

City of Auburn, Maine

"Maine's City of Opportunity"

Office of the City Clerk



Council Meeting Agenda Packet

February 17, 2009

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City Council Meeting and Workshop February 17, 2009

"While your responsibility may
be individual, your authority is
collective" ¹

Agenda

5:00 p.m. Dinner

5:30 p.m. Workshop

- A. Discussion: Amendment to Zoning Ordinance - Planned Unit Development Phasing
- B. Discussion: Execute Fund Request for Vincent Square Apartments
- C. Discussion: Auburn Hall
- D. Open

If necessary Workshop will continue following adjournment

7:00 p.m. City Council Meeting

* **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

*021709-00 Minutes of February 2, 2009

Reports

Mayor

City Councilors

- **Michael Farrell:** Water Dist., L/A Jt. City Council Planning, Audit and Procurement
- **Bob Hayes:** Railroad, Library, Audit and Procurement
- **Dan Herrick:** MMWAC, Auburn Housing
- **David Young:** A-L Airport, L/A Joint City Council Planning, Cable TV Adv Board
- **Ray Berube:** LAEGC, Planning Board, L/A Joint City/School, ABDC, AVCOG
- **Bob Mennealy:** Sewer District, University of Maine L-A,
- **Ron Potvin:** School Committee, 9-1-1, LATC, L/A Joint City/School

City Manager

Finance Report – Month of January

Communications, Presentations and Recognitions

*021709-00 Communication from Scott McGary Re: Resignation from Community Development Loan Committee

*021709-00 Communication from Police Chief Crowell Re: Constables

¹ Denis Culley, Attorney/Planning Board Member, Town of Mercer

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

Unfinished Business

021709-01 Resolve – (Tabled 2/2/09) Amend Policy Regarding the Acquisition and Disposition of Tax Acquired Property

New Business

021709-02 Resolve – Authorize Community Development Administrator to Execute Commitment Letter Dated February 4, 2009 to Vincent Square, LP, and to Execute Other Documents

021709-03 Appointments: Community Development Loan Committee (2); Community Forest Board; and Transit Committee

021709-04 Executive Session – Labor Negotiations (Title 1, Section 405 MRSA)

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

Future Agenda/Workshop Items

ADJOURNMENT

Executive Session: 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
FEBRUARY 2, 2009
CITY COUNCIL MEETING**

PRESENT

Mayor John T. Jenkins, Councilors Robert P. Hayes, Daniel R. Herrick, David C. Young, Raymond C. Berube, Ronald W. Potvin and Robert C. Mennealy, City Manager Glenn Aho, Assistant City Manager Laurie Smith and City Clerk Mary Lou Magno. Councilor Michael J. Farrell was absent. There were 35 people in the audience.

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

CONSENT AGENDA

Councilor Berube moved to accept, approve and place on file the items marked with an asterisk. Seconded by Councilor Mennealy. Vote: 6 Yeas, No Nays.

***MINUTES OF JANUARY 26, 2009**

Approved under consent agenda.

REPORTS OF THE MAYOR

Mayor Jenkins made note of upcoming events in the City. He also read a communication from Roland Rancourt Jr. with regard to the Joint Services Committee.

REPORTS OF CITY COUNCILORS

Councilors reported on their respective Council Committee Assignments.

REPORTS OF THE CITY MANAGER

MINOT AVENUE ROTARY

Eric LaBelle, Director of Community Services, updated the Council on the Minot Avenue Rotary Project. A public meeting will take place on Thursday, February 5 at 6 p.m. here at Auburn Hall.

COMMUNICATIONS, PRESENTATIONS, AND RECOGNITIONS

***COMMUNICATION FROM HEAD START AND CHILD CARE RE: WAIVE DAY CARE
LICENSE FEES**

Approved under consent agenda.

OPEN SESSION

Laurier P. Morrissette, PO Box 3036, Auburn

CLOSED OPEN SESSION

UNFINISHED BUSINESS

1. ORDINANCE – AMENDMENT TO THE ZONING MAP IN THE VICINITY OF LANE ROAD AND SOUTH MAIN STREET (SECOND READING)

Councilor Berube moved for acceptance of second reading and final passage. Seconded by Councilor Herrick. Eric Cousens, City Planner explained the ordinance and answered Councilors questions. Vote: 6 Yeas, No Nays

NEW BUSINESS

2. RESOLVE – AUTHORIZE TREASURER TO WRITE OFF A 2006 REAL ESTATE TAX

Councilor Berube moved for passage of the resolve. Seconded by Councilor Herrick. City Manager Glenn Aho explained the above resolve and answered Councilors questions. Vote: 6 Yeas, No Nays.

3. RESOLVE – AMEND POLICY REGARDING THE ACQUISITION AND DISPOSITION OF TAX ACQUIRED PROPERTY

Councilor Potvin moved to table. Seconded by Councilor Hayes. Vote: 4 Yeas with Councilors Herrick and Berube voting Nay.

4. SET DATES FOR COUNCIL MEETING AND WORKSHOPS IN FEBRUARY

Councilor Mennealy moved that due to the February 16th holiday, the second meeting in February be held on February 17th and workshops be held on February 9th and 23rd. Seconded by Councilor Potvin. Vote: 6 Yeas, No Nays.

OPEN SESSION – No one spoke – CLOSED OPEN SESSION

FUTURE AGENDA/WORKSHOP ITEMS

Councilors should submit suggestions of items for Joint City Council Meeting. Based on local lay-offs, do we have a connection to businesses as it relates to General Assistance/Social Services.

ADJOURNMENT – 8:25 P.M.

Councilor Mennelay moved to adjourn. Seconded by Councilor Young. Vote: 6 Yeas, No Nays.

A TRUE RECORD

ATTEST: _____
CITY CLERK

City of Auburn, Maine

FINANCIAL MANAGEMENT REPORT JANUARY 2009



PREPARED BY THE FINANCE DEPARTMENT
BETTY GRIEBEL, INTERIM FINANCE DIRECTOR

CITY OF AUBURN, MAINE
BALANCE SHEET - GENERAL FUND
JANUARY 31, 2009

<u>ASSETS</u>	Jan. 31 2009	Dec. 31 2008	Increase (Decrease)
CASH	24,113,325	16,013,068	8,100,257
RECEIVABLES			-
ACCOUNTS RECEIVABLES	564,244	506,397	57,847
TAXES RECEIVABLE-CURRENT	16,795,198	17,092,192	(296,995)
DELINQUENT TAXES	475,066	477,904	(2,838)
TAX LIENS	721,558	765,016	(43,458)
NET DUE TO/FROM OTHER FUNDS	(12,597,433)	(2,345,162)	(10,252,271)
TOTAL ASSETS	30,071,957	32,509,414	(2,437,457)
			-
			-
			-
<u>LIABILITIES & FUND BALANCES</u>			
ACCOUNTS PAYABLE	60,310	198,947	(138,637)
WAGES & TAXES PAYABLE	(38,505)	(15,254)	(23,251)
ACCRUED PAYROLL	3	3	-
STATE FEES PAYABLE	52,000	40,974	11,026
PREPAID TAXES			-
IN LIEU OF BONDS	62,697	63,765	(1,069)
DEFERRED REVENUE	17,569,036	17,912,326	(343,290)
TOTAL LIABILITIES	17,705,540	18,200,761	(495,221)
FUND BALANCE - NOT DESIGNATED	10,210,530	10,210,530	-
FUND BALANCE - DESIGNATED FOR WORKERS COMP & UNEMPLOYMENT			-
FUND BALANCE - DESIGNATED	1,134,224	1,134,224	-
NET CHANGE IN FUND BALANCE	1,021,663	2,963,899	(1,942,237)
TOTAL FUND BALANCES	12,366,417	14,308,653	(1,942,237)
TOTAL LIABILITIES AND FUND BALANCES	30,071,957	32,509,414	(2,437,457)

CITY OF AUBURN, MAINE
REVENUES - GENERAL FUND COMPARATIVE
AS OF JAN. 31, 2009 vs. JAN. 31, 2008

REVENUE SOURCE	FY 2009 BUDGET	ACTUAL REVENUES THROUGH JAN. 31	% OF TOTAL BUDGET	FY 2008 BUDGET	ACTUAL REVENUES THROUGH JAN. 31	% OF TOTAL BUDGET
TAXES						
PROPERTY TAX REVENUE- PRIOR YEAR REVENUE	\$ 38,606,328	\$ 22,030,158	57.06%	\$ 40,042,391	\$ 22,644,677	56.55%
HOMESTEAD EXEMPTION REIMBURSEMENT ALLOWANCE FOR ABATEMENT	\$ 648,980	\$ 649,520	100.08%	\$ -	\$ 931,990	
ALLOWANCE FOR UNCOLLECTIBLE TAXES	\$ -	\$ -		\$ -	\$ -	
EXCISE	\$ 3,200,000	\$ 1,797,152	56.16%	\$ 3,200,000	\$ 1,875,590	58.61%
PENALTIES & INTEREST	\$ 125,000	\$ 124,243	99.39%	\$ 90,000	\$ 97,109	107.90%
TOTAL TAXES	\$ 42,580,308	\$ 25,242,122	59.28%	\$ 43,983,308	\$ 26,200,587	59.57%
LICENSES AND PERMITS						
BUSINESS	\$ 49,900	\$ 25,340	50.78%	\$ 49,600	\$ 28,750	57.96%
NON-BUSINESS	\$ 309,200	\$ 188,461	60.95%	\$ 325,700	\$ 171,873	52.77%
TOTAL LICENSES	\$ 359,100	\$ 213,801	59.54%	\$ 375,300	\$ 200,623	53.46%
INTERGOVERNMENTAL ASSISTANCE						
STATE-LOCAL ROAD ASSISTANCE	\$ 450,000	\$ 235,342	52.30%	\$ 460,000	\$ 247,257	53.75%
STATE REVENUE SHARING	\$ 3,775,000	\$ 2,287,396	60.59%	\$ 3,775,000	\$ 2,387,308	63.24%
WELFARE REIMBURSEMENT	\$ 22,500	\$ 28,156	125.14%	\$ 22,500	\$ 10,206	45.36%
OTHER STATE AID	\$ 30,000	\$ 15,866	52.89%	\$ 25,000	\$ 14,205	56.82%
FEMA REIMBURSEMENT	\$ -	\$ -		\$ -	\$ 32,824	
CITY OF LEWISTON	\$ 154,000	\$ -	0.00%	\$ 150,000	\$ 13,063	8.71%
EDUCATION SUBSIDY	\$ 16,418,792	\$ 9,631,937	58.66%	\$ 16,118,582	\$ 9,440,412	58.57%
TOTAL INTERGOVERNMENTAL ASSISTANCE	\$ 20,850,292	\$ 12,198,696	58.51%	\$ 20,551,082	\$ 12,145,275	59.10%
CHARGE FOR SERVICES						
GENERAL GOVERNMENT	\$ 145,525	\$ 89,701	61.64%	\$ 163,950	\$ 101,829	62.11%
PUBLIC SAFETY	\$ 80,000	\$ 63,673	79.59%	\$ 71,000	\$ 36,661	51.64%
EMS TRANSPORT	\$ 310,000	\$ 4,282	1.38%	\$ 20,000	\$ 6,794	33.97%
EDUCATION	\$ 2,212,514	\$ 1,708,074	77.20%	\$ 2,132,980	\$ 1,811,427	84.92%
TOTAL CHARGE FOR SERVICES	\$ 2,748,039	\$ 1,865,730	67.89%	\$ 2,387,930	\$ 1,956,711	81.94%
FINES						
PARKING TICKETS & MISC FINES	\$ 65,000	\$ 17,854	27.47%	\$ 50,000	\$ 21,339	42.68%
MISCELLANEOUS						
INVESTMENT INCOME	\$ 400,000	\$ 209,786	52.45%	\$ 385,000	\$ 304,965	79.21%
INTEREST-BOND PROCEEDS	\$ 125,000	\$ -	0.00%	\$ 125,000	\$ -	0.00%
RENTS	\$ 132,500	\$ 129,732	97.91%	\$ 132,500	\$ 124,277	93.79%
UNCLASSIFIED	\$ 40,000	\$ 473,802	1184.50%	\$ 75,000	\$ 10,912	14.55%
SALE OF RECYCLABLES	\$ 85,000	\$ 50,652	59.59%	\$ 60,000	\$ 65,167	108.61%
COMMERCIAL SOLID WASTE FEES	\$ 57,500	\$ 49,637	86.33%	\$ 56,000	\$ 28,138	50.25%
SALE OF PROPERTY	\$ 490,000	\$ 19,144	3.91%	\$ 30,000	\$ 3,328	11.09%
RECREATION PROGRAMS	\$ 20,000	\$ -	0.00%	\$ 20,000	\$ -	0.00%
MMWAC HOST FEES	\$ 190,400	\$ 115,210	60.51%	\$ 190,400	\$ 108,640	57.06%
9-1-1 DEBT SERVICE REIMBURSEMENT	\$ -	\$ -		\$ -	\$ -	0.00%
TRANSFER IN: TIF	\$ -	\$ -		\$ -	\$ -	
TRANSFER OUT: TIF	\$ (2,500,000)	\$ -	0.00%	\$ (3,500,000)	\$ -	0.00%
FUND BALANCE CONTRIBUTION	\$ 575,534	\$ -		\$ -	\$ -	
TOTAL MISCELLANEOUS	\$ (384,066)	\$ 1,047,963	-272.86%	\$ (2,426,100)	\$ 645,427	-26.60%
TOTAL GENERAL FUND REVENUES	\$ 66,218,673	\$ 40,586,166	61.29%	\$ 64,921,520	\$ 41,169,962	63.41%

CITY OF AUBURN, MAINE
CITY OF AUBURN, MAINE
AS OF JAN. 31, 2009 vs. JAN. 31, 2008

DEPARTMENT	FY 2009 BUDGET	ACTUAL EXPENDITURES THROUGH JAN. 31	% OF TOTAL BUDGET	FY 2008 BUDGET	ACTUAL EXPENDITURES THROUGH JAN. 31	% OF TOTAL BUDGET
ADMINISTRATION						
MAYOR AND COUNCIL	\$ 103,500	\$ 58,569	56.59%	\$ 102,275	\$ 78,576	76.83%
LEGAL SERVICES	\$ 55,000	\$ 45,866	83.39%	\$ 55,000	\$ 32,059	58.29%
CITY CLERK	\$ 140,367	\$ 101,613	72.39%	\$ 133,399	\$ 85,772	64.30%
CITY MANAGER	\$ 227,703	\$ 141,607	62.19%	\$ 214,776	\$ 112,382	52.33%
HUMAN RESOURCES	\$ 125,797	\$ 78,212	62.17%	\$ 110,878	\$ 70,351	63.45%
ASSESSING SERVICES	\$ 270,103	\$ 147,964	54.78%	\$ 267,575	\$ 163,446	61.08%
FINANCIAL SERVICES	\$ 374,058	\$ 196,426	52.51%	\$ 364,296	\$ 219,119	60.15%
CUSTOMER SERVICE	\$ 16,000	\$ 7,423	46.39%	\$ 16,000	\$ 9,445	59.03%
TOTAL ADMINISTRATION	\$ 1,312,528	\$ 777,680	59.25%	\$ 1,264,199	\$ 771,149	61.00%
COMMUNITY SERVICES						
HEALTH & SOCIAL SERVICES						
ADMINISTRATION	\$ 49,240	\$ 28,944	58.78%	\$ 47,798	\$ 30,941	64.73%
ASSISTANCE	\$ 48,450	\$ 51,758	106.83%	\$ 48,750	\$ 16,887	34.64%
INFORMATION SYSTEMS				\$ 196,562	\$ 154,349	78.52%
ICT	\$ 258,809	\$ 173,109	66.89%			
ENGINEERING	\$ 435,626	\$ 204,050	46.84%			
PLANNING & PERMITTING	\$ 829,982	\$ 480,394	57.88%	\$ 768,591	\$ 487,888	63.48%
PARKS AND RECREATION	\$ 613,361	\$ 347,851	56.71%	\$ 552,261	\$ 287,960	52.14%
PUBLIC LIBRARY	\$ 919,407	\$ 536,321	58.33%	\$ 919,407	\$ 536,321	58.33%
COMMUNITY PROGRAMS	\$ 13,650	\$ 11,850	86.81%	\$ 13,550	\$ 11,500	84.87%
TOTAL COMMUNITY SERVICES	\$ 3,168,525	\$ 1,834,276	57.89%	\$ 2,546,919	\$ 1,525,845	59.91%
FISCAL SERVICES						
DEBT SERVICE	\$ 7,026,199	\$ 6,734,365	95.85%	\$ 7,176,622	\$ 6,433,086	89.64%
PROPERTY	\$ 553,307	\$ 423,097	76.47%	\$ 543,614	\$ 459,449	84.52%
WORKERS COMPENSATION	\$ 200,000	\$ 200,000	100.00%	\$ 200,000	\$ 200,000	100.00%
WAGES & BENEFITS	\$ 4,120,408	\$ 2,345,497	56.92%	\$ 4,130,343	\$ 2,252,311	54.53%
EMERGENCY RESERVE	\$ 329,500	\$ -	0.00%	\$ 326,900	\$ -	0.00%
TOTAL FISCAL SERVICES	\$ 12,229,414	\$ 9,702,959	79.34%	\$ 12,377,479	\$ 9,344,846	75.50%
PUBLIC SAFETY						
EMERGENCY MGMT AGENCY	\$ 7,120	\$ 5,941	83.44%	\$ 6,678	\$ 7,298	109.28%
FIRE DEPARTMENT	\$ 3,642,524	\$ 2,046,543	56.18%	\$ 3,643,879	\$ 2,166,984	59.47%
POLICE DEPARTMENT	\$ 2,995,571	\$ 1,696,299	56.63%	\$ 2,712,013	\$ 1,701,880	62.75%
TOTAL PUBLIC SAFETY	\$ 6,645,215	\$ 3,748,783	56.41%	\$ 6,362,570	\$ 3,876,162	60.92%
PUBLIC WORKS						
PUBLIC WORKS DEPARTMENT	\$ 4,548,651	\$ 2,657,784	58.43%	\$ 4,667,059	\$ 2,669,502	57.20%
WATER AND SEWER	\$ 504,700	\$ 258,313	51.18%	\$ 472,500	\$ 361,126	76.43%
TOTAL PUBLIC WORKS	\$ 5,053,351	\$ 2,916,097	57.71%	\$ 5,139,559	\$ 3,030,629	58.97%
INTERGOVERNMENTAL PROGRAMS						
AUBURN-LEWISTON AIRPORT	\$ 96,750	\$ 72,563	75.00%	\$ 98,000	\$ 73,500	75.00%
E911 COMMUNICATION CENTER	\$ 950,589	\$ 712,942	75.00%	\$ 930,934	\$ 465,556	50.01%
LATC-PUBLIC TRANSIT	\$ 130,000	\$ 97,500	75.00%	\$ 117,994	\$ 58,997	50.00%
LAEGC-ECONOMIC COUNCIL	\$ 106,429	\$ 79,822	75.00%	\$ 106,429	\$ 53,215	50.00%
L-A ARTS	\$ 24,267	\$ 18,200	75.00%	\$ 22,680	\$ 17,010	75.00%
COUNTY TAX	\$ 1,969,765	\$ 1,969,765	100.00%	\$ 1,877,972	\$ 1,877,972	100.00%
TAX SHARING	\$ 325,000	\$ 47,174	14.52%	\$ 350,000	\$ -	0.00%
TOTAL INTERGOVERNMENTAL	\$ 3,602,800	\$ 2,997,965	83.21%	\$ 3,504,009	\$ 2,546,250	72.67%
EDUCATION DEPARTMENT	\$ 34,206,840	\$ 17,504,952	51.17%	\$ 33,726,785	\$ 17,668,685	52.39%
TOTAL GENERAL FUND EXPENDITURES	\$ 66,218,673	\$ 39,482,712	59.62%	\$ 64,921,520	\$ 38,763,566	59.71%

**CITY OF AUBURN, MAINE
INVESTMENT SCHEDULE
AS OF JAN. 31, 2009**

INVESTMENT	FUND	ACCOUNT BALANCE	INTEREST RATE	VALUE		WEIGHTED AVG YIELD
				BOOK	MARKET	
BANKNORTH MNY MKT	GENERAL FUND	54,365.08	0.35%	54,365.08	54,365.08	190.28
BANKNORTH MNY MKT	GF-WORKERS COMP	49,021.70	0.10%	49,021.70	49,021.70	49.02
BANKNORTH MNY MKT	GF-UNEMPLOYMENT	66,064.30	0.35%	66,064.30	66,064.30	231.23
BANKNORTH CD	GF-UNEMPLOYMENT	100,075.90	2.64%	100,075.90	100,075.90	2,642.00
BANKNORTH MNY MKT	SPECIAL REVENUE	51,794.74	0.35%	51,794.74	51,794.74	181.28
BANKNORTH MNY MKT	SR-PERMIT PARKING	195,515.02	0.35%	195,515.02	195,515.02	684.30
BANKNORTH MNY MKT	SR-TIF	53,931.18	0.35%	53,931.18	53,931.18	188.76
BANKNORTH MNY MKT	CAPITAL PROJECTS	59,489.28	0.35%	59,489.28	59,489.28	208.21
BANKNORTH MNY MKT	CAPITAL PROJECTS	270,930.48	0.35%	270,930.48	270,930.48	948.26
BANKNORTH CD	CAPITAL PROJECTS	32,282.25	2.96%	32,282.25	32,282.25	955.55
BANKNORTH MNY MKT	ICE ARENA	46,945.53	0.10%	46,945.53	46,945.53	46.95
GRAND TOTAL		980,415.46		980,415.46	980,415.46	0.65%

**CITY OF AUBURN, MAINE
INVESTMENT SCHEDULE
COMPARISON OF DEC. 31, 2008
AND JAN. 31, 2009**

INVESTMENT	FUND	DEC. 31, 2008		JAN. 31, 2009		INCREASE (DECREASE)	
		VALUE		VALUE		VALUE	
		BOOK	MARKET	BOOK	MARKET	BOOK	MARKET
BANKNORTH MNY MARKET	GENERAL FUND	5,024,365.08	5,024,365.08	54,365.08	54,365.08	(4,970,000.00)	(4,970,000.00)
BANKNORTH MNY MARKET	WORKERS COMP	49,017.54	49,017.54	49,021.70	49,021.70	4.16	4.16
BANKNORTH MNY MARKET	UNEMPLOYMENT	66,044.67	66,044.67	66,064.30	66,064.30	19.63	19.63
MBIA CLASS ACCOUNT	UNEMPLOYMENT	99,852.01	99,852.01	100,075.90	100,075.90	223.89	223.89
BANKNORTH MNY MARKET	SPECIAL REVENUE	1,746,794.74	1,746,794.74	51,794.74	51,794.74	(1,695,000.00)	(1,695,000.00)
BANKNORTH MNY MARKET	PERMIT PARKING	195,456.92	195,456.92	195,515.02	195,515.02	58.10	58.10
BANKNORTH MNY MARKET	TIF	2,798,931.18	2,798,931.18	53,931.18	53,931.18	(2,745,000.00)	(2,745,000.00)
BANKNORTH MNY MARKET	CAPITAL PROJECTS	6,009,489.28	6,009,489.28	59,489.28	59,489.28	(5,950,000.00)	(5,950,000.00)
BANKNORTH MNY MARKET	CAPITAL PROJECTS	270,849.97	270,849.97	270,930.48	270,930.48	80.51	80.51
BANK OF AMERICA	CAPITAL PROJECTS	32,201.29	32,201.29	32,282.25	32,282.25	80.96	80.96
BANKNORTH MNY MARKET	ICE ARENA	46,941.54	46,941.54	46,945.53	46,945.53	3.99	3.99
GRAND TOTAL		16,339,944.22	16,339,944.22	980,415.46	980,415.46	(\$15,359,528.76)	(\$15,359,528.76)

C. Scott McGary

511 Danville Corner Road • Auburn, ME 04210 • 207.783.1060 • cmcgary@roadrunner.com

January 15, 2009

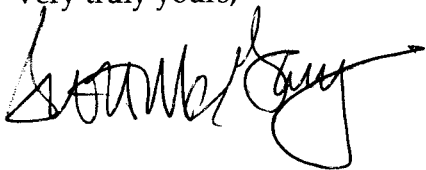
Reine Mynahan
Community Development Administrator
Auburn Hall
60 Court Street
Auburn, ME 04210

Dear Reine:

Please accept this letter as my resignation from the Auburn Community Development Loan Committee. It has been my pleasure and a rewarding experience to serve in the position, but I feel that the time has come for me to make way for new blood. I've enjoyed working with you, your staff and my fellow committee members for these fifteen or so years, and I'm confident you'll all do fine without me.

To ease this transition, I'll be happy to remain on as a regular member through the end of February, if you so desire.

Very truly yours,

A handwritten signature in black ink, appearing to read "C. Scott McGary". The signature is written in a cursive style with a long horizontal stroke extending to the right.



Auburn Police Department



Phillip L. Crowell
Chief of Police

Jason D. Moen
Deputy Chief

Rita P. Beaudry
Office Manager

TO: Honorable Mayor John Jenkins and Members of the City Council

FROM: Chief Phillip L. Crowell, Jr., Auburn Police Department

DATE: February 13, 2009

SUBJECT: CONSTABLE

We request that the following named persons be named Constables for the Auburn Police Department for 2009.

Claire Barclay	Civil Process Only	Without Firearm
Linda Bell	Civil Process Only	Without Firearm
Joan Godbout	Civil Process Only	Without Firearm
Gordon Kelley	Civil Process Only	Without Firearm
David Levesque	Civil Process Only	Without Firearm
Norman Ness	Civil Process Only	Without Firearm
Paul Paradis	Civil Process Only	Without Firearm
Cory Pratt	Civil Process Only	Without Firearm
Barbara Randall	Civil Process Only	Without Firearm
Gerald Tardif	Civil Process Only	Without Firearm
Bruce Tilton	Civil Process Only	Without Firearm

City Council

Agenda Information Sheet

Council Meeting Date 2/2/2009 – 2/17/2009

Agenda Item No. 1

SUBJECT:

RESOLVE – (TABLED 2/2/2009) AMENDMENT TO POLICY REGARDING THE ACQUISITION AND DISPOSITION OF TAX ACQUIRED PROPERTY

INFORMATION:

At the request of the City Council, Article 4 of the Policy regarding the disposition of Tax Acquired Property has been amended by staff for Councilors to review. These changes will be discussed during the Workshop portion of the meeting. If the Council is satisfied with the changes this resolve would implement the amendments.

STAFF COMMENTS/RECOMMENDATION:

City Manager recommends approval of the resolve.

REQUESTED ACTION:

Motion for passage of the resolve.
City Council tabled this item at the 2/2/2009 meeting.

VOTE:

City of Auburn

City Council, Auburn, Maine

Date: February 2, 2009

TITLE: RESOLVE - AMEND POLICY REGARDING THE ACQUISITION
AND DISPOSITION OF TAX ACQUIRED PROPERTY

Be It Resolved by the Auburn City Council, That the Policy Regarding the Acquisition and Disposition of Tax Acquired Property be amended as shown on the attached document.

Feb 2, 2009 – Councilor Potvin moved to table. Seconded by Councilor Hayes. Vote: 4 Yeas with Councilors Herrick and Berube voting Nay.

Motion for acceptance: Seconded by:

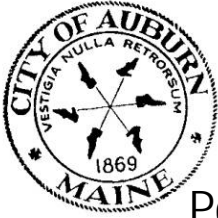
Vote:

Action by the City Council:

Date:

Attest:

City Clerk



City of Auburn

Policy Regarding the Acquisition and Disposition of Tax Acquired Property

Article 1. Purpose

The purpose of this policy is to establish a procedure for the management, administration and disposition of real property acquired due to non-payment of taxes in accordance with Title 36 MRSA Sections 942 and 943 as amended. It is in the City's and the residents' best interest to have a clear policy with respect to the disposal of tax acquired property and to have that property disposed of efficiently as possible in order to:

- Return properties to the tax rolls;
- Reduce the opportunity for neighborhood blight by not having buildings or lots sit vacant and untended, thus potentially becoming an eyesore and a target for vandalism;
- Preserve neighborhoods by having properties sold in a timely manner, thus reducing the likelihood of deterioration or becoming dilapidated.

Article 2. Administration – "Tax Acquired Property Management Committee"

Section 2.1 Committee Established. The City Manager will appoint a staff committee which will be called the "Tax Acquired Property Management Committee".

Section 2.2 Committee Composition. The committee will have representation from those departments as determined by the City Manager which have a direct relationship to property administration in the City of Auburn. Permanent members of the committee will be the Finance Director, Tax Collector, Purchasing Agent and a representative of the City Manager's Office. The City Manager will name the committee chairperson.

Section 2.3 Meetings. The Committee will meet as often as necessary to carry out the duties and responsibilities set forth in this policy.

Article 3. Duties and Responsibilities of the City Tax Collector and the Committee

Section 3.1 Review of Properties. At least forty five (45) days prior to the foreclosure date, the City Tax Collector shall identify each property on the list and notify all members of the committee of the impending foreclosure. The identification shall include, but is not limited to, the following: property tax map and lot number, property owner name, property location by street address, current property use if improved with buildings, and any other information available that the Tax Collector feels will be helpful to the committee.

Section 3.2 Notice to Departments. The Tax Collector shall notify the following departments of the impending foreclosure, and provide the list of properties and the same information as provided to the committee: the City Manager, Community Development, Assessing Department, Public Works Department, Engineering Division, Fire Department, Police Department, and City Clerk. In addition to the above named City departments, the Tax Collector will notify the Auburn Water District, the Auburn Sewer District and any other persons requesting such notification.

Section 3.3 Request for Department Review. At the time of the notice, the Tax Collector will request the departments to review the property list for the purpose of advising the committee of any properties which the City should not acquire through the lien foreclosure process. When appropriate, the department should perform a field visit to the property. In reviewing the list, each department will consider the criteria and guidelines established in this policy and by the Committee.

In order for the Committee to perform its work, each department must conduct its review and return its written findings and recommendations to the Tax Collector within five (5) business days.

Section 3.4 Guidelines Regarding the Sale or Disposition of Tax Acquired Property. All tax acquired properties will automatically be eligible for disposition immediately following foreclosure by the City with the following exceptions:

- In cases where the City has negotiated a payment plan with the owner for back taxes - prior to foreclosure, and payments are being made accordingly; and
- In cases where the City wishes to retain ownership for municipal purposes, such as open space, public improvements, sewers, storm drains, parks and recreation, public safety, transportation, education, right of ways, storage areas, etc., or the City wishes to convey the property for a use which serves the City's interests.

When reviewing properties that may be subject to foreclosure, the Committee and the affected departments will, at a minimum, consider the following guidelines and criteria in determining whether the City should: (1) retain the property for public use, (2) sell the property, or (3) waive foreclosure:

- the property is either unfit or unnecessary for City use;
- the City wishes to retain ownership for municipal purposes;
- the property is adjacent to publicly owned land;
- there are buildings on the property that should be demolished;
- there are environmental liabilities or hazards present on the site
- the property has investment or marketable value;
- there are uses that the property is suited for which meet the requirements of the City's zoning and land use ordinance;
- the property has value only to an abutter (provides additional set back, off street parking, etc.).

The Committee may consider additional criteria in formulating its recommendation to the Manager and City Council regarding disposition of the property.

Section 3.5 Committee Action/Recommendations. The committee will meet to review the comments received from each department. The Committee will then forward a recommendation to the City Manager for appropriate action. The Committee will meet in sufficient time before the foreclosure deadline in order for the City Manager and City Council to have sufficient time to take any action that may be necessary, including waiver of foreclosure.

Article 4. Sale and Marketing of Tax Acquired Properties

The City of Auburn will dispose of tax acquired properties by the following method.

Section 4.1 Sale to the Prior Owner. The City will first offer tax acquired property to the prior owner, it shall be offered upon the following conditions: Upon acquiring a property, the Tax Collector shall notify the prior owner that they have thirty (30) days within which to inform the City if they intend to redeem the foreclosed property. To redeem the property, the prior owner must pay all taxes assessed and unpaid, all interest on those unpaid taxes, all costs associated with the lien and foreclosure process and the estimated next fiscal year's property taxes if the redemption occurs after April 1st. If the prior owner has not entered into a payment plan or has not redeemed the property within sixty (60) days of the date of notification by the City, the City will proceed with the disposition in accordance with this policy. Nothing in this policy shall be construed to create any entitlement of reconveyance.

Section 4.2 Sale to Abutters. In the event the prior owner has declined or is unable to buy the property within the timeframe specified in Section 4.1, the property will be offered to all abutters requesting a bid for the assessed value. If there is more than one acceptable proposal, and unless the City chooses to withdraw the property from the market, the highest offer will be accepted. The City will provide tax title only through a quit claim deed.

Section 4.3 Public Sales. Depending on the type of property and its value, the City may use a variety of marketing methods, as indicated below. Regardless of the method, the City reserves the right to accept or reject any proposal it receives. The Finance Department will maintain an updated list of all tax acquired properties which are available for sale and which will be provided to the public upon request.

i. Sealed Bids. The City may offer properties for sale by sealed bid in conformance with the City charter and applicable statutes. This sale will be conducted by the City's Purchasing Agent within 90 days of the date of foreclosure. The City retains the sole discretion to accept or reject any bid depending on whether the City determines a bid proposal meets the City's objectives.

ii. Request for Proposals. The City may solicit proposals using an RFP process.

iii. Real Estate Broker Contract. Vacant land, commercial, industrial,

residential and multi-family residential properties which are determined to have investment or high sale value will be identified with a disclosure statement describing all property attributes. This disclosure statement will be obtained from the Assessing Department based on the available record and a field inspection when entry to the property can be obtained. The City may place these properties with a professional real estate broker to be marketed. If the properties are placed with a professional broker, they will be given a deadline within which to sell the property. If the property is not sold within that timeframe, thereafter if any broker produces a purchaser, which results in a sale, the broker will receive a commission.

Section 4.3. Rejection of Bid or Purchase Offer. All properties will be sold at a price acceptable to meet the City's priorities for reuse, taking into consideration the assessed value, the property's current condition, and potential use. Nothing in this policy shall limit or modify the discretion of the City Manager or the City Council to reject any bid offer to purchase, should they deem it in the best interests of the City to do so. All properties must be sold for uses in keeping with the City's zoning ordinance. The City may place criteria on the disposition of any property that meet or further the City's objectives including: the density of development, design standards, the intended use (even when the particular use is allowed in that zone), and evidence of the buyer's financial ability to develop the property.

Article 5. Occupied Residential Properties. Prior to the conveyance by the City of a foreclosed residential property, the City will manage the property in accordance with the provisions of Title 14 MRSA Section 8104-A. The purpose for this provision is to avoid any liability, or management responsibility with regard to ownership of the property.

The City may notify the occupants that the property has been foreclosed and is in the possession of the City of Auburn. The City may choose to evict the occupants in accordance with the law. If the City allows the occupants to continue to reside in the building, the City will notify the occupants that it will perform no maintenance on the property or buildings, that the City will accept no financial obligations or responsibilities to operate the buildings and that the continued occupancy of the property is at the sole discretion and risk of the tenant or leasee.

Adopted by the Auburn City Council February 17, 1998
Amended by the Auburn City Council:

City Council

Agenda Information Sheet

Council Meeting Date 2-17-2009

Agenda Item No. 2

SUBJECT:

RESOLVE – AUTHORIZE COMMUNITY DEVELOPMENT ADMINISTRATOR TO EXECUTE COMMITMENT LETTER DATED FEBRUARY 4, 2009 TO VINCENT SQUARE, LP, AND TO EXECUTE OTHER DOCUMENTS

INFORMATION:

For the past three years, the Community Development Program has been carrying \$320,000 in the HOME Investment Partnerships Program budget for the development of affordable rental housing at 80 Mill Street. The project is a substantial renovation of the Vincent building and will create 17 affordable housing units, all of which will be affordable to low-income households. The closing occurred on February 5, 2009. One day prior to the closing, the lead attorney requested that Reine Mynahan provide evidence of legal authority to sign documents that were involved in making this loan. One of the closing contingencies was for the City to provide such legal authority. Furthermore, Maine Housing, authorizing agent for the tax credits, has requested that the partnership transfer ownership of three parking spaces at 11-15 South Main Street to the new development entity, a property in which the City of Auburn is a mortgagee. The developer is requesting a partial release from their mortgage for these three parking spaces. The resolve satisfies both requests.

STAFF COMMENTS/RECOMMENDATION:

City Manager recommends approval of this resolve.

REQUESTED ACTION:

Motion for passage of the resolve.

VOTE:

City of Auburn

City Council, Auburn, Maine

Date: February 17, 2009

TITLE: RESOLVE – AUTHORIZE COMMUNITY DEVELOPMENT ADMINISTRATOR TO EXECUTE COMMITMENT LETTER DATED FEBRUARY 4, 2009 TO VINCENT SQUARE, LP, AND TO EXECUTE OTHER DOCUMENTS

Be It Hereby Resolved: That the City Council approves the terms of the Commitment Letter dated February 4, 2009 presented to the City Council, issued to Vincent Square, LP to support the local development of affordable senior housing; that the City Council authorizes the Community Development Administrator to execute and deliver a Commitment Letter substantially in the form of such Commitment Letter and to execute and deliver any and all other documents necessary in connection with the transaction described in the Commitment Letter; that the City Council ratifies all actions that have been taken and documents that have been executed by the Community Development Administrator in connection with and related to the transaction described in the Commitment Letter; and that the City Council authorizes any release, modification or subordination of the City's rights in the property located at 11-15 South Main Street, or any other property in which the City holds an interest, that the Community Development Administrator may, in her discretion, deem advisable to enable such off-site parking as may be needed by Vincent Square, LP in connection with the housing development at 80 Mill Street.

Motion for acceptance:

Seconded by:

Vote:

Action by the City Council:

Date:

Attest:

City Clerk

City of Auburn, Maine

"Maine's City of Opportunity"

Community Development Program

February 4, 2009

Richard Whiting
Vincent Square, LP
P. O. Box 3037 – 20 Great Falls Plaza
Auburn, ME 04212-3037

Dear Rick:

This replacement commitment letter replaces and supersedes our commitment letters to you dated October 19, 2006 and September 15, 2007, which are hereby withdrawn and are no longer of any force or effect. I am pleased to advise you that the City of Auburn (hereinafter "City") is extending its commitment to make a loan on the following terms and conditions:

Borrower:	Vincent Square, LP
HOME Funds:	\$320,000 for construction financing for the development of affordable residential units at 80 Mill Street, Auburn, Maine (the "Property").
Use of HOME Funds:	Borrower shall use the proceeds of the loan to pay the eligible costs of the Project (as defined below).
Location:	New Auburn Community Development Target Area
Project:	Rehabilitation of 17 qualified low-income residential units at 80 Mill Street, Auburn, Maine.
HOME Units:	6
Other Units to Benefit Low Income:	11
Term:	Deferred loan.

Interest Rate: Non-interest bearing loan (0%)

Financing Repayment: There will be no monthly payments provided the Project complies with HOME Investment Partnerships Program ("HOME") regulations and requirements during the affordability period. The loan will be due on sale or transfer of title to the Property.

Prepayment Penalty: None.

Legal Fees: Pre-closing legal fees for City loan will be paid by the City. Borrower agrees to pay any legal fees for all costs incurred by the City in connection with enforcement of the loan.

Security: During construction, a second priority lien on the Property and security interest in all leases and rents arising from and related to the Property, including a lease of other property to provide additional parking for the Project, subordinate only to a construction loan from Bangor Saving Bank in an amount not to exceed \$2,400,000. Upon funding of permanent financing of a loan by Maine State Housing Authority ("MSHA Loan") in an amount not to exceed \$483,736, a shared first priority lien on a pro rata basis with MSHA for the MSHA Loan on the Property.

HOME Program Conditions:

This commitment is subject to the laws, rules and regulations that apply to activities assisted by the HOME Investment Partnership Act (24 CFR Part 92), as authorized by Title II of the Cranston-Gonzalez National Affordable Housing act, also known as the HOME Investment Partnership Act. This commitment is subject to HUD granting the City a request for release of funds pursuant to the HOME Investment Partnership Act.

Borrower's Commitment:

The Borrower agrees that the Project shall have 6 rental units available to persons earning less than 80% of median income, and comply with HOME rent limitations and income targeting of tenants.

Handicap Accessible Units:

The Project shall have reasonable accommodations for persons with disabilities. Five percent (5%) of the total housing units will meet ADA accessibility standards.

Affirmative Marketing Plan:

The Borrower shall develop an Affirmative Marketing Plan in accordance with the City's Fair Housing and Affirmative Marketing Policy, and shall remain in compliance with the Auburn HOME Consortium Fair Housing and Affirmative Marketing Policy during the duration of the loan.

Disbursement of Funds:

All City funds will be paid out as construction costs incurred for construction of the Project pursuant to a construction loan agreement. Requests for payments shall be submitted to and approved by the City. The City shall pay 12% of the disbursement amount for each approved payment requisition up to an aggregate amount for the sum of

all disbursements of \$288,000. The City shall pay a final disbursement of \$32,000 or the remaining amount of loan funds if greater than \$32,000 upon approval of a final payment requisition for eligible construction costs and issuance of a certificate of occupancy for the Project.

Inspections:

The City shall have the right to inspect all construction work financed, in whole or in part, with the proceeds of the loan. The City will inform the Borrower and/or contractor of any non-compliance with respect to the construction work, and the corrective action needed. The Borrower agrees that the City shall have no obligation to fund a disbursement request to Borrower, and Borrower shall not fund a disbursement request to the Partnership, until the work is acceptable to the City. The Borrower will take all steps necessary to assure that the City is permitted to examine and inspect the construction work, and all contracts, materials, equipment, payrolls, and conditions of employment pertaining to the work, including all relevant data and records.

Access to Records:

The Borrower agrees to keep or to cause to be kept such records as may be required by the City with respect to the construction work financed, in whole or in part, with the aid of the loan. The Borrower will, at any time during normal business hours, and as often as the City may deem necessary, permit, or cause to be permitted, the City or any agency or duly authorized representative providing funding for the project, to have full and free access to its books, documents, papers, and records which are duly pertinent to this project for the purpose of making audits, examinations, excerpts and transcriptions.

Borrower's Responsibility:

The Borrower agrees that it will indemnify and hold harmless the City, its employees, agents, or invitees from any and all disputes on claims of any nature for damages which may arise from the performance of any duties and responsibilities performed on behalf of the Borrower or the Partnership and from the performance or any construction activity except to the extent such damages are caused by the City's gross negligence or intentional misconduct.

Requirements:

This commitment is subject to compliance with the following conditions:

- a. The general partner of the Partnership shall be a, or wholly owned and controlled by a, qualified community housing development organization pursuant to the HOME Investment Partnership Act.
- b. Prior to loan closing, the Borrower will provide the City with acceptable construction proposals that document the cost and competitive pricing.
- c. Prior to loan closing, the partnership agreement of the Borrower shall be in a form acceptable to the City.
- d. The minimum of the retainage provided in bid terms and construction documents shall be acceptable to the City.
- e. The Borrower shall pay, or shall cause to be paid, all fees or charges for permits, as may be required by the local regulatory body.
- f. The Borrower shall execute a Loan Agreement satisfactory to the City.

- g. The City shall authorize the payment upon receipt of disbursement requests from the Borrower for itemized invoices from the general contractor indicating the work activity and percentage of work completed pursuant to the terms of loan documents.
- h. The Borrower agrees that a minimum of the retainage, as provided in the bid terms and construction documents approved by the City, on all construction-related invoices shall be withheld from all disbursement requests from Borrower until final acceptance of the Project.
- i. The construction of improvements shall commence by April 1, 2009 and shall be complete by August 1, 2010.
- j. The units shall be constructed in accordance with all applicable property codes.
- k. The Borrower accepts ultimate responsibility for fulfillment of the construction work.
- l. The Borrower shall pay, or cause to be paid, all fees or charges for permits, as may be required by the local regulatory body.
- m. The Borrower shall be required to obtain the City's written approval prior to any partner, corporate officer, or designated representative, initiating any material change in the ownership structure, control, or operation of the Partnership, including, but not limited to 1) merger into or consolidation with any other person, firm, partnership or corporation; 2) selling or transferring any portion of the ownership or partnership interest in the Borrower, except for a transfer of limited partner interests to and among affiliates of Northern New England Housing Investment Fund provided the City receives prior written notice of such transfer and the transfer complies with the Partnership's First Amended and Restated Partnership Agreement approved by the City; 3) changing the nature of its business; or 4) distribution, liquidation, dissolution or other disposal of substantially all of the Borrower's assets.
- n. The general partner of the Borrower shall supervise the construction work.
- o. The City shall authorize the payment upon receipt of disbursement requests from the Borrower for itemized invoices from the general contractor indicating the work activity and percentage of work completed.
- p. The Borrower shall require that the general contractor keep the project free of mechanics' liens and provide partial lien waivers.
- q. The construction of improvements shall commence by April 1, 2009 and shall be complete by August 1, 2010.
- r. The units shall be constructed in accordance with all applicable property codes.
- s. The Borrower shall pay for all cost overruns and shall not incur additional debt to pay for any such cost overruns without the prior written consent of the City.

Compliance with Federal, State and Local Laws and Regulations:

The commitment is subject to the Project's compliance with all applicable federal, state, and local laws, regulations, and ordinances, including, without limitation, all applicable federal, state, and local laws pertaining to land use, environment, the National Environmental Policy Act to the extent applicable, and equal access to public accommodations. If required, Borrower's counsel shall provide written opinions regarding these issues.

The Borrower further agrees to and shall comply with all terms and conditions below:

- a. Interest of Members, Officers, or Employees of City of Auburn, Members of the Local Governing Body, or Other Public Officials - No elected or appointed official or employee of the City, and no member 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 influence in Borrower's 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.

- b. Bonus Commission or Fee - Borrower will not pay any bonus, commission, or fee for the purpose of obtaining the City's approval of the loan application, or any other approval or concurrence required by the City or its designee to complete the project.
- c. Section 3 Compliance in the Provision of Training, Employment and Business Opportunities: This commitment is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u), as amended, the United States Department of Housing and Urban Development ("HUD") regulations issued pursuant thereto at 24 CFR part 135, and any applicable rules and orders of HUD.
- d. Borrower agrees with and shall comply with all terms and conditions below:
 - i. Civil Rights – Borrower shall 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.
 - ii. Federal Labor Standards – Borrower shall require that the contractor pay wages to laborers and mechanics at a rate not less than the minimum specified in the Wage Decision for the entire project. Further, the Wage Determination and Federal Labor Standards Provisions found in Appendix A shall be inserted in all construction contracts for work to be performed by subcontractors during the construction period.
 - iii. Interest of Members, Officers, or Employees of City of Auburn, Members of the Local Governing Body, or Other Public Officials - No elected or appointed official or employee of the City, and no member 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 influence in the Borrower's 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.
 - iv. Bonus Commission or Fee – The Borrower will not pay any bonus, commission, or fee for the purpose of obtaining the City's approval of the loan application, or any other approval or concurrence required by the City or its designee to complete the Project.
 - v. Equal Employment Opportunity - The Borrower shall require that all contractors comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 and as supplemented in Department of Labor regulations (41 CFR Part 60).
 - vi. Section 3 Compliance in the Provision of Training, Employment and Business Opportunities: The City's obligation to fund the Partnership Loan is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 USC 1701u), as

- amended, the HUD regulations issued pursuant thereto at 24 CFR part 135, and any applicable rules and orders of HUD.
- vii. Energy Efficiency: The construction work shall comply with the standards and policies relating to energy efficiency which are contained in the State of Maine energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163) and HUD's Energy Star Standards.
 - viii. The Copeland Anti-Kickback Act: The Borrower shall require that the contractor comply with the Copeland Anti-Kickback Act. This Act provides that each contractor shall be prohibited from inducing, by any means, any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which he is otherwise entitled
 - ix. Contract Work Hours and Safety Standards Act: The Borrower shall require that the contractor comply with the Contract Work Hours and Safety Standards Act. Each contractor shall be required to compute wages of every mechanic or laborer on the basis of a standard workweek of 40 hours. No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to his health and safety as determined under construction, safety and health standards promulgated by the Secretary of Labor.
 - x. Fair Housing: The Borrower shall comply with applicable federal and state laws, executive orders and regulations pertaining to fair housing and equal housing opportunity under Title VI of the Civil Rights "Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Executive Order 12259 Age Discrimination Act of 1975, as amended, and Maine Human Rights Act.
 - xi. Lead-Based Paint: The Borrower shall comply with applicable federal and state laws with respect to the Residential Lead-Based Paint Hazard Reduction Act of 1992, Title X of the Housing and Community Development Act of 1992, as amended.

Legal Opinions:

Borrower shall provide the City at closing a legal opinion from counsel satisfactory to the City as follows:

- a. Stating that all City loan documents have been duly authorized, executed, and delivered by Borrower.
- b. Indicating compliance of the real estate with all laws, ordinances, codes, rules and regulations applicable to the use, occupancy and operation thereof.
- c. Stating that there are no actions, suits, or proceedings pending or threatened against or affecting Borrower or its assets.
- d. That Borrower is duly authorized under the laws of the state of Maine and in good standing, and that the execution of the loan documents and the compliance with the obligations of Borrower pursuant to the loan documents will not violate any of Borrower's constituent documents, and all loan documents will be binding and enforceable against the Borrower.

Title Requirement:

Borrower shall provide the City, prior to loan closing, a commitment from a mortgagee's title insurance policy with respect to the project from a title insurer acceptable to the City, in the face amount of Three Hundred Twenty Thousand Dollars (\$320,000.00), for a policy in standard ALTA form insuring the City that Borrower holds marketable fee simple title of the 80 Mill Street property in Auburn, Androscoggin County, Maine, and that the mortgage securing the loan will create a valid, enforceable and second priority lien on Borrower's title to such property during construction and a shared first priority lien upon closing the permanent financing MSHA (defined below) loan described below, subject only to such exceptions as the City may approve in writing. The policy shall further contain such endorsements or affirmative insurance as the City in its discretion may require. The cost of the title insurance and any title search required for the issuance of the insurance shall be paid by the Borrower.

Insurance Requirement:

Borrower shall obtain and maintain or cause to be obtained with respect to the Project and any additional property which is to serve as collateral for the loan and its operations such insurance as the City may require including:

“all risks” property insurance on the project written on a builder's risk, completed value, non-reporting form and in compliance with any co-insurance clause;

“hazard and comprehensive general liability” insurance on all personal and business assets taken as security for this transaction, in such amounts and for such coverage as shall be satisfactory in all respects to the City.

“flood insurance only if the property is located in a designated flood hazard area or certification that the property is not located in a flood hazard area. If applicable, the Borrower will provide evidence of flood hazard insurance coverage and abide by the regulations of the Flood Disaster Protection Act of 1973.

The insurance policies shall name the City as mortgagee and loss payee and shall be first payable in case of loss to the City pursuant to standard non-contributory mortgage clauses and lender's loss payable endorsements. The liability insurance policies shall name the City as an additional insured. For the purpose of insurance, the City shall be named as City of Auburn, its successor and assigns.

All insurance referred to in this commitment shall be issued by such insurers as are approved by the City and licensed by the Maine Bureau of Insurance. Policies shall provide for written notice to the City as least thirty (30) days prior to notice of cancellation, non-renewal, modification or expiration. The Borrower shall provide proof of insurance for the duration of the loan. Duplicate originals or certified copies or certificates of the insurance required above, together with proof of payment of premiums, shall be delivered to the City prior to the closing of the loan.

Authority to Act:

Borrower shall provide such evidence of its organization, existence, legal good standing, and authority to enter into the transaction contemplated by this commitment letter as may be required by the City and its counsel.

Miscellaneous:

The Borrower is required to obtain the City's written approval prior to any corporate officer, or designated representative, initiating any material change in the ownership structure, control, or operation of the Borrower, including, but not limited to 1) merger into or consolidation with any other person, firm, partnership or corporation; 2) selling or transferring any portion of the ownership or capital stock of the Borrower; 3) changing the status of the Borrower's general partner as a, or qualified subsidiary of a, qualified community housing development organization; or 4) distribution, liquidation, dissolution or other disposal of substantially all of the assets of the Borrower.

The Borrower shall obtain the City's written consent to the Borrower's approval of any material change in the ownership structure, control, or operation of the Borrower, including, but not limited to 1) merger into or consolidation with any other person, firm, partnership or corporation; 2) selling or transferring any portion of the ownership or partnership interest in the Borrower, except for a transfer of limited partner interests to and among affiliates of Northern New England Housing Investment Fund provided the City receives prior written notice of such transfer and the transfer complies with the Partnership's First Amended and Restated Partnership Agreement approved by the City; 3) changing the nature of its business; or 4) distribution, liquidation, dissolution or other disposal of the Partnership's assets.

This commitment letter shall not be assigned by the Borrower without the prior written consent of the City.

The transactions contemplated by this letter shall be governed by the laws of the State of Maine.

The City may terminate this commitment prior to the loan closing if:

- a. the Borrower fails or refuses to comply with any of the terms and conditions set forth herein; or
- b. any adverse change, in the sole opinion of the City, shall occur with respect to the Borrower, any partner of the Borrower, or any other person or entity connected with the loan, any collateral for the loan or other source of repayment of the loan, or the Project, or any adverse change to the Project at any time prior to the loan closing; or
- c. any part of the assets to be pledged as collateral for the loan shall have been taken in condemnation or other like proceeding, or any such proceeding is pending or threatened at the time of loan closing; or
- d. the Borrower, any partner to the Borrower or any other person or entity connected with the loan or any collateral for the loan or other source of repayment shall be insolvent or involved as debtor in any termination; or
- e. the Borrower fails to receive binding written commitments from MSHA, Bangor Savings Bank and the equity investor to receive amounts sufficient to fully fund the Project or fails to close on the Bangor Savings Bank loan;
- f. The loan documents are not in a form reasonably satisfactory to the City and fully executed; or

- g. The Borrower fails to execute a loan agreement, non-recourse promissory note, mortgage, assignment of leases and rents, and any other documents required in forms satisfactory to the City.

Such termination shall become effective upon the mailing of notice to the Borrower at the address of the Borrower shown on this commitment letter.

The Borrower agrees that any and all disputes or claims of the Borrower or against the City or its agents arising out of or relating to this commitment letter, the loan, the loan documents, any collateral securing the loan or the conduct of the City or its agents, shall be resolved solely by means of binding arbitration conducted in Auburn, Maine in accordance with the rules of the American Arbitration Association governing commercial arbitration.

The terms of the commitment will not be waived or modified except in writing and signed by the parties to this commitment.

Unless the loan is closed by February 27, 2009 this commitment will expire. Any extension or revision of this commitment will be at the sole option of the City and must be in writing.

If these terms and conditions are satisfactory, please sign and return the enclosed copy of this letter no later than our close of business on February 15, 2009, unless we receive a signed copy of this letter by that date, this commitment will expire. The City's obligations under this commitment are contingent on the City receiving approval of the transactions described in this letter by the City Council.

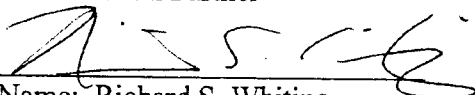
Sincerely,



Reine Mynahan
Community Development Administrator

Acceptance of Commitment Letter

Vincent Square, LP, Borrower
by AHDC Development Inc.
its General Partner

By: 

Name: Richard S. Whiting

Its: Secretary

Date: 02-05-09

City Council

Agenda Information Sheet

Council Meeting Date 2/17/2009

Agenda Item No. 3

SUBJECT:

**APPOINTMENTS – COMMUNITY DEVELOPMENT LOAN COMMITTEE (2);
TRANSIT COMMITTEE; AND COMMUNITY FOREST
BOARD**

INFORMATION:

The appointments sub-committee (Councilors Hayes and Berube) is recommending that the Council approve the following appointments:

Community Development Loan Committee until Feb 2012: John Cleveland and Armand Girard

L/A Community Forest Board: Robyn Holman until Feb 2012

Transit Committee: Maureen Aube until Feb 2012

STAFF COMMENTS/RECOMMENDATION:

The appointments sub-committee recommends the above appointments.

REQUESTED ACTION:

Motion to approve these appointments.

VOTE: