



GARDINER CITY COUNCIL
AGENDA ITEM INFORMATION SHEET



Meeting Date	02/19/2020	Department	Planning/Economic Dev
Agenda Item	4.7 Possibly Approve Proposed TIF District/Central Maine Crossing		
Est. Cost	n/a		

Background Information

This agenda item is the possible approval of a proposed TIF District/Central Maine Crossing.
The full application is attached.

This proposed district consists of approximately 23.19 acres of property located on Brunswick Avenue/Route 201, near the intersection of Interstate 295. With the adoption of this proposed district the city can accomplish the following goals:

- *Maintain the existing tax revenues
- *Enjoy enhanced future tax revenues generated by improvements within the district
- *Enable the investment of TIF revenues in high priority city projects
- *Create long term stable employment opportunities for area residents
- *Improve the overall economy of the city, Kennebec County, and the State of Maine

Also, the city will shelter the increase in municipal valuation that the development will bring.

This Public Hearing was advertised on February 07, 2020.

Requested Action	'I move to approve the proposed TIF District/Central Maine Crossing located on Brunswick Avenue/Route 201, near the intersection of Interstate 295, identified as Map 011, Lots 002-2, 002-3, 002-4, 002-5, 002-6, and 002-7.'
City Manager and/or Finance Review	The City Manager recommends the above action.
Council Vote/ Action Taken	
Departmental Follow-Up	

City Clerk Use Only	1 st Reading _____	Advertised <u>02/07/2020</u>	EFFECTIVE DATE _____
	2 nd Reading _____	Advertised _____ w/in 15 Days	
	Final to Dept _____	Updated Book _____	Online _____

ECONOMIC DEVELOPMENT PROJECT

CITY OF GARDINER MAINE

An Application for a Municipal Development and Tax Increment Financing District

**CENTRAL MAINE CROSSING OMNIBUS MUNICIPAL DEVELOPMENT
AND TAX INCREMENT FINANCING DISTRICT**

DEVELOPMENT PROGRAM

Presented to:

**City Council
City of Gardiner
February 19, 2020**

APPLICATION COVER SHEET

MUNICIPAL TAX INCREMENT FINANCING

A. General Information

1. Municipality Name: City of Gardiner		
2. Address: 6 Church Street, Gardiner, Maine		
3. Telephone: 207-582-4200	4. Fax:	5. Email: tdesjardins@gardinermaine.com
6. Municipal Contact Person: Tracey Desjardins, Economic Development Director/Planning		
7. Business Name:		
8. Address:		
9. Telephone:	10. Fax:	11. Email:
12. Business Contact Person:		
13. Principal Place of Business:		
14. Company Structure (e.g. corporation, sub-chapter S, etc.):		
15. Place of Incorporation: Maine		
16. Names of Officers:		
17. Principal Owner(s) Name:		
18. Address:		

B. Disclosure

1. Check the public purpose that will be met by the business using this incentive (any that apply):		
<input type="checkbox"/> job creation	<input type="checkbox"/> job retention	<input type="checkbox"/> capital investment
<input type="checkbox"/> training investment	<input type="checkbox"/> tax base improvement	<input type="checkbox"/> public facilities improvement
<input type="checkbox"/> other (list):		
2. Check the specific items for which TIF revenues will be used (any that apply):		
<input type="checkbox"/> real estate purchase	<input type="checkbox"/> machinery & equipment purchase	<input type="checkbox"/> training costs
<input type="checkbox"/> debt reduction	<input checked="" type="checkbox"/> other (list): please refer to Table 1 in the development program	

C. Employment Data

List the company's goals for the number, type and wage levels of jobs to be created or retained as part of this TIF development project (*please use next page*).

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Exhibit List

Exhibit A-1	City of Gardiner Property Map Showing District Property Relative to City Boundaries
Exhibit A-2	City of Gardiner Property Map Showing District Property
Exhibit B	Assessor’s Certificate – City of Gardiner, Maine
Exhibit C-1	Anticipated TIF Revenues Generated by District
Exhibit C-2	Tax Shift Benefits
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Exhibit E	Minutes of Public Hearing
Exhibit F	City Council Order
Exhibit G	Statutory Requirements and Thresholds Form

Development Program

I. Introduction

The Maine Legislature established tax increment financing as an economic development tool to be used by municipalities to: (a) provide new employment opportunities; (b) improve and broaden its tax base; and (c) improve the general economy of the State. The Legislature recognizes that the State and its municipalities benefit from a municipality's economic development partnership with a local business to promote responsible new development that (a) enhances local efforts for economic, industrial or commercial development; and (b) retains and expands the local tax base and employment opportunities.

The City of Gardiner (the "City" or "Gardiner") seeks to establish a Tax Increment Financing ("TIF") district to be known as the "**Central Maine Crossing Omnibus Municipal Development and Tax Increment Financing District**" (the "District") at the site of a planned development: a professionally-focused business park by Central Maine Crossing, LLC located on Brunswick Avenue/Route 201, near the intersection with Interstate 295.

On one of the parcels in the District, Map/Lot 011-002-2, an urgent care medical facility was recently constructed (the "Urgent Care Lot"). The remaining parcels to be included in the District are undeveloped (the "Undeveloped Area"). The business park is proposed to be developed in the Undeveloped Area.

In designating the proposed District and adopting this Development Program, the City can accomplish the following goals:

- Maintain the existing tax revenues;
- Enjoy enhanced future tax revenues generated by improvements within the District;
- Enable the investment of TIF Revenues (defined below) in high priority City projects;
- Create long-term, stable employment opportunities for area residents; and
- Improve the overall economy of the City, the Kennebec County region, and the State of Maine.

In addition, by creating a TIF district, the City will "shelter" the increase in municipal valuation that the development will bring about. The tax benefit provided by the District will mitigate the adverse effect that the District's increased assessed property value would have on the City's share of state aid to education, municipal revenue sharing, and its county tax assessment. An estimate of the tax shift benefit is shown as **Exhibit C-2** attached hereto.

The District is a so-called "omnibus" district which means that the City Council will be permitted in the future to enter into credit enhancement agreements with individual property owners in the District as it sees fit for up to the full term of the District for up to 100% of the captured assessed value so long as the City Council holds a public hearing prior to the approval of any such credit enhancement agreement.

II. Development Program Narrative

A. The Development District

The District will encompass approximately 23.19 acres of real property located on Brunswick Avenue/Route 201, near the intersection with Interstate 295, identified as Map 011 Lots 002-2, 002-3, 002-4, 002-5, 002-6, and 002-7. The District is shown in **Exhibit A-1** and **Exhibit A-2** attached hereto.

B. The Development Program

The City's designation of the District and adoption of this Development Program creates a single municipal TIF District in order to capture the value of the taxable real property improvements made within the District and to authorize the use of tax increment financing revenues for various municipal economic development projects, as well as any potential future credit enhancement agreements. The Development Program will begin with the City's 2020-2021 fiscal year on July 1, 2020 and will continue for a total of thirty (30) years, ending on June 30, 2050.

Under this Development Program, the City will capture 100% of the increased assessed value of taxable real property over the original assessed value of the the District and retain the tax revenues generated by the captured assessed value for designated economic development purposes. The calculation of TIF Revenues (as defined below) is more specifically described below in Section IV – Financial Plan. In the Assessor's Certificate attached as **Exhibit B** hereto, the Assessor has certified the original assessed value of the District.

By adopting this Development Program, the City is creating a TIF district that will: (1) Maintain existing tax revenues; (2) Enjoy enhanced future tax revenues generated by new development within the District; and (3) shelter the captured assessed value from impacting the overall State valuation for the City of Gardiner, thereby minimizing: (a) potential decreases in the City's State school subsidy and State revenue sharing, and (b) potential increases in the City's county tax assessments and local school district contributions.

Further, approval of this Development Program and the designation of the District will have a neutral impact on the existing tax base; only the increased assessed value over the original assessed value within the District will be captured. In addition, at the end of the District and Development Program, the City expects to emerge with a substantial amount of new taxable property value to add to its municipal tax base.

This Development Program is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the "TIF Statute"). Subsequent to a City Council vote designating the District and adopting this Development Program, evidenced by **Exhibit F** hereto, the designation of the District and adoption of this Development Program are effective upon approval by the DECD.

C. The Projects

Development within the District will provide a revenue source for the City’s economic development projects. The City plans to use its portion of the TIF Revenues for several projects related to economic and infrastructure development. Please see Table 1 herein for a complete list of authorized projects and their respective cost estimates.

**TABLE 1
Municipal Project Costs**

Project	Cost Estimate	Statutory Citation
1. <u>Administrative & Professional Services Costs</u> . Fund prorated portion of salaries of City staff for time associated with creation and administration of District, and fund costs of professional services, including, but not limited to, legal fees, associated with creation and administration of District.	\$70,000	30-A M.R.S. § 5225(1)(A)(4), (5)
2. <u>Public Safety Facilities and Equipment</u> . Fund costs of new public safety facilities and equipment, prorated for portion of costs related to establishment of the District, and/or related to general economic development within the City not to exceed 15% of the captured assessed value of the District.	\$3,000,000	30-A M.R.S. § 5225(1)(B)(2), (1)(C)(9)
3. <u>Economic Development Programs</u> . Fund costs associated with economic development programs and events for the purposes of promoting and marketing the City as a business location, as well as City costs and City staff time devoted to economic development generally.	\$450,000 (\$15,000/year)	30-A M.R.S. § 5225 (1)(C)(1)
3. <u>Infrastructure Development</u> . Fund costs associated with infrastructure development and improvements, including, but not limited to, sewer upgrades, street lights, road improvements, and natural gas expansion, that are directly related to or made necessary by the District.	\$2,000,000	30-A M.R.S. § 5225 (1)(B)(1)
Totals	\$5,520,000	

D. Strategic Growth and Development

By creating and designating the District, the City is maximizing the economic development potential of the District and the City in general. TIF Revenues from the District will be used on important City economic development projects and programs.

Further, the City's designation of a TIF district and pursuit of this Development Program constitute a good and valid public purpose described in the TIF statute in Chapter 206 of Title 30-A because it represents a substantial contribution to the economic well-being of both the City and the Kennebec County Region, by providing jobs and contributing to property taxes.

E. Improvements to the Public Infrastructure

As further set forth in Table 1, the City will use certain TIF Revenues for a variety of projects, including public infrastructure improvements.

F. Operational Components

1. Public Facilities

Please refer to Table 1 to review public facilities intended to be financed with TIF Revenues.

2. Commercial Improvements Financed Through Development Program

Not applicable at this time.

3. Relocation of Displaced Persons

No persons will be displaced.

4. Transportation Improvements

Not applicable.

5. Environmental Controls

The improvements made under the proposed Development Program will meet or exceed all federal and state environmental regulations and will comply with all applicable land use requirements for the City.

6. Plan of Operation

During the term of the District, the City Manager or her designee will be responsible for all administrative matters within the purview of the City concerning the implementation and operation of the District.

III. Physical Description

Municipal documents relating to the District’s physical description attached as Exhibits:

- (a) City of Gardiner property map showing the District relative to City boundaries. **Exhibit A-1**
- (b) City of Gardiner property map showing the District property. **Exhibit A-2**
- (c) Certification by the City of Gardiner Assessor of the original assessed value of the District. **Exhibit B.**

IV. Financial Plan

The District will encompass approximately 23.19 acres of property. The original assessed value of the property in the District was \$169,000 as of March 31, 2019 (April 1, 2018). Development of the business park is estimated to add approximately \$9.4 million of new assessed real property value to the City.

Upon each payment of property taxes by property owners inside the District, the City will deposit into a Development Program Fund the entirety of the property tax payments constituting TIF revenues (the “Development Program Fund”). TIF revenues will consist of property taxes paid on 100% of the increased assessed value in the District (“TIF Revenues”).

The Development Program Fund consists of two segregated accounts, a sinking fund account (“Sinking Fund Account”) and a project cost account (the “Project Cost Account”). The City will deposit the TIF Revenues necessary to pay debt service on any bonds that may be issued to pay for the City’s TIF projects into the Sinking Fund Account. The money in this account is pledged to and charged with the payment of interest and principal on municipal indebtedness related to improvements in the District. Thereafter, the City will deposit any additional TIF Revenues into a subaccount of the Project Cost Account for approved municipal projects outlined in this Development Program and not financed with City indebtedness. In the event that the City enters into a credit enhancement agreement relative to the Urgent Care Lot, a subaccount of the Project Cost Account will be created to be used for payments pursuant to such credit enhancement agreement. The Development Program Fund is pledged to and charged with the payment of the project costs in the manner provided in 30-A M.R.S.A. § 5227(3).

Please note that additional TIF Revenues will be collected on the Undeveloped Area in the District to the extent that the City enters into future credit enhancement agreements following applicable required procedures. Such revenue will be deposited into applicable future additional project cost subaccounts.

Estimates of the increased assessed value of the District, the anticipated TIF Revenues generated by the District, and the estimated tax shifts are shown in **Exhibit C-1** and **Exhibit C-2**, respectively.

A. Costs and Sources of Revenues

Not applicable.

B. Municipal Indebtedness

The City reserves the right to issue municipal bonds in order to pay for infrastructure improvements described in Table 1. Any municipal bond issued for such project would require City Council approval.

V. Financial Data

The original assessed value of the taxable property in the District was \$169,000 as of March 31, 2019 (April 1, 2018). Please find attached as Exhibit G the Statutory Requirements and Thresholds Form required by the Maine Department of Economic and Community Development.

VI. Tax Shifts

In accordance with Maine statutes governing the establishment of a tax increment financing district, the table set forth in Exhibit C-2 identifies the tax shifts that are expected to result during the term of the District from the establishment of the District.

VII. Municipal Approvals

A. Notice of Public Hearing

Attached as Exhibit D, is a certified copy of the Notice of Public Hearing held on February 19, 2020 in accordance with the requirements of 30-A M.R.S.A. § 5226(1). The notice was published in the *Kennebec Journal*, a newspaper of general circulation in the City on a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing

Attached as Exhibit E, is a certified copy of the minutes of the public hearing held on February 19, 2020, at which time the proposed District was discussed by the public.

C. City Council Order

Attached as Exhibit F, is an attested copy of the City Council Order adopted by the Gardiner City Council at a Council Meeting duly called and held on February 19, 2020, designating the District and adopting the Development Program.

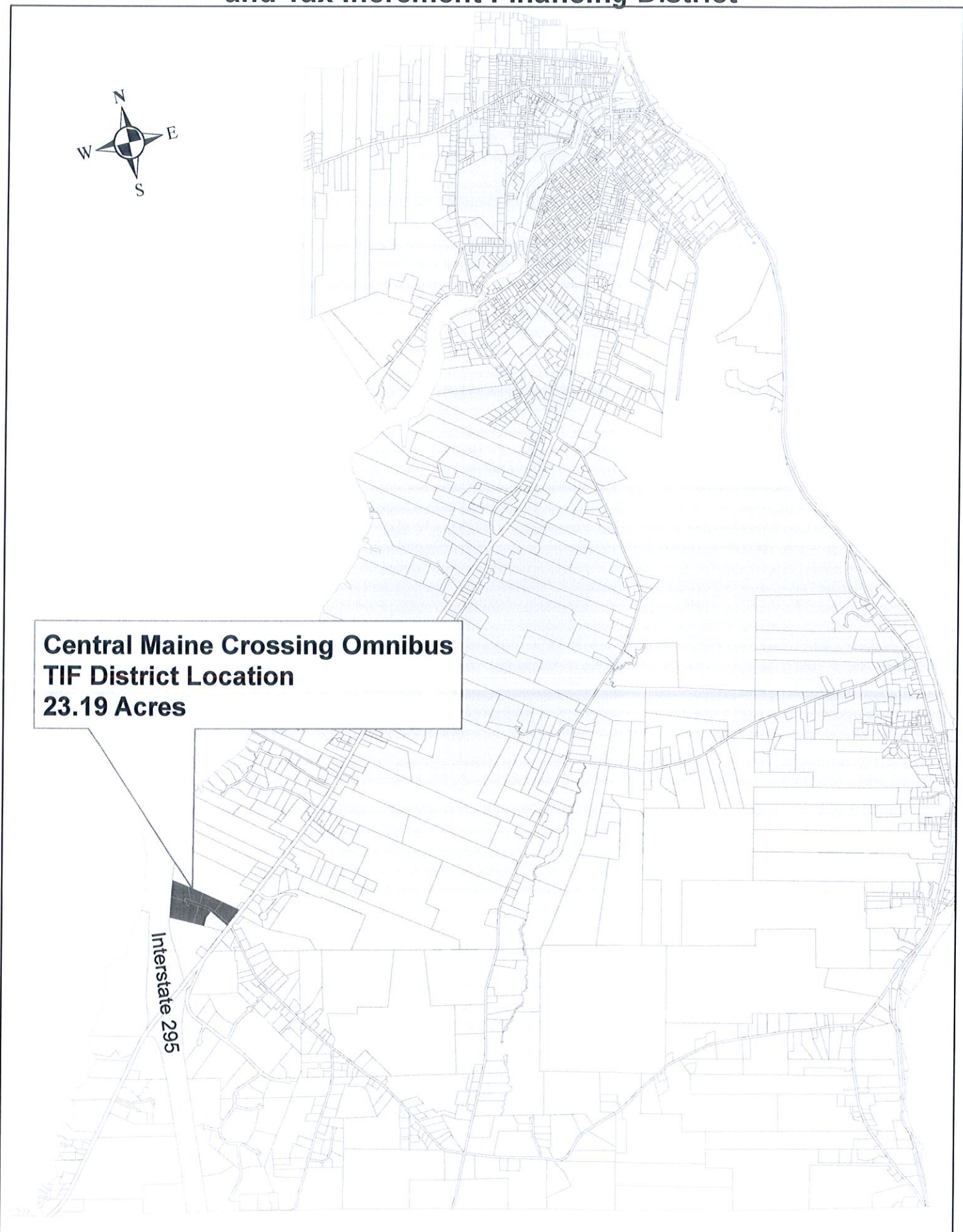
Central Maine Crossing Omnibus Municipal Development and Tax Increment Financing District

Exhibit A-1



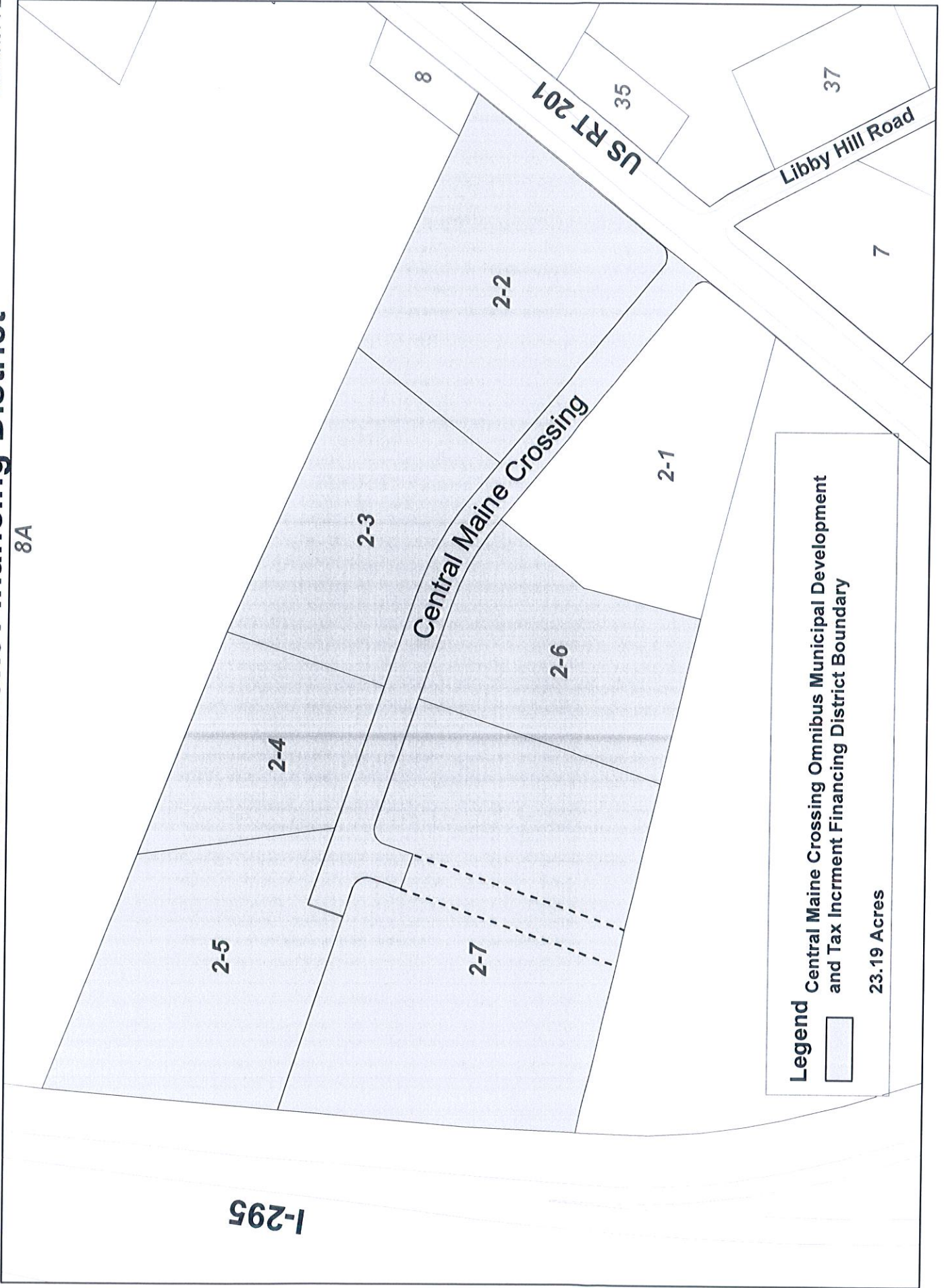
**Central Maine Crossing Omnibus
TIF District Location
23.19 Acres**

Interstate 295



Central Maine Crossing Omnibus Municipal Development And Tax Increment Financing District

Exhibit A-2



8A

Legend
Central Maine Crossing Omnibus Municipal Development
and Tax Increment Financing District Boundary

23.19 Acres

EXHIBIT B

**ASSESSORS' CERTIFICATE
CITY OF GARDINER, MAINE**

The undersigned Assessor for the City of Gardiner, Maine, hereby certifies pursuant to the provisions of 30-A M.R.S.A. § 5227(2) that:

The assessed value of taxable real property of the Central Maine Crossing Omnibus Municipal Development and Tax Increment Financing District as described in the Development Program to which this Certificate is included, was \$169,000.00 as of March 31, 2019 (April 1, 2018). This includes the following properties:

Property as Identified on City 2018 Tax Maps					Individual Original Assessed Value
Map Number	Block Number	Lot Number	Unit Number	TIF Acres	
*011	002	A		23.19	\$169,000.00
TOTAL:					\$169,000.00

* This parcel was subsequently divided into a subdivision approved by the Gardiner Planning Board on September 11, 2018. The April 1, 2018 assessment of these lots was made according to the pre-subdivision parcel (Map: 011 Block: 002 Lot: A). The individual original values of each newly created subdivision lot which contribute to the overall original assessed value of the parcel formerly identified as 011-002-A are as follows:

Property as Identified on City 2019 Tax Maps					Individual Original Assessed Value
Map Number	Block Number	Lot Number	Unit Number	TIF Acres	
011	002	002		3.7	\$39,200.00
011	002	003		2.84	\$30,100.00
011	002	004		2.05	\$21,700.00
011	002	005		3.52	\$37,300.00
011	002	006		2.61	\$27,600.00
011	002	007		6.64	\$13,100.00
Roadway				1.83	\$0
TOTAL:				23.19	\$169,000.00

IN WITNESS WHEREOF, this Certificate has been executed as of this 4th day of February, 2020.

ASSESSOR



Curt Lebel

**Exhibit C-1 - Estimated Captured Assessed Values
Central Maine Crossing Omnibus Tax Increment Financing District**

Tax Year	Original Assessed Value (April 1, 2018)	Projected Captured Assessed Value - Lot 002-002	Projected Increased Assessed Value - other TIF Lots	Total District Projected		Percent of Value Captured	Projected Mill Rate	Projected New Taxes Captured	City General Fund Revenue on Original Assessed Value
				Increased	Assessed Value				
1 2020-2021	\$ 169,000	\$ 3,716,800	\$ 123,600	\$ 3,840,400	100%	\$ 0.0217	\$ 83,337	\$ 3,667	
2 2021-2022	\$ 169,000	\$ 3,716,800	\$ 123,600	\$ 3,840,400	100%	\$ 0.0217	\$ 83,337	\$ 3,667	
3 2022-2023	\$ 169,000	\$ 3,716,800	\$ 123,600	\$ 3,840,400	100%	\$ 0.0217	\$ 83,337	\$ 3,667	
4 2023-2024	\$ 169,000	\$ 3,716,800	\$ 3,403,400	\$ 7,120,200	100%	\$ 0.0217	\$ 154,508	\$ 3,667	
5 2024-2025	\$ 169,000	\$ 3,716,800	\$ 3,403,400	\$ 7,120,200	100%	\$ 0.0217	\$ 154,508	\$ 3,667	
6 2025-2026	\$ 169,000	\$ 3,716,800	\$ 3,403,400	\$ 7,120,200	100%	\$ 0.0217	\$ 154,508	\$ 3,667	
7 2026-2027	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
8 2027-2028	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
9 2028-2029	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
10 2029-2030	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
11 2030-2031	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
12 2031-2032	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
13 2032-2033	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
14 2033-2034	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
15 2034-2035	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
16 2035-2036	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
17 2036-2037	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
18 2037-2038	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
19 2038-2039	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
20 2039-2040	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
21 2040-2041	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
22 2041-2042	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
23 2042-2043	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
24 2043-2044	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
25 2044-2045	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
26 2045-2046	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
27 2046-2047	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
28 2047-2048	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
29 2048-2049	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
30 2049-2050	\$ 169,000	\$ 3,716,800	\$ 5,646,900	\$ 9,363,700	100%	\$ 0.0217	\$ 203,192	\$ 3,667	
30-year Total								\$ 5,590,150	\$ 110,019
30-year Average								\$ 186,338	\$ 3,667

Notes:

1. Assumes a 30-year district term and 100% capture of increased assessed value overall. Per Development Program, the District may contain credit enhancement agreements in the future following appropriate public process.
2. Projections include the City's projected mill rate and projections regarding anticipated future development on the undeveloped parcels.
3. Projections are much less likely to be accurate farther into the future and are for demonstrative purposes only.

Exhibit C-2 | Tax Shift Benefits
Central Maine Crossing Omnibus Tax Increment Financing District

Fiscal Year	TIF Year	State Aid to Education Benefit	County Tax Benefit	State Revenue Sharing Benefit	Additional Local Education Contribution	Total Tax Shift Benefits
2020-2021	1	-	-	-	-	\$0
2021-2022	2	-	-	-	-	\$0
2022-2023	3	-	\$3,854	\$8,463	-	\$12,317
2023-2024	4	\$31,414	\$3,854	\$8,463	\$6,505	\$50,237
2024-2025	5	\$31,414	\$3,854	\$8,463	\$6,505	\$50,237
2025-2026	6	\$31,414	\$7,144	\$15,547	\$6,505	\$60,610
2026-2027	7	\$58,243	\$7,144	\$15,547	\$12,018	\$92,952
2027-2028	8	\$58,243	\$7,144	\$15,547	\$12,018	\$92,952
2028-2029	9	\$58,243	\$9,393	\$20,319	\$12,018	\$99,973
2029-2030	10	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2030-2031	11	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2031-2032	12	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2032-2033	13	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2033-2034	14	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2034-2035	15	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2035-2036	16	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2036-2037	17	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2037-2038	18	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2038-2039	19	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2039-2040	20	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2040-2041	21	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2041-2042	22	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2042-2043	23	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2043-2044	24	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2044-2045	25	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2045-2046	26	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2046-2047	27	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2047-2048	28	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2048-2049	29	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2049-2050	30	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2050-2051	31	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2051-2052	32	\$76,595	\$9,393	\$20,319	\$15,766	\$122,073
2052-2053	33	\$76,595	-	-	\$15,766	\$92,361
Totals:		\$2,107,255	\$258,422	\$559,673	\$433,963	\$3,359,313
Averages:		\$70,242	\$8,614	\$18,656	\$14,465	\$101,797

Assumptions:

1. Data sources include the 2019 mil rate reported by the City of Gardiner, Kennebec County's FY2020 Tax Distribution, the State Treasurer's Office Municipal Revenue Sharing projections for FY2020 (07/01/19 - 06/30/20) published 08/26/19, the Maine Department of Education 01/30/2020 2020-2021 ED 279 form for RSU 11/MSAD 11, and the Maine Department of Education's 2019-2020 EM-F-46 form for RSU 11/MSAD 11 and assumes Additional Local Education shifts based on method State valuation.
2. Tax shift losses are comprised of declining subsidies in revenue sharing and increasing obligations to pay county taxes. Tax shift losses occur a couple of years following the year in which the new assessed value is first recognized in the assessment. No tax shift losses occur when a TIF captures all of the new value.
3. These projections assume that the formulas and general inputs for state subsidies and county taxes do not change over time and they assume that all other values in other communities are static relative to one another except for the new value assessed. The projections are less likely to be accurate farther into the future.
4. Assumes the assessment ratio in the City is 100% when new property value arrives, such that the market value of new property is used for assessment purposes.
5. The projections above assume that no tax increment financing district is put in place, thus the mil rate is reduced by as a result of the full new value in the City. This analysis factors in tax shift impacts resulting from the project's new assessed value into future commitments and mil rate calculations to arrive at projected property tax payments.

**NOTICE OF PUBLIC HEARING
CITY OF GARDINER
Regarding**

**The Designation of a Municipal Tax Increment Financing District Known as the
“Central Maine Crossing Omnibus Municipal Development and
Tax Increment Financing District”**

Notice is hereby given that the City of Gardiner will hold a public hearing at its Council Meeting on

**Wednesday, February 19, 2020
at
The Gardiner City Hall, 6 Church Street, Gardiner, Maine,
The Public Hearing will be at 6:00 p.m.**

The purpose of the public hearing is to receive public comments on the development program for the municipal tax increment financing district known as the Central Maine Crossing Omnibus Municipal Development and Tax Increment Financing District (the “District”), pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The District consists of approximately 23.19 acres of property located on Brunswick Avenue/Route 201, near the intersection with Interstate 295. A copy of the proposed development program for the District will be on file with the City Clerk prior to the Public Hearing. All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time.

EXHIBIT F

Ordered, to approve a Municipal Tax Increment Financing District to be known as the Central Maine Crossing Omnibus Municipal Development and Tax Increment Financing District and to authorize the City Council to execute required documents.

WHEREAS, the City of Gardiner (the “City”) is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the City as the Central Maine Crossing Omnibus Municipal Development and Tax Increment Financing District (the “District”) and to adopt a development program for the District (the “Development Program”); and

WHEREAS, there is a need to encourage the retention, improvement, expansion, and attraction of retail, commercial, industrial and professional uses in the City; and

WHEREAS, there is a need to provide continuing employment opportunities for the citizens of the City and the surrounding region; to improve and broaden the tax base of the City; and to improve the general economy of the City, the surrounding region and the State of Maine; and

WHEREAS, adopting and implementing the District and the Development Program will help to provide continued and new employment for the citizens of the City and the surrounding region; improve and broaden the tax base in the City and improve the economy of the City and the State of Maine; and

WHEREAS, the City has held a public hearing on the question of establishing the District in accordance with the requirements of 30-A M.R.S.A. §5226, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City; and

WHEREAS, the City desires to designate the District and to adopt the Development Program for the District; and

WHEREAS, it is expected that approval will be sought and obtained from the Maine Department of Economic and Community Development (“DECD”), approving the designation of the District and the adoption of the Development Program;

NOW, THEREFORE, BE IT HEREBY VOTED BY THE GARDINER CITY COUNCIL:

Section 1. The City hereby finds and determines that:

(a) At least twenty-five percent (25%), by area, of the real property within the District, as hereinafter designated, is in need of rehabilitation, redevelopment or conservation or is suitable for commercial uses as defined in 30-A M.R.S.A. §5223(3); and

EXHIBIT F

(b) The total area of the District does not exceed two percent (2%) of the total acreage of the City, and the total area of all development districts within the City (including the District) does not exceed five percent (5%) of the total acreage of the City; and

(c) The aggregate original assessed value of the District plus the original assessed value of all other existing tax increment financing districts in the City does not exceed five percent (5%) of the total value of taxable property within the City as of April 1, 2019; and

(d) The City Council has considered all evidence presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined that any such adverse economic effect on or detriment to any existing business is outweighed by the contribution expected to be made through the District and the adoption of the Development Program. The projects and improvements described in the Development Program will contribute to the economic growth and well-being of the City and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City, including employment opportunities, a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City hereby designates the District and adopts the Development Program all as more particularly described in the Development Program presented to the City Council and such Development Program is hereby incorporated by reference into this vote as the Development Program for the District.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. §5227, the percentage of increased assessed value to be retained in the District as captured assessed value and the term for which it will be retained is hereby established as set forth in the Development Program.

Section 4. The City Manager be, and hereby is, authorized, empowered and directed to submit the designation of the District and the Development Program to DECD for review and approval pursuant to the requirements of 30-A M.R.S.A. §5226(2).

Section 5. The foregoing designation of the District and adoption of the Development Program shall automatically become final and shall take full force and effect upon receipt by the City of approval of the designation of the District and adoption of the Development Program by DECD, without requirement of any further action by the City, the City Council, or any other party.

Section 6. The City Manager be and hereby is authorized and empowered, at his discretion, from time to time, to make such revisions and corrections to the Development Program or to the scope, cost or description of the public improvements to be financed with tax increment revenues generated by the District as described in the Development Program, and to the exhibits to the Development Program, as the City Manager deems reasonably necessary or convenient, necessary in order to facilitate the process for review and approval of the District or the Development Program by DECD, or for any other reason so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Development Program.

STATUTORY REQUIREMENTS AND THRESHOLDS
Central Maine Crossing Omnibus Municipal TIF

SECTION A. Acreage Caps		
1. Total municipal acreage;	10,362 acres	
2. Acreage of proposed Municipal TIF District;	23.19 acres	
3. Downtown-designation acres in proposed Municipal TIF District;	0	
4. Transit-Oriented Development ¹ acres in proposed Municipal TIF District;	0 acres	
5. Total acreage [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	0 acres	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	0.22%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ² Downtown TIF/121.23 acres Associated Grocers TIF/25.82 acres* Summer Street AHTIF/1.75 acres Pine State Trading TIF/55.16 acres* Libby Hill Area TIF/196.63 acres Harper's II TIF/42.46 acres* EJ Prescott TIF 1/40.96 acres* Central Maine Crossing TIF/23.19 acres	Existing	484.01**
	Proposed	23.19
	Total:	507.20
30-A § 5223(3) EXEMPTIONS ³		
8. Acreage of an <u>existing/proposed</u> Downtown Municipal TIF district;	121.23 acres	
9. Acreage of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts:	0 acres	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts:	0 acres	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts common to ⁴ Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such acreage also factored in Exemptions 8-10 above:	261.59 acres***	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	124.38 acres	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.2%	
14. Real property in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area;		
b. In need of rehabilitation, redevelopment or conservation;		
c. Suitable for commercial or arts district uses.	23.19 acres	100%
TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)		100%

* In 2011, the City amended these districts to include roadways located in the Libby Hill Area TIF, adding 24.86 acres to each district. The roadways are counted five times toward the total for item 7, total acreage in existing and proposed TIF districts.

**This total acreage includes the same 24.86 acres, comprised of roadways in the Libby Hill Area TIF, counted five times due to it being located in multiple districts.

***This total acreage includes the entirety of the Libby Hill Area TIF, 0.96 acres of the Associated Grocers TIF, 16.1 acres of the EJ Prescott TIF, 30.3 acres of the Pine State Trading TIF, and 17.6 acres of the Harper's II TIF. The 24.86 acre roadways in the Libby Hill Area TIF that are counted in other districts are only counted with the Libby Hill Area TIF for the purposes of the Pine Tree Development Zone exemption.

¹ For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

² For AH-TIF acreage requirement see 30-A § 5247(3)(B). Alternatively, Section B. must exclude AH-TIF valuation.

³ Downtown/TOD overlap nets single acreage/valuation caps exemption.

⁴ PTZ districts approved through December 31, 2008.

STATUTORY REQUIREMENTS AND THRESHOLDS
Central Maine Crossing Omnibus Municipal TIF

SECTION B. Valuation Cap	
1. Total TAXABLE municipal valuation—use most recent April 1;	\$343,554,600
2. Taxable Original Assessed Value (OAV) of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;	\$169,000
3. Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: Downtown TIF/\$23,253,600 Associated Grocers TIF/\$26,400 Pine State Trading TIF/\$202,100 Harper’s II TIF/\$0.00 EJ Prescott TIF/\$134,100 Libby Hill Area TIF/\$145,400 Central Maine Crossing TIF/\$169,000	Existing \$23,761,600
	Proposed \$169,000
	Total: \$23,930,600
30-A § 5223(3) EXEMPTIONS	
4. Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;	\$23,253,600
5. Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts;	\$0.00
6. Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts;	\$0.00
7. Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁵ Municipal TIF districts;	\$0.00
8. Taxable OAV in all <u>existing/proposed</u> Municipal TIF districts common to Pine Tree Development Zones per 30-A § 5250-l (14)(A) excluding any such OAV also factored in Exemptions 4-7 above:	\$508,000
9. Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$169,000
10. Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	0.05%

COMPLETED BY	
NAME:	Shana Cook Mueller, Esq.
DATE:	February 5, 2020

⁵ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.