

MEETING NOTICE

A special meeting of the Ellsworth City Council will be held on Tuesday, January 7, 2025, at 6:00 PM in the Ellsworth City Hall Council Chambers

Meetings will be broadcast live on:

Facebook: <https://www.facebook.com/ellsworthme>

YouTube: <https://www.youtube.com/c/CityofEllsworthMaine>

Spectrum Channel 1303

AGENDA

1. Call to Order.
2. Public Hearing and action on the Court House Location.

City Manager Pearce – this is the fifth formal conversation regarding the alternative Ellsworth Courthouse proposal and location. Would like to thank the council for the incredible amount of time dedicated to this effort and the community who were at the original courthouse discussion. This really felt like a team effort with a lot of people that really understand the impact of this decision for the city; especially the State Judiciary who every step of this process has been helpful and responsive to feedback and questions. Is happy to report that they have reviewed our due diligence on the surveys from the Wardwell Property and are comfortable with what has been done and that it would be a good place for the new courthouse. Tonight, (1/7/25), we have three options, we can move forward with the alternative proposal, we can take no action which would allow the state to build on the Surry Road location, or we could pursue a moratorium on courthouses in Ellsworth. The courthouse was originally across the bridge as well as city hall and when this area began to grow, they moved them to the current locations, and now as Ellsworth continues to grow we are looking to bring the courthouse more into the Urban Core, to help growth in that area. (showed the audience the final survey of the Wardwell Property) The city would facilitate the swap of their 17.9 acre parcel for the state's 17.9 acre parcel on the Surry Road. One reason for the timing of this and the flurry of activity over the last 4 months to bring this option to the table is the state has a Bond Council deadline of January 15th, where they will decide whether to keep the Surry Road property or swap it for an alternative location. The Wardwells have also offered a right to first refusal for a period of time on their entire acreage of this property, not just for the courthouse project but as the city thinks about the full potential use of these properties to develop in the Urban Core. It could offer an easement for a parking area so that we could have Ellsworth's first public parking access to the rail trail, which currently doesn't exist; and also give more access to the Card Brook area. Looking at the zoning map, that is part of the Comprehensive plan, the

Surry Road location is in the neighborhood zone and the Wardwell property is in the Urban zone, so from a comprehensive, long-term planning perspective this location seems to be the more appropriate place for a project like this. It could also be an anchor for further development within the Urban core. Part of the wording, if the council were to agree to this location as an alternative, would instruct the City Manager to actively seek other funding opportunities to reduce the financial burden of the city for the road development. There could be some conservation potential that could help mitigate the funding of the road costs. Had a conversation with Senator Grohowski today (1/7), and she would be more than happy to put a bill to the state requesting funding for the road. There is also a potential cost share option with the Maine DOT at the intersection, they are going to be redoing High Street in the spring, so it would be a good time to work out details for the intersection portion. There were also questions at the last meeting as to whether some cost could be defrayed from our Public Works department and whether they have the expertise to do road building, to which the answer is yes. If the council doesn't want to move forward with the Wardwell property, we will stay involved, but there would be no financial obligations required from the City. We would make sure that the state adheres to local planning environmental regulations, monitor progress, and provide necessary city updates. If the council didn't want to pursue either of the first two options, they could pursue a moratorium on developments of this type in Ellsworth for a period of time. This would not be the recommended option, but wanted to have it as a possibility in case either of the other two options were not liked.

Councilor Beal – thank you (to City Manager Pearce) for the amount of work that you have done over the last several months. With the information you've been able to provide, the communication with the Judiciary and the citizens of Ellsworth, and the communication and transparency of this process, you have done an excellent job.

Councilors asked for some clarification as to when the construction of the road on the Wardwell property would begin, it was mentioned that it wouldn't be before or until 2027. The road would likely begin in 2026, following final DEP permits, final surveying and final analysis. The construction road, which would be a gravel road off Long Lane, would begin as soon as projects are approved and that would be something that Public Works could complete.

Councilors also talked more about the costs and whether there would be opportunities for reimbursement from the state on pieces. The \$1.5 million that is mentioned for Bond/BAN funding is the total liability to the city of a totally privately funded road. There is already potentially around \$100,000 from what the state was going to do to upgrade the Surry Road water and sewer stations that could be credited back to the road. As previously mentioned, there will be other funding mechanisms that we will be looking into. Also, future tax growth and revenue in the area, with the different projects currently in the pipeline and adding more to our water and sewer lines, so there will be additional revenue there as well.

Public Hearing opened.

Robert Grant Sr – this is all a great fantasy, but how can you vote for something when you don't know the cost. The \$1.5 million is "at most" but it is not guaranteed. The wetlands, the state put rules regarding the 250ft all the way around it, how are we now able to go right up to it?

City Manager Pearce – to respond to Mr. Grant's questions, this number isn't one that was just thrown together, it came from multiple meetings with Andrew and Steve, to develop a good

estimate to be the benchmark for where we are at. We will be under the estimate because of the credit from the State and looking into other sources of funding.

Gordon Workman – there is one fact that he says he keeps not hearing about; what is the involvement of the Hancock County Commissioners on this?

Councilor Stein – he did give a brief overview of the development on this project from the last 6 months or as long as it has been known about to the Commissioners, they had a few questions, to which he sent them the memo and let them know that this meeting was happening, however none of them were able to attend, unless they are watching.

Gordon Workman – well seeing that the courthouse was built with “courthouse” on it and they took over part of the building for their commissioning projects and Sheriff department, among other things, they have limited the size of the space. If they can’t expand their courthouse to benefit the courthouse then the County Commissioners should be involved with some type of value. This shouldn’t end up being all Ellsworth paying for this project, in fact all the Hancock County towns should be involved with this because they use it. If each town was charged some kind of a fee that would knock down the cost to us.

Lisa LaRue – is against the Surry Road location, they haven’t done their due diligence on the engineering and feels that in the long run they may find that the site doesn’t work for them. The Wardwell site provides a much more suitable location, with larger acreage for the placement of the buildings, drainage, stormwater and expansion, which is something that needs to be thought about. At the Surry Road location they would not have the expansion room, they are boxed in pretty tightly. It is interesting to her that they are unwilling at this time to commit additional funds upfront to achieve the best long-term outcome. They should provide some of the funding to build the small section of road they are requiring the city to do; they must have anticipated at any building site to meet their needs because no site is completely ready to go. They are trying to force the city to hand over a good location without some additional cost to them. It is her thought that they may force our hand, and the city may decide not to move forward with the road, but the city should still work with the Wardwells to acquire the land for the future of Ellsworth. We would be able to find other developers that would be more than happy to make the infrastructure improvements needed, and the city could ensure that the land is now used for the best interests of the community.

Ed LaRue – first would like to thank you (Charlie) for all his hard work. He believes that Surry Road is a terrible location, not just because he lives on that side of the bridge. He has had people tell him that they won’t buy a house there because they can’t get across the bridge in the morning, so he thinks it would hurt us more to add to the traffic. His taxes have gone up quite a bit in the last few years, and he doesn’t want them to go up more but thinks that it is “foolish” to think that if you put the courthouse in the “ready-made” location on the Surry Road that it isn’t going to cost the city anything. This is going to cost the city something no matter where it goes, so to put it someplace where you can invest now and reap the benefits now is a smarter idea.

Teri Sargent-Smith – she disagrees with the idea that there won’t be any city cost on the Surry Road, if it were to get to that point. She was told by someone that the city promised a sidewalk, which is expensive; we would need a turning lane, additional lighting, and water/sewer and storm water improvements which would all be significant city funds that would be required to put the courthouse at the Surry Road site. She had her house appraised twice in the fall because she didn’t

believe the first one was accurate. The appraiser asked her where she stood on the courthouse, and she told her that they were fighting it and that there was an alternative location. The appraiser told her that it was still on their website and her appraisal was \$100,000 less than it should have been because she appraised it as though the courthouse was still going on the Surry Road. She brought in another appraiser, and they did the same thing, so she would like to know if the city is prepared to lower the property values on that side of town because that is what it is going to do to all of their values. She believes this is something that the council needs to take into consideration when they are voting on this and that this needs to be looked at as an Economic Development opportunity for the city. The council has the opportunity to start something “fabulous” with this road. She doesn’t want to pay for it or to have her taxes go up, but she is willing to because she believes that we will find funding for it and it is for the future.

Ralph Jordan – is against the courthouse being on the Surry Road because of the traffic and also thinks that the alternative location is a good spot. He thinks the courthouse should stay where it is and that it is still possible for that to happen. He has a cautionary note, his father built the grain store off Merrill Lane in the 70’s, so it may cost \$1.5 million to put the road in but if you take a drive behind LL Bean there is a 30ft tall piece of ledge and farther up the railroad tracks there is ledge on both sides and there is also cement under where the bank is.

Penel Houghton – is there anything in the comprehensive plan that limits what the Wardwells can do with the Surry Property?

City Manager Pearce – no there is not. There is interest in conservation and just like any other property owner they would have to apply by our rules and regulations.

Councilor Beal – it is a neighborhood zone and if that were to be changed it would have to come to the council through multiple public hearing processes, so it is not a quick process.

Penel Houghton – it sounds like to her that the Wardwell property is better known cost wise with all the work that the city has done and that the state has put to it so there is a better understanding of that property than the Surry Road property. Surry Road they still don’t have a lot of information done in the work up of understanding how they can use the property, and she agrees with the other people that it is very likely that there will be a lot of costs racked up because we don’t know a lot.

Leslie Harlow – would like to echo the comments of Councilor Lyons that this is a great opportunity for Ellsworth to have a generational nudge. She has lived here most of her life and has watched the evolution of what she calls “hobnob” developments, where someone was fortunate to be able to buy the land and develop it and the city had to put some roads in but it wasn’t with an overview. We are unique and unlike any other town in Maine because we are a town of 9,000 people but in the summer 5 million people managed to drive through here, and we have not figured out how to make that work to our benefit. She thinks that this project that is being proposed in a part of town that could be more evolved as part of the urban compact/urban core is a very unique opportunity. She lives on Beals Ave and has watched the progress with the planned community at the end of their road and has thought that it is the beginning of that and it all just seems to make sense.

Mary Blackstone – would like to know more about Card Brook watershed from an environmental perspective. It was mentioned that there have been conversations with Frenchman’s Bay Conservancy and that conservation will be part of the process on the Wardwell Property. Currently Card Brook, where it connects with the area that is planned to be developed, becomes

an urban impaired stream. From the DEP's standpoint, the primary reason for the impairment is impervious surface and storm water drainage into Card Brook, so that is something that would need to be addressed.

City Manager Pearce – the conversations with Frenchman's Bay have been very initial. We hope to bring them in as more of a partnership on how we best preserve this. When we look toward developing the full area what would be most important to protect and what would be most important to limit impervious service to make sure we don't have water run-off.

Councilor Smith – this isn't a decision to sacrifice Card Brook in order to do this, there are the setbacks that are required but if Frenchman's Bay were to put some money in as conservation, there is no reason for them to conserve what already can't be developed because of law. It would be conserving more and having recreation areas and more wildlife areas beyond what is required by law. On the state level what she has found interesting, within the last 5 years, is that land conservation groups are saying we need to be part of the solution for housing. They used to do only conservation for conservation's sake and for wildlife and then they realized that their mission should be broader, and it should be about people having access to these areas. Now conservation groups are saying there's a housing crisis for people and while we're looking at what makes sense to conserve for different uses, we do need to look at what land we might have that would make sense for development.

Mary Blackstone – I really appreciate the extent to which you are thinking broadly to include conservation, residential and the courthouse development. She would like to remind you that on the DEP's website, under the Card Brook section, the first mechanism they have to amend the impaired status is reducing, addressing the impervious surface. That is the existing impervious surface, now we are talking about putting more impervious surface, not just the courthouse but at least two other developments in the Card Brook watershed. She believes that people are excited about this development because it has the potential for economic development in that area, which would be good if it happens, but would like to point out that the DEP rules are going to be changing with respect to wetlands and small streams. They are currently working on legislation to radically change the rules, so the extent to which further development is going to be possible for the area is up for question.

Doug Smith – he grew up in the white house on Water Street where the brook comes out. They moved out 64 years ago, but the water was brown back then as well; so he doesn't want people to think that in a few years, if it gets approved, that we did something to Card Brook.

John Linnehan – this was a great presentation; he doesn't have an issue with either property or the moratorium. His only concern that he would like the council to consider, what is the impact on the property taxes. If there is any increase with any option, he hopes that they will vote no; he isn't saying that they aren't good projects but can we afford them.

Eric Martiog(sp?) – lives off the Surry Road, what he has to say doesn't go against the Surry Road option, he would prefer it not to be there because it will mess up traffic, but anyone who has driven on High Street between 3:30pm and 6:00pm in the summer understands that the traffic might be worse there than it is on the bridge. Is there a plan in place for reducing the amount of traffic or the impact on traffic? Also, he is an employee of the Jackson Lab and is part of a group that is moving to Gainesville because they can't afford to live here because there is no housing. He is in

favor of the Wardwell Property because he thinks that it might provide an opportunity for growth that could benefit both Jackson Lab and Ellsworth at the same time.

City Manager Pearce – on the traffic piece, he has talked to the state, and they would do a traffic study if we were to move forward on the Surry Road and they would also do the same on High Street. Something that has also been discussed is, is it possible to create a bypass. That would be the second piece of this because the courthouse part is first, but with all the pieces of the comp plan and the housing needs assessment that this could also start addressing those needs.

Councilor Smith – something that is happening beginning this year is a partnership with the Department of Transportation, through a grant secured by Thriving Communities, that will look at what is going on on High Street. This is a two-and-a-half-year project to look at how we manage the functionality of High Street, it is looking at land use and the traffic patterns.

Dale Hamilton – he does think that there is an opportunity for development for housing, however realistically there is a lot of other work that needs to be done to make the lower prices. Debt service, what that means is something else that is due or needed to be purchased, would be given up as a result of taking on this project, so he feels the council should think about what is going to be needed in the next 3-5 years or taxes will go up. He also believes that there aren't only three choices. He would encourage the council, that if they are going in the direction of authorizing this expense, that they consider authorizing up to and directing the City Manager to conduct further negotiations with the State.

Public Hearing closed.

Councilor Stein – first, would like to thank everyone for coming out. The neighborhood from Surry Road initially put this on our radar, he hadn't heard of it until they came to us with their concerns. That created this discussion and potential opportunity for the city. He has been in contact with the Commission over the last couple months trying to increase communication between the city and the commission. There are very few people that go to talk during their public comments, he thinks that we would do well as a county to have more people go to the commission.

On a motion from Councilor Lyons:

Whereas, the City of Ellsworth recognizes the need for a new courthouse facility and supports a state/city partnership to achieve this goal;

Whereas, an alternative location for the courthouse has been identified to better serve the needs of the community and judicial system;

The City Council hereby moves to:

- 1. Authorize the City Manager to facilitate a land swap agreement between Alice Wardwell and the State of Maine's Judicial Bond Council for a 17.9-acre parcel off of High Street (number not yet assigned; Tax Map 21, Lot 15) in exchange for a 17.9-acre parcel owned by the State of Maine at 120 Surry Road for the State of Maine Judiciary to construct a new courthouse facility on the Wardwell property.**
- 2. Instruct the City Manager to negotiate and execute an easement purchase agreement with the Adams and Merrill property owners for parcels off of High Street (Adams: Map 131, Lot 73; Merrill: Map 131, Lot 40, and Map 131, Lot 41), funded through the Local Roads Account. These funds are to be allocated for the purpose of**

constructing a roadway connecting High Street to the proposed courthouse facility on the Wardwell property.

3. **Authorize the City Manager to enter into a contract with the State of Maine's Judicial Branch. The contract shall define the standards and timelines by which the City will fulfill its obligation to construct a road to the proposed courthouse facility not to exceed \$1.5 million in City issued Bond Anticipation Notes (BAN) or Bond funds.**
4. **Instruct the City Manager to actively pursue state, federal, and all other funding opportunities to reduce the financial burden on the City for road development. This effort shall include proposed zoning and land use modifications aimed at spurring housing and economic development and generating new tax and fee revenue from road and utility usage in the City's Urban Core Growth Area. The City Manager shall provide a funding report on the city road project quarterly until the project closes.**
5. **Direct the City Manager to pursue a rights-of-first-refusal agreement on the remaining Wardwell properties off of High Street (Tax Map 21, Lot 15), considering potential:**
 - a. **Conservation easements,**
 - b. **Developer partnerships, and'**
 - c. **State and Federal road and infrastructure improvement programs.**

Effective Date: This motion shall take effect immediately upon passage.

Seconded by Councilor Smith.

Discussion on the motion:

Councilor Smith – came in tonight still with an inquisitive mind, and eager to hear from people; she does appreciate those who spoke and the turnout. What struck her tonight, is the public opposition early on to the Surry Road was about quality of life and the appropriateness of directing growth to Surry Road. The opposition to the Wardwell property is the cost of the access road, they are very different concerns. There seems to be a sense that the Wardwell property is the right property, and she agrees, it is just a kicker that there's a significant cost to it. What she has heard tonight is an affirmation of those two perspectives and the fact that we have avenues we could still pursue to bring down the cost. The key here is to take that long term approach, the "generational nudge," and what they decide tonight will nudge where and if development happens and if Ellsworth grows. In her day job they talk about change is coming and one of the values you have in engaging at the local level is determining how that change will happen rather than having it done to you, that you can step in and say this is how it is going to happen. Another issue that has come up a few times is the frustration of why the county isn't paying for it, it is actually a state thing even though it is a county courthouse. There isn't yet a mechanism for a community, that is a service center, which Ellsworth is and the county seat, to have the communities that benefit from those services help pay for them. We deal with it for multiple issues, and there has yet to be legislation successfully passed to help, which could possibly be another conversation to have with our representation about how we manage that.

Councilor Beal – she feels the same way, we knew all of this information but didn't have the aspect from the public, so again thank you for coming out and talking with us, the pros and cons. They are both needed when you are making a decision like this. As she has listened to everyone, there are a lot of things that the city has done where we have put money into conservation projects for recreation, and Myrick Street even though it isn't the most popular street, we did get out money back from that and we have an area that can be developed. The business park is fully built out and we are receiving tax dollars from that and will continue to. The biggest one that we did was Branch Lake, the conservation effort that was done on the lower end, we were able to bring recreation to Ellsworth and at the same time save our water supply.

Councilor O'Halloran – the Surry Road location is less than optimal. He sat in on a meeting with Matt and the Wardwell family and he said at the meeting that no matter what happens, that some good is going to come out of this process. He plans to vote against this proposal because to commit city staff to build development projects is a mistake. He thinks that this development should be for private enterprises and not government. It is not a popular opinion, but he doesn't believe that the city needs to be in the development business. The city can grow by lowering the barriers and treating people coming to the city better than they do. There is no one at the meeting tonight from the state or the county and there is no guarantee that the state is going to go forward with this if it passes.

With a vote of 6-1 (S O'Halloran opposed), the motion passes.

3. Adjournment.

Motion to adjourn, P Lyons, seconded by T Mote, passed 7-0.