

MANAGER'S REPORT

Belfast City Council Meeting

Tuesday, March 1, 2011

7:00 P.M.

TO: Mayor Walter Ash Jr. and Honorable Members of Belfast City Council

FROM: Joseph J. Slocum, City Manager

DATE: Friday, February 25, 2011

Agenda items:

10 -B Consideration of a request to acquire lots in the Business Park for the development of a new food processing facility.

For a couple of years a group of Belfast citizens have been looking for opportunities to enhance the agricultural economy of the region and to promote the collection processing and distribution of locally grown foods.

Former City Councilwoman Jan Anderson has spent a tremendous amount of time in pursuit of this effort. Presently she is working with another individual with significant experience in the frozen food industry. They believe that they can put together a package where regionally grown foods can be processed, frozen, stored and distributed by the Belfast. The more they have inquired of possible users the more positive interest they have received back. The essence of this proposal is as follows:

- 1- The Construction of a 20,000 square foot metal building on the site (Estimated cost of shell \$500,000)
2. The inside finish work in the building that will include a commercial kitchen to be done by either a partner or a tenant (Amount unknown)
3. The Construction of an industrial food freezing and storage facility estimated at \$1,400,000

Belfast has many economies and its agricultural economy from production to processing to marketing and to distribution -is an area that is underserved. There is an expanding market for Maine blueberries, organic food, locally produced food and small business entrepreneurs with value added food products. When Peter Vigue of the highly creative and successful Chimbro Corporation spoke to Bangor Officials about opportunities for Maine's Future he identified this economic sector as having large potential for growth.

The Belfast Business Park is an industrial park that was set up to help cultivate jobs. It was created with outside grant funding. Lots are sold well below market value and we have in the past discussed the

possibility of returning purchase price for the lots if certain job levels were achieved. The last time we did this, the business we spoke to went to Bucksport because they give the lots to the business for free regardless of the commitment on job creation.

There are not sophisticated studies that will document the absolute likelihood that a new modern food processing, freezing and storage facility will succeed in Belfast. However there are many indications that one would – including letters of interest from existing food processors in the region, the potential availability of organically produced food in the region and the successful efforts to sell or serve locally produced food.

If someone was willing to make a capital investment in excess of \$2,000,000 in our business park for such purposes then I would recommend that we find a way to not have them pay for the land upon which it would be constructed. It would unquestionably create some jobs and if in the end it failed then we could help market the facility as an improved parcel over the barren one that sits there today. If I were going to take a little extra risk on an economic sector – it would be in the agricultural sector.

I would support an arrangement that would exchange land at no cost conditioned upon this type of investment in the agricultural economy.

10-C Consideration of the proposed Amendment #3 to the Contract Rezoning Agreement with the owners of the former Stinson Seafood site on Front Street.

This Amendment #3 accepts DUBBA, LLC's purchase of the property for development as the Front Street Shipyard.

City Planner, Wayne Marshall provided much of this information to the Council and to the Public at the last Council meeting on February 15th. At that meeting the Council authorized the City Planner to work with the City Attorney to help update these amendments consistent with their intent as previously outlined before both the Harbor Committee and the Planning Board. Wayne has provided an attached update and will have further clarification at the meeting.

This Amendment # 3 will delete non applicable matters like Condo development provisions etc and add some changes to the proposed waterfront configuration plan for the owners floats, City owned " Fisherman's Dock" floats, travel lift etc. The only building related issue will involve the demolition of the old concrete building.

There are NO proposed changes at this time regarding building use, building size, height or building appearance. These items will likely be the subject of future amendments to the contract.

10-D Discussion and possible adoption of "findings of fact" in support of a decision to approve the proposed Amendment #3 to the Contract Rezoning Agreement with DUBBA, LLC's redevelopment of the former Stinson Seafood property as the Front Street Shipyard.

City Planner Wayne Marshall has attached documentation on this. Since the process of Contract Rezoning is the same for an actual amendment to our Zoning Ordinance the Council must adopt findings as a prerequisite to the actual amendment.

10-E Discussion on creating a business Incubator Without Walls program here in Belfast.

City Economic Development Director, Thomas Kittredge has investigated the possibility of bringing in Incubator Without Walls program to Belfast. This is a program where business entrepreneurs can come and learn about the essential issues needed for success in starting or growing a small-business. After reviewing different proposals he is recommending that we work with MaineStream Finance, a program of Penquis Cap. MaineStream Finance is an economic development organization and its executive officer is Belfast's own Jayne Giles. Jayne will be at the meeting to inform the Council and the public about the program. We are seeking Council support for this initiative. There is no cost to the City other than to provide facility space for the classes.

10-F Update from Hiking Biking and Pedestrian Committee

Committee representatives will come to the meeting to update the Council on their efforts. One of those efforts will be a major initiative launched this spring to cut back vegetation throughout the city that encroaches upon existing City sidewalks and pedestrian ways. This is intended to be an educational program that will look for neighborhoods to help support pedestrian access. Property owners would be asked to remove overgrowth and/or move their vehicles which are blocking city sidewalks from being properly used. If there are cases where an owner of property is physically unable to do the cutting we hope to provide some assistance. We wanted to talk about this now so that everyone can look forward to achieving improved sidewalk access this spring.

10-G Discussion and possible approval for a single location for Belfast Elections

City Clerk Denise Beckett is recommending that we have one place to vote in City elections. Her predecessor made the same recommendation. A single location will require less staff and be more efficient overall. We generally have 2 elections a year. The June election is usually limited to a ratification of the school budget and we generally get a very small turnout. We would like to see if the Council would endorse a single place to vote now so that we can get the word out to the public as soon as possible.

As for the November election we are currently negotiating with the Tarratine Tribe #13 at 153 Main Street. It has excellent parking access and great first floor space. City Clerk Denise Beckett will be at the meeting to answer any questions you may have. We are asking the Council to formally approve the creation of a single place to vote.

10-H Consideration of a contract to hire Insight Productions to provide cable programming and media services to the City.

For many years Diane Mende Wood was our in-house cable programming person who oversaw the filming and production of City Council meetings, Planning Board meetings etc. Diane has retired and we

are looking to increase our efforts in this area. Many people appreciate this programming and we are pleased to announce that we reached a proposed agreement with Insight Productions to take over this responsibility on a contract basis with the City. The cost of this agreement is approximately \$18,000 a year, which is in line with its past cost.

In your packet is a letter from Insight Productions explaining the scope of work which will include new services that will allow someone with web access to watch meetings live or to replay them at will.

10-I Consideration and possible reaffirmation of the City's support for an application to the Community Enterprise Grant program in an amount of \$150,000 for the purpose of making streetscape improvements in a waterfront-downtown area.

The City has previously authorized Thomas Kittredge, Economic Development Director, to write a letter of intent for this Grant. Following the Council's required public hearing held before this meeting, we are asking the Council to reaffirm its support for this Grant application.

10-J Consideration and possible reaffirmation of the City's support for an application to the Economic Development Program for Grants to Municipalities for Direct Business Support award in the amount of \$200,000 for the purposes of assisting the Front Street Shipyard construct a winter storage building.

The City has previously authorized Thomas Kittredge, Economic Development Director, to forward a letter of intent indicating an interest in this Grant. Following the Council's required public hearing before this meeting, we are asking the Council to reaffirm its support for this Grant application.

10-K Consideration and possible reaffirmation of the City's support for an application to the Economic Development Program, Development Fund Loan for an award in the amount of \$200,000 for the purpose of assisting the Front Street Shipyard construct a winter storage building.

The City has previously authorized Thomas Kittredge, Economic Development Director, to forward a letter of intent indicating an interest in this Grant loan program. Following the Council's required public hearing before this meeting, we are asking the Council to reaffirm its support for this Grant application.

10-L Consideration and possible reaffirmation of the City's support for an application to the Housing Assistance Grant program in the amount to \$300,000 for the purpose of rehabilitating multi-unit (3 or more) rental properties located in Belfast.

The City has previously authorized Thomas Kittredge, Economic Development Director, to forward a letter of intent indicating an interest in this Grant. Following the Council's required public hearing before this meeting, we are asking the Council to reaffirm its support for this Grant application.

10-M Update on the weatherization efforts for Belfast City Hall and possible bid award.

The City received a grant in the amount of \$38,000 to help weatherize City Hall and the Police Station. We spent some of this money on consultants to help us create the specifications needed to put the work out to bid. The bids have come back and the least expensive bid is in excess of \$40,000 to do just City

Hall alone. This cost is about double what we expected and alters the payback schedule that may have been anticipated.

At this point it looks like we will only be awarding the bid for City Hall because the police building quote is in excess of \$50,000 and we don't have enough funding in place to do that. (\$10,000 Capital Project)

We have two options at this point. We can award the City Hall bid and proceed with the work. Alternatively, I could have the consultant we've hired to evaluate weatherization possibilities for the Library to help us review these bids to see if there is a way to save any money on the City Hall work. That individual will not be available until Wednesday or Thursday of next week. I ask the Council for direction on this.

10-N Consideration of a draft letter to be sent by the Council to all members of City Boards Commissions and Committees.

The purpose of this letter is to help keep the Council and the various committees' it appoints on the same page. Both the Council and its Committees have turnover and it is helpful to all if we promote communication and clarity in roles and process.

I have redrafted the proposed letter to reflect the Council's feedback, please let me know if there are any objections, concerns or suggestions. I note that this is a 3 page letter with 1 and ½ pages summarizing the role of each group. We can cut the length of the letter in half if we only send it the designated group.

10-O Request from the City Manager to go into Executive session to discuss personnel matters pursuant to 1 MRSA (6) (A)