, which includes 1 ADA, handicap unit and one hand-washing unit for the vendors (**refer to Site Map, Area 3**).
- The Auburn Fire Department will provide first aid.
- Cellular phones are on site during the event.
- There will be an ample supply of water on site for heat related conditions.
- The seating will be open-air self-use during the event.

Mass Gathering Permit Request

Submitted To The

City of Auburn

- Sleeping areas, if used, will be motor homes or tents for staff for security purposes.
- Electrical Connections will be set up and maintained by Dave Iannotti, Advanced Wiring Co. in accordance with the City Electrical Inspector's standards.
- Lighting will be by overhead city-parking area lights; 110 volt lighting at booths, and special stage lighting at each stage as the usage permits.
- There will be a forklift being used in the set up and tear down process; it may also be used during the event, only if absolutely necessary.
- There are no known environmental concerns.
- There are five hydrants available for Auburn Fire Department as they are aware of their location. Meetings held with Fire Prevention will determine exact location and procedures to maintain use of hydrants.
- There are no fire permit areas needed. Auburn Fire will be consulted before any fire use is contemplated.

Re: 24/2/2.32/D/6 Attendance

The expected attendance from 4:00 p.m. to 8:00 p.m. is expected to be between 5,000 to 10,000 people. The expected attendance for the fireworks display will be 40,000 people.

Re: 24/2/2.32/D/7 Overnight Assembly

There may be persons staying overnight on site to maintain security of property and materials between July 3rd and July 4th.

Re: 24/2/2.32/D/8 Traffic Control

The Auburn Police Department will be responsible for traffic control throughout the Festival site. Private security and volunteers may also be used to control traffic inside the site perimeter and the fireworks launch site. All security will be under the direction of the Auburn and Lewiston Police Departments.

Re: 24/2/2.32/D/9 Parking

There will be ample parking for spectators throughout the downtown area on a first come basis. We are requesting use of the newly created parking lot located on the site known as Platz Field for paid fund raising parking. We will also request this from Platz Associates if it is available prior to construction.

Re: 24/2/2.32/D/10 Security

Site security will be handled and administered by the Auburn Police, Lewiston Police, contracted private security, and volunteers. Meetings with Auburn and Lewiston Police Departments will be held to establish what strategy and levels are needed.

Re: 24/2/2.32/D/11 Fire Prevention

Auburn Fire Department will be on site for emergency purposes. Auburn Fire Department will also assist the overseeing the pyrotechnic display area, subject to final launch site approval.

Re: 24/2/2.32/D/12 Medical Services

Auburn Fire and Rescue will handle medical services.

Mass Gathering Permit Request

Submitted To The

City of Auburn

Re: 24/2/2.32/D/13 Food

Food will be provided by both non-profit and for-profit organizations. The procedure is that approval of a vendor by the Liberty Festival is required before the vendor can approach the City of Auburn for an event license. The Liberty Festival will work with the Auburn Health Department and City Clerk to ensure proper food procedures and requirements.

Re: 24/2/2.32/D/14 Sanitation

This issue is addressed in Re: 4/2/2.32/D/3

Re: 24/2/2.32/D/15 Water Supply

This issue addressed in Re: 24/2/2.32/D/3

Re: 24/2/2.32/D/16 Solid Waste/Refuse Disposal

Clean up shall be handled by volunteers from the Liberty Festival and shall be disposed of properly.

Re: 24/2/2.32/D/17 Illumination

This issue addressed in Re: 24/2/2.32/D/3

Re: 24/2/2.32/D/18 Protection of Environmental Procedures

This issue addressed in Re: 24/2/2.32/D/3

Re: 24/2/2.32/D/19 Alcoholic Beverages

Alcohol is prohibited from this event, and anyone found drinking will be reported immediately to authorities. The exception being Gritty McDuff's setting up a controlled area on Main Street for the purpose of serving alcohol. The owner will be solely responsible for the site as has been past practice.

Re: 24/2/2.32/D/20 Noise Level

We will abide by all requirements of the City of Auburn with regards to noise levels, and will work with any city official to ensure that proper levels are maintained.

Re: 24/2/2.32/D/21 Site Clean Up

This issue addressed in Re: 24/2/2.32/D/16

Updated 5/10/07



1

2

3

4

5

6

LONGLEY MEMORIAL BRIDGE

NOT TO SCALE

Site for Pyrotechnics

Area 1

Paid Parking

Area 2

Disabled Parking - Free

Area 3

Vendors

Area 4

Entertainment Stage – Main Street

Area 5

Festival Plaza

Area 6

FESTIVAL APPROVALS REQUIRED FROM THE CITY OF AUBURN

by
GREAT FALLS BALLOON FESTIVAL, INC.,
AUGUST 17-19, 2007

May 11, 2007

Auburn City Council
City of Auburn
60 Court Street
Auburn, ME 04210

Re: Great Falls Balloon Festival

Dear Councilors,

The Board of Directors for the Great Falls Balloon Festival respectfully submit the schedule of the Great Falls Balloon Festival and requests the following:

Friday, August 17, 12:00 p.m. – Sunday, August 19, midnight

Posted closure of Main Street from Court Street to Mechanics Row to facilitate safe pedestrian movement and access for festival logistical vehicles. Tents, food booths, static displays, activities, and a stage may be set up on Main Street and on Festival Plaza. Emergency vehicle access will be maintained on Main Street and at the Androscoggin River boat launch below Festival Plaza at all times.

Permission to use public parking areas and green spaces in Bonney Park for festival activity and to control use, access and security in these areas.

Permission to use public areas, green spaces and parking lots in the downtown Main Street area including Festival Plaza, Miller parking lot, Mechanic's Row Parking lot (between Main and Mechanic's Row) and the Riverwalk.

Friday, August 17, 5:00 p.m. – Sunday, August 19, 7:00 p.m.

Permission for the police to ticket and tow away vehicles not in conformance with posted parking bans.

Permission for the Great Falls Balloon Festival, Inc. to control all mobile and itinerant food and product vendors in the Great Falls Plaza area and in all public areas and sidewalks on Court Street between the Longley Memorial Bridge to Pleasant Street, on Turner Street between Court Street and the Union Street Bypass, and on Main Street from Court Street to Newbury Street and on Hampshire, Academy, Elm, Vine, Drummond, Mechanics Row, and all parking lots or city owned property referenced above.

Posted closure of one lane of the Longley Memorial Bridge (downstream side) to facilitate pedestrian movement between Festival activity areas in Auburn and Lewiston and for use by Festival logistical vehicles such as golf carts.

Friday, August 17, 8:00-9:30 p.m.

Fireworks will be launched on Friday night. We have requested and received permission from Florida Power and Light to use West Pitch Park. Security at the site will be needed from 30 minutes prior to firework product deliver to 30 minutes after the fireworks display is completed. Pyrotechnic company will obtain permit. Rain date is Saturday, August 18, 2007.

Saturday, August 18, 10:30 am. – 12:30 pm.

Posted closure of Longley Bridge from Auburn into Lewiston, Court Street from Spring St. to Bridge, and all of Spring Street for 1st Annual Balloon Festival parade. Parade path will start on Spring Street in Auburn, onto Court Street, across Longley Bridge turning onto Lincoln Street, then onto Oxford Street, ending at the intersection of Cedar and Oxford. Parade line-up area will be on Spring Street. Grand Marshall/Judging stage will be needed around 60 Court Street for float/group judging. The Continental Mill will be used for participant (groups on foot) pick up. We respectfully request that any licensing fees be waived.

Liability Insurance

The Great Falls Balloon Festival, Inc. has secured a \$1,000,000 general liability (will be faxed to city clerk prior to the festival).

Security

The Auburn Police Department will be responsible for traffic control, security, and crowd control in Auburn activity areas. A full briefing will be held with Police Department liaison and staffing will be organized to cover manpower needs throughout the weekend and for all scheduled events and activities.

Emergency Medical Services

A city of Auburn water rescue boat will be stationed on site for emergency medical needs.

Trash Removal

Volunteers will be used to collect and bag trash. Volunteers will be used to keep festival areas clean on an ongoing basis and clean up after the festival. Dumpsters will be provided for garbage disposal. The City of Auburn has picked up the tipping fees for the past seven years and we are again requesting this assistance.

Sanitary Facilities

A total of at least 5 portable toilets (4 regular, 1 handicapped) will be located in festival activity areas in Auburn. Additional units will be located in Lewiston. A contract has been executed with a private company to supply and service the units. More units may be added if it is deemed necessary.

Sanitary Compliance for Food Booths

If needed, non-profit organizations will vend food from booths or their own tents and have been briefed on requirements. Great Falls Balloon Festival, Inc. has entered into a contract with a private company to remove cooking grease following the festival.

Safety Compliance

A representative of each non-profit agency dispensing food is required to attend a fire safety demonstration (including the use of extinguishers) on the proper methods for putting out ordinary and grease fires.

An Auburn Fire Department Truck will stand by at the balloon-refueling site (normally Ness Oil located on Washington St.).

Licenses

The Festival will supply license information for food and beverage booths to the City Clerk and Health Inspector. As in previous years we are requesting the waiver of fees by the City Council.

Parking for Festival Attendees

There will be a free shuttle bus operating between the Lewiston and Auburn activity areas. Handicap parking will be at Bank of America on Court Street and in the Pamco lot in Lewiston. Parking in the Great Falls lots will remain free to the public. Parking in the open-air Mechanics Row lot will be used for Festival volunteers, vendors and we will gladly set-aside 10 spaces for the residents of the Roak Block Apartments.

Alternate Launch Sites

The Festival would like to be able to use alternate sites to launch hot air balloons from for the early morning and late afternoon launches. These sites include: Chestnut Street field, Pettingill Park, Lakeview Fields, Cleveland Field, the fields by Auburn Middle School, and the Edward Little High School practice football field. These fields may or may not be used at each launch depending on the prevailing wind patterns. There are two possible launch times each day of the festival.

We greatly appreciate Auburn's cooperation in the past and look forward to its participation this year.

Respectfully,

Michael A. Theriault
Great Falls Balloon Festival
Director of Logistics

City Council

Agenda Information Sheet

Council Meeting Date 6/4/2007 **Agenda Item No.** 1

SUBJECT:

RESOLVE – AMENDMENT TO THE COMPREHENSIVE PLAN IN THE VICINITY OF MARTINDALE ROAD FROM AGRICULTURE AND RESOURCE PROTECTION TO MEDIUM DENSITY RESIDENTIAL

INFORMATION:

This petition was before the Planning Board for consideration and a recommendation at their May 8, 2007 meeting. The Planning Board reviewed the request and voted unanimously (4/0) to forward a positive recommendation to the City Council on this matter with the following condition: That the area located within the 100-year floodplain along the Little Androscoggin River remain under the Agriculture and Resource Protection designation. At the Planning Board meeting there were no citizens present in favor of nor opposed to the proposed amendment, however, the L/A Railroad Company noted that rail activity across the river is anticipated to increase and buyers within any future development should be aware of this likely possibility. The applicant spoke in favor of the petition. A copy of the Planning Board Report and Maps are attached.

The Planning Board reviewed the application, Staff's report and the testimony and voted 4-0-0 in favor of sending a positive recommendation to the City Council to amend the City's Comprehensive Plan – Future Use Map in the area of Tax Map Parcels ID# 178-033 and 168-012 from Agriculture and Resource Protection of Residential Medium Density with the exception of the floodplain area which should remain in the Agriculture and Resource Protection designation. Furthermore, to amend the City of Auburn Zoning Map for the same parcels from Rural Residential (RR) to Suburban Residence (SR) with the exception of the floodplain area which should be changed to the Agriculture and Resource Protection District to protect the shoreline and floodplain from development.

STAFF COMMENTS/RECOMMENDATION:

Staff recommends approval of this resolve.

REQUESTED ACTION:

Motion to remove from table.
Vote on passage of the resolve.

VOTE:

City of Auburn

City Council, Auburn, Maine
Date: May 21, 2007

**TITLE: RESOLVE – AMENDMENT TO THE COMPREHENSIVE PLAN IN
THE VICINITY OF MARTINDALE ROAD FROM AGRICULTURE
AND RESOURCE PROTECTION TO MEDIUM DENSITY
RESIDENTIAL**

Amend the City of Auburn Comprehensive Plan – Future Land Use Map in the area of Tax Map Parcels ID# 178-033 and 168-012 from Agriculture and Resource Protection to Residential Medium Density with the exception of the floodplain area which should remain in the Agriculture and Resource Protection designation.

Be It Resolved by the Auburn City Council that, the City of Auburn Comprehensive Plan – Future Land Use Map in the area of Tax Map Parcels ID# 178-033 and 168-012 be amended from Agriculture and Resource Protection to Residential Medium Density with the exception of the floodplain area which should remain in the Agriculture and Resource Protection designation.

May 21, 2007 – Councilor Gleason moved to table. Seconded by Councilor Berube
Vote: 7 Yeas.

Motion for passage: Eric Samson

Seconded by: Robert Hayes

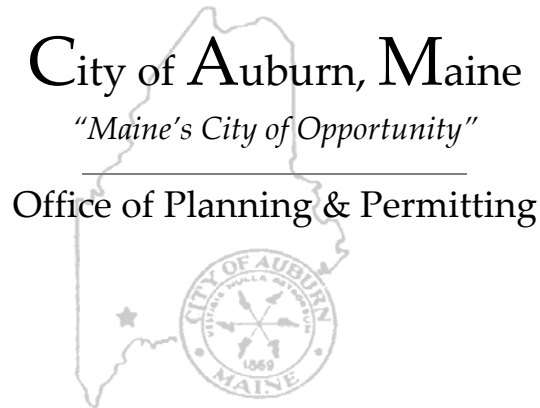
Vote:

Action by the City Council:

Date:

Attest:

City Clerk



To: The Honorable Mayor and City Council of the City of Auburn

From: Eric Cousens, City Planner

Date: May 25, 2007

Re: **Petition to Amend Comprehensive Plan and Zoning Map in the area of Parcels ID# 178-033 and 168-012 .**

At the public hearing on May 21, 2007, the petitioner asked to modify the proposal to amend the Auburn Tomorrow Comprehensive Plan and Future Land Use Map from Agriculture and Resource Protection to Residential Medium Density. The requested modification was to change to Residential Low Density. I have reviewed the City of Auburn Zoning and Future Land Use Maps and found the following:

1. The Suburban Residential Zoning district (SR) is found in areas that are designated as either medium or low density on the Future Land Use Map.
2. The purpose of the SR zoning district states: "This district is intended to provide for, protect and stabilize low density suburban residential areas and their adjunct public and institutional uses. It is designed to assure an open character of development through its lot size requirements and through permitting of certain uses, rural in nature, that are compatible with residential uses."

Based on the above, the modification of the proposal to amend the Future Land Use Map from Residential Medium Density to Residential Low Density as requested by the petitioner is appropriate for an area within the Suburban Residential zone and is consistent with the Comprehensive Plan and Zoning Ordinance of the City of Auburn. I regret not having this determination available at the hearing, however, I always want to ensure that the information I provide to the Mayor and City Council is dependable and accurate.

This minor change will not impact the Planning Board or Staff recommendation to approve this request. As we discussed at the May 21 hearing, it has been the general consensus that this proposal supports an efficient use of available utilities and services.

City of Auburn, Maine

"Maine's City of Opportunity"

Office of Planning & Permitting

Planning Board Report

To: Auburn Planning Board

From: Eric Cousens, City Planner

Date: May 4, 2007

Re: **Petition to Amend Comprehensive Plan and Rezone Parcels ID# 178-033 and 168-012** . Petition from James McPhee to amend the Auburn Tomorrow Comprehensive Plan and Future Land Use Map from Agriculture and Resource Protection to Residential Medium Density and rezone the property(s) identified as Tax Map Parcels ID# 178-033 and 168-012 from Rural Residential (RR) to Suburban Residence (SR). The Property is generally bounded on the southwest by the centerline of Martindale Road; on the south and east by the northerly and westerly property lines of Martindale Country Club; on the north by Little Androscoggin River; and on the northwest by the southerly line of the Lewiston/Auburn Railroad.

I. PROPOSAL

The subject area generally bounded on the southwest by the centerline of Martindale Road; on the south and east by the northerly and westerly property lines of Martindale Country Club; on the north by Little Androscoggin River; and on the northwest by the southerly line of the Lewiston/Auburn Railroad. The subject area is entirely zoned Rural Residential (RR). The neighborhood consists of a dead end street with a fourteen (14) unit Residential Planned Unit Development (R-PUD) called Martindale Estates with Martindale Country Club to the South and Industrial and Suburban Residential zoning across Beech Hill Road to the southwest. The petition before the Board is to increase the density allowed on the property by changing the zoning from the existing RR to SR. During review of the proposal Staff noted that the Comprehensive Plan and Future Land Use Map includes this property in area "27. Martindale Golf Course Agriculture/RP (Beech Hill)" Therefore, if the zoning is to be changed to allow the higher density then the Comprehensive Plan and future Land Use Map must also be amended. The easiest way to accomplish this is to include this area in the adjacent area "26. Beech Hill Road/Hardscrabble Road Medium to Low Density Residential (Beech Hill, Marstons Corner)." Staff made the following findings of fact in reviewing the proposal:

1. Water service is available to serve the existing and any future residential development. This service was not available at the time the zoning and Comprehensive Plan were adopted.

2. Sewerage service is available to serve the existing and any future residential development. This service was not available at the time the zoning and Comprehensive Plan were adopted.
3. Gas connections are available on Beech Hill Road. This service was not available at the time the zoning and Comprehensive Plan were adopted.
4. The property is bordered by the Little Androscoggin River to the North. The Regulatory Floodplain (100 year) extends over a small portion of the property. A flood map is attached to show the approximate floodplain boundary.
5. The parcel is within the 5-mile Fire Department response area.
6. It is desirable and common to live near water bodies/rivers and golf courses.
7. The proposal will not contribute to sprawl and is an orderly and efficient use of available services and infrastructure.

Considering the existing development, location and available utilities and services, it is staff's opinion that amending the Comprehensive Plan and Future Land use Map and changing the zoning in the requested area to allow higher density of residential development is consistent with the two Land Use Goals on Page 42 of the Auburn Tomorrow Comprehensive Plan 1995-2005. Since 1995, utility extensions have made this property better fit within the description of area 26 than it's current designation of area 27 (See Page 48 of Comprehensive Plan).

III. RECOMMENDATION:

Due to the findings outlined above Staff recommends that the Planning Board forward a favorable recommendation to the City Council to:

Amend the City's Comprehensive Plan – Future Land Use Map in the area of Tax Map Parcels ID# 178-033 and 168-012 from Agriculture and Resource Protection to Residential Medium Density with the exception of the floodplain area which should remain in the Agriculture and Resource Protection designation. Furthermore, to amend the City of Auburn Zoning Map for the same parcels from Rural Residential (RR) to Suburban Residence (SR) with the exception of the floodplain area which should be changed to the Agriculture and Resource Protection district to protect the shoreline and floodplain from development.



Eric J. Cousens
City Planner

City of Auburn Maine

Geographic Information System

GIS Map Print
My Map

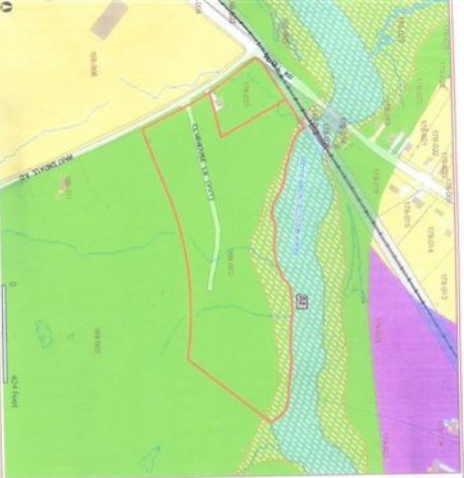
Locus Map



Disclaimer

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City Council

Agenda Information Sheet

Council Meeting Date 6/4/2007

Agenda Item No. 2

SUBJECT:

**ORDINANCE – AMENDMENT TO THE ZONING MAP IN THE VICINITY OF
MARTINDALE ROAD FROM RURAL RESIDENTIAL TO
SUBURBAN RESIDENCE**

INFORMATION:

This petition was before the Planning Board for consideration and a recommendation on May 8, 2007. The Planning Board has reviewed the request and voted unanimously (4/0) to forward a positive recommendation to the City Council on this matter with the following condition: That the area located within the 100-year floodplain along the Little Androscoggin River be changed from Rural Residential Zoning to Agriculture and Resource Protection.

At the Planning Board meeting there were no citizens present in favor of nor opposed to the proposed rezoning, however, the L/A Railroad Company noted that Rail activity across the river is anticipated to increase and buyers within any future development should be aware of this likely possibility. The applicant spoke in favor of the petition. A copy of the Planning Board Report is attached to the Comprehensive Plan amendment request for more information.

The Planning Board reviewed the application, Staff's report and the testimony and voted 4-0-0 in favor of sending a recommendation to the City Council to approve the proposed rezoning request with the following motion: To amend the City's Comprehensive Plan – Future Land Use Map in the area of Tax Map Parcels ID# 178-033 and 168-012 from Agriculture and Resource Protection to Residential Medium Density with the exception of the floodplain area which should remain in the Agriculture and Resource Protection designation. Furthermore, to amend the City of Auburn Zoning Map for the same parcels from Rural Residential (RR) to Suburban Residence (SR) with the exception of the floodplain area which should be changed to the Agriculture and Resource Protection district to protect the shoreline and floodplain from development.

STAFF COMMENTS/RECOMMENDATION:

Staff recommends approval of this ordinance.

REQUESTED ACTION:

Motion to remove from the table.

Vote for acceptance of first reading.

VOTE:

City of Auburn

City Council, Auburn, Maine
Date: May 21, 2007

**TITLE: ORDINANCE – CHAPTER 29, SECTION 1.3 – AMENDMENT TO
THE ZONING MAP IN THE VICINITY OF MARTINDALE ROAD
FROM RURAL RESIDENTIAL TO SUBURBAN RESIDENCE**

Rezoning of Lot ID# 178-033 and 168-012, generally bounded on the southwest by the centerline of Martindale Road; on the south and east by the northerly and westerly property lines of Martindale Country Club; on the north by Little Androscoggin River; and on the northwest by the southerly line of the Lewiston/Auburn Railroad be rezoned from the Rural Residential (RR) zoning district to Suburban Residence (SR) zoning district with the exception of the floodplain area which shall be changed to the Agriculture and Resource Protection district.

Be It Ordained by the Auburn City Council that, the area identified as Tax Map Parcels ID# 178-033 and 168-012, generally bounded on the southwest by the centerline of Martindale Road; on the south and east by the northerly and westerly property lines of Martindale Country Club; on the north by Little Androscoggin River; and on the northwest by the southerly line of the Lewiston/Auburn Railroad be rezoned from the Rural Residential (RR) zoning district to Suburban Residence (SR) zoning district with the exception of the floodplain area which shall be changed to the Agriculture and Resource Protection district to protect the shoreline and floodplain from development, as shown on the attached map.

May 21, 2007 – Councilor Bickford moved to table. Seconded by Councilor Samson.
Vote: 4 Yeas with Councilors Hayes, Peters and Mennealy voting Nay.

Motion for acceptance of first reading: Robert Hayes Seconded by: Eric Samson
Vote:

Motion for acceptance of second reading and final passage:
Seconded by:
Vote:

Action by the City Council:

Date:

Attest:

City Clerk

City of Auburn Maine

Geographic Information System

GIS Map Print
My Map

Locust Map



Disclaimer

The City of Auburn strives to accurately represent GIS data. The accuracy, completeness and timeliness of any GIS data is not guaranteed. The City of Auburn shall have no liability for any data or data provided or any decisions made or actions taken or not taken as a result of any use of the data.

0 423 Feet



City of Auburn

CITY COUNCIL, AUBURN

Date: June 4, 2007

TITLE: 2007 - 2008 ANNUAL APPROPRIATION RESOLVE

Be It Resolved by the Auburn City Council, That the following be, and hereby is the Annual Appropriation Resolve of the City of Auburn for the fiscal year 2007-2008, which includes the amounts appropriated herein and revenues from all sources beginning July 1, 2007 and ending June 30, 2008, in the aggregate amount of \$64,911,520, with a municipal budget of \$31,184,735 and a School Dept. budget of \$33,726,785, based upon the budget submitted to the Auburn City Council on April 30, 2007, by the City Manager, and notification was published in the Lewiston Sun Journal, a daily newspaper in the County of Androscoggin on May 14, 2007, that a public hearing would be held on May 21, 2007, at 7:00 P.M. and said hearing having been held on that date, and as amended by the City Council, the same is hereby appropriated for the fiscal year 2007-2008 beginning July 1, 2007 for the lawful expenditures of the City of Auburn and for the County of Androscoggin taxes, and said amounts are declared not to be in excess of the estimated revenue from taxation and sources other than taxation for the fiscal year of 2007-2008.

REQUIRED BUDGET ARTICLES FOR CITY OF AUBURN FOR 2007-08

EPS FUNDING ALLOCATION

ARTICLE 1 – That the City of Auburn appropriate \$29,898,734 for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and that the City of Auburn raise \$12,337,380 as the City' s contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

Explanation: The municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the municipality must raise in order to receive the full amount of state dollars.

NON-STATE FUNDED SCHOOL CONSTRUCTION AND RENOVATION DEBT

ARTICLE 2 – That the City of Auburn raise and appropriate \$1,333,679 for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, non-state funded portions of school construction projects, and minor capital projects, in addition to the funds appropriated as the local share of the City' s contribution to the total cost of funding public education from kindergarten to grade 12.

Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the City's long-term debt for major capital school construction and minor capital renovation projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the City Council or, as applicable, the voters of the City.

ADDITIONAL LOCAL FUNDS

ARTICLE 3 – That the City of Auburn raise and appropriate \$1,554,210 additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690.

Explanation: The additional local funds are those locally raised funds over and above the City's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on debt service that will help achieve the City's budget for educational programs.

TOTAL SCHOOL BUDGET

ARTICLE 4 – That the City of Auburn authorize the School Committee to expend \$33,726,785 for the fiscal year beginning July 1, 2007 and ending June 30, 2008 from the City's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, Section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.

ADULT EDUCATION BUDGET

ARTICLE 5 – That the City of Auburn appropriate \$362,606 for the Adult Education program and that the City of Auburn raise \$176,319 as the local share for adult education.

CROSSING GUARD BUDGET

ARTICLE 6 – That the City of Auburn raise and appropriate \$73,635 for the services of crossing guards.

Motion for acceptance of first reading:

Seconded by:

Vote:

Motion for acceptance of second reading and final passage:

Seconded by:

Action by City Council:

Date:

ATTEST:

City Clerk

CITY OF AUBURN
FY 2008 BUDGET
COMPARISON FY 2007 AND FY 2008 BUDGETS

CLASSIFICATION	COUNCIL ADOPTED BUDGET FY 06-07	DEPARTMENT PROPOSED BUDGET FY 07-08	MANAGER PROPOSED BUDGET FY 07-08	COUNCIL ADOPTED BUDGET FY 07-08	Increase (Decrease) from Prior Year Budget	Percentage of Increase (Decrease)
<u>ADMINISTRATION</u>						
ASSESSING	\$246,071	\$278,625	\$268,625	\$267,575	\$21,504	8.7%
CITY CLERK	\$118,544	\$134,449	\$133,399	\$133,399	\$14,855	12.5%
CITY MANAGER	\$205,656	\$214,776	\$214,776	\$214,776	\$9,120	4.4%
CUSTOMER SERVICE	\$16,000	\$16,000	\$16,000	\$16,000	\$0	0.0%
FINANCE	\$353,591	\$365,196	\$364,296	\$364,296	\$10,705	3.0%
HUMAN RESOURCES	\$100,279	\$112,978	\$110,878	\$110,878	\$10,599	10.6%
INFORMATION SYSTEMS	\$216,245	\$252,632	\$217,562	\$196,562	(\$19,683)	-9.1%
LEGAL SERVICES	\$55,000	\$55,000	\$55,000	\$55,000	\$0	0.0%
MAYOR AND COUNCIL	\$98,610	\$102,275	\$102,275	\$102,275	\$3,665	3.7%
TOTAL ADMINISTRATION	\$1,409,996	\$1,531,931	\$1,482,811	\$1,460,761	\$50,765	3.6%
<u>COMMUNITY SERVICES</u>						
COMMUNITY PROGRAMS	\$13,050	\$13,550	\$13,550	\$13,550	\$500	3.8%
HEALTH & SOCIAL SERVICES	\$97,150	\$97,798	\$96,548	\$96,548	(\$602)	-0.6%
PARKS AND RECREATION	\$531,559	\$573,261	\$555,761	\$552,261	\$20,702	3.9%
PLANNING & PERMITTING	\$665,823	\$799,591	\$787,091	\$768,591	\$102,768	15.4%
PUBLIC LIBRARY	\$885,623	\$916,000	\$916,000	\$919,407	\$33,784	3.8%
TOTAL COMMUNITY SERVICES	\$2,193,205	\$2,400,200	\$2,368,950	\$2,350,357	\$157,152	7.2%
<u>FISCAL SERVICES</u>						
DEBT SERVICE	\$7,394,394	\$7,176,622	\$7,176,622	\$7,176,622	(\$217,772)	-2.9%
EMERGENCY RESERVE	\$620,000	\$620,000	\$600,000	\$326,900	(\$293,100)	-47.3%
PROPERTY	\$548,578	\$571,709	\$557,614	\$543,614	(\$4,964)	-0.9%
WAGES AND BENEFITS	\$4,043,043	\$4,130,343	\$4,130,343	\$4,130,343	\$87,300	2.2%
WORKERS' COMPENSATION	\$200,000	\$200,000	\$200,000	\$200,000	\$0	0.0%
TOTAL FISCAL SERVICES	\$12,806,015	\$12,698,674	\$12,664,579	\$12,377,479	(\$428,536)	-3.3%
<u>PUBLIC SAFETY</u>						
FIRE	\$3,266,603	\$3,695,179	\$3,651,379	\$3,643,879	\$377,276	11.5%
POLICE	\$2,616,186	\$2,750,488	\$2,727,013	\$2,702,013	\$85,827	3.3%
TOTAL PUBLIC SAFETY	\$5,882,789	\$6,445,667	\$6,378,392	\$6,345,892	\$463,103	7.9%

CITY OF AUBURN
FY 2008 BUDGET

COMPARISON FY 2007 AND FY 2008 BUDGETS

CLASSIFICATION	COUNCIL ADOPTED BUDGET FY 06-07	DEPARTMENT PROPOSED BUDGET FY 07-08	MANAGER PROPOSED BUDGET FY 07-08	COUNCIL ADOPTED BUDGET FY 07-08	Increase (Decrease) from Prior Year Budget	Percentage of Increase (Decrease)
<u>PUBLIC WORKS</u>						
PUBLIC WORKS	\$4,490,429	\$4,748,849	\$4,669,059	\$4,667,059	\$176,630	3.9%
WATER AND SEWER	\$467,500	\$472,500	\$472,500	\$472,500	\$5,000	1.1%
TOTAL PUBLIC WORKS	\$4,957,929	\$5,221,349	\$5,141,559	\$5,139,559	\$181,630	3.7%
TOTAL MUNICIPAL	\$27,249,934	\$28,297,821	\$28,036,291	\$27,674,048	\$424,114	1.56%
<u>INTERGOVERNMENTAL PROGRAMS</u>						
COUNTY TAXES	\$1,699,945	\$1,877,972	\$1,877,972	\$1,877,972	\$178,027	10.5%
TAX SHARING	\$345,000	\$350,000	\$350,000	\$350,000	\$5,000	1.4%
AUBURN - LEWISTON AIRPORT	\$136,269	\$185,500	\$185,500	\$98,000	(\$38,269)	-28.1%
EMERGENCY MANAGEMENT	\$6,468	\$6,678	\$6,678	\$6,678	\$210	3.2%
LA ARTS	\$21,000	\$22,680	\$22,680	\$22,680	\$1,680	8.0%
LEW - AUB ECONOMIC GROWTH COI	\$106,429	\$106,429	\$106,429	\$106,429	\$0	0.0%
LEW - AUB TRANSIT COMMITTEE	\$117,994	\$117,994	\$117,994	\$117,994	\$0	0.0%
LEW - AUB 911	\$867,500	\$949,649	\$949,649	\$930,934	\$63,434	7.3%
TOTAL INTERGOVERN. PROGRAMS	\$3,300,605	\$3,616,902	\$3,616,902	\$3,510,687	\$210,082	6.36%
Education Operation	\$29,853,562	\$31,586,631	\$31,014,365	\$31,014,365	\$1,160,803	3.9%
Education Debt Service	\$2,795,795	\$2,712,420	\$2,712,420	\$2,712,420	(\$83,375)	-3.0%
TOTAL SCHOOL	\$32,649,357	\$34,299,051	\$33,726,785	\$33,726,785	\$1,077,428	3.30%
TOTAL BUDGET	\$63,199,896	\$66,213,774	\$65,379,978	\$64,911,520	\$1,711,624	2.71%

City Council

Agenda Information Sheet

Council Meeting Date 6/4/07

Agenda Item No. 4

SUBJECT:

**RESOLVE – AMENDMENT TO HOMEBUYER AND HOMEOWNER
REHABILITATION LOAN PROGRAM GUIDELINES**

INFORMATION: Amendment incorporate changes consolidate Auburn and Lewiston program guidelines, to decrease the maximum loan assistance under both Homebuyer and Homeowner Rehabilitation, to make funding available in all parts of both cities, to establish a price cap, and revisions to the underwriting process for calculating loan assistance.

STAFF COMMENTS/RECOMMENDATION:

Staff recommends passage of the resolve.

REQUESTED ACTION:

Motion for passage of the resolve.

VOTE:

CITY OF AUBURN

CITY COUNCIL, AUBURN, MAINE

DATE June 4, 2007

**TITLE: RESOLVE – AMEND GUIDELINES TO THE HOMEBUYER AND
HOMEOWNER REHABILITATION LOAN PROGRAMS**

Be It Resolved by the Auburn City Council, That the Guidelines of the Homebuyer Loan Program and Homeowner Rehabilitation Loan Program be amended as recommended by Community Development staff.

Motion for passage:
Vote:

Seconded by:

Action by Council:

Date:

ATTEST:

CITY CLERK

MEMORANDUM

CDBG



TO: Laurie Smith, Acting City Manager

FROM: Reine Mynahan, Community Development Administrator

RE: Amendment to Program Guidelines

DATE: May 30, 2007

I am recommending modifications to our Homebuyer Loan Program (formerly Lease/Buy) and Homeowner Rehabilitation Loan Program. These guidelines were reviewed by the City Council at their May 21st workshop and will be adopted at the June 4th meeting.

HOME Consortium

The HOME Consortium is an arrangement that allows the Cities of Auburn and Lewiston to receive a HOME Investment Partnerships Program grant from the Department of Housing and Urban Development. In the past, each city created separate guidelines for spending these funds. Over the last few months Community Development staff from each city has been working to consolidate guidelines that function in both housing markets. The proposed guidelines incorporate language to address issues raised by both cities.

Homebuyer Loan Program

The Homebuyer Loan Program, formerly the Lease/Buy Program, provides loan assistance for persons with household income that is less than 80% of area median income to purchase a home. These changes are in part to stretch resources to assist more households, and to increase program income in an attempt to recapitalize the programs. Listed below are changes and, where possible, a comparison between old and proposed guidelines:

1. The program will now be available in target areas as well as community-wide.
2. The maximum loan amount in Lease/Buy target areas was \$40,000; the new maximum under the proposed guidelines is \$30,000.
3. A \$20,000 loan will now be available in non-target areas.
4. Under the Lease/Buy Program, the homebuyer subsidy was calculated based on income. The proposed maximum loan will now be calculated based on a debt service ratio of between 28-32% of household income for principal, interest, taxes and insurance.
5. The price of homes is capped. The index is 95% of median sales price for single-family buildings and 100% of median sales price for 2-, 3-, and 4-unit buildings. With this index that is adjusted annually by Maine State Housing Authority, the

- guidelines will automatically keep up with changes in the housing market which will eliminate the need for annual updates.
6. The loan under the old program was deferred for 10 years then amortized for 20 years. Under the proposed guidelines, the loan will be deferred for only 1 year then amortized up to 40 years.
 7. The lease-option is available only in Auburn.
 8. The maximum allowable household assets to determine eligibility has dropped from \$20,000 to \$15,000. The definition of which assets are counted has also changed.
 9. Approval of Lease/Buy loans is now done by a three-person in-house committee. Loan approval under the proposed guidelines will be performed by the Community Development Loan Committee. Lewiston loans will be approved by their loan committee.
 10. Under the new guidelines, loan recipients will be required to participate in annual post-homebuyer counseling for a minimum of three years.
 11. The Lease/Buy guidelines had no policy for considering requests for loan subordination. The proposed guidelines describe under what conditions a subordination could be granted.

Since the City Council workshop, I have added a new requirement that makes it mandatory that the applicant have \$500 for the loan closing either in a savings account or through participation in an Individual Development Account. This requirement is to promote the concept of savings.

Homeowner Rehabilitation Loan Program

Most of the changes to these guidelines were to include language to reflect the Auburn-Lewiston connection. The most substantial change in the loan limit is \$40,000 in the existing guidelines and proposed to drop to \$25,000.

AUBURN-LEWISTON CONSORTIUM

HOMEBUYER LOAN PROGRAM GUIDELINES

A. INTRODUCTION

The Cities of Auburn and Lewiston have formed a consortium to qualify for HOME Investment Partnerships Program funds whereby the grant is shared by both cities. The Homebuyer Loan Program guidelines describe assistance that is available to enable low- and moderate-income households to become home owners in either city.

B. PROGRAM OBJECTIVE

The objectives of the Homebuyer Loan Program are to make home ownership affordable for low- and moderate-income households, to provide funds that will open access to other homebuyer programs, and to increase owner occupancy in targeted areas. The Homebuyer Loan Program is designed to provide an opportunity for low- and moderate-income families to purchase market rate homes. The Homebuyer Loan Program is subject to all of the HOME Investment Partnerships Program regulations.

Lease to Purchase (Auburn only): In partnerships with Auburn Housing Development Corporation, the City of Auburn will facilitate the purchase of a home on behalf of a home buyer. The property will be chosen by the participant and leased for a specified period of time. During the lease period the participant will receive budget and credit counseling and comply with an action plan. The participant will purchase the property at the end of the lease period.

C. OUTREACH

Community Development Department staff (CDD) is responsible for providing outreach to encourage a full range of potential clients. This shall be accomplished through marketing to homebuyer education classes, newspaper articles, and advertising the availability of the Homebuyer Loan Program. Advertisements shall include a non-discrimination statement. Outreach shall be done in accordance with the Consortium's Affirmative Marketing Plan.

D. PARTICIPANT ELIGIBILITY

1. The applicant(s) household income must be below 80% of median income.–An eligibility determination based on income shall be valid for a six-month period.

2. The applicant(s) shall have a minimum household income of
 - a. \$25,000, or
 - b. \$20,000 if the prime mortgage is financed by USDA Rural Development as a subsidized interest rate loan.
3. The applicant(s) is able to obtain standard financing at a fixed rate.
4. The applicant(s) may not own residential property, or be a party in a installment land contract at the time of application.
5. The applicant(s) liquid assets shall not exceed \$15,000. Liquid assets are savings accounts, savings accounts, stocks, bonds, money market accounts, certificate of deposits, and cash gifts. It shall not include retirement accounts or life insurance cash values.
6. The applicant(s) shall demonstrate an ability to save and shall have a minimum of \$500 prior to the loan closing date. This may be accomplished by participating in an Individual Development Account for a minimum of four months, or the participant may provide four months of savings account statements with a minimum of \$500 in savings.

E. PROPERTY ELIGIBILITY

1. The property must be located in Auburn or Lewiston.
2. The property may be a single-family dwelling, a rental property with two- to four-dwellings, a condominium unit, a cooperative unit, or a mixed-use property.
3. The property must be one of the following approved forms of ownership: fee simple title, 99-year lease, condominium, or cooperative housing.
4. The maximum property value will not exceed 95% of the median purchase price for that type of housing for the area as published by HUD, Section 203(b). If a property involves rehabilitation, the after-rehabilitation value shall be established prior to approval and shall not exceed 95% of the median purchase price.
5. The property must meet housing quality standards, Title X Lead Standards, and be free of code violations. The financing package shall include adequate funds to complete all necessary improvements to meet these standards.
6. The maximum property cost of an eligible building shall be 95% of the median purchase price for single family homes and 100% of the median purchase price for 2-, 3-, and 4-unit buildings in Auburn and Lewiston. Median purchase price is determined by Maine State Housing Authority, and is adjusted annually. The following are the maximum allowable property costs that will be in effect until the rates are updated.

**95% OF MEDIAN SALES PRICE
SINGLE FAMILY HOMES**

<u># of Units</u>	<u>Maximum Property Purchase Cost</u>
Single Unit	\$140,837

**100% OF MEDIAN SALES PRICE
MULTI-UNIT BUILDINGS**

<u># of Units</u>	<u>Maximum Property Purchase Cost</u>
2-Units	\$152,451
3-Units	\$173,552
4-Units	\$201,019

6. The property shall be inspected by CDD prior to the applicant(s) signing a purchase and sale agreement to assure that the property is appropriate for the applicant(s) and has potential to meet all property standards.

F. LOAN TERMS

A HOME loan will be available to make housing affordable based on household income. The HOME loan is an interest-free loan that requires no monthly payment for the first year and is converted to an amortized loan beginning the 13th month after the closing. The amortized loan will be an interest-free loan with a term not to exceed 40 years. The amount of homebuyer subsidy will be determined by the location of the property as follows:

1. Homebuyer Loans – Target Areas

- a. The property must be located within the boundaries of the Home Target Areas as identified by the Cities of Auburn or Lewiston.
- b. The HOME loan amount shall be no less than \$1,000 and shall not exceed \$30,000.

2. Homebuyer Loans—All Other Areas

- a. The property must be located within the boundaries of the Cities of Auburn or Lewiston.

b. The HOME loan amount shall be no less than \$1,000 and shall not exceed \$20,000.

3. Determination of HOME Assistance -- The maximum HOME loan shall be based on the purchase price plus closing costs minus the maximum amount allowed by the prime lender provided that the total debt service for mortgage, taxes, estimated rehabilitation, insurance, and mortgage insurance falls between 28-32% of the applicant(s) income.

4. Recapture

a. Based on the combined HOME loans to applicant(s), the property to be purchased shall be occupied by the applicant(s) as a principal residence for the minimum periods as follows:

- 1) 5 years if total of HOME funds is less than \$15,000;
- 2) 10 years if total of HOME funds is between \$15,000 and 40,000; or
- 3) 15 years if HOME funds is over \$40,000.

b. The recapture period shall commence when the building acquisition and HOME rehabilitation are complete and a project completion certification has been issued by CDD. If the property is sold, transferred, or the purchaser ceases to occupy the property prior to the end of the recapture period, the principal balance of the HOME loan shall be immediately repaid.

G. UNDERWRITING

1. The following conditions shall apply to all loans:

a. monthly debt for principal, interest, taxes and insurance shall not exceed 32% of the applicant(s) income;

b. all debt shall not exceed 42% of applicant(s) income;

2. **Auburn Only—Lease Option:**

a. applicant(s) has submitted acceptable references from one of two previous landlords;

b. applicant(s) has submitted acceptable reference from employer;

c. non-housing debt will not exceed 17% of current income at the time of application and all debt shall not exceed 49% of applicant(s) income..

- d. there is potential for the applicant(s) to correct credit deficiencies and meet debt to income maximums within an 18-month period;
- e. applicant(s) income is sufficient to cover the permanent financing requirements;
- f. further criteria will be evaluated prior to making a determination of final eligibility:
 - 1) stability of job or source of income;
 - 2) current monthly debt;
 - 3) length of self-employment;
 - 4) resources for financial emergencies;
 - 5) commitment of partner;
 - 6) insufficient income to cover long-term debt service; and
 - 7) prior efforts to cure credit history.

H. APPROVAL

1. Approval of Auburn Loans: HOME Loans will be reviewed by the Community Development Loan Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

2. Approval of Lewiston Loans: HOME Loans will be reviewed by the Loan Qualification Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

3. Appeal Procedure: The reason(s) for rejection shall be given to the applicant. HOME Loans that have been denied may be appealed to the Committee for a period of thirty days after the date of rejection. The applicant(s) will be allowed to present his/her case to the Committee. The Committee may reconsider their prior vote to denying the application after the appeal review has been complete. A decision will be made by the Committee once the appeal has been heard.

I. PROGRAM ADMINISTRATION

1. Non-Discrimination

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded

from participation in, be denied the benefits of, or subjected to discrimination under this program.

2. Application Priority

Applications shall be processed on a first-come, first-served basis. CDD shall use the receipt date of a complete application to establish the order of priority. The applicant will be notified if there is funding available to proceed with the project and if there is inadequate funding, then the application may be placed on a HOME waiting list.

3. Definitions

a. Household Income

- 1) When determining whether a household is income eligible, CDD will calculate annual income using the Census long-form method.
- 2) For the purpose of determining eligibility, CDD will calculate annual household income by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all household members.
- 3) Income may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, net rental income, child support/alimony, Social Security benefits, SSI, retirement, pension or annuity, TANF, unemployment benefits, worker's compensation, and disability or benefits from any source.

b. Household includes all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

c. 80% of Area Median Income is the maximum income a household can earn, adjusted by household size, in order to qualify as low- to moderate income and be eligible for the Homebuyer Loan Program. Guidelines for Lewiston-Auburn SMSA are provided by the Department of Housing and Urban Development, and are revised annually.

d. Community Development Department staff (CDD) is the contact person designated as the City's representative to process loan applications in Auburn or Lewiston.

e. Lease to Purchase is an option for applicants whose credit or debt is not of sufficient quality to allow for financing through standard mortgage markets whereby the City purchases a home on behalf of the applicant and leases the

property, then sells it to the applicant within a fixed period of time. This option is allowed only in Auburn.

- 1) **Lease Agreement** is the document that establishes the responsibilities of the lessee and Auburn Housing Development Corporation during the lease period. This shall include but not be limited to provisions regarding the lease amount, security deposit, responsibility for payment of utility and property taxes, maintenance, insurance, property damage, and responsibility of being a landlord,
- 2) **Lease Commitment** is critical dates to be followed, meeting budgeting and savings goals, option to purchase, and to participate in required training programs.

g **Purchase and Sales Agreement** is the document executed by the applicant to purchase the chosen property.

h. **HOME Target Area** is the designated neighborhoods with boundaries defined by the City Council (Appendix A).

2. Application Procedures

This section shall set forth the procedures for administering the Homebuyer Loan Program.

a. Applications

1) **Priority** -- Applications will be processed on a first come, first served basis. CDD shall establish a priority processing list based on the receipt date of a complete application.

2) **Initial Application** – An application may be obtained from the Community Development Department. A complete application shall include verification of income. An incomplete application will be returned to the applicant.

b) **Income Verification** –The applicant(s) shall provide documentation of all income sources and a federal tax return. CDD shall make a determination of preliminary eligibility based on household size and income.

1) A certified financial statement or additional documentation from an accountant or other acceptable source may be required of an individual whose income is from corporation, partnership, or other business enterprise.

2) If an approved applicant(s) has not signed a purchase & sale agreement within six months from the initial income verification, the applicant(s) must submit new income documentation to re-establish eligibility.

c. Letter of Eligibility – A letter shall be issued by CDD describing the eligibility status, deadlines, and other conditions or requirements. The letter shall identify a minimum term of 30 days prior to closing and a maximum of 180 days.

d. Training

1) Landlord Training – If the property is a multi-unit building, the Applicant(s) shall attend a landlord education program.

2) Home Buyer Training -- The applicant(s) shall provide a certification of attendance at a HoMEworks approved homebuyer education program.

3) Post-Home Purchase Counseling – The applicant(s) will agree to meet annually for the first 3 years, or more frequently if necessary, to review the financial status of the applicant(s).

e. Identifying the Property -- The applicant(s) will select a property for sale which is consistent with an affordability determination

f. Purchase and Sales Agreement - The applicant will execute Purchase and Sales Agreement that includes a clause stipulating the sale is contingent upon financial approval from the City and primary lender.

g. Multi-Unit Property – If the property has rental units, the owner or realtor will be asked to secure tenant data and copies of the existing leases.

h. Initial Inspection – CDD shall make an initial inspection of all housing units within a building to determine if there are code violations or conditions that must be corrected. CDD will identify the required improvements in writing.

i. Meeting Appropriate Codes – Properties to be purchased through the Homebuyer Loan Program must meet housing quality standards, lead standards, and local code requirements before occupancy. A structure which requires more than \$5,000 of improvements per unit may require an assessment of lead conditions by a licensed risk assessor.

j. Projects Requiring Improvements – If the required improvements are to be funded by any of the City’s rehabilitation programs, the applicant shall follow the procedures of those programs.

k. Defining Costs and Funding Resources – After construction costs are defined, city staff will determine the final total development costs including rehabilitation loans. CDD will proceed with the funding package only after it has been determined that the purchase will result in a monthly payment that does not exceed the amount identified as affordable to the applicant(s).

l. Financing Package – The applicant(s) will seek approval of the prime lender and HOME loan. CDD will submit to the request to the loan committee for approval.

m. Interim Financing (Lease Only) – The City/AHDC shall complete an application for interim financing to purchase the property.

n. Notices

1) Acceptance—Applicant(s) will be notified of acceptance through a written Commitment Letter.

2) Rejection – If the request is rejected, CDD will notify the applicant(s) in writing and give the reason(s) for rejection.

o. Tenant Notification -- Letters shall be sent to the tenants if there will be permanent displacement.

p. Insurance – The participant is required to maintain fire, liability and other hazard insurance on the property for the full term of the note and for an amount at least equal to the total value of all mortgages held on the property, or an amount at least sufficient to cover coinsurance requirements in the State of Maine. The City will be named as a mortgagee on the policy and the participant shall provide evidence of insurance.

q. Assumability

1) Lease Projects Only—The applicant(s) and AHDC shall be co-applicants for the Rehabilitation Loan. The applicant(s) will assume the loan at the closing for permanent financing.

2) All Other Projects—The HOME Loan is not assumable.

r. Subordination – Subordination of the HOME loan is generally not allowed. Exceptions will be made for documented emergencies on a case by case basis by CDD. CDD may request documentation in order to evaluate the request. Refinancing may be allowed for the following reasons:

- 1) limited to the existing first mortgage balance plus reasonable closing costs if refinancing places owner in a better economic situation and does not diminish the City's financial position in the property;
- 2) exorbitant medical expenses;
- 3) loss of husband/wife;
- 4) documented system failure (two estimates from reputable contractors);
or
- 5) legal expenses incurred that would affect the health or stability of the household.

s. Management during Lease Period --Auburn

1) Monthly Payments – The lessee will make monthly payments to the City of Auburn. The CDD will establish an escrow account for taxes and insurance, savings for down payment, and maintenance, and will make the payment to the first mortgage holder. If payment is not received, the City may decide to make the first mortgage payment for the lessee and determine what new restrictions or default proceedings the City shall follow as a result thereof.

2) Financial Management – An Action Plan, an agreement between the CDD and the applicant, shall establish the conditions the lessee must meet to regularly pay debt, reduce debt, increase savings or any other conditions that must be met during the lease period. The lessee and CDD shall meet on a regular basis as determined by the Action Plan to evaluate progress.

3) Lease Period Default -- A default shall be a failure to comply with the provisions of the Lease Agreement or Action Plan whereby the Lease Agreement may be terminated. The lessee shall be required to vacate the property in accordance with Maine eviction laws.

t. Monitoring – A recipient of HOME funds is required to own and occupy the property purchased with HOME funds as a principal residence for a specified period of time. CDD will monitor ownership during the recapture period. A default shall occur if the owner ceases to occupy or transfers the interest in the subject property, or fails to respond to requests for occupancy documentation and the HOME loan shall come immediately due.

J. FEDERAL AND STATE REGULATIONS, AS MAY BE AMENDED

1. Equal Employment Opportunity – The applicant must abide by the Provisions of Executive Order 11246 concerning equal employment opportunity.

2. Flood Hazard Insurance – If the property to be improved is located in a Designated flood hazard area, the applicant is required to provide evidence of flood hazard insurance coverage and abide by the regulations of the Flood Disaster Protection Act of 1973.

3. Civil Rights – The applicant will be required to comply with Title VIII of the Civil Rights Act of 1968 and the Fair Housing Amendments Act of 1988, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale lease rental, use or occupancy of the subject property.

4. Conflict of Interest – No elected or appointed official or employee of the City of Auburn or Lewiston and no members of any municipal board or committee which exercises any decision making functions with respect to the CDD, shall participate in negotiating or shall exercise any influences in awarding or administering any contract in which he has a direct or indirect pecuniary interest as that term is defined by 30 M.R.S.A. Section 2250

5. Lead Based Paint – If the project involves a property that was constructed prior to 1978, all Title X Lead Based Paint standards shall apply.

6. Environmental Review Procedures -- The city shall conduct an environmental review including, but not limited to determination of whether the property is historically significant and whether the property is located in a flood zone, and shall communicate any findings and special considerations to the applicant.

7. Uniform Relocation Act – The Homebuyer Loan Program shall comply with the Uniform Relocation Act with respect to tenants who may be permanently or temporarily displaced.

AUBURN-LEWISTON CONSORTIUM

HOMEOWNER REHABILITATION LOAN PROGRAM GUIDELINES

A. INTRODUCTION

The Cities of Auburn and Lewiston have formed a consortium to qualify for HOME Investment Partnerships Program funds whereby the grant is shared by both cities. The Home Owner Rehab Program guideline describes assistance that is available to enable low- and moderate-income households to improve the unit they occupy and is available in either city.

B. PROGRAM OBJECTIVE

The objective of the Homeowner Rehabilitation Loan Program is to improve the housing quality of low- and moderate-income property owners by eliminating substandard housing conditions by upgrading the property to meet code requirements for existing buildings, making the building energy efficient, and making general improvements to improve home livability. The Homeowner Rehabilitation Loan Program is subject to all HOME Investment Partnerships Program regulations.

C. OUTREACH

Community Development Department staff is responsible for providing outreach to encourage a full range of potential clients. This shall be accomplished through marketing to homebuyer education classes, newspaper articles, and advertising the availability of the Home Ownership Rehabilitation Program. Advertisements shall include a non-discrimination statement. Outreach shall be done in accordance with the Consortium's Affirmative Marketing Plan.

D. PARTICIPANT ELIGIBILITY

1. The applicant's household income is less than 80% of median income. An eligibility determination based on income shall be valid for a six-month period.
2. The unit to be improved must be owned by the applicant at the time of closing.
3. The unit will be occupied as the principal residence of the applicant. If the owner ceases to occupy the unit as principal residence during the affordability period, the loan will be considered in default and full repayment will be required.

E. PROPERTY ELIGIBILITY

1. The property must be located in Auburn or Lewiston.
2. The applicant must own or have a written agreement to purchase the property to be improved.

3. The property must be one of the following approved forms of ownership: fee simple title, 99-year lease, condominium, or cooperative housing.
4. The property must be a single family 1-4 dwelling units, manufactured or mobile home, condominium or cooperative unit. Mixed-use properties, properties containing commercial uses, are not eligible.
5. Only the owner's unit is eligible for HOME financing. For multi-dwelling properties with rental units, the units occupied by tenants must be improved to meet Housing Quality Standards and may be accomplished through other Community Development Programs.

F. IMPROVEMENT STANDARDS

1. After completion, the unit must comply with the program's rehabilitation standards and local and state codes. Community Development Department staff (CDD) will determine the requirements for building improvements.
2. Eligible improvements are of an essential and permanent nature and may include but not limited to:
 - a. structural repairs;
 - b. energy improvements;
 - c. lead-based paint hazard reduction;
 - d. accessibility for disabled persons;
 - e. repair or replacement of major housing systems;
 - f. incipient repairs and general property improvements of a non-luxury nature;
 - g. retaining walls and utility connection;
 - h. finishing of unfinished areas to add space to a dwelling unit to make it properly sized for the occupants according to applicable HUD standards;
 - i. improvements which would generally increase the economic viability of the property;
 - j. engineering and architect costs;
 - k. landscaping limited to correction of a drainage problem;
 - l. non-living space limited to demolition of deteriorated structure, structural repairs, and weather protection; and
 - m. fencing when required to correct a hazardous condition.
4. Improvements that are ineligible are:
 - a. new construction;
 - b. paving;
 - c. appliances or furnishings;
 - d. rehabilitation costs attributed to other housing units in the property.

5. The CDD will determine the order of priority for property improvements according to the following guidelines:
 - a. Correction of code violations and conditions affecting health and safety;
 - b. Correction of incipient deficiencies;
 - c. Energy conservation measures; and
 - d. Reasonable, non-luxury home improvements as determined by the CDD.

G. LOAN TERMS

1. The minimum loan is \$1,000.
2. The maximum loan amount is \$25,000.
3. The interest rate is 0% (non-interest bearing).
4. The loan term shall be established by CDD and Loan Committee based on financial capacity of the applicant. The maximum term is 30 years. When the project includes home purchase in the financing package, the term may be 40 years if the extended term is required to meet the loan underwriting standards.
5. There is no match requirement.
6. **Recapture**
 - a. Based on the combined HOME loans to applicant(s), the property to be purchased shall be occupied by the applicant(s) as a principal residence for the minimum periods as follows:
 - 1) 5 years if total of HOME loan(s) are less than \$15,000
 - 2) 10 years if total of HOME loan(s) are between \$15,000 and \$40,000;
 - 3) 15 years if HOME loans(s) are over \$40,000.
 - b. The recapture period shall commence when the HOME rehabilitation is complete and a project completion certification has been issued by CDD. If the property is sold, transferred, or the owner ceases to occupy the property prior to the end of the recapture period, the principal balance of the HOME loan shall be immediately repaid.

H. UNDERWRITING

1. The maximum HOME loan shall be based on the actual cost for the owner's unit and a proportional cost for common improvements based on the ratio of the owner's units to the total units in the building.
2. The after rehab value of the HOME assisted property will not exceed the limits established under:
 - a. Section 221(d)(3)(ii) of the National Housing Act, and
 - b. 95% of the FHA median price purchase price limit.

Documentation shall include either an appraisal or a comparable tax assessment value as determined by the Tax Assessor.

4. All debt for shall not exceed 42% or gross income.

I. APPROVAL

1. Approval of Auburn Loans

HOME Loans will be reviewed by the Community Development Loan Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

2. Approval of Lewiston Loans

HOME Loans will be reviewed by the Loan Qualification Committee (Committee) who will be responsible for making decisions to approve or deny loan requests and to establish loan conditions.

3. Appeal Procedure

The reason(s) for rejection shall be given to the applicant. HOME Loans that have been denied may be appealed to the Committee for a period of thirty days after the date of rejection. The applicant(s) will be allowed to present his/her case to the Committee. The Committee may reconsider a prior vote to deny the application after the appeal review has been complete. A decision will be made by the Committee immediately after the appeal has been heard.

3. Loan Considerations

In approving or denying loan requests, the Committee shall be guided by the following loan considerations: cash flow; credit; payment of property taxes or acceptable arrangements; collateral coverage, and broader implications of public benefits including health and safety of the applicant.

J. PROGRAM ADMINISTRATION

1. Non-Discrimination

Administration of this program shall be in accordance with Title VI of the Civil Rights Act of 1964. No person shall, on the ground of race, color, national origin, be excluded from participation in, be denied the benefits of, or subjected to discrimination under this program.

2. Application Priority

Applications shall be processed on a first-come, first-served basis. CDD shall use the receipt date of a complete application to establish the order of priority. The applicant will be notified if there is funding available to proceed with the project and if there is inadequate funding, then the application may be placed on a Homeowner Rehabilitation Waiting List.

3. Definitions

a. Household Income

- 1) When determining whether a household is income eligible, CDD will calculate annual income using the Census long-form method.
- 2) For the purpose of determining eligibility, CDD will calculate annual household income by projecting the prevailing rate of income of each person at the time assistance is requested. Estimated annual income shall include income from all household members.
- 3) Income may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, net rental income, child support/alimony, Social Security benefits, SSI, retirement, pension or annuity, TANF, unemployment benefits, worker's compensation, and disability or benefits from any source.

b. Household includes all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

c. 80% of Area Median Income is the maximum income a household can earn, adjusted by household size, in order to qualify as low- to moderate income and be eligible for the Homeowner Rehabilitation Loan Program. Income limits for Lewiston-Auburn SMSA are provided by the Department of Housing and Urban Development, and are revised annually.

d. Community Development Department staff (CDD) is the contact person designated as the City's representative to process loan applications in Auburn or Lewiston.

e. Rehabilitation Costs -- The total of contractor estimates from the lowest eligible

contractors, self-help expenses, and the contingency determined to be reasonable by CDD.

f. City -- Either the City of Auburn or City of Lewiston, as applicable.

4. Application Procedures

This section shall set forth the procedures for administering the Homeowner Rehabilitation Loan Program.

a. Applications

1) Priority -- Applications will be processed on a first come, first served basis. CDD shall establish a priority processing list based on the receipt date of a complete application.

2) Initial Application – An application may be obtained from the Community Development Department. A complete application shall include verification of income. An incomplete application will be returned to the applicant.

3) Income Verification –The applicant(s) shall provide documentation of all income sources and a federal tax return. CDD shall make a determination of preliminary eligibility based on household size and income.

a) A certified financial statement or additional documentation from an accountant or other acceptable source may be required of an individual whose income is from corporation, partnership, or other business enterprise.

b) If a loan has not closed within six months from the initial income verification, the applicant(s) must submit new income documentation to re-establish eligibility.

4) Letter of Eligibility – A letter shall be issued by CDD describing the eligibility status, deadlines, and other conditions or requirements.

b. Multi-Unit Property – If the property has rental units, the owner will provide rental costs, and information about tenants.

c. Initial Inspection – CDD shall make an initial inspection of all housing units within a building to determine if there are code violations or conditions that must be corrected. Community Development staff will identify the required improvements in writing. Once the owner has reviewed the inspection report, CDD will prepare technical specifications for contractor bidding.

d. Meeting Appropriate Codes – HOME assisted properties must meet housing quality standards, lead standards, and local code requirements within six month of the loan closing. A structure which is unsanitary or deficient because of inadequate means of egress facilities, inadequate light and ventilation, or which constitutes a fire hazard, or is otherwise dangerous to human life or the public welfare, or which involves illegal or improper occupancy or inadequate maintenance does not satisfy housing quality standards and code requirements.

e. Lead – A structure which requires more than \$5,000 of improvements per unit may require an assessment of lead conditions by a licensed risk assessor. The CDD must consider whether the rehabilitation calls for lead hazard control measures.

1) Risk Assessment – A risk assessment will identify whether lead hazards exist and what type of methods must be used to control them. It will be necessary to perform clearance testing of the construction area to confirm the absence of lead hazards after the work is completed. All testing costs will be paid by the CDD.

2) Priorities--The order of priority for repairs will be determined by the risk assessment report according to the following criteria:

a) Surfaces that are found to contain lead-based paint levels greater than 9.9 mg/cm² and are in poor or fair condition.

b) When a component that contains lead-based paint is being repaired because it is in fair condition, the entire surface area may be included in the scope of work.

3) Displacement -- The Contractor, owner and CDD will work closely to minimize the need to displace occupants of a dwelling unit. If a tenant must move in order to insure that they are not adversely affected by the corrective work, the owner and CDD will arrange for the relocation. CDD shall pay for temporary moves according to its Residential Anti-Displacement and Relocation Assistance Plan.

f. Construction Proposals -- The applicant shall obtain proposals for the rehabilitation work. Two proposals are required for all major work except when the improvement cost is less than \$1,000, or the applicant has attempted to and has been unable to secure a second bid. The applicant is not bound to contract with the lowest qualified bidder, but in the event of choosing the higher bid the applicant must provide private funding for the difference in cost. The loan amount will be calculated based on the lowest estimate. Contractors may either be selected from a list of eligible contractors as maintained by the CDD or be able to meet eligibility standards. No contractor may be selected who has been designated ineligible by the CDD. Each contractor will give a proposal on the CDD specification/bid form. The contractor must, if requested, provide a cost breakdown on each portion of the work he is bidding. The contractor must sign the proposal sheet. The CDD may require that information pertinent to materials be submitted for approval.

g. Contractor Eligibility Standards

1) Insurance -- The contractor and subcontractors shall carry Worker's Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor and subcontractors shall carry Manufacturer's and Contractor's Public Liability Insurance with a limit of \$300,000 for personal injury or death and \$100,000 for property damage. The CDD may require bonding for contracts in excess of \$100,000. The CDD will require evidence of insurance prior to signing a construction contract.

2) License and Qualifications --The contractor shall have in effect a license if required by the State of Maine. The contractor must have completed a Department of Environmental Protection approved lead-smart renovator's course, if pertinent to the work being performed.

3) Credit -- The CDD may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent home improvement customers.

4) Skill and Equipment – The construction contractor can satisfactorily demonstrate that he/she and/or their subcontractor(s) have the necessary skills and equipment to perform the work in an efficient and expedient manner.

h. Ineligible Contractors - Where a contractor fails to comply with the eligibility standards set forth above, or commits one or more of the following violations, the CDD shall remove the contractor from the list of eligible contractors and shall designate the contractor to be ineligible. The applicant will not award any rehabilitation work, other services, materials, equipment, or supplies to be paid for, in whole or in part, with the proceeds of the loan to any contractor or subcontractor whom the CDD has designated as ineligible. The CDD shall designate a contractor to be ineligible if it finds that the contractor has:

1) Committed one or more material violations of its obligations under a rehabilitation contract and has failed to cure all such violations promptly after 10 days written notice by the applicant or the CDD.

2) Engaged in a pattern of delayed performance or failed to complete the work under a rehabilitation contract, and has received written notice of such delay.

3) Failed to communicate in a courteous, prompt and professional manner, and such failure continued after written notice by the applicant or the CDD.

4) Committed fraud and other illegal acts against the applicant or the City, including but not limited to kickbacks and collusion.

5) Failed to pay subcontractors or suppliers on a timely basis, allowed a lien to be

placed on the applicant's property, or otherwise failed to maintain good credit, and such failure continued after written notice by the applicant or the CDD.

6) Threatened, intimidated, or harassed the applicant or CDD.

Once the CDD has designated a contractor to be ineligible, the Contractor shall remain ineligible for a minimum of two years, and shall remain ineligible thereafter until the CDD determines, in its sole discretion, that the contractor has taken all necessary steps to ensure that no further violations will occur, provided that in the case of violations of Sections 9 (d) or 9(f) above the Contractor shall remain permanently ineligible.

i. Labor Performed by the Owner -- A property owner may complete some or all of the tasks required to rehabilitate his/her property if he/she has the degree of skill required to perform the work involved. Self-help is usually appropriate for the accomplishment of tasks of an unskilled nature such as general cleanup, demolition, cartage and disposal of debris, and for work that involves minimal use of costly material and equipment.

1) Materials and Workmanship --The CDD will require information regarding the cost of materials for any self-help work prior to approval of the loan. The CDD may require evidence of workmanship on previous projects before accepting the owner's intention to do his/her own work. The amount of the loan may include funds to pay for the materials and rental of equipment to be installed by self-help.

2) Self-Help Contract – The Owner will be required to sign a self-help contract that describes the tasks to be accomplished and a deadline for completion. The project deadline shall be within 6 months of the loan closing date.

3) Qualification -- The owner must have completed a Department of Environmental Protection approved lead-smart renovator's course, if pertinent to the work being performed.

j. Private Lender's Loan – When additional funds are required to complete the project, the applicant will have the option of using cash or borrowed funds. Additional funds will be deposited into a segregated City account and will be subject to disbursement of funds procedures defined in this guideline. Any funds provided by the Owner or private lenders are subject to the same contractor and self-help requirements as the City's loan.

k. Community Development Loan Committee - The application is presented to the Committee who is responsible for awarding loans.

l. Notices --

1) Acceptance—Applicant(s) will be notified of acceptance through a written Commitment Letter.

2) Rejection – If the request is rejected, Community Development staff will notify the applicant(s) in writing and give the reason(s) for rejection.

m. Tenant Notification -- Letters shall be sent to the tenants if there will be permanent displacement.

n Loan Closing-- A loan closing shall be completed prior to contractors starting work and shall include, but not be limited to a mortgage instrument to be recorded at the Androscoggin Registry of Deeds, and a promissory note in the full amount of the City's loan. The participant will sign a Rehabilitation Agreement stipulating additional conditions of the loan and Self-Help Contract for any work being done by the participant.

o Amended Loans - If unforeseen project costs exceed the approved rehabilitation loan, the CDD may increase the loan by \$1,000 without approval of the Committee provided the amended loan will not exceed the maximum loan amount.

p. Insurance – The participant is required to maintain fire, liability and other hazard insurance on the property for the full term of the note and for an amount at least equal to the total value of all mortgages held on the property, or an amount at least sufficient to cover coinsurance requirements in the State of Maine. The City will be named as a mortgagee on the policy and the participant shall provide evidence of insurance.

q. Construction Contract – The owner and contractor will sign a contract signed at the time of loan closing which is acceptable to the CDD. Assurance will be required of the contractor and owner that the rehabilitation work will be carried out efficiently and within a reasonable period of time. The contractor shall secure all necessary permits prior to the start of work at his/her own expense. The contractor shall contact the CDD for approval of each phase of the work. No change to the rehabilitation contract work shall be allowed unless approved by the CDD, owner, and contractor. Any changes involving cost will be supported through the execution of a change order between the contractor and owner.

r. Inspection - The CDD shall have the right to inspect all rehabilitation work financed in whole or in part with the proceeds of the loan. The CDD will inform the owner and/or contractor of any noncompliance with respect to the rehabilitation work and the corrective action needed. The CDD will verify that all work has been completed according to the specifications. No payment shall be made until the work is acceptable. The owner will take all steps necessary to assure that the CDD is permitted to examine and inspect the rehabilitation work.

s. Escrowing of funds - The CDD will act as escrow agent for the City loan, as well as permit the CDD to disburse such funds to the owner and/or the contractor in the manner set forth in the contract between applicant and contractor. The CDD may require lien waivers as a condition of payment.

t. Disbursement of Funds - After receiving appropriate invoices, receipt of lien waivers for invoices over \$5,000, and inspecting the rehabilitation work, progress payments shall be authorized by the CDD. Unutilized funds may be applied to reduce the principal or may be used to complete additional work as approved by the CDD.

u. Records - The applicant agrees to keep such records as may be required by the CDD with respect to the rehabilitation work financed in whole or in by the loan and, furthermore, when the rehabilitated property contains rental units, the applicant agrees to keep such records as may be needed by the CDD with respect to income received and expenses incurred from this property. The applicant will, at any time during normal business hours, and as often as the CDD may deem necessary, permit the CDD to have full and free access to its records with respect to the property.

v. Assumability -- Loans are generally not assumable with the exception of Home Owner projects where the applicant was a lessee.

w. Subordination – Subordination of the HOME loan is generally not allowed. Exceptions will be made for documented emergencies on a case by case basis by Community Development staff. CDD may request documentation in order to evaluate the request. Refinancing may be allowed for the following reasons:

- 1) limited to the existing first mortgage balance plus reasonable closing costs if refinancing places owner in a better economic situation and does not diminish the City's financial position in the property;
- 2) exorbitant medical expenses;
- 3) loss of husband/wife;
- 4) documented system failure (two estimates from reputable contractors); or
- 5) legal expenses incurred that would affect the health or stability of the household.

x. Cancellation – A loan approval shall be valid for 6 months. If there has been no loan closing or commencement of work, it will be necessary for such a loan to be reconsidered by the Community Development Loan Committee.

y. Monitoring – A recipient of HOME funds is required to own and occupy the property as a principal residence for a specified period of time. Community Development staff will monitor ownership during the recapture period. A default shall occur if the owner ceases to occupy or transfers the interest in the subject property, or fails to respond to requests for occupancy documentation and the HOME loan shall come immediately due.

K. FEDERAL AND STATE REGULATIONS, AS MAY BE AMENDED

- a. Equal Employment Opportunity** – The applicant must abide by the provisions of Executive Order 11246 concerning equal employment opportunity.
- b. Flood Hazard Insurance** – If the property to be improved is located in a Designated flood hazard area, the applicant is required to provide evidence of flood hazard insurance coverage and abide by the regulations of the Flood Disaster Protection Act of 1973.
- c. Civil Rights** – The applicant will be required to comply with Title VIII of the Civil Rights Act of 1968 and the Fair Housing Amendments Act of 1988, barring discrimination upon the basis of race, color, religion, creed, sex, handicap, familial status, or national origin in the sale lease rental, use or occupancy of the subject property.
- d. Conflict of Interest** – No elected or appointed official or employee of the City of Auburn and no members of any municipal board or committee which exercises any decision making functions with respect to the Community Development Programs, shall participate in negotiating or shall exercise any influences in awarding or administering any contract in which he has a direct or indirect pecuniary interest as that terms is defined by 30 M.R.S.A. Section 2250
- e. Lead Based Paint** – If the project involves a property that was constructed prior to 1978, all Title X Lead Based Paint standards shall apply.
- f. Environmental Review Procedures** -- The city shall conduct an environmental review including, but not limited to determination of whether the property is historically significant and whether the property is located in a flood zone, and shall communicate any findings and special considerations to the applicant.
- g. Uniform Relocation Act** – The city shall comply with the Uniform Relocation Act with respect to tenants who may be permanently or temporarily displaced.

City Council

Agenda Information Sheet

Council Meeting Date 6/4/07 **Agenda Item No.** 5

SUBJECT:

**PUBLIC HEARING – LIQUOR LICENSE AND SPECIAL AMUSEMENT
PERMITS APPLICATIONS FOR HART OF TEXAS, INC. D/B/A CLUB
TEXAS, 150 CENTER STREET, AUBURN**

INFORMATION:

The above named establishment has filed application for a Liquor License and Special Amusement Permit. All appropriate departments, Treasurer, Fire, Police and Planning & Permitting have given their approvals to these applications.

The new owner, James Hart, Jr. will be present at the public hearing, should the Council have any questions.

STAFF COMMENTS/RECOMMENDATION:

Staff recommends approval of these applications.

REQUESTED ACTION:

Motion for issuance of these permit applications.

VOTE: