

**Town of Cape Elizabeth
Ordinance Committee Minutes**

November 1, 2018

12:00 p.m.

Town Hall

Present: Penny Jordan , Chair
Caitlin Jordan
Valerie Randall

Staff: Clint Swett, Town Assessor; Maureen O'Meara, Town Planner

Councilor Penny Jordan called the meeting to order. The minutes of the July 30, 2018 meeting were approved.

Public Comment

No member of the public was in attendance.

Senior Tax Relief Program

The committee began review of a draft Senior Tax Relief Ordinance that included red-lined changes provided by staff.

Town Assessor Clint Swett introduced the draft ordinance as the implementing ordinance to fulfill the Town Council goal to create a senior citizen tax relief program. The ordinance borrows heavily from the Town of Scarborough. Mr. Swett has received lots of inquiries from seniors who are interested in the program.

The committee agree to abbreviate "Section" into "Sec." to be consistent with most other town ordinances.

Councilor Penny Jordan asked about applicability to renters. Mr. Swett said that the state requires the program to be offered to renters if you create a program.

Councilor Randall wants the program to be limited to the primary residence. Mr. Swett said that requirement is met to obtain a homestead exemption, which is required for the tax relief program.

The committee agreed that ten years of residency in the town was a reasonable amount of time to qualify for the program.

The committee discussed how participants would be reimbursed for taxes. There was some support for tying the rebate to the current tax year. The complexities of transferring rebates from one town account to another to pay down the current year taxes may be problematic, especially if this approach generates comments from the auditors. The Town Manager is recommending that a separate check be issued to qualifying participants. Since the check is a rebate for taxes paid in a prior year, there is no need to require that the payment then be applied to current year taxes.

The committee discussed the timing of payments in relation to taxes due. It was agreed that the timelines for the initial year will be compressed in order to get the program started. For subsequent years, checks will be issued by February 15th. The committee directed staff to include specific information in a fact sheet to be provided, such as significant dates. The program recap included at the end of the ordinance will be transferred to a fact sheet.

The committee discussed the caps on the maximum relief and income, as well as the typical amount of a tax bill. The program generally will benefit applicants with properties valued in the \$300,000 range and should the program be adjusted to reach further into the \$400,000 or more range? Mr. Swett pointed out that expanding the size of the relief payments will result in a smaller number of folks receiving a subsidy, or smaller subsidies. The committee agreed to keep the caps as proposed to start.

Mr. Swett noted that Scarborough funded this at \$75,000 the first year and \$200,000 the second year.

Councilor Penny Jordan wants the check mailed with a letter from the town that states it is the intent that the funds be used to pay taxes. Mr. Swett said the letter will also remind recipients that they need to reapply each year. Councilor Randall wants the letter to remind recipients that they need to pay the current year taxes in order to be eligible for the program in the next year. Councilor Penny Jordan reminded staff that the letter should use simple, non-jargon language.

Councilor Randall asked for Section 8 to be better worded than use "disburse" and "as follows."

Staff will revise the draft as discussed and the committee agreed to review a final draft at the next meeting.

Next meeting

The Ordinance Committee agreed on the following schedule of meetings, subject to the results of the Town Council caucus to be held prior to the December 10th Town Council meeting.

Tuesday, November 13th	6:15 pm - 6:55 pm
Monday, December 17th	6:00 pm - 8:00 pm
Thursday, January 3, 2019	6:30 pm
Thursday, February 7, 2019	6:30 pm

The meeting adjourned at 7:30 pm.