

## **CHAPTER 9.** **CAPITAL INVESTMENT STRATEGY**

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(Revisions 10-11-04)

This capital investment strategy is designed to assist the Town in planning for the capital facilities needed to service the future growth and development in the community, as well as a continued growth in tourism. The strategy is designed to:

1. Assess the ability of the Town's facilities to accommodate the anticipated growth,
2. Identify the needs for capital expenditures to service that growth, and
3. Evaluate the relative priority of the various needs.

In addition to the projects identified in the capital investment strategy, the plan also proposes that the Town support other capital investments that are aimed at improving the quality of life of residents and/or the quality of the vacation experience of visitors. These activities will also need to be addressed in the Town's ongoing capital improvements planning program.

### **A. Projected Growth**

During the decade of the 1990s, the Town's year-round population grew by 26% or 252 persons. This growth was fueled by the in-migration of retirees and pre-retirees. The year-round population is projected to grow to around 1,640 residents by 2015, an increase of 33%.

In addition to the growth in its year-round population, Ogunquit has experienced continuing growth in the number of visitors coming to the community. Some of this growth was fueled by an increase in the number of transient rooms in hotels, motels, inns, and bed and breakfast establishments. Peak summer seasonal population in 2000, including tourists and day beach visitors, is estimated to have been about 15,180. This summer peak is projected to grow to over 16,000 by 2015.

### **B. Ability to Accommodate the Projected Growth**

Despite its small year-round population, the Town of Ogunquit operates as a full service municipality with full-time administrative staff, its own police department, a recreation department, and other programs and staff typically not found in communities of its size. Because of the large influx of seasonal visitors, the facilities of the Town are typically sized to accommodate expanded use and, in some cases, expanded staffing, during the summer season. This means that many facilities are under utilized in the off-season and stretched during the peak of the summer season. Balancing these competing interests is essential to maintaining an efficient municipal government.

Based upon the inventory of municipal facilities prepared by the Town's Land Use Office, the Town's facilities appear to be generally adequate to provide adequate services for the growth in both year-round population and seasonal visitors except for the Police Department and Town office operations. The Town has recently completed a facility planning process. As a result of this process, a package of facility improvements will be submitted to Town Meeting, probably in November of 2004. The details of the proposals are being worked out but will likely include upgraded facilities for the Police Department as well as an improved municipal facility.

### **C. Capital Planning Process**

The Town has initiated a formal capital planning process. As a result, the Town has adopted a five-year Capital Improvement Plan (CIP) covering 2004 through 2008. This plan will be updated annually to reflect both completed projects and emerging needs. A copy of the current Capital Improvement Plan is shown in Table 9-1. Many of the projects discussed below are included in the CIP.

### **D. Projects Necessary to Accommodate the Projected Growth and Enhance the Quality of Life**

To accommodate the anticipated growth in the year-round population of Ogunquit as well as the likely continued growth in the number of visitors while maintaining or enhancing the quality of life, the Town will need to undertake a variety of capital projects. The following descriptions identify each needed project, provide a brief description of the project, estimate the cost of the project (where possible), and identify possible sources of funding for the project.

#### **1. Police Department Facilities**

A community forum held in November of 2003 identified improved police facilities as the greatest facility need of the community. The facilities study identified improved and expanded facilities for the Police Department as a key community need. The CIP includes improved facilities as a recommended project for 2005. The estimated cost for the project is \$2,200,000. This project will be included in the facilities improvement package that will be submitted to Town Meeting in the near future, possibly November of 2004.

#### **2. Open Space Acquisition Fund**

This Plan proposes that the Town create and fund a program to allow the Town to work with other groups to acquire open space and/or conservation easements and for the Town to act on its own to acquire key land or easements to maintain the

character of the community. At this point, the estimated cost for such a program has not been developed. The plan envisions that this will be a long term, on-going activity and that funding will come from a variety of sources. The Town should enact an impact fee on residential subdivisions that do not provide significant open space as part of the development. The Town should also actively seek state and federal funding for open space acquisition. In addition, funding for open space will likely need to come from the general fund and be paid for with local taxes. The Town should include annual funding of at least \$50,000 for the acquisition of open space or conservation easements in the town budget. The current CIP recommends annual funding at a level of \$25,000.

### **3. Sidewalk Improvements**

This plan proposes that the Town systematically improve the existing sidewalk system and provide for the extension of the system. This program should be based upon a long term sidewalk improvement plan with regular annual funding. The anticipated cost for sidewalk improvements will need to be developed as part of the sidewalk plan. Funding for this project may be available from a variety of sources. The Town should work with the Maine Department of Transportation (MDOT) to assure that sidewalks are provided as part of any road improvement project such as the reconstruction of Route One. The Town should also actively seek state and federal funding for pedestrian facility improvements. In addition, funding for sidewalk improvements will likely need to also come from the general fund and be paid for with local taxes. The current CIP proposes annual funding for sidewalk improvements.

### **4. Improvement of Route One**

The Maine Department of Transportation (MDOT) plans to reconstruct Route One through Ogunquit in the near future. This will be an important project for the community and will need to be carried out in a manner that enhances pedestrian movement and provides for the trolley system. This may mean that the Town will need to participate in the funding of this project to a greater degree than is typically required to assure that the design and construction of this project is appropriate to the needs of the community. While MDOT will pay for the majority of the project with state and federal funding, the Town may need to pay a share of the costs with local funds. Whether or not the Town will need to contribute to the project and the amount of the Town's share, if local participation is required, has not yet been determined.

### **5. Upgrading of Other Municipal Facilities**

The community forum held in November of 2003 asked that the Town develop information on the cost and feasibility of bringing the Dunaway Community Center (the current municipal offices) up to code as part of an assessment of its future use.

The facilities study identified improved and expanded facilities for municipal operations as a key facility need. The CIP includes improved municipal offices and related facilities as a recommended project for 2005. The estimated cost for the project is \$2,200,000. This project will be included in the facilities improvement package that will be submitted to Town Meeting in the near future, possibly November of 2004.

## **6. Improvements to the Public Transportation System**

The trolley system is currently privately owned and operated. As the Town asks this system to take on more public service activities such as servicing remote day-visitor parking lots or residential areas, the Town may need to participate in the funding of this system.

## **7. Parking Improvements**

This plan proposes that the Town work to develop fringe parking for day visitors to reduce the amount of traffic in the middle of Town. The plan anticipates that visitors using these remote parking lots would then be shuttled to Downtown, Perkins Cove, and the beach using the trolley system. At this point, no plan is in place for the development of such parking lots so no costs are available. As the next steps in this process, the Parking and Traffic Management Committee should investigate possible sites for remote parking and conduct preliminary engineering studies to determine likely development costs. Construction of remote parking facilities may be able to be funded through a variety of approaches including MDOT programs, the collection of fees from businesses that do not provide parking, user fees, and local tax funding.

## **8. Long Term Traffic Improvements**

This plan recommends that the Town continue to explore possible ways to improve traffic flow and safety through the center of town in conjunction with the MDOT. At this point, there are no specific plans or proposals for traffic improvements. This process will probably require that the Town "invest" some money in traffic studies and preliminary engineering to explore possible improvements and then to financially participate in any proposed improvement projects. While it is too early to earmark funding for this purpose, the Town should be aware that there is a potential future financial cost for this activity.

## **E. Capital Priorities**

While all of the capital projects discussed above are important and needed, the projects can be grouped in to the following categories:

**Highest Priority** – the following projects have the highest priority and funding for these projects is included in the current CIP with the exception of the Route One project where it has yet to be determined if local participation will be required

- Police Department facilities (2005)
- Municipal facilities (2005)
- Improvement of Route One (2005-06)
- Sidewalk improvements (ongoing)
- Open space acquisition (ongoing)

**High Priority** – the following projects, while important, have a somewhat lower priority than those listed above:

- Parking improvements (committee now working to develop proposals)
- Long range traffic improvements

**Conditional Priority** – the following project is important but will need to be undertaken only if privately funded expansion of the system is not feasible:

- Improvements to the public transportation system

In addition to these eight projects, the Town has a variety of capital needs to support on-going municipal operations including equipment replacement. The relative priority of these needs is shown in the CIP in Table 9-1.

Table 9-1  
Capital Improvement Plan  
2004-2008

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTALS</u>
<b>GENERAL GOVERNMENT</b>						
COMPUTER SOFTWARE	21,500	34,500	34,500	34,500	34,500	159,500
DCC GENERATOR	20,000					20,000
TOWN HALL		2,200,000				2,200,000
DCC IMPROVEMENTS	60,000					60,000
VILLAGE BEAUTIFICATION		50,000		500,000		550,000
LAND CONSERVATION FUND	25,000	25,000	25,000	25,000	25,000	125,000
<b>LAND USE</b>						
REVALUATION	250,000					250,000
MAPPING			50,000	50,000		100,000

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTALS</u>
<b>POLICE</b>						
VEHICLES	35,000	36,000	37,000	38,000	39,000	185,000
COMPUTERS		16,000				16,000
BUILDING		2,200,000				2,200,000
VISITOR SVCS GAZEBOS	10,000					10,000
<b>FIRE-RESCUE</b>						
RESERVE FUND		75,000		75,000	75,000	225,000
LADDER TRUCK			750,000			750,000
COMMAND VEHICLE					50,000	50,000
ENGINE/PUMPER	425,000					425,000
AMBULANCE				151,000		151,000
AIR PACKS	43,000	23,000	23,000			89,000
EXTRACTION TOOLS	10,000	10,000				20,000
GENERATOR	15,000					15,000
CARDIAC MONITORS	36,000					36,000
BUILDING IMPROVEMENTS	45,000	20,000				65,000
<b>PUBLIC WORKS</b>						
ROAD IMPROVEMENTS						
CONSULTANTS/STUDIES		25,000				25,000
RESERVE FUND			100,000	100,000	100,000	300,000
SIDEWALKS	20,000	160,000	100,000	100,000	100,000	480,000
SPREADERS		35,000				35,000
BACK HOE	15,500	15,500	10,500			41,500
RESERVE FUND			50,000	50,000	50,000	150,000
DUMP TRUCK						0
1 TON TRUCK	60,000					60,000
PICK-UP TRUCK		30,000				30,000
<b>TRANSFER STATION</b>						
LAND PURCHASE	185,000					185,000
DESIGN/ENGINEERING	100,000					100,000
CONSTRUCTION		1,000,000				1,000,000
VEHICLES					50,000	50,000
<b>COMMUNITY SERVICES</b>						
PICK-UP TRUCK		27,000				27,000
WINN HOUSE	39,000	10,000	15,000	15,000	15,000	94,000
OLD INFO CENTER						0
RESTROOMS				200,000		200,000
DOROTHEA GRANT						
COMMON	25,000	25,000	25,000	15,000	25,000	115,000
PLAYGROUND EQUIPMENT	15,000	15,000				30,000
AGAMENTICUS PARK			200,000			200,000
BEACH RAMPS	120,000					120,000
FOOTBRIDGE	25,000	50,000				75,000
<b>Total Capital Expenses</b>	<b>1,600,000</b>	<b>6,082,000</b>	<b>1,420,000</b>	<b>1,353,500</b>	<b>563,500</b>	<b>11,019,000</b>

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>TOTALS</u>
<b>DEBT PAYMENTS</b>						
EXISTING DEBT AS OF 12/31/02	322,149	273,239	262,896	252,555	0	1,110,839
NEW DEBT 2003	51,000	49,000	47,000	45,000	43,000	235,000
NEW DEBT 2004		75,000	70,000	65,000	60,000	270,000
NEW DEBT 2005			445,000	440,000	335,000	1,220,000
NEW DEBT 2006				125,000	120,000	245,000
NEW DEBT 2007					125,000	125,000
<b>Total Debt Expenses</b>	373,149	397,239	824,896	927,555	683,000	3,205,839
<b>CAPITAL/DEBT REVENUES</b>						
SURPLUS FUNDS	250,000	0	294,337	404,454	19,335	968,126
BOND PROCEEDS	635,000	5,400,000	750,000	700,000	0	7,485,000
FROM RESERVE FUNDS	75,000	0	75,000	0	0	150,000
PARKING LOT FEES	300,000	315,000	330,750	350,000	367,500	1,663,250
<b>Capital/Debt Revenue Totals</b>	1,260,000	5,715,000	1,450,087	1,454,454	386,835	10,266,376
<b>Net Budget (Tax Dollars)</b>	713,149	764,239	794,809	826,601	859,665	3,958,463
<b>Estimated Town Valuation</b>	558,849,50	581,203,486	604,451,626	628,629,686	653,774,873	
<b>Estimated Tax Rate</b>	1.276	1.315	1.315	1.315	1.315	