

City Council

Agenda Information Sheet

Council Meeting Date: July 15 2002

Agenda Item No. 3

SUBJECT: Resolve: Authorizing the City Manager to Submit the Downtown Area TIF (#10) to the State Department of Economic and Community Development.

INFORMATION: The Downtown Area is undergoing a period of significant revitalization and economic development activity. In order to ensure that the area has the infrastructure improvements that will enhance pedestrian and motorist safety, minimize traffic congestion, and improve environmental and aesthetic features of the area, the City is proposing to create a TIF district in the downtown which has been designated as the ADAPT area (in the Auburn Downtown Action Plan for Tomorrow). The TIF revenues will be used to fund the capital improvement projects such as streets, parking lots and garages, traffic signals, sidewalks, storm water systems, and landscaping,

The Downtown TIF will set aside 40% of the taxes generated by the new value arising out of new development undertaken by private businesses in the Downtown to fund the costs of the capital improvements described above that will be needed in the future, and any other public improvements or economic development projects approved by the City Council.

STAFF COMMENTS/RECOMMENDATION: Staff recommends approval of the creation of the Downtown Area TIF (District #10)

REQUESTED ACTION: Motion: To authorize the City Manager to submit the proposed Downtown Area TIF to the State Department of Economic and Community Development.

VOTE:

CITY OF AUBURN

CITY COUNCIL, AUBURN, MAINE

DATE July 15, 2002

**TITLE RESOLVE – AUTHORIZING THE CITY MANAGER TO SUBMIT THE
DOWNTOWN AREA TIF (#10) TO THE STATE
DEPARTMENT OF ECONOMIC AND COMMUNITY
DEVELOPMENT**

Be It (~~Ordered~~ – ~~Ordained~~ – Resolved) by the Auburn City Council That:

The City Manager is hereby authorized to submit the proposed Downtown Area TIF (#10)
To the State Department of Economic and Community Development.

Motion for acceptance of 1st reading:
Vote:

Seconded by:

Motion to waive provisions of the Charter calling for first and second readings on two separate dates:
Vote:

Seconded by:

Motion to dispense with further reading, for acceptance of 2nd reading and for final passage:
Vote:

Seconded by:

Action by Council:

DATE

ATTEST:

CITY CLERK

CITY OF AUBURN, MAINE

**DOWNTOWN MUNICIPAL
DEVELOPMENT AND TAX INCREMENT
FINANCING DISTRICT #10 DEVELOPMENT PROGRAM**

DATED: July 15, 2002

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*TBA (to be added)

**City of Auburn
Downtown Area Tax Increment Finance District**

**ARTICLE I
DEVELOPMENT PROGRAM NARRATIVE**

Section 1.01. Introduction.

a. General Description of the District.

The City of Auburn desires to attract and retain quality jobs and commercial development, to create and maintain a healthy tax base, to improve the economy of the City and the State of Maine and to provide for construction of new public infrastructure and improvements to facilitate economic development. In order to fulfill these goals, the following property consisting of approximately 211 acres is being designated as the Downtown Area Municipal Development and Tax Increment Financing District: An area comprising a portion of the area commonly known as the ADAPT area as outlined in the attached map in (Exhibit A).

The property, which is located at and is bounded on the North by Minot Ave. and Union Street, on the east by Turner Street, on the south by the Androscoggin River, and on the west by the Little Androscoggin River, has been designated as the Downtown Area Municipal Development and Tax Increment Financing District (the "District") by the City of Auburn, Maine (the "City"). A map depicting the District is attached as Exhibit A. The Development Program described herein is proposed for the purpose of administering the District as a municipal development and tax increment financing district pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended (the "Development Program"). Upon resolution of the Auburn City Council designating the District and adopting this Development Program, the designation of the District and adoption of the Development Program will immediately become final subject only to approval by the Maine Department of Economic and Community Development ("DECD").

The purpose of the District is to: (a) finance costs associated with certain public improvements within the District consisting of municipal parking garages and infrastructure improvements, including, but not limited to, roadways, access roadways, water, sewer, storm drains, road junctions, sidewalks and landscaping ("Public District Improvements") and (b) finance costs associated with certain economic development and infrastructure improvements within the City (the "Public Improvements") as hereinafter identified.

b. The Project.

The City needs to expand its tax base by attracting additional economic development to the City. The District impacts on economic development in several ways. First, the construction of the regional hotel complex and office towers in the District will be the

catalyst for major commercial redevelopment within the District and in other areas of the City. The improvements in the District will also require certain improvements to and expansion of public infrastructure in the City including, but not limited to, the construction of public parking, streets and sidewalks.

Second, the District provides a source of funds to finance new economic development programs with respect to the City's downtown revitalization specifically being the ability to fund the Auburn Downtown Action Plan For Tomorrow. The City recognizes the need to make a substantial commitment to downtown revitalization and has aggressively adopted a downtown revitalization plan. This Development program will assist the City in implementing the necessary public improvements which are a major component of the downtown revitalization plan.

The Development Program thus will provide significant economic benefits to the City by encouraging the location in the District of new commercial projects which will be new contributors to its economy, by providing for private development within the District and by dramatically expanding the tax base and employment and development opportunities within the District and the City.

As described above, the District contemplates certain public improvements within the District described in sections 1.01(c) and 1.04. The extension or addition of these public improvements and modifications to existing facilities will allow substantial commercial development within the District and enhance the ability to rehabilitate additional commercial property within the District (the "Project"). Completion of any portion of this Project to be funded through municipal bonded indebtedness will be within five years of the designation by the DECD. The Project is currently expected to allow for a major expansion of commercial development within the District.

During the term of the Development Program, the City will capture 40% of the increase in assessed value in the District, and anticipates retaining 100% of the retained tax increment revenues from the District for its own use to finance the Project Costs described in Sections 1.01(c) and 1.04 hereof.

C. Public Improvements.

The City will use the captured tax increment revenues from the District to finance some or all of the costs of the following types of projects (being the Public Improvements and Public District Improvements): (i) to fund the construction of public garages within the District; (ii) to fund the infrastructure improvements within and abutting the District, including, but not limited to, roadways, access roads, junctions, sewer, water, storm drains, sidewalks and landscaping (hereinafter called the Public District Improvements) (iii) to develop new employment opportunities in the City and to pay other Project Costs as described in 30-A MRSA §5252(8)(B)(11); (iv) to provide for costs reasonably related to the construction, alteration or expansion of facilities not located within the district that are required due to improvements or activities within the District as described in 30-A MRSA §5252(8)(B)(9), including road, water, sewer, stormwater and environmental protection improvements and fire and public safety projects; (v) to fund the City's economic development programs including, but not limited to, the implementation of the Auburn Downtown Action Plan For Tomorrow being the City's downtown revitalization

program; (vi) to fund environmental improvement programs; and (vii) to fund infrastructure improvements, and other Project Costs, all as permitted under 30-A M.R.S.A. § 5252(8)(B)(herein collectively called the "Project Costs"). The Public Improvements are further described in Section 1.04 hereof. The City Council finds that each of the specific projects described herein will either directly or indirectly provide or encourage new employment opportunities within the City, encourage and promote economic development that will broaden the City's tax base, and improve the general economy of the City.

The specific public improvement projects to be financed with the City's portion of the tax increment financing revenues will be approved through subsequent City Council action pursuant to the City's Charter.

The Project and all associated improvements acquired or financed under this Development Program other than the Public Improvements and other Project Costs will be located within the District. The proposed District will be located as hereinbefore set forth in §1.01 as premises of the Downtown Area in Auburn, Maine.

Section 1.02. Statement of Means and Objectives.

a. Municipal Development District.

The City desires to attract quality jobs and economic development to the community in order to create additional employment opportunities in the City, to maintain a healthy tax base, to promote community well being, to provide for the City's downtown revitalization and to provide the facilities outlined in this Development Program. This Development Program and Financial Plan provides for the creation for Municipal Development and Tax Increment Financing District for the Downtown Area. By providing for the reinvestment of the new or incremental tax revenues in the District, the District will create certain important public improvements as well as provide the ability for substantial commercial development within the District, thereby providing new employment opportunities in the City and improving and broadening the City tax base and the economy of the City and the State of Maine.

b. Benefits of the District

New tax dollars for the City. The District is anticipated to expand substantially the tax base of the City, resulting in new tax revenues from the District for the City over the next twenty (20) years.

Public parking areas including garages will be constructed for purposes of facilitating parking in the District for employees, businesses and citizens utilizing the downtown.

New infrastructure will be constructed for purposes of access to the District.

The District will ensure the continued viability of the Auburn downtown through economic development and job creation, including the development of a hotel, mixed use office complex, and other developments which will be major contributors to the economy of the City of Auburn and will create substantial new, quality jobs in Auburn.

The new development will place little burden on existing City services and little or no burden on its schools.

Other substantial new development is likely to occur as a result of the infrastructure improvements surrounding and within the District which are based on the Auburn Downtown Action Plan For Tomorrow, the City's downtown revitalization program. The additional tax revenues will be utilized to implement the City's downtown revitalization program.

Finally, the additional tax revenues will be utilized to assist in the financing of downtown public improvements which are the cornerstone in the implementation of the City's downtown revitalization program.

In summary, the means and objectives of the District are to finance certain Public Improvements intended to promote economic development, expand the tax base of the City for the benefit of the citizens of the City, assist in the implementation of the City's downtown revitalization program and the construction of public improvements.

Section 1.03. Brief Discussion of Financial Plan.

The financial plan for the District is set forth in greater detail in Article II below. The following is a brief summary of the plan. The total anticipated investment in the District by private developers is in excess of \$10 million, although this number may increase substantially.

As part of the Development Program, the City proposes to capture forty percent (40%) of the increase in assessed value in the District to finance some or all of the Public Improvements and other Project Costs. The Development Program will remain in effect for a period of twenty (20) years.

The Project Costs of the Development Program may be financed, in part, by the issuance of General Obligation Bonds of the City (the "Bonds") with the incremental taxes from the District being used, in part, to pay the debt service on the bonds.

Section 1.04. Description of Public Facilities to be Constructed.

The Public District Improvements contemplated by the City's economic development program include the construction of parking garages, pedestrian walkways, festival plaza and the construction of substantial infrastructure including, but not limited to, access roads, streets, road junctions, sewer, water, storm drains and landscaping.

The Public District Improvements will be completed to assist the City in its efforts to increase employment and economic development in general and to implement the Auburn Downtown Action Plan For Tomorrow being the City's downtown revitalization program and will be approved by the City Council on an ad hoc basis as the various alternatives are considered.

Section 1.05. Uses of Private Property.

The City anticipates that the commercial developers for the hotel project and office complex located within the District consisting of the Hotel and the three office complexes of retail and office space at an estimated cost in excess of \$40 million will commence construction in 2002 and be completed within 12 to 24 months. The acquisition and installation of all improvements will be supervised by the developers and will be subject to all required state and local approvals. All capital improvements related to the development will be located in the District. The actual and proposed uses of the District is in keeping with current zoning requirements, and the development of a Hotel and office complex is a permitted use in the zone in which the District is located.

Section 1.06. Relocation of Displaced Persons.

It is anticipated that no businesses or persons within the City will be displaced or relocated as a result of the development activities proposed in the District.

Section 1.07. Proposed Regulations and Facilities to Improve Transportation.

The development, as it is currently proposed, will require the City to construct public parking areas, including a garage and various infrastructure improvements to serve the District and to promote further economic development.

Section 1.08. Environmental Controls.

The improvements contemplated by the capital improvement program will comply with all requirements of the City's ordinances, including its Zoning Ordinance. With the exception of (i) any building, site plan and other construction permits to be applied for in the ordinary course, and (ii) any occupancy permits, no further zoning permits, licenses or other local approvals are anticipated to be necessary in connection with the improvements.

The commercial developers will take all steps required by the Maine Department of Environmental Protection ("DEP") in order to ensure that the acquisition, installation, construction and operation of the improvements complies with all state environmental rules and regulations. All air emission, waste water discharge or other licenses required in connection with the Project either have been, or will be, applied for and obtained by the commercial developers as required by applicable law, rule and regulation.

Section 1.09. Plan of Operation Upon Completion.

The improvements, other than the public garages and public infrastructure, in the District will at all times be owned by the commercial developers, their successors or assigns, which will be responsible for payment of all maintenance expenses, insurance and taxes on said improvements. During the life of the District, the City Manager or the Manager's designee will be responsible for all administrative matters concerning the implementation and operation of the District. The commercial developers shall be solely responsible for implementation of the private development in the District. The City will administer all public improvements.

Section 1.10. Program Duration.

The duration of the District will begin on the designation of the District and the effective date of its approval by the Maine Department of Economic and Community Development and end on the earlier of 20 years thereafter or payment of all Project Costs.

ARTICLE II FINANCIAL PLAN

Section 2.01. General Characteristics.

The proposed tax increment financing district will encompass approximately 211 acres of taxable property with a total assessed value of land and buildings as of April 1, 2001, in the amount of \$1,081,600,000

This Development Program requires the establishment of a Development Program Fund consisting of a Project Cost Account pledged to and charged with payment of Project Costs and a Development Program Sinking Fund Account to pay debt service on any debt financed Project Costs.

Project Costs associated with the public improvements may be funded directly or reimbursed from incremental tax revenues of the District or from bond proceeds.

Section 2.02. Cost Estimates for Development Program.

The estimated costs of the Development Program are set forth in greater detail in Exhibit B hereto.

Section 2.03. Indebtedness.

It is anticipated that the City will incur general obligation bond indebtedness in connection with the construction of the public garages. At the election of the City some of the other improvements associated with the Public District Improvements and Public Improvements may be funded by the City incurring general obligation bond indebtedness.

Section 2.04. Sources of Anticipated Revenues.

The sources of anticipated revenues generated by the District are (i) municipal tax increment revenues on retained captured assessed values, which will be deposited as received into the Downtown Area Project Cost Account and the District's Development Program Fund, and (ii) earnings on such amounts.

A Development Program Fund shall be established by the City. Upon receipt of each payment of property tax from taxpayers in the District, the City shall deposit that portion of each payment constituting the retained tax increment revenues into the Development Program Fund.

The City will establish a Project Cost Account or a series of project cost accounts within the Development Program Fund, as one or more permanent municipal reserve funds created and administered pursuant to the provisions of Title 30-A Section 5801 of the Maine Revised Statutes, as amended, which funds shall be dedicated to the acquisition or construction of the Public District Improvements and/or the Public Improvements and other Project Costs. Upon each payment of property tax with respect to property in the District, the City shall deposit to the Project Cost Account the percentage of tax increment equal to the 40% of the Tax Increment Revenues. The funds so deposited will be allocated as follows: (a) first such incremental revenues shall be deposited to a Development Sinking Fund Account pledged to payment of principal and interest on the Bonds; and second, such incremental revenues shall be deposited in the sub Project Cost Accounts for the payment of the other improvements. As the deposit and investment of funds in the Project Cost Account accrue and increase to a level which permits acquisition or construction of individual Public District Improvements or the Public Improvements, such projects will be undertaken and funded from such reserve fund(s). Accordingly, all tax increment revenues deposited into the Project Cost Account reserve fund(s) shall be deemed to have been expended and used to satisfy the obligations of the Project Cost Account with respect to the Project Costs described in the Development Program when deposited into such reserve fund(s).

Section 2.05. Financial and Statistical Data.

A summary of financial and statistical information relating to the District's satisfaction of certain conditions imposed under Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, as a prerequisite to designation of the District, is set forth in Exhibit C. Additional information is set out below.

- a. Total value of equalized taxable property of the City as of April 1, 2001 \$1,081,600,000
- b. Total assessed value of the District as of April 1, 2001 \$80,076,600
- c. Total value of equalized taxable property as of April 1 preceding the date of designation of all other Tax Increment Financing Districts within the city \$8278,900
- d. Percentage of total assessed value of the City represented by total assessed value of the District and other districts (the sum of lines b and c divided by line a) 8.2%
- e. Aggregate original principal amount of municipal general obligation indebtedness financed by the proceeds from tax increment financing districts within Androscoggin County, including the District is does not exceed \$50,000,000.
- f. Total taxable acreage in the City of Auburn is 41,430 acres.
- g. The acreage included in the existing tax increment financing districts in the City of Auburn is 598 acres or 1.4% of the City's taxable acreage.

The list of currently existing tax increment financing districts attached as Exhibit D hereto.

Attached hereto as Exhibit E is a certification of original assessed value executed by the City Assessor of the City of Auburn in accordance with the requirements of 30-A M.R.S.A. § 5254(2) certifying that the original assessed value of the District as of March 31, 2001 was \$80,076,600.

Section 2.06. Estimated Impact of Financing Upon Taxing Jurisdiction.

In accordance with Maine statutes governing the establishment of tax increment financing districts, the table set forth below identifies estimated tax shifts which will result during the term of the District from the establishment of the District, using formulas reviewed by the Department of Economic and Community Development.

TABLE NO. 2 TAX SHIFTS

| Tax Shift Item | Average Annual Amount | Total Undiscounted Amount |
|---------------------------------|-----------------------|---------------------------|
| Educational Aid | | |
| County Tax | | |
| State/Municipal Revenue Sharing | | |
| Total All Tax Shifts: | | |

Attached hereto as Exhibit F is a summary of the methodology utilized in calculating tax shifts.

Section 2.07. Duration of Development Program.

The Development Program shall continue in effect for twenty (20) years after approval by DECD.

**ARTICLE III
PHYSICAL DESCRIPTION**

Section 3.01. Description of District.

The District is the area located in Auburn, Maine. as delineated on Exhibit A hereto.

Section 3.02. Site Location Map.

Set forth on Exhibit A is a tax map of the City reflecting the approximate location of the District within the City.

ARTICLE IV MUNICIPAL APPROVALS

Section 4.01. Public Hearing

Attached hereto as Exhibit G is a copy of the Notice of Public Hearing held in accordance with the requirements of 30-A M.R.S.A. §5253. The Notice was published in the *Lewiston Sun Journal*, a newspaper of general circulation in Auburn on July 5, 2002 a date at least ten (10) days prior to the public hearing. A public hearing was held prior to a City Council Meeting on July 15, 2002.

Section 4.02. Authorizing Votes.

Attached as Exhibit H is a copy of the votes adopted at a City Council Meeting of the City of Auburn at a meeting thereof duly called and held on July 15, 2002 preliminarily designating the District and adopting the Development Program.

Exhibit B

Potential Economic Development Projects that would be Funded with Downtown Area TIF Revenues

I. Development Plans

- A. To pursue the goals and objectives contained in the *Auburn Downtown Action Plan For Tomorrow* adopted by the Auburn City Council on Feb. 1, 1999
- B. To fund the costs associated with any necessary public improvements within the Downtown Area TIF District consisting of infrastructure improvements.

II. Project Categories for Gates TIF Area

- A. *Capital Costs for the Construction of Public Infrastructure improvements (30-A MRSA Section 5252 (8)(B)1(a).*
 - Roadways
 - Access roadways
 - Water and Sewer drains
 - Road Junctions
 - Sidewalks
 - Landscaping
 - Rail improvements
- B. *Capital costs for the purchase of land for a new industrial park (30-A MRSA Section 5252(8).*

III. Project Categories for Downtown Economic Development Program:

- A. *Developing new employment opportunities and funding the City's economic development program (30-A M.R.S.A. section 5252(8)(B)(11)*
 - Redevelopment of the downtown business district
 - Acquisition of land and construction of parking garage(s)
 - Construction of Great Falls underground parking garage
 - Professional Service Costs, including, but not limited to, architectural, planning, engineering and legal advice and services

EXHIBIT C

Statistical Data Related to Downtown Area TIF (District #10) (as required by Title 30-A Chapter 207)

- | | |
|---|--------------|
| 1. Total acreage of municipality: | 41,430 acres |
| 2. Total acreage of proposed municipal tax increment financing district acres | 150 |
| 3. Percentage of total acreage in proposed municipal tax increment financing district: (Line 3 divided by Line 1, cannot exceed 2%). | .3620 |
| 4. Total acreage of all existing and proposed municipal tax increment financing districts in the municipality: | 598 acres |
| 5. Percentage of total acreage in all existing and proposed municipal tax increment financing districts: (Line 4 divided by Line 1, cannot exceed 5%) | .00507361 |
| 6. Total acreage of all real property in the proposed tax increment financing district that is: | |
| (a) Blighted: | — acres |
| Line 6.a divided by Line 2: | 0% |
| (b) In need of rehabilitation or conversion: | — acres |
| Line 6.b divided by Line 2: | 0% |
| (c) Suitable for commercial sites | — acres |
| Line 6c divided by Line 2: | 100% |

The percentage resulting from either 6.a, 6.b or 6.c must be equal or exceed 25%

EXHIBIT F

Tax Increment Financing Tax Shift Formulas

One element which must be included in any application for designation as a tax increment financing district is the calculation of tax shifts which result from the creation of the district. These tax shifts are noted in three basic formulae which use local property tax valuation as a basis for calculation. These three formulas are:

State Aid to Education
Municipal Share of County Taxes
Revenue Sharing

The following is the process used to derive each of these tax shifts.

Education Tax Shift. Adjust the current state education subsidy formula to include the annual Captured Assessed Value. The education subsidy formula is the projected over the life of the District using agreed-upon assumptions. The result will be an estimated annual Education Tax Shift for the proposed district.

County Tax Shift. In order to produce this result, you will have to get information from the State Bureau of Taxation and your county government. First obtain the most recent County State Valuation from the State Bureau of Taxation. Determine the average Captured Assessed Value for the District over the life of the project. Calculate the following two percentages. First, divide the current state local valuation plus the averaged Captured Assessed Value by the Current State County Valuation, plus the averaged Captured Assessed Value. This gives the City's county tax percentage without sheltering the Project. Second, divide the current City State Valuation by the Current State County Valuation. This gives the City's county tax percentage if the Project is sheltered.

Next, determine the estimated average annual county tax over the life of the District. To arrive at this number, get the County Tax for the county for the last five years. Determine the average change in County Tax for the last five years, and project it to the middle of the District's life. For example, if your District will be active for twenty (20) years and County Taxes have risen an average of five percent (5 %), you should project that five percent (5 %) increase to year ten of the District, determining an average projected tax payment for the life of the project. Multiply this projected tax by the two percentages developed above, and the difference will be the annual County Tax Shift.

Here it is represented as a formula:

1. $\frac{(\text{Current State Local Valuation} + \text{Captured Assessed Value})}{\text{Average}}$ x Estimated Annual County Tax
2. $\frac{(\text{Current State Local Valuation})}{(\text{Current State County Valuation})}$ x Estimated Average Annual County Tax

Revenue Sharing Shifts. The first step in determining the Revenue Sharing Tax Shifts will be to get the total Municipal Revenue Sharing Amount from the State Treasurer. From there, you must go through five simple steps outlined in the following formula:

STEP ONE

$$\frac{\text{Municipal Population} \times \text{Local Property Tax Levied}}{\text{State Local Valuation}} = \text{Current Factor}$$

STEP TWO

$$\frac{\text{Municipal Population} \times \text{Local Property Tax Levied}}{\text{State Local Valuation} + \text{Captured Assessed Value}} = \text{Adjusted Factor}$$

STEP THREE

$$\frac{\text{Current Factor}}{\text{Adjusted Factor}} = 1.X$$

STEP FOUR

$$1.X - 1.0 = X$$

STEP FIVE

$$.X (\text{Total Municipal Revenue Sharing Amount}) = \text{Revenue Sharing Shift}$$

Exhibit F

Downtown Area TIF (#10)

Exhibit G

CITY OF AUBURN PUBLIC NOTICE

Notice is hereby given that the City Council of the City of Auburn will hold a public hearing on July 15, 2002, at 7:00 p.m. at the City Council Chambers in the Auburn City Building for purposes of receiving public comments on the designation of its proposed **Downtown Development and Tax Increment Financing District #10** and the adoption of a development program for the said **Municipal Development and Tax Increment Financing District**, pursuant to the provisions of Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed **Municipal Development and Tax Increment Financing District** consists of property within the area designated as the **ADAPT** area in the City's Comprehensive Plan. A copy of the proposed development program for the district will be on file with the City Clerk and may be reviewed at the offices of the City Clerk during normal business hours. All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time.

**CHECKLIST 3
CLOSEOUT
MULTI-FAMILY TRACKING
OF UNITS _____**

TENANTS WHO MOVED DURING CONSTRUCTION:

Name _____
Reason for move: _____

Name _____
Reason for move: _____

TENANTS WHO REMAINED:

| | |
|----------------|----------------|
| Tenant 1 _____ | Tenant 2 _____ |
| Tenant 3 _____ | Tenant 4 _____ |
| Tenant 5 _____ | Tenant 6 _____ |
| Tenant 7 _____ | Tenant 8 _____ |

NEW TENANTS:

Tenant 1 _____ Tenant 2 _____

| | |
|---|---|
| _____ Lead Paint Notice | _____ Lead Paint Notice |
| _____ Income Survey (Tenant Info Sheet) | _____ Income Survey (Tenant Info Sheet) |
| _____ % of Median Income | _____ % of Median Income |
| _____ Family Size | _____ Family Size |
| _____ Race | _____ Race |
| _____ Elderly | _____ Elderly |

****Race:** White (W); African (AF); Hispanic (H); Asian or Pacific Islander (AS) and American Indian or Alaskan Native (AM)

| | |
|-------------------------------------|--|
| START: Number of Units _____ | COMPLETION: Number of Units _____ |
| Number of Units Occupied _____ | Number of Units Occupied _____ |
| Occupied by LM _____ | Number Occupied by LM _____ |

NATIONAL OBJECTIVE AT COMPLETION:

| | |
|-------------------|-------------------------|
| Low-Mod Housing | Percentage of LM _____% |
| Slums/Blight Area | Target Area _____ |
| Slums/Blight Spot | |

Completed by: _____ Date _____
Community Development Assistant



PAUL R. LEPAGE
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



GEORGE C. GERVAIS
COMMISSIONER

March 16, 2018

Peter Crichton,
City Manager
CITY OF AUBURN
60 Court Street
Auburn, Maine 04210

RE: #10 Downtown Omnibus Municipal Tax Increment Financing (TIF) District and Development Program Second Amendment (AMD-2) and Third Amendment (AMD-3)

A P P R O V E D

Dear Mr. Crichton,

The Maine Department of Economic and Community Development (DECD) reviewed and EFFECTIVE TODAY APPROVED the applications to amend the above referenced Downtown Municipal TIF District and Development Program (Program). Based on the application, DECD notes/approves:

- a. District taxable Original Assessed Value of \$83,168,800 consisting of \$51,955,600 as of March 31, 2002 (April 1, 2001) and \$31,213,200 as of March 31, 2013 (April 1, 2012) — acreage 264.18;

Per July 15, 2002 original designation and previous amendment approvals, DECD restates:

- b. District term of 30 years ending June 30, 2032;
- c. Real property Increased Assessed Value (IAV) capture of up to 100%. Note § 5225(1)(B)(3)(b) allows portage of revenue from other Auburn Municipal TIF districts into this District only while capture remains 100% for this TIF and such portage is an allowable project cost in Commissioner-approved development program for the other districts;
- d. District revenues deposited/held in dedicated accounts and applied ONLY toward approved activities/projects due completion June 30, 2032.
 - i) Project Cost accounts to reimburse Company/Developer for costs authorized by 30-A M.R.S.A. § 5225(1)(A) and DECD rules as amended from time to time AND/OR fund public activities/projects,
 - ii) Sinking Fund Account to retire associated public debt, if any;
- e. Company/Developer payments within sole City Council discretion, after a public hearing, are limited to incremental taxes from NEW actual value and may include up to 100% reimbursement during District term guided by the joint Tax Increment Financing Policy with Lewiston (AMD-1, Exhibit- I) which document does NOT supersede this approval or Municipal TIF Program statute/rule, with future changes to Policy possibly requiring a formal amendment of Program;
- f. AFTER EXECUTION, CITY MUST FORWARD COPY of any associated credit enhancement agreement and its amendment(s) or assignment(s) to DECD— enclosing completed matching **Application Cover Sheet** with detailed private project description and (if Company and not Developer) **Employment Goals Form**;
- g. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with City equalized assessed value;
- h. Any future amendment MUST comply with 30-A M.R.S.A. §§ 5221-5235 and DECD rules;
- i. When District expires, or is terminated, AUBURN MUST NOTIFY DECD IN WRITING.

As further described in the Amended-1 application Development Program, the City revenue allocation projected at \$35,597,012 may facilitate funding for an estimated \$26,705,000 in public costs and

Page 1 of 3

BURTON M. CROSS STATE OFFICE BUILDING
111 SEWALL STREET, AUGUSTA ME 04330 | PHONE: 207-624-9800 | FACSIMILE: 207-287-2681

MAINE.GOV/DECD



PAUL R. LEPAGE
GOVERNOR



GEORGE C. GERVASIS
COMMISSIONER

associated debt—if any. This funding MUST comply with already established City appropriation process—with activities/projects due completion BEFORE/BY June 30, 2032. DECD restates the public activities/projects costs listed below:

WITHIN DISTRICT

- j. Academy/Main streets intersection closure and Elm Street traffic rerouting \$150,000;
- k. Traffic controls/signalization \$150,000;
- l. Land acquisition, buildings demolition/alteration including Main Street/Minot Avenue properties and associated equipment \$1,250,000;
- m. Parking lot improvements including resurfacing for lots west of Mechanics Row and other Downtown locations \$700,000;
- n. Pedestrian/cyclist roadways establishment /upgrades \$50,000;
- o. Utilities including undergrounding, lighting, fencing and street amenities \$250,000; Ψ
- p. Original Downtown Tract parking garage costs \$5,000,000;
- q. Storm water drainage systems/equipment including Great Falls outfall service \$1,000,000; Ψ
- r. Street amenities including benches, plantings and trash receptacles \$35,000;
- s. West Pitch Trail improvement costs \$75,000; Φ
- t. South Goff and Elm streets intersection improvements including signalization \$2,000,000;
- u. Utility upgrades/replacement including storm water drainage and electrical undergrounding \$1,200,000; Ψ
- v. Land acquisition for parking development \$900,000;
- w. Pedestrian safety upgrades from Edward Little High School to original Downtown including street amenities \$40,000;
- x. Newbury Street to riverfront improvements and related land acquisition \$1,000,000;
- y. Androscoggin River pedestrian safety improvements to original Downtown Tract ODT \$1,000,000;
- z. Bernard Pease Bridge to Main Street public access improvements \$750,000;
- aa. Androscoggin River Bridge relocation and associated costs \$300,000;
- bb. Barker Mill Trail improvement costs \$150,000; Φ
- cc. Roadway reconstruction/infrastructure including utility undergrounding, retaining walls, parking/traffic controls and lighting \$3,000,000;
- dd. New Auburn Tract parking garage and associated costs \$5,000,000;
- ee. New Auburn Tract directional/other signage \$50,000; ◇
- ff. Barker Mill Dam and Little Androscoggin River pedestrian walkway improvements \$600,000;
- gg. Capital costs including public infrastructure to support commercial development at Barker Mill Dam base \$200,000;
- hh. St. Louis Church area construction/ redevelopment including sidewalks/signage, infrastructure, fixtures/amenities \$750,000; Ψ

WITHIN DISTRICT ◇/MUNICIPALITY

- ii. Transportation center including planning, land acquisition, professional consulting/studies \$500,000; ×
- jj. Directional signage touting City as business/arts location \$5,000; ◇
- kk. Trail design, easements, construction/maintenance \$250,000; Φ

WITHIN MUNICIPALITY

- ll. Economic Development Department funding including operations/salaries, programs/events to market City as business/arts location \$350,000. ≈

DECD notes while the Program may list multiple statutory citations with the public project costs in the application, not all citations apply to all activities/projects described within each cost description. Auburn is obligated to verify proper authorization for each project cost to be undertaken. DECD advises Town to plan for debt retirement to coincide with District term end of June 30, 2032.

The Department encourages City to review/consider Maine Department of Agriculture, Conservation and Forestry (MDOACF) and Maine Department of Transportation (MDOT) downtown-designation



PAUL R. LEPAGE
GOVERNOR



GEORGE C. GERVAIS
COMMISSIONER

advisories **ahead of public projects/activities implementation** for this District and prior to any future update of existing downtown redevelopment plan ("Auburn Downtown Master Plan/August 30, 1998").

MAINE IS OPEN FOR BUSINESS. Please contact Development Program Officer Tina Mullins with questions about this certification. With this approval, the Department extends best wishes for the success of the District.

Sincerely,

George C. Gervais
Commissioner

cc: Senator Eric L. Brakey (SD-20)—128th Legislature
Representative Gina M. Melaragno (HD-62)—128th Legislature
Representative Bruce A. Bickford (HD-63)—128th Legislature
Representative Bettyann W. Sheats (HD-64)—128th Legislature
Justin Poirier, MRS Director Property Tax Division
Diane Jackson, Governor's Account Executive
Michael Chammings, City of Auburn Director of Economic Development
Shana Cook Mueller, Bernstein, Shur, Sawyer & Nelson, P.A.

- ◇ City must prorate/allocate costs not directly related to or made necessary by establishment/operation of this District to other funding sources.
- ≈ Project is common to #4/5/6/8/9/12/13/14/15/17 district programs.

EXCLUSIVE OF FOLLOWING COSTS/FUNDING:

- Φ Public park(s).
- Ψ Private residential distribution line(s).
- × § 5225(1)(A)(1)(a)(i), (8) and (C)(7)(b) Transit-Oriented Development projects.



**Bernstein, Shur,
Sawyer & Nelson, P.A.**
100 Middle Street
PO Box 9729
Portland, ME 04104-5029

T (207) 774-1200
F (207) 774-1127

Shana Cook Mueller
(207) 228-7134 direct
smueller@bernsteinshur.com

September 23, 2016

Laura Santini-Smith
Department of Economic and
Community Development
111 Sewall Street
Burton Cross Bldg., 3rd Floor
Augusta ME 04330

Re: *Downtown Municipal Development and Tax Increment Financing District #10*

Dear sMitty:

Enclosed please find the application for the Second Amendment to the Downtown Municipal Development and Tax Increment Financing District Development Program as approved by the City of Auburn on September 12, 2016.

If you have any questions, please feel free to contact me at 207-228-7134.

Sincerely,

A handwritten signature in black ink, appearing to be "SCM", followed by a stylized flourish.

Shana Cook Mueller

SCM/ged/Encl.



City of Auburn, Maine

Office of the City Manager

www.auburnmaine.gov | 60 Court Street

Auburn, Maine 04210

207.333.6601

September 13, 2016

Commissioner George C. Gervais
Maine Department of Economic
and Community Development
State House Station 59
Burton Cross Building, 3rd Floor
Augusta ME 04333

Re: Downtown Municipal Development and Tax Increment Financing District #10

Dear Commissioner Gervais,

On behalf of the City of Auburn, I am submitting the enclosed document, the Second Amendment to the Downtown Municipal Development and Tax Increment Financing District #10 Development Program.

With this letter, I certify that all of the information contained in the application is true and correct to the best of my knowledge.

Sincerely,

A handwritten signature in black ink, appearing to read "Denis D'Auteuil", with a large, stylized flourish extending from the end.

Denis D'Auteuil
Acting City Manager

**ECONOMIC DEVELOPMENT
CITY OF AUBURN, MAINE**

An Application for a Municipal Development and Tax Increment Financing District

**SECOND AMENDMENT TO THE DOWNTOWN MUNICIPAL DEVELOPMENT
AND TAX INCREMENT FINANCING DISTRICT #10 DEVELOPMENT PROGRAM**

[Removing the Auburn 62 Spring Street Municipal Development and Tax Increment Financing
District area from the District]

Presented to:

*DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT
September 23, 2016*

*CITY OF AUBURN CITY COUNCIL
September 12, 2016*

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EXHIBITS:

| | |
|-----------|--|
| EXHIBIT A | AMENDED MAP OF THE DISTRICT |
| EXHIBIT B | AMENDED ASSESSOR'S CERTIFICATE |
| EXHIBIT C | NOTICE OF PUBLIC HEARING |
| EXHIBIT D | CERTIFIED COPY OF THE PUBLIC HEARING MINUTES |
| EXHIBIT E | CITY COUNCIL ORDER |
| EXHIBIT F | APPLICATION COVER SHEET |
| EXHIBIT G | STATUTORY REQUIREMENTS AND THRESHOLDS FORM |

I. Development Program Amendment Narrative

A. Introduction/Summary of the Second Amendment to the Downtown Municipal Development and Tax Increment Financing District #10 Development Program

The City seeks an amendment to the Downtown Municipal Development and Tax Increment Financing District #10 (“the District”) and the Development Program (as amended, the “Development Program”). The *Second Amendment* removes a certain area of the geographic acreage in order to make it available for the designation of a separate and distinct *Auburn 62 Spring Street Municipal Development and Tax Increment Financing District*. The Second Amendment coincides with the designation of the *Auburn 62 Spring Street Municipal Development and Tax Increment Financing District* (the “62 Spring Street District”) and the adoption of a development program therefor. Through this change, the City intends to further encourage and facilitate economic development within the downtown area of the City and in the City at large. The *Second Amendment* is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as Amended.

B. The Existing District and Development Program

In 2002, the City designated the Downtown Municipal Development and Tax Increment Financing District #10 and adopted the Development Program for the District. The Department of Economic and Community Development (“DECD”) approved the original district in 2002. The original term of the District was twenty (20) years. The District was amended in 2014. In the First Amendment to the District and Development Program, the City added acreage to the District resulting in a total updated District acreage of 266 acres, added municipal projects to the Development Program and allowed for the possibility of entering into Credit Enhancement Agreements with individual developers or companies.

The acreage being removed from the District in this proposed Second Amendment is the subject of an existing Credit Enhancement Agreement between the City and the Auburn Housing Development Corporation dated as of September 8, 2014. Unfortunately, in order for the project to be competitive in the federal tax credit competition, the Credit Enhancement Agreement must run for a total of 20 years and the District does not have that capability under existing law. Thus, the proposal would remove this project area from the District and allow it an opportunity to be included in a new district, the 62 Spring Street District. This Second Amendment will also be accompanied by either a termination or amendment of the existing Credit Enhancement Agreement in the District. All other aspects of the District and Development Program specifically not mentioned in this Second Amendment shall remain consistent with the original Development Program.

C. Physical Description and Original Assessed Value

Prior to this Second Amendment, the District was comprised of 266 acres, located in the City’s downtown area. Prior to this Amendment, the District had an original assessed value of \$83,577,800. Following the removal of the 62 Spring Street District (Tax Map 240-Lot 257), the

new acreage of the district will be reduced from 266 acres to 265.19 acres, and the original assessed value will be reduced from \$83,577,800 to \$83,168,800, reflecting the removal of the original assessed value of 62 Spring Street (\$409,000).¹ Please see Exhibit A for an amended map of the District and Exhibit B for an updated Assessor's Certificate for the District.

II. Evidence of Public Hearing and Vote for Amendment

A. Notice of Public Hearing

Attached as Exhibit C is a copy of the Notice of Public Hearing published in the Lewiston Sun 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 D is a certified copy of the minutes of the public hearing held on September 12, 2016, in accordance with the requirements of 30-A M.R.S.A. § 5226(1), at which time the proposed Second Amendment was discussed by the public.

C. Authorizing Votes

Attached as Exhibit E is an attested copy of the City of Auburn Council Order which was approved by the City Council at a City Council meeting duly called and held on September 12, 2016.

III. DECD Forms

A. Application Cover Sheet

Attached as Exhibit F is a completed application cover sheet for the Second Amendment.

B. Statutory Requirements & Thresholds Form

Attached as Exhibit G is a completed statutory requirements and thresholds form for the District.

¹ The First Amendment Certificate of Original Assessed Value reflected a larger figure because the assessed value of exempt property had not been removed from the total. Exempt property has been removed from the figures provided in this Second Amendment.

TIF #10

Exhibit A

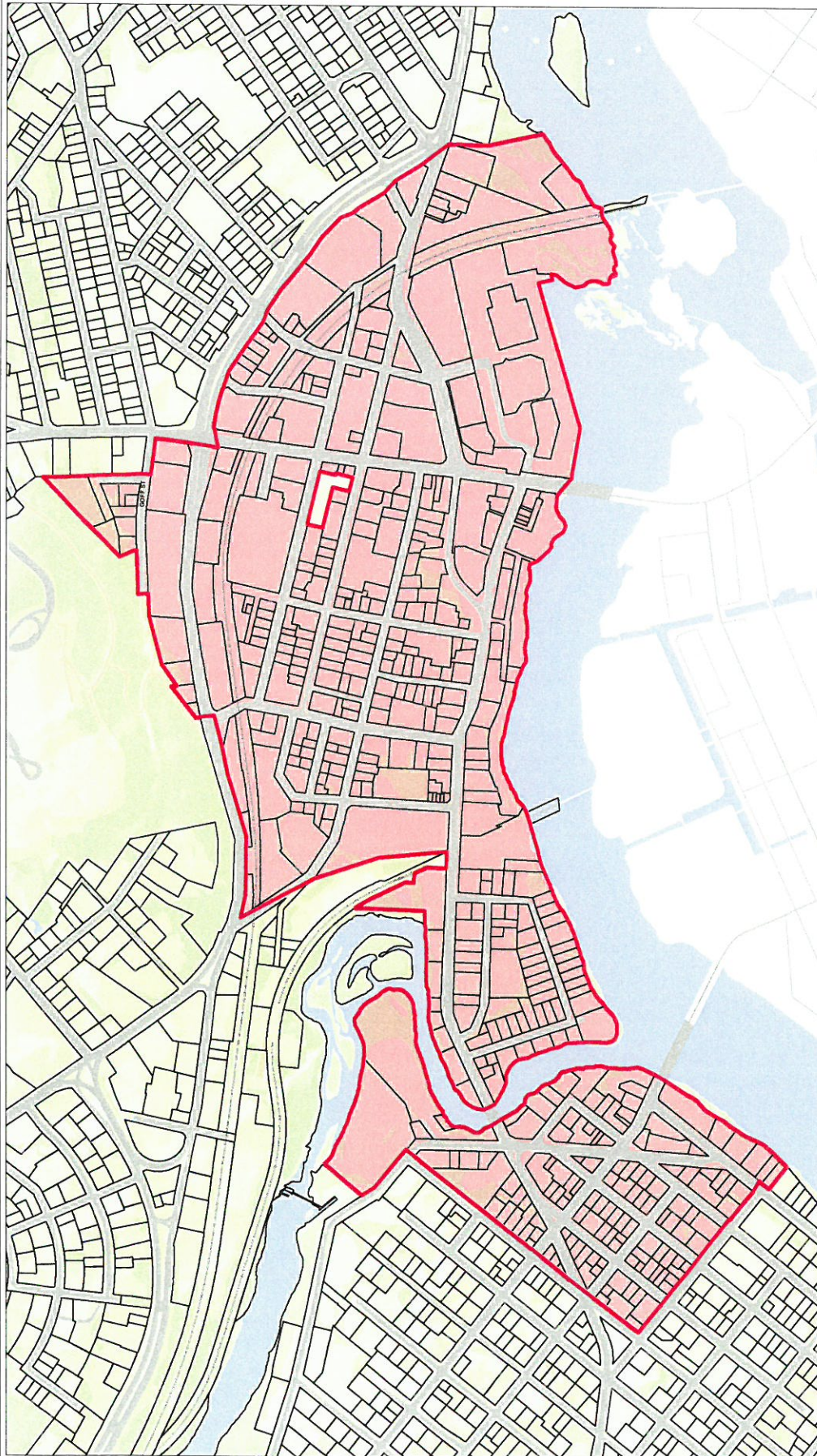
Downtown Omnibus Municipal TIF District



City of Auburn

60 Court St
Auburn, ME 04210
207-333-6601
www.auburnmaine.gov

 TIF #10



The data used in these applications were derived from Auburn's digital databases. While every effort has been made to ensure that these data are accurate and reliable, the City of Auburn cannot accept any responsibility for any errors, omissions, or positional accuracy, and therefore, there are no warranties which accompany this product. Users of the information displayed on this map are strongly cautioned to verify all information before making any decisions.

0 0.1 0.2 Miles

**SECOND AMENDMENT TO THE DOWNTOWN MUNICIPAL DEVELOPMENT AND
TAX INCREMENT FINANCING DISTRICT #10**

ASSESSOR'S CERTIFICATE (AMENDED)

CITY OF AUBURN, MAINE

The undersigned Assessor for the City of Auburn does hereby certify pursuant to the provisions of M.R.S.A. Title 30-A § 5227(2) that:

The original assessed value of the taxable real property of the Downtown Municipal Development and Tax Increment Financing District #10 as described in the amended Development Program to which this Certificate is included, is \$83,168,800.¹

The assessed value of the taxable property in the original district was \$51,955,600² as of March 31, 2002 (April 1, 2001). The assessed value of the taxable property in the district area added in the First Amendment was \$31,213,200 as of March 31, 2013 (April 1, 2012).

Please note any discrepancies between the figures in this certificate and the one executed in conjunction with the First Amendment, other than those due to the Second Amendment itself, are due to the fact that exempt property values have been removed from the original assessed value figures for District property.

¹ This original assessed value reflects the removal of 62 Spring Street in 2016, which comprised \$409,000 of the original assessed value as of March 31, 2002 (April 1, 2001). The original assessed value until that point was \$83,577,800.

² The removal of 62 Spring Street affected this portion of the original assessed value that relates to the original district as of March 31, 2002 (April 1, 2001). The original assessed value of the original portion of the District until this Second Amendment was \$52,364,600.

In witness whereof, this Certificate has been executed as of this 15 day of September, 2016.

ASSESSOR

A handwritten signature in cursive script, appearing to read 'K Scammon', written over a horizontal line.

Karen Scammon, CMA

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Sun Journal

Sept. 2, 2016

Miscellaneous Notices

CITY OF AUBURN

PUBLIC NOTICE

Notice is hereby given that the City Council of the City of Auburn will hold a public hearing on September 12, 2016, at 7:00 p.m. or as soon as possible thereafter at the City Council Chambers in the Auburn Hall Building at 60 Court Street, Auburn Maine, for purposes of receiving public comments on the following:

1. Amendment to Downtown Development and Tax Increment Financing District #10 to remove the parcel at 62 Spring Street. (Municipal Tax Map 240- Parcel 257) from the District pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. A map of the Downtown Tax Increment Financing District is on file with the City Clerk and it is generally located in Auburn's Downtown and ADAPT Plan areas from Minot Avenue to the Androscoggin River.
2. Establishment of an Economic Development and Tax Increment Financing District #20 to designate the parcel at 62 Spring Street. (Municipal Tax Map 240- Parcel 257) as TIF # 19 and the adoption of a development program for said Municipal Development and Tax Increment Finance District pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed Development and Tax Increment Finance District consists of the entirety of said parcel totaling .81 Acres in area and is intended to offset operating costs in a mixed income housing project proposed for the parcel. The proposed Municipal Development and Tax Increment Finance District consists of property within the area designated as the ADAPT area in the City's Comprehensive Plan and the Downtown revitalization Plan Area.

3. Establishment of an Affordable Housing Development and Tax Increment Financing District #21 to designate a portion of 37 Loring Avenue (Municipal Tax Map 211- Parcel 282) pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed Development and Tax Increment Finance District consists of the westerly portion of said parcel totaling approximately 5 Acres in area and is intended to offset operating costs in an affordable housing project proposed for the parcel. The proposed Municipal Development and Tax Increment Financing District consists of property within New Auburn Master Plan area in the City's Comprehensive Plan.

A copy of the proposed development programs for the districts will be on file with the City Clerk and may be reviewed at the offices of the City Clerk during normal business hours. All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time.

1326645-1

A TRUE COPY ATTEST

Sun Journal

Sept. 2, 2016

Miscellaneous Notices

NOTICE OF PUBLIC SALE

Notice is hereby given that in accordance with the Judgment of Foreclosure and Sale entered May 09, 2016 in the action entitled Deutsche Bank National Trust Company, As Trustee for Soundview Home Loan Trust 2006-EQ1 Asset-Backed Certificates, Series 2006-EQ1 v. Robert Neuschwanger et al., by the Maine District Court, Division of Farmington, Docket No.: FARDC-RE-15-43, wherein the Court adjudged the foreclosure of a mortgage granted by Robert Neuschwanger and Elizabeth Neuschwanger to Mortgage Electronic Registration Systems, Inc., acting solely as nominee for Equifirst Corporation, its successors and/or assigns, dated June 29, 2006 and recorded in the Franklin County Registry of Deeds in Book 2780, Page 313, should the period of redemption have expired without redemption of the property by the mortgagor(s), a public sale of the property described in the mortgage will be conducted on

Susan Clemente Dallano
CITY CLERK 9/8/16

IN COUNCIL REGULAR MEETING SEPTEMBER 12, 2016 VOL. 34 PAGE 275

Mayor LaBonté called the meeting to order at 7:00 P.M. in the Council Chambers of Auburn Hall and led the assembly in the salute to the flag. All Councilors were present.

I. Consent Items

1. Order 56-09122016*

Accepting the transfer of \$1,601.00 in forfeiture assets in U.S. currency to the Auburn Police Department (Anthony Barrome).

2. Order 57-09122016*

Accepting the transfer of \$1,561.00 in forfeiture assets in U.S. currency to the Auburn Police Department (Hector Jimenez).

3. Order 58-09122016*

Setting the time to open the polls at 7:00 A.M. for the November 8, 2016 election.

Motion was made by Councilor Titus and seconded by Councilor Walker to accept the consent items as presented. Passage 7-0.

II. Minutes

- August 15, 2016 Regular Council Meeting

Motion was made by Councilor Walker and seconded by Councilor Gilbert to accept the minutes of the August 15, 2016 meeting as presented. Passage 6-0-1 (Councilor Pross abstained as he was not present for that meeting).

III. Communications, Presentations and Recognitions - None

IV. Open Session – Members of the public are invited to speak to the Council about any issue directly related to City business which is *not on this agenda*.

- Public Input – City Manager Search
No one from the public spoke
- Open Session
No one from the public spoke

V. Unfinished Business

1. Ordinance 06-08152016

Zoning amendment for Evergreen Subaru from Suburban Residential to General Business. Second reading.

Motion was made by Councilor Pross and seconded by Councilor Walker for passage of Ordinance 06-08152016.

Public comment – no one from the public spoke. Passage 5-2 (Councilors Burns and Titus opposed). A roll call vote was taken.

VI. New Business

2. Order 59-09122016

Approving the City funding request for the Spring Street project, contingent upon passage of Orders 60-09122016 and 61-09122016.

Motion was made by Councilor Titus and seconded by Councilor Burns for passage of Order 59-09122016 adding the funding source as Home funds.

Public comment – no one from the public spoke. Passage 7-0.

3. Order 60-09122016

Amending the Downtown Development and TIF (Tax Increment Financing) District #10 removing the parcel at 62 Spring Street (Municipal Tax Map 240-Parcel 257).
Public hearing.

Motion was made by Councilor Stone and seconded by Councilor Walker for passage of Order 60-09122016.

Public hearing – no one from the public spoke. Passage 7-0.

4. Order 61-09122016

Establishing an Economic Development and TIF (Tax Increment Financing) District #20 to designate the parcel at 62 Spring Street (Municipal Tax Map 240-257). Public hearing.

Motion was made by Councilor Titus and seconded by Councilor Walker for passage of Order 61-09122016.

Public hearing – no one from the public spoke.

Motion was made by Councilor Stone and seconded by Councilor Titus to amend by reducing the capture amount of the TIF percentage from 76% to 50%.

Motion to amend failed 2-5 (Councilors Young, Pross, Gilbert, Walker, and Burns opposed).

Passage of the main motion 7-0.

5. Ordinance 07-09122016

Amending the Colonial Ridge Planned Unit Development (PUD) zoning map from Industrial District to Suburban Residential. Public hearing and first reading.

Motion was made by Councilor Titus and seconded by Councilor Stone.

Public hearing-no one from the public spoke. Passage 7-0. A roll call vote was taken.

VII. Executive Session – None

VIII. Reports

Mayor's Report – the Mayor thanked the Auburn Fire Department for the 9/11 ceremony and blood drive that was held on Sunday, September 11, 2016.

Councilor Young – reported on the Lake Auburn Half Marathon that took place on September 11, 2016.

Councilor Pross – reported on the School Committee noting that school is back in session and the School Department went through a bid process for bus transportation and the contract was awarded to Ledgemere Transportation. He also reported on the Lake Auburn Half Marathon, and on a personal note, on the Auburn Police Department working with him and his family in getting their lost dog back home.

Councilors Stone – reported that reconstruction had begun on the remaining portion of Park Avenue.

Councilor Titus – reported on the Finance and Public Administration Council Committee meeting that took place on September 8th and also commented on an incident he observed involving a police officer trying to catch a small dog that had gotten loose.

Councilor Gilbert – had nothing to report at this time.

Councilor Walker – reported that South Main Street is still being worked on, and also reported on the Hampshire Street project.

Councilor Burns – reported that the Appointment Committee met just prior to the Council Meeting to make nominations which will be going before the full Council at the next meeting for appointments to be made. He noted that he was appointed as Chair of that committee. He also thanked everyone who applied to serve on a board or committee adding that there were still vacancies to fill and he encouraged people to apply.

City Manager – Acting City Manager Denis D'Auteuil wanted to remind residents of a public meeting to be held on Tuesday, September 13th at 6:00 PM at the Hasty Community Center to talk about the proposed Senior Center. He provided an update on the Park Avenue project. He also wanted to let citizens know that September 17th is Auburn River Day which will be a great community event with lots of activities for everyone, and he talked about the next Police Academy that will begin on September 20th.

He also wanted to do a 6 month check in on Council Committees and is looking for Councilors to provide him with feedback on how they are working out, what they are seeing, what they like or don't like, and with any comments they may have.

- IX. Open Session** - Members of the public are invited to speak to the Council about any issue directly related to City business which is *not on this agenda*.

No one from the public spoke.

- X. Adjournment**

IN COUNCIL REGULAR MEETING SEPTEMBER 12, 2016 VOL. 34 PAGE 278

Motion was made by Councilor Titus and seconded by Councilor Walker to adjourn. All were in favor, the meeting adjourned at 7:39 PM.

A True Copy.

ATTEST

Susan Clements-Dallaire
Susan Clements-Dallaire, City Clerk

9/19/16

James Pross, Ward One
Robert Stone, Ward Two
Andy Titus, Ward Three
Ernestine Gilbert, Ward Four



Leroy Walker, Ward Five
Grady R. Burns, At Large
David C. Young, At Large

Jonathan P. LaBonte, Mayor

**IN CITY COUNCIL
SEPTEMBER 12, 2016
ORDER 60-09122016**

WHEREAS, the City of Auburn ("the City") designated its Downtown Municipal Development and Tax Increment Financing District #10 ("the Downtown District") and adopted the Development Program for such district initially in 2002; and

WHEREAS, the City adopted the First Amendment to the development program in 2014 in order to add acreage, add some public projects and allow the ability for the City to enter into credit enhancement agreements; and

WHEREAS, the City entered into a credit enhancement agreement dated as of September 8, 2014 with the Auburn Housing Development Corporation relating to the property known on City tax maps as Map 240, Lot 257 but the project has not yet commenced; and

WHEREAS, the City has received a request for a new credit enhancement agreement from the developer of such mixed use project at the same lot, located inside the Downtown District, that would go beyond the statutory limit on the term of years for the Downtown District; and

WHEREAS, there is a need for economic development and for the development of affordable, livable housing in the City of Auburn, in the surrounding region, and in the State of Maine; and

WHEREAS, there is a need to improve and broaden the tax base in the City of Auburn; and to improve the general economy of the City of Auburn and the region by attracting business development in the Downtown District; and

WHEREAS, implementation of the amended, existing development program for the Downtown District and the development program for the new affordable housing municipal development and tax increment financing district will help improve and broaden the tax base in the City of Auburn and improve the economy in the City of Auburn and the region by attracting business development and creating affordable housing in the area of these districts; and

WHEREAS, pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City desires to amend the Downtown District and approve the ***Second Amendment to the Downtown Municipal Development and Tax Increment Financing District #10*** (the "Second Amendment") in order to remove the area to be developed in the 62 Spring Street mixed use and affordable housing project; and

WHEREAS, it is expected that approval will be obtained from the State of Maine Department of Economic and Community Development approving this Second Amendment; and

James Pross, Ward One
Robert Stone, Ward Two
Andy Titus, Ward Three
Ernestine Gilbert, Ward Four



Leroy Walker, Ward Five
Grady R. Burns, At Large
David C. Young, At Large

Jonathan P. LaBonte, Mayor

NOW THEREFORE, BE IT ORDERED BY THE CITY COUNCIL OF THE CITY OF AUBURN, MAINE:

Section 1 The City of Auburn hereby approves the Second Amendment to the Downtown District and the development program for such district. The Second Amendment shall be pursuant to the following findings, terms, and provisions:

Section 2 The City Council hereby finds and determines that:

a. This amendment to the Downtown District development program will not result in the Downtown District falling out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3); and

b. The pursuit of the Downtown District development program will make a contribution to the economic growth and wellbeing of the City of Auburn and the surrounding region, and will contribute to the betterment of the health, welfare, and safety of the inhabitants of the City of Auburn, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose. The City has considered all evidence, if any, presented to it with regard to any adverse economic effects on or detriment to any existing business, if any, is outweighed by the contribution expected to be made through the amendment to the Downtown District and Downtown District development program.

Section 3 Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of increased assessed value to be retained as captured assessed value in accordance with the Downtown District development program is hereby set forth in the Downtown District development program.

Section 4 The City Manager, or his duly appointed representative, is hereby authorized, empowered, and directed to submit the proposed Second Amendment to the Downtown District and the Downtown District and the development program therefor to the State of Maine Department for Economic and Community Development for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226.

Section 5 The foregoing adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval by the State of Maine Department of Economic and Community Development, without requirement of further action by the City, the City Council, or any other party.

Section 6 The City Manager, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the Downtown District and to the Downtown District development program as the City Manager

James Pross, Ward One
Robert Stone, Ward Two
Andy Titus, Ward Three
Ernestine Gilbert, Ward Four



Leroy Walker, Ward Five
Grady R. Burns, At Large
David C. Young, At Large

Jonathan P. LaBonte, Mayor

deems reasonably necessary or convenient in order to facilitate the process for review and approval of the Downtown District by the State of Maine Department of Economic and Community Development, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Downtown District development program.

A TRUE COPY

ATTEST Susan Clements Dallaire
Susan Clements-Dallaire, City Clerk 9/14/2016



Passage on 9/12/2016 7-0.

APPLICATION COVER SHEET

MUNICIPAL TAX INCREMENT FINANCING

A. General Information

| | | |
|--|-------------|--|
| 1. Municipality Name: City of Auburn | | |
| 2. Address: 60 Court Street, Auburn ME 04210 | | |
| 3. Telephone: 207-333-6601 x1218 | 4. Fax: N/A | 5. Email: mchammings@auburnmaine.gov |
| 6. Municipal Contact Person: Michael Chammings, Director of Economic Development | | |
| 7. Business Name: N/A | | |
| 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: | | |
| 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): | | |
| job creation | job retention | capital investment |
| training investment | tax base improvement | public facilities improvement |
| other (list): | | |
| 2. Check the specific items for which TIF revenues will be used (any that apply): | | |
| real estate purchase | machinery & equipment purchase | training costs |
| debt reduction | other (list): please refer to <u>Exhibit B</u> in the Original Development Program and the First Amendment | |

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 (<i>please use next page</i>). |
|--|

N/A

STATUTORY REQUIREMENTS AND THRESHOLDS
Downtown TIF #10 | AMD-2

| SECTION A. Acreage Caps | | |
|--|----------|---------------|
| 1. Total municipal acreage; | 41,430 | |
| 2. Acreage of proposed Municipal TIF District; | 265.19 | |
| 3. Downtown-designation ¹ acres in proposed Municipal TIF District; | 0 | |
| 4. Transit-Oriented Development ² acres in proposed Municipal TIF District; | 0 | |
| 5. Total acreage [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit; | 265.19 | |
| 6. Percentage [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%). | 0.64% | |
| 7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ <div style="display: flex; justify-content: space-between;"> <div> #4 Tambrands I/40 acres #8 Formed Fiber Technologies/54 acres #10 Downtown Omnibus/265.19 acres #13 Retail Development/29.67 acres #15 Mall Area Hotel/1.5 acres #17 Bedard Medical Campus/3.84 acres #19 Hartt Transportation Industrial Park/43 acres </div> <div> #6 Proctor & Gamble (Tambrands II)/84 acres #9 Mall Area/57.74 acres #12 Auburn Industrial Park/144 acres #14 Mall Revitalization/38.91 acres #16 Webster School AHTIF/1.4 acres #18/8.53 acres #20 62 Spring Street/0.81 acres </div> </div> | Existing | 507.4 |
| | Proposed | 265.19 |
| | Total: | 772.59 |
| | | |
| 30-A § 5223(3) EXEMPTIONS ⁴ | | |
| 8. Acreage of an <u>existing/proposed</u> Downtown Municipal TIF district; | 265.19 | |
| 9. Acreage of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: | 0 | |
| 10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: | 0 | |
| 11. Acreage in all <u>existing/proposed</u> Municipal TIF districts common to ⁵ Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such acreage also factored in Exemptions 8-10 above: | 0 | |
| 12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit; | 507.4 | |
| 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; | 0 | 0 |
| b. In need of rehabilitation, redevelopment or conservation; | 0 | 0 |
| c. Suitable for commercial or arts district uses. | 265.19 | 100% |
| TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%) | | 100% |

¹ Before final designation, the Commissioner will seek advice from MDOACF and MDOT per 30-A § 5226(2).

² For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

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

⁴ Downtown/TOD overlap nets single acreage/valuation caps exemption.

⁵ PTDZ districts approved through December 31, 2008.

STATUTORY REQUIREMENTS AND THRESHOLDS
Downtown TIF #10 | AMD-2

| SECTION B. Valuation Cap | | |
|---|-----------------|---------------|
| 1. Total TAXABLE municipal valuation—use most recent April 1; | \$1,998,286,739 | |
| 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; | \$83,168,800 | |
| 3. Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: #4/\$1,702,000 #6/\$520,900 #8/\$366,000 #9/\$5,956,300 #10/\$83,168,800 #12/\$334,200 #13/\$5,425,400 #14/\$11,328,400 #15/\$4,900 #17/\$468,800 #18/\$1,564,100 #19/\$1,278,600 #20/\$474,300 | Existing | \$29,423,900 |
| | Proposed | \$83,168,800 |
| | Total: | \$112,592,700 |
| | | |
| 30-A § 5223(3) EXEMPTIONS | | |
| 4. Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district; | \$83,168,800 | |
| 5. Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: | 0 | |
| 6. Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: | 0 | |
| 7. Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts: | 0 | |
| 8. Taxable OAV in all <u>existing/proposed</u> Municipal TIF districts common to Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such OAV also factored in Exemptions 4-7 above: | 0 | |
| 9. Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit; | \$29,423,900 | |
| 10. Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%). | 1.5% | |

| COMPLETED BY | |
|--------------|--------------------|
| NAME : | Shana Cook Mueller |
| DATE : | 09/12/2016 |

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.