

BUSINESS & ECONOMIC DEVELOPMENT COMMITTEE

Tuesday, August 18, 2015 5:00 PM

(Please note start time.)

City Council Chambers

AGENDA

CONSENT AGENDA

1. Extension of Lease Agreement with Vicki L. Trundy, LCSW (see attached Memo)
2. Terms of Closing Cost and Down Payment Assistance Programs (see attached Memo)
3. Amending the Management Agreement Between the City of Bangor and Republic Parking to Include Atler Lot (see attached Council Action & Council Order)

REGULAR AGENDA

4. **REFERRAL - ORDINANCE 15-246**, Adding Chapter 179, Minimum Wage, to the Code of the City of Bangor (see attached Council Action & Council Ordinance)
5. **Executive Session** – Economic Development – Property Disposition – Odlin Road - 1 M.R.S.A. § 405(6)(C) (Confidential Memo provided separately)
6. Committee Action on Above Item

Memorandum

To: Members of the Business & Economic Development Committee
From: Stephen A. Bolduc, Executive Manager
Date: August 18, 2015
Subject: Extension of Lease Agreement with Vicki L. Trundy, LCSW

Issue

Vicki L. Trundy, LCSW wishes to extend a lease of a single office at 39 Florida Ave., Bangor for operation of a counseling business. Hannaford Bros. occupies the remainder of the office building. Ms. Trundy has leased the office since 2006 and has accepted the terms of this proposed agreement.

Premises:

- a) Office J at 39 Florida Ave. 155 sq. ft.
- b) Shared use of the building's common areas with the other tenant.
- c) Right to use the driveway, use of one (1) parking space and use of the parking area in the rear of 39 Florida Ave.

Term: One (1) year, from September 1, 2015 to August 31, 2016.

Rate: \$176.75 per month

Use: The premises will be used as a business office and for no other purposes without the consent of the City of Bangor.

Utilities: The City of Bangor will provide utilities furnished to the premises as listed: electricity, fuel oil, natural gas, storm water fees and water and sewer user fees.

Maintenance: The City of Bangor will be responsible for all maintenance of interior and exterior portions of the building. Hannaford Bros. Co. will be responsible for the cleaning of the common areas. The tenant is responsible for cleaning the rented office.

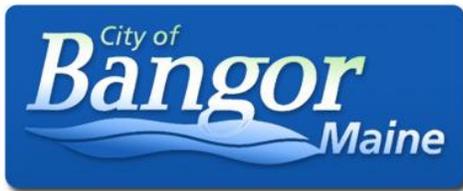
Taxes: Property taxes are the responsibility of the City of Bangor.

Insurance: The tenant will provide public and property damage liability insurance.

Recommendation

Staff recommends approval of this lease agreement under the terms and conditions outlined above.

MEMORANDUM



TO: Business & Economic Development Committee
FROM: Jeff Wallace, Housing Rehabilitation Coordinator
DATE: August 6, 2015

Terms of Closing Cost and Down Payment Assistance Programs

In the summer of 2014 the City Council authorized the creation of the Closing Cost Assistance Program and the Down Payment Assistance Program. These programs provide up to \$3,000 for closing costs and up to \$5,000 for the down payment with a recapture provision.

The recapture provision states that the amount of assistance is forgiven in 1/3 increments on the anniversary of the date of closing until the third anniversary.

Recently the first application was received to utilize these funding sources. Upon providing the information about the City's programs to the potential mortgage provider, the applicant was told that the mortgage provider would not agree to another entity holding a stake in the property. I discussed the situation with the applicant's potential mortgage provider and upon discovering the potential mortgage was a VA loan I decided to do some more research as I did not want to disadvantage any segment of the population.

I contacted four local lending institutions, explained the terms of the programs and inquired if the terms would create difficulties for potential applicants, whether a VA type or traditional financing. All answers received were consistent in that, at best, the applicant would be severely limited in lending choices and, at worst, would be precluded from obtaining financing.

It quickly became apparent that the terms of the program run counter to the intended outcome of getting the money on the street and helping people get into homes. All answers received from local lenders also stated that if the terms were changed to make the assistance an instant grant, then applicants would not be limited at all in their lending choices.

In consideration of the research conducted and the Department's desire to assist applicants in obtaining homeownership, Staff recommends removal of the recapture provision in the Closing Cost and Down Payment Assistance Programs.

COUNCIL ACTION

Item No.

Date: August 24, 2015

Item/Subject: **ORDER**, Amending the Management Agreement Between the City of Bangor and Republic Parking to Include Atler Lot

Responsible Department: Legal

Commentary:

Republic Parking manages a number of downtown off-street parking lots for the City, including pay by time used lots. In May of this year, the Atler Lot, across from the federal building on Harlow Street, was converted from a free 2-hour parking lot to a pay by time used lot. There are additional responsibilities, such as collecting money, that are needed for pay by time used lots.

This Order would authorize the City Manger to amend the City's management agreement with Republic Parking to add Atler Lot to the list of parking lots that Republic Parking manages.

Department Head

Manager's Comments:

City Manager

Associated Information: Order

Budget Approval:

Finance Director

Legal Approval:

City Solicitor

Introduced for

- Passage**
- First Reading**
- Referral**



Assigned to Councilor

CITY OF BANGOR

ORDER, Amending the Management Agreement Between the City of Bangor and Republic Parking to Include Atler Lot

BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF BANGOR, THAT

The City Manager is hereby authorized to sign an amendment to the Management Agreement between the City of Bangor and Republic Parking System, Inc. for the purpose of adding Atler Lot to the parking lots that Republic Parking manages. Said amendment shall be in final form as approved by the City Solicitor or Assistant City Solicitor.

COUNCIL ACTION

Item No. 15-246

Date: July 13, 2015

Item/Subject: Ordinance, Adding Chapter 179, Minimum Wage, to the Code of the City of Bangor

Responsible Department: Legal

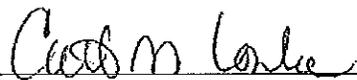
Commentary: This Item will amend the Code of the City of Bangor to increase the minimum wage in Bangor by adding Chapter 179. Currently, the minimum wage in Maine is \$7.50 per hour and has not been increased by the state or federal government since 2009. Had it been adjusted for inflation over the past 50 years, that same wage today would equal \$9.15 per hour.

If approved, this ordinance will increase the minimum wage within the City of Bangor as follows: effective January 1, 2016 the minimum wage will increase to \$8.25; and effective January 1, 2017 minimum wage will increase to \$9.00 per hour; and effective January 1, 2018, the minimum wage will increase to \$9.75 per hour; and effective January 1, 2019, and every first day of each January thereafter, the minimum wage for all Employees, shall increase at the percentage set by the Consumer Price Index for All Urban Consumers (CPI-U) of the previous most up-to-date twelve (12) months as reported by the Bureau of Labor Statistics.

The City of Bangor has the authority to exercise power and perform functions in order to protect the health, safety, and general welfare of its citizens. Based on numerous reports and studies it can be demonstrated that the establishment of a higher minimum wage within the City of Bangor will promote the health, safety and welfare of the citizens of the City of Bangor/ According to a report by the Maine Center for Economic Policy more than 100,000 workers in Maine would benefit from an increase in the minimum wage. Employment in Bangor makes up roughly 6% of Maine's workforce or about 35,000 workers. Extrapolating from the state wide analysis at least several thousand workers in Bangor would benefit from an increase in the minimum wage.

Department Head

Manager's Comments:



City Manager

Associated Information:

Budget Approval:

Finance Director

Legal Approval:



City Solicitor

**Introduced for
____ Passage**

Assigned to Councilor Baldacci



CITY OF BANGOR

(TITLE.) Ordinance, Adding Chapter 179, Minimum Wage, to the Code of the City of Bangor

WHEREAS, the minimum wage for state or federal has not been increased since 2009; and

WHEREAS, the current minimum wage in Maine is \$7.50 per hour; and

WHEREAS, the minimum wage in Maine in 1966 was \$1.25 per hour and adjusted for inflation over nearly 5 decades, that same wage would equal \$9.15 per hour - \$1.65 more than it is currently, and

WHEREAS, a report last year by the Maine Women's Policy Center found that 85% of Maine's workers who would be impacted by raising the minimum wage are over 20 years of age; and

WHEREAS, according to a report by the Maine Center for Economic Policy, 23% of workers in the Second District – or 60,000 people and for the whole state that number is over 100,000 Maine people would benefit from a raise in the minimum wage to \$10.10 per hour as proposed by President Obama; and

WHEREAS, 62% of Maine women who would benefit from an increase in the minimum wage have no partner supplementing their income; and

WHEREAS, Bangor is home to 6% of Maine's state wide workforce or about 35,000 workers and extrapolating from the state wide analysis at least several thousand workers in Bangor would benefit from an increase in the minimum wage; and

WHEREAS, the City of Bangor has the authority to exercise power and perform functions in order to protect the health, safety, and general welfare of its citizens ; and

WHEREAS, establishment of a minimum wage within the City of Bangor will promote the health, safety and welfare of the citizens of the City of Bangor.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BANGOR THAT,

The Code of the City of Bangor be amended as following:

Chapter 179 Minimum Wage

179 - 1 Purpose

The purpose of the within ordinance is to establish of a minimum wage within the City of Bangor to promote the health, safety and welfare of the citizens of the City of Bangor.

179 - 2 Definitions

Unless the context otherwise indicates, the following words shall have the following meanings.

a) City: City of Bangor

b) City Limits: the physical boundaries of the City

c) Employer: Any individual, group of individuals, partnership, association, corporation, business trust, or any other entity or group of persons or entities who employs or exercises control over the wages, hours or working conditions of more than four Employees; "Employer" shall include but not be limited to the City of Bangor.

d) Employee: Any person 18 years of age or older who performs work for an Employer for monetary compensation within the municipal limits of the City. Employee shall include persons who perform work for an employer on a full-time, part-time, seasonal or temporary basis. "Employee" shall not include any person who is excluded from the definition of Employee under 26 M.R.S. §663 of Chapter 7, Employment Practices and working for an Employer for academic credit from an accredited school, college or university for the purpose of this ordinance. Tipped Employees are not included in this definition of Employee.

e) Minimum wage: The minimum hourly rate of monetary compensation that an Employer may legally pay and Employee who work within the City.

f) Tip: A sum presented by a customer as a gift or gratuity in recognition of some service performed by the Employee.

g) Tipped Employee: Any Employee 18 years of age or older engaged in an occupation in which he or she customarily and regularly receives tips from customers.

179 - 3 Minimum Wage.

(a) Minimum wage payment required: Except as provided herein, Employers shall pay all Employees no less than the minimum wage for each hour worked within the City Limits.

(b) Minimum wage rate.

- (i) On January 1, 2016, the minimum wage for all Employees shall be established as \$8.25 per hour;
- (ii) On January 1, 2017, the regular minimum wage for all Employees shall be raised to \$9.00 per hour;

- (iii) On January 1, 2018, the regular minimum wage for all Employees, shall be raised to \$9.75 per hour;
- (iv) Effective January 1, 2019, and every first day of each January thereafter, the minimum wage for all Employees, shall increase at the percentage set by the Consumer Price Index for All Urban Consumers (CPI-U) of the previous most up-to-date twelve (12) months as reported by the Bureau of Labor Statistics. The sum of the most recent twelve months for which there is a calculated CPI-U reported by the Bureau of Labor Statistics will be the rate by which to define the increase in the minimum wage

179 - 4 Notice, Posting and Records.

- (a) Notice to Employees. Every employer shall post in a conspicuous place at any workplace or job site where any Employee works, a notice to be provided by the City informing Employees of the City's current minimum wage rates, as well as a copy of this ordinance.

179 5 Enforcement.

- (a) Any Employee receiving less than the minimum wage he or she is required to receive under this ordinance may file a written complaint with the city Manager's office.
- (b) The City Manager or his or her designee may take appropriate steps to enforce this chapter; and may investigate and issue a response to the complaint within fifteen (15) work day following the receipt of a complaint. The City Manager's or his or her designee's response to the complaint shall be final.
- (c) If the City Manager finds that a violation of this chapter has occurred, he or she may order any appropriate relief including, but not limited to, the payment of any back wages withheld and/or the payment of \$100.00 as a penalty for each day that a violation of this chapter has occurred. A violation of this Ordinance may also be considered a civil violation subject to the general penalty provisions of Bangor's city code.
- (d) In the alternative, any Employee may bring an action in a Court of competent jurisdiction against the Employer for any and all violations of this chapter, including, but not limited to, wages and expenses owed under this chapter.

179 - 6 Relationship To Other Requirements.

This ordinance provides for payment of minimum wage rates within the City and shall not be construed to preempt or otherwise limit or affect the applicability of any other law, regulation, requirement or policy that provides for payment of higher wages and/or benefits. Nothing contained in this ordinance prohibits an employer from paying more than the minimum wage rates established herein.

179 7 Severability Clause.

If any section, paragraph, sentence, word or phrase of this ordinance is for any reason held to be invalid or unenforceable by any court, such decision shall not affect the validity of the remaining provisions of this ordinance.

Additions underlined.