

**Special Meeting of the Barre City Council
Held August 23, 2012**

The Special Meeting of the Barre City Council was called to order at 7:00 PM by Mayor Thomas Lauzon in the Barre Opera House lobby, Barre, Vermont. In attendance were: From Ward I, Councilor Paul Poirier; from Ward II, Councilors Michael Boutin and Michael Smith; from Ward III, Councilor Lucas Herring. Also in attendance were City Manager Steven Mackenzie and Clerk Carolyn Dawes.

Property Tax Stabilization Policy. Mayor Lauzon reviewed his proposed revisions to the policy and said his preference is to wait a few weeks, and then bring them back for consideration at a future Council meeting. Council voted to table the item on motion of Councilor Smith, seconded by Councilor Herring.
Motion carried.

Property Tax Stabilization Agreement – Blanchard Block. Mayor Lauzon reviewed a summary of the proposed agreement and said if approved, Manager Mackenzie would draft the final document. The Mayor said he believes the City will be responsible for the education taxes on the project during the stabilization period.

Resident Ed Stanak asked the Mayor to review his spreadsheet data for the financial benefit to the community over 25 years. The Mayor reviewed his calculations and said the City would break even from the education tax portion of the stabilization in 15 years.

Mr. Stanak; downtown merchants Bob Nelson, Mary Jane Magnan and Bob Sager; Barre Area Development Corporation executive director Darren Winham, and Barre area resident Skip Poczobut all voiced support for the project.

Councilor Smith said he supports the project. He said he wants to make sure that in the future the Council allows enough time for process. Mayor Lauzon said he apologizes for the short timeline, and will get information to the Council in a more timely manner in the future. Councilor Herring said additional time will allow the public to review and respond.

Councilor Smith made the motion to approve the tax stabilization agreement with Granite City Developers, and authorize the Manager to draft the agreement and bring it to Council for final approval. The motion was seconded by Councilor Herring.

Mayor Lauzon read the agreement summary, and said the agreement would stabilize the value of the property at its current level for ten years, with the assessment going to fair market value in the 11th year. The Mayor said the completion date is estimated to be October 2014, and the total investment is estimated to be \$3 million. There was discussion about the total investment, and Mayor Lauzon said it would include acquisition costs. Mayor Lauzon said the agreement will have parameters in it, including completion date and investment amount, and if there is movement outside the parameters, the agreement would come back to Council for review.

Barre City resident Joelen Mulvaney asked questions about job creation and maintaining the historic nature of the building. Mayor Lauzon said the developers are hoping to entice tenants who will bring jobs into the community. Barre City Developers (BCD) representative Mark Nicholson said they are working with the state to maintain and restore historic characteristics of the building. Mayor Lauzon said BCD is applying for federal historic tax credits, which will require them to maintain the historic nature of the building.

Council approved the motion as presented with Councilor Boutin voting against.

To be approved at 08-27-12 Barre City Council Meeting

Council adjourned at 7:32 PM on motion of Councilor Poirier, seconded by Councilor Herring. **Motion carried.**

An audio transcript of the meeting is available through the Clerk's Office.

Respectfully submitted,

Carolyn S. Dawes, City Clerk

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