CERTIFICATE OF APPROVAL

THIS CERTIFICATE OF APPROVAL is issued by Maine State Housing Authority pursuant to the provisions of 30-A M.R.S.A. Chapter 206, subchapter 3 (the "Statute").

Maine State Housing Authority ("MaineHousing") has reviewed the application of the City of Auburn, Maine (the "City") for approval of the City's designation of the **Hampshire Street Apartments Municipal Affordable Housing Development and Tax Increment Finance District (the "Affordable Housing District")** as an affordable housing development district and the associated affordable housing development program for the Affordable Housing District **(the "Development Program")** and finds that they comply with the requirements of the Statute, subject to the conditions noted below.

MaineHousing hereby approves the designation of the Affordable Housing District and the Development Program, subject to the following terms and conditions:

1. The designation of the Affordable Housing District is effective as of January 22, 2018. The Affordable Housing District is an approximately 1.01-acre area of land at Hampshire and Troy Streets in Auburn, which includes land currently owned by the City of Auburn designated as Lot 212 on the City's Tax Map 240, a portion of what is currently identified as Troy Street, and a portion of a railroad right-of-way currently owned by Maine Central Railroad designated as Lots 203 and 178 on the City's Tax Map 240, as described and shown in the City's application to MaineHousing for approval of the Affordable Housing District and the Development Program (the "Application"). The intended affordable housing project in the Affordable Housing District is the construction of a 53-unit family residential rental housing project (the "Project"). The Development Program will start as of the date of this Certificate of Approval and end on March 31, 2047.

2. The original assessed value of the Affordable Housing District is $0 as of March 31, 2017.

3. As set forth in the financial plan included in the Development Program and subject to the terms set forth in this Certificate, beginning in tax year 2017 (i.e., April 1, 2017 through March 31, 2018) and continuing through tax year 2046 (i.e., April 1, 2046 through March 31, 2047), the City is authorized to retain as captured assessed value (as defined in the Statute) to fund project costs authorized in this Certificate the percentage of the increased assessed value (as defined in the Statute) of the Affordable Housing District sufficient (i) to return to the Project owner 50% of the tax increment revenues from the Affordable Housing District annually to pay authorized Project costs as described in Section 4.A below, and (ii) to return to the City $35,825 annually to pay authorized Project costs as described in Section 4.B below, projected to be approximately 47% of tax increment revenues from the Affordable Housing District.

4. During the term of the Affordable Housing District and the Development Program, tax increment revenues from the Affordable Housing District claimed by the City as captured assessed value ("District TIF Revenues") may be used only as follows:

A. *By the Project Owner*. 50% of the District TIF Revenues annually to pay (i) operating costs of the Project, including property management and

administration, utilities, routine repairs and maintenance, insurance, real estate taxes, and funding of the Project's replacement reserve account, and (ii) debt service in connection with financing that may be obtained for the Project, which will be paid by the City to the Project owner pursuant to a Credit Enhancement Agreement to be entered into by and between the City and the Project owner (the "CEA"); and

B. *By the City*. An annual amount of District TIF Revenues equal to $35,825 to fund Auburn public school kindergarten through grade 12 operating costs as a means of mitigating the impact of the Affordable Housing District on the City's public schools resulting from enrollment of new students residing in the Project in the Affordable Housing District, as described in the Application.

5. No other uses of tax increment revenues from the Affordable Housing District are permitted absent an amendment of the Development Program approved by the City's legislative body after the required notice and hearing and the approval of MaineHousing.

All amounts of tax increment revenues to be claimed by the City as captured assessed value (as defined in the Statute) shall be deposited into a project cost account as required by Sections 5250-A.3.A(1) and 5250-A.3.B(2) of the Statute (which may include sub-accounts designated for the Project owner's share and the City's share of District TIF Revenues, respectively), which project cost account (and any such sub-accounts) shall be used by the City only to pay costs authorized in Section 4 of this Certificate.

In its annual report to MaineHousing, the City shall provide information on the actual use of tax increment revenues from the Affordable Housing District and shall include other information required by MaineHousing.

6. Only the amount of increased assessed value (as defined in the Statute) directly corresponding to the portion of tax increment revenues from the Affordable Housing District actually used for the purposes authorized in this Certificate, up to the percentage of such increased assessed value of the Affordable Housing District set forth in Section 3 of this Certificate, may be claimed by the City as captured assessed value (as defined in the Statute) on the municipal valuation return filed with Maine Revenue Services. The City shall not claim as captured assessed value on any municipal valuation return filed with Maine Revenue Services any other increased assessed value of the Affordable Housing District, including but not limited to increased assessed value corresponding to amounts of tax increment revenues from the Affordable Housing District deposited into the City's general fund or used for purposes not authorized in this Certificate.

7. The terms and conditions of the CEA must be consistent with this Certificate. The terms and conditions of this Certificate shall take priority over any conflicting terms of the CEA.

8. By accepting this Certificate, the City agrees that it will comply with all the terms of (i) this Certificate, (ii) the Statute, (iii) Chapter 31 of the Rules of Maine State Housing Authority, Affordable Housing Development District – Recovery of Public Revenue Rule, and (iv) MaineHousing's requirements, as any or all of the foregoing may be amended from time to time.

9. If the City terminates the Affordable Housing District, if the City or the Project owner terminates the CEA, or if the CEA otherwise terminates, the City must promptly notify MaineHousing.

Dated: January 22, 2018

Peter Merrill
Interim Director
Maine State Housing Authority

BERN
STEIN
SHUR

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

December 8, 2017

Anne Pare
Maine State Housing Authority
353 Water Street
Augusta ME 04330

Re: Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District

Dear Anne:

Enclosed please find the application for the Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District as approved by the City of Auburn on November 20, 2017.

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

Sincerely,

Shana Cook Mueller

Encl.

cc: Michael Chammings
John Kaminski

Economic Development Auburn, Maine

An application for an Affordable Housing Development and Tax Increment Financing District

Hampshire Street Apartments Affordable Housing Development and Tax Increment Financing District

(#22)

Approved by the the City of Auburn City Council November 20, 2017

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MAINE STATE HOUSING AUTHORITY

APPLICATION
Affordable Housing Tax Increment Financing

The Municipal Affordable Housing Development Districts statute, 30-A M.R.S.A. §§5245 – 5250-G, referred to as the "TIF Statute" in this Application, applies to affordable housing tax increment financing in Maine. The TIF Statute provides that before a municipality's designation of an affordable housing development district and its adoption of the associated affordable housing development program for the district become effective, MaineHousing must review the proposed district and development program to ensure compliance with the TIF Statute.

All applications to MaineHousing for review of an affordable housing development district and its associated development program must be on this form and include all eight Attachments noted below.

Sections 1 and 2 below are in fillable PDF format and may be completed on-line. After you have completed Sections 1 and 2, please print the Application and sign where indicated in Section 1.

This Application, with Attachments 1 through 8, may be submitted to MaineHousing in one of two ways:

By e-mail to Anne Paré sent to apare@mainehousing.org, *or*
By mail to: Anne Paré, MaineHousing, 353 Water Street, Augusta, Maine 04330

In this Application "district" means an affordable housing development district and "development program" means an affordable housing development program.

SECTION 1 – APPLICANT INFORMATION

1-1 Name of applicant city or town: Auburn

1-2 Municipal official submitting this Application:

Peter Crichton
Printed name

City Manager
Title

60 Court Street, Auburn, Maine 04210
Mailing address

207-333-6601 X 1221
Phone number

pcrichton@auburnmaine.gov
E-mail address

The municipal official named above certifies that he/she has the authority to submit this Application to MaineHousing and further certifies that to the best of his/her knowledge, the information contained in this Application and its Attachments is true.

Signature _____ Date 11/28/17

1-3 Municipal official with authority to submit annual reports to MaineHousing on the status of the district:

Peter Crichton	City Manager
Printed name	**Title**
60 Court Street, Auburn, Maine, 04210	
Mailing address	
207-333-6601 X 1221	pcrichton@auburnmaine.gov
Phone number	**E-mail address**

SECTION 2 – NOTICE AND HEARING

Before designating a district or adopting a development program, the municipal legislative body must

(a) hold at least one public hearing,

(b) publish notice of the hearing at least 10 days before the date of the hearing in a newspaper of general circulation in the municipality,

(c) at the hearing, consider

(i) whether the district and development program will contribute to the expansion of affordable housing or the betterment of the health, welfare or safety of the residents,

(ii) any claim by a party that the district or development program will be detrimental to that party's property interests for which substantial evidence is produced, and whether any adverse economic effect is outweighed by the availability of affordable housing or the betterment of resident health, welfare or safety.

2-1 Date of public notice: 11.10.2017

Attachment 1 – Newspaper Notice

*Include as **Attachment 1** a copy of the newspaper page showing the public notice and the newspaper name and date.*

2-2 Date of public hearing: 11.20.2017

Hampshire Street

Attachment 2 – Public Hearing Record

*Include as **Attachment 2** the record of the meeting at which the public hearing was held, certified by the municipal clerk.*

Attachment 3 – Additional Documents

*Include as **Attachment 3** all documentation submitted to, or prepared by, the municipality relating to items (c)(i) and (c)(ii) above.*

SECTION 3 – MUNICIPAL APPROVAL

Conditions of municipal approval of district and development program

The TIF Statute sets out conditions for the designation of a district and adoption of a development program by a city or town. A municipality must designate a district and adopt a development program meeting these conditions.

To assist municipalities in ensuring that districts and development programs comply with the conditions of the TIF Statute, we have set out below a **Checklist in Appendix A** that can be used in designating a district and adopting a development program. The Checklist covers the conditions in the TIF Statute that need to be met in approving the district and development program. While MaineHousing does not require municipalities to fill in or follow the format of the Checklist, in reviewing a district and development program approved by a municipality, we will look for specific information in the Application materials (including the Attachments) the city or town submits to us showing compliance with all the conditions of the TIF Statute.

IMPORTANT NOTE: Because the TIF Statute defines a district as "a specified area within the corporate limits of a municipality that has been designated . . . to be developed" under a development program, a development program must, at a minimum, include new construction of affordable housing or rehabilitation of existing housing ***inside*** the district, or both. A municipality may not create a district for the sole purpose of capturing tax increment revenues that would result only from inflationary adjustments to property values with no development of new housing or rehabilitation of existing housing in the district.

Attachment 4 – Municipal Approval

*Include as **Attachment 4** a copy of the order or resolution and vote of the municipal legislative body approving the district and development program, certified by the municipal clerk.*

Attachment 5 – District Maps

*Include as **Attachment 5** a municipal map and tax map showing the district boundaries.*

Attachment 6 – Certification of Original Assessed Value of District

*Include as **Attachment 6** a dated certification signed by the municipal assessor showing the original assessed value of the district. "Original assessed value" means the taxable assessed value of the district as of the March 31st before municipal approval of the district.*

Attachment 7 – Development Program

Include as ***Attachment 7*** *a copy of the development program approved by the municipality's legislative body.*

Attachment 8 – Credit Enhancement or Other Agreement

Include as ***Attachment 8*** *a copy of the credit enhancement agreement or other tax increment revenue sharing agreement, whether or not executed.*

See Appendix A below for
Checklist for Approval of District and Development Program

Appendix A
Checklist for Approval of District and Development Program

The TIF Statute sets out conditions for the designation of a district and adoption of a development program by a city or town. A municipality must designate a district and adopt a development program meeting these conditions.

To assist municipalities in ensuring that districts and development programs comply with the conditions of the TIF Statute, we have set out below a **Checklist** that can be used in designating a district and adopting a development program. The Checklist covers the conditions in the TIF Statute that need to be met in approving the district and development program. While MaineHousing does not require municipalities to fill in or follow the format of the Checklist, in reviewing a district and development program approved by a municipality, we will look for specific information in the Application materials (including the Attachments) the city or town submits to us showing compliance with all the conditions of the TIF Statute.

☐ District description

_____ Physical description of district

_____ Municipal map showing district boundaries

_____ Tax map showing district boundaries

☐ At least 25% of district acreage is suitable for residential use, blighted, or in need of rehabilitation/redevelopment

_____ % acreage suitable for residential use

_____ % blighted

_____ % in need of rehabilitation/redevelopment

_____ Physical description of district to support above

_____ Zoning designation where district is located

_____ Allowed uses in that zone

☐ District acreage divided by total municipal acreage is not more than 2%

_____ Total district acreage

_____ Total municipal acreage

_____ District acreage as a percent of total acreage

☐ Total acreage of all existing and proposed development districts (affordable housing and DECD districts) in municipality divided by total municipal acreage is not more than 5%

_____ Total acreage of all development districts

_____ Total municipal acreage

_____ Total development district acreage as a percent of total acreage

☐ Original assessed value (OAV)* of district

_____ Dated certification signed by municipal assessor showing OAV amount and date

* OAV means the taxable assessed value of the district as of the March 31st before municipal approval of the district.

☐ OAV of all existing and proposed affordable housing development districts in the municipality divided by aggregate taxable property value as of the April 1st before MaineHousing approval is not more than 5%

_____ Aggregate OAV of existing and proposed districts

_____ Aggregate taxable property value as of the April 1st before MaineHousing approval

_____ Aggregate OAV as a percent of total taxable value

☐ Development program start and end dates

_____ First tax year (i.e., April 1 – March 31) of development program *

* May be any tax year specified in municipal approval. If none is specified, the development program will start during the tax year of approval.

_____ Last tax year of development program **

** Not more than 30 years after tax year of MaineHousing approval.

_____ Municipal fiscal year ***

*** Example: July 1 – June 30

☐ The development program meets an identified housing need in municipality

_____ Description of need

_____ Description of how development program meets need

_____ Number of new rental units to be constructed

_____ Number of existing rental units to be rehabilitated

_____ Number of new single-family homes, including condominiums, to be constructed

_____ Number of existing single-family homes, including condominiums, to be rehabilitated

☐ District must be a primarily residential * development

_____ Description of residential and non-residential uses in district and acreage of each

_____ Description of accessory uses relating to residential use

> * A district is primarily residential if the overall character of the uses in the district is residential. Residential uses include both housing and uses related to residential uses, such as recreational facilities and child care facilities available to the residents of the district and small-scale nonresidential uses that are intended to provide services primarily to the residents of the district.

☐ At least 33% of the housing units in the district must be affordable housing *

_____ Number of affordable single-family owner-occupied homes, including condominiums, in district

_____ Number of affordable rental units in district

_____ Total number of housing units in district

_____ Affordable housing units as a percent of total units

> * Affordable housing is an owner-occupied single-family home or condominium or a rental unit for a household earning no more than 120% of area median income (AMI). The housing must be decent, safe and sanitary. Affordable housing does not include facilities such as emergency shelters, nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories, regardless of income level. No purchase price limits on homes or rent restrictions on rental units are required to establish that a unit is affordable.
>
> 2015 AMI for counties and other designated areas in Maine can be found at http://www.huduser.org/portal/datasets/il/il15/Section8_IncomeLimits_Rev.pdf. After scrolling down to the Maine pages, use the information in the first column at "FY 2015 MFI: _____" for the county or other area of interest. Multiply that MFI figure by 120% to determine the maximum income level.
>
> HUD updates AMI annually. 2015 AMI will remain in effect until HUD publishes AMI for 2016.

☐ Mechanism to ensure ongoing affordability of 33% of the housing units in district for required time

_____ Length of affordability period for owner-occupied single-family homes and condominiums *

* The minimum affordability period for single-family owner-occupied homes and condominiums is 10 years.

_____ Description of affordability mechanism for single-family owner-occupied homes and condominiums

_____ Length of affordability period for rental units **

** The minimum affordability period for rental units is 30 years.

_____ Description of affordability mechanism for rental units

A district may contain only homeownership units or only rental units or a combination of both, but a minimum of 33% of the total number of housing units in the district must be affordable for the required time, i.e., 10 or 30 years, depending on the housing type.

The affordable units can be fixed (particular units are subject to the affordability requirements and never change, i.e., those specific units must remain affordable during the applicable affordability period and other units cannot be substituted for them) or they can float (units initially designated as affordable may change over time and other affordable units can be substituted in their place) provided that at least 33% of the total number of housing units in the district are affordable housing at any given point in time.

Whether the units are rental or homeownership units, the affordability period begins to run when the units have been constructed or rehabilitated into decent, safe and sanitary housing and (i) are available for occupancy if the development is subject to a declaration of covenants and restrictions that requires the units to be affordable (i.e., restricted to households with income not exceeding 120% of AMI), or (ii) when the units are occupied by a household with income not exceeding 120% of AMI if the development is not subject to a declaration. The development program needs to include timing information on the development and availability for occupancy of the affordable units in the district. To comply with the TIF Statute's requirement that at least 33% of the housing units in the district be affordable housing, in a mixed-income development, the development program must provide for the construction/rehabilitation of the affordable units within a reasonable timeframe during the construction phase of the project and not leave them to the end of the project if the units will be made available for occupancy or sale as they are constructed or rehabilitated.

☐ Operation of housing and facilities in district

_____ Description of how housing and facilities in the district will be operated after completion

_____ Entity responsible for operation

_____ Source of operating funds

☐ Specific planned uses of tax increment revenues from the district *

> * See §5249 of the TIF Statute for eligible uses of tax increment revenues from the district.
>
> **IMPORTANT NOTE:** Municipalities are cautioned that a broad recitation in a development program of all or substantially all the authorized project costs listed in the TIF Statute will not be accepted by MaineHousing.
>
> A non-residential use included in a development program may be funded with tax increment revenues from the district, provided that the non-residential use contributes to a specific, identified improvement of the health, welfare or safety of the residents of the municipality, including a specific, identified benefit to the residents of the district, or to the expansion of affordable housing within the municipality. The district and development program must otherwise comply with the requirements of the TIF Statute, including the requirement that the district be a primarily residential development. Tax increment revenues may not be used to construct new "pure" commercial facilities within a district or to rehabilitate those facilities.

_____ Description of each improvement, facility, program, or other activity included in the development program that may or will be funded in whole or in part with tax increment revenues *

> * Include all intended uses and potential alternative uses.

_____ List which of these improvements, facilities, programs, or other activities are inside the district

_____ List which of these improvements, facilities, programs, or other activities are outside the district **

> ** To be funded with tax increment revenues, costs outside the district must be ***directly related to or made necessary*** by the creation or operation of the district. Include any supporting studies, research, estimates, and assumptions.

_____ Amount of tax increment revenues to be used for each improvement, facility, program or other activity inside and outside the district ***

> *** Only the proportion of costs outside the district that are ***directly related to or made necessary*** by the creation or operation of the district may be paid with tax increment revenues.

_____ Amount and source of other funding for the development program

_____ Timing of each planned improvement, facility, program, or other activity

☐ A municipality may use tax increment revenues from a district to establish a permanent housing development revolving loan fund or investment fund. *

_____ A description of the fund, including type, purpose, operation, and provisions for repayment or return of fund proceeds to the fund

_____ The timing of the establishment and use of the fund

_____ The property to be purchased with investment fund proceeds and the housing to be developed with revolving loan fund proceeds and timing

_____ The location of the property and the housing

> * A permanent housing development revolving loan fund or investment fund must be used solely for the development of affordable housing as defined above.
>
> Loans made from a revolving loan fund must be repaid to the municipality, and all loan repayments must be deposited into that loan fund and used for additional loans for the development of affordable housing. Loans may be made from the revolving loan fund for both new construction of affordable housing and the rehabilitation of existing housing.
>
> Funds in an investment fund may be used only for the purchase of property by the municipality for the development of affordable housing by the municipality itself or by a developer to which the municipality sells or leases the property. All sales proceeds or rental revenues must be placed in the investment fund and used for additional purchases of property by the municipality for that purpose.
>
> Creating a district around an existing residential area for the purpose of funding a revolving loan fund or investment fund still requires that there be some development of affordable housing ***within*** the district, whether new construction or the rehabilitation of existing housing, or both.
>
> Because revolving loan funds and investment funds are capitalized with tax increment revenues resulting from the development of affordable housing in a district and proceeds disbursed from a loan or investment fund are required to be returned to the fund, it is not necessary for a municipality to make any further showing that costs of establishing a permanent housing development revolving loan fund or investment fund are directly related to or made necessary by the district.

☐ A financial plan showing for ***each year*** the development program will be in effect

_____ An estimate of increased assessed value * of the district (including assumptions)

> * Increased assessed value is the amount, if any, by which the current assessed value as of the most recent April 1st exceeds OAV.

_____ Amount *or* percent *or* method or formula for determining amount or percent of increased assessed value to be retained as captured assessed value ** and applied to pay development program costs *and* resulting tax increment ***

> ** Captured assessed value is the portion of increased assessed value that is used from year to year to finance the project costs authorized under the development program.
>
> *** Tax increment means the municipal real estate taxes assessed on the increased assessed value of the property in the district.

_____ Calculation of estimated tax shifts showing the effect on the municipality's state revenue sharing, education subsidies, and county taxes resulting from creation of district and the capture of increased assessed value. ****

> **** Use the tax shift formulas in **Appendix B** to this Application to calculate tax shifts.

_____ Allocation of total tax increment revenues from the district

- _____ Portion * to be allocated to project owner
- _____ Portion * to be allocated to municipality

> * May be stated as a percent or amount or by formula.

- _____ Copy of credit enhancement or other tax increment revenue sharing agreement (whether or not executed)

☐ Relocation plan for persons temporarily or permanently displaced by development activities

- _____ Relocation plan description, *or*
- _____ Statement that no relocation is necessary

☐ Description of environmental controls to be applied

- _____ Statement regarding environmental controls, such as permitting and licensing or use of environmental mitigation measures during development and operation of district

☐ Development program consistent with comprehensive planning

- _____ Date of comprehensive plan final adoption
- _____ Statement of no conflict with comprehensive plan
- _____ Statement indicating how development program complies with Maine law limiting growth-related capital investments (see 30-A M.R.S.A. §4349-A)

☐ District not in conflict with municipal charter

_____ Statement of no conflict with municipal charter

☐ **For municipal debt financing only:** Amount of public debt with maximum 30-year maturity to be incurred to finance development program costs

_____ Principal amount, maturity and type of each municipal debt issuance

_____ List of improvements inside the district * to be financed with municipal debt

* Under §5250-D of the TIF Statute, municipal debt may be issued to finance only development program costs inside the district.

Appendix B
Tax Shift Formulas

To calculate the state education subsidy tax shift: For fiscal year 2015 – 2016 and each subsequent fiscal year, the state education subsidy formula is based on the average of the certified state valuations for the three (3) most recent years prior to the most recently certified state valuation. The education tax shift is computed by comparing Maine Department of Education Form ED 279 for the municipality with and without retained captured assessed value. The difference in the actual education subsidy and the adjusted education subsidy represents the projected state education subsidy tax shift for that year.

To calculate the state revenue sharing tax shift: The first step in determining the revenue sharing tax shift is to obtain the total municipal revenue sharing amount from the State Treasurer. The five steps outlined in the following formula are then applied ("CAV" below means projected captured assessed value):

Step 1: $\frac{\text{Municipal Population x Local Property Tax Levied}}{\text{State Local Valuation}}$ = Current Factor

Step 2: $\frac{\text{Municipal Population x Local Property Tax Levied}}{\text{State Local Valuation + CAV}}$ = Adjusted Factor

Step 3: $\frac{\text{Current Factor} = 1.X}{\text{Adjusted Factor}}$

Step 4: 1.X - 1.0 = .X

Step 5: .X (total municipal revenue sharing amount) = Revenue sharing tax shift

To calculate the county tax shift: The steps in determining the county tax shift are as follows ("CAV" below means projected captured assessed value):

Step 1: Obtain the most recent County State Valuation from Maine Revenue Services.

Step 2: Determine the average CAV for the District over the life of the District.

Step 3: Determine the municipality's current share of the county tax:

$\frac{\text{Current State municipal valuation}}{\text{Current State county valuation}}$

Step 4: Determine what the municipality's share of the county tax would be if the new value from the District were added to the municipal valuation without the creation of the District:

$$\frac{\text{Current State municipal valuation + average new value}}{\text{Current State county valuation + average new value}} = \text{\% of county tax shift}$$

Step 5: Determine the estimated average annual county tax over the life of the District. To arrive at this number, determine the average change in county tax for the last five (5) years and the percentage increase projected to the middle of the District's life.

Step 6: Multiply the projected tax from Step 5 by the percent of county tax shift from Step 4 to determine the county tax shift.

Attachment 1: Public Notice

A TRUE COPY ATTEST
Susan Clements Dallaire 12/5/17
CITY CLERK

PICS

NATIONAL HOCKEY LEAGUE

Defensive drawing

Some blueliners excel at taking an occasional faceoff

fected which could affect other Olympic titles.

That would potentially push the Russians below Norway, and below the United States in total medals.

ORDER GRANTING MOTION TO SERVE BY PUBLICATION
STATE OF MAINE OXFORD, SS.
SUPERIOR COURT
LOCATION: SOUTH PARI
DOCKET NO. RE-2017-3

U.S. Bank Trust, N.A., as Trustee for LSF Master Participation Trust, Plaintiff v Jamie P. Jalette, Defendant Deborah L Dolloff, Party-in-Interest Upon review o the Plaintiff's ex parte Motion to Serv Defendant by Publication and the Complain of Foreclosure, the Court finds that th Plaintiff has commenced a civil action t foreclose a mortgage on real estate locate at 58 Main Street, Peru, ME 04290, mor particularly described in a mortgage dee recorded in the Oxford County Registry o Deeds in Book 3964, Page 21, and that th foreclosure action will affect the interest o the Defendant in said real property; and tha after due diligence, the Plaintiff has bee unable to serve the Defendant. It is therefor ORDERED a) The Plaintiff's Motion is Granted b) That this Order, containing the Summon set forth below, shall be published onc a week for (3) successive weeks in the Su Journal, a newspaper of general circulatio in Oxford County; c) That a copy of thi Order, as published, shall be mailed to th Defendant at his last known mailing addres by U.S. Mail, postage prepaid; and d) At th direction of the Court, this Order shall b incorporated into the docket by reference Rule 79(a) SUMMONS TO THE DEFENDAN JAMIE P. JALETTE U.S. Bank Trust, N.A., a Trustee for LSF9 Master Participation Trus has begun a lawsuit in the Superior Cour for Oxford County in order to foreclose mortgage granted by you dated June 29 2006, and recorded in the Oxford County Registry of Deeds in Book 3964, Page 21. you wish to oppose this lawsuit, you or you attorney must prepare and serve a writte Answer to the Complaint within forty-on (41) days after the first publication of thi Summons. You may obtain a copy of th Complaint from the Plaintiff's attorney, joh A. Doonan at Doonan Graves and Longorie 100 Cummings Center Suite 225D, Beverl MA 01915. You or your attorney mus serve your Answer by delivering a cop of it in person or by mail to the Plaintiff' attorney whose name and address appea above. You or your attorney must also fil the original of your Answer by mailing it to the office of the Clerk of the Superior Court Oxford County Superior Court, P.O. Box 179, South Paris ME 04281-0179 before o within a reasonable time after it is served IMPORTANT WARNING: IF YOU FAIL TO SERVE AN ANSWER WITHIN THE TIM STATED ABOVE, OR IF, AFTER YOU ANSWER YOU FAIL TO APPEAR AT ANY TIME WHEN THE COURT NOTIFIES YOU TO DO SO, A JUDGMENT BY DEFAULT MAY BE ENTERED AGAINST YOU IN YOUR ABSENCE FOR THE RELIEF DEMANDED IN THE COMPLAINT WHICH INCLUDES FORECLOSURE OF YOUR INTEREST IN SAID REAL ESTATE IN PERU, MAINE. IF THIS OCCURS YOU WILL LOSE ALL OF YOUR INTEREST IN THE REAL ESTATE AND ANY EXCESS PROCEEDS OF THE FORECLOSURE SALE. YOU MAY ALSO BE FOUND LIABLE FOR ANY DEFICIENCY REMAINING DUE AFTER THE SALE. IF YOU INTEND TO OPPOSE THIS LAWSUIT DO NOT–FAIL TO ANSWER WITHIN THE REQUIRED TIME. If you believe the Plaintiff is not entitled to all or part of the claims set forth in the Complaint, or if you believe you have a claim of your own against the Plaintiff you should talk to a lawyer. If you feel you cannot afford to pay a fee to a lawyer you may ask the Office of the Clerk of the Oxford Superior Court or any other county courthouse for information as to place where you may seek legal assistance. Dated Oct 12, 2017.
Robert Clifford Justice, Superior Court

CITY OF AUBURN
PUBLIC NOTICE

Notice is hereby given that the City Council of the City of Auburn will hold three public hearings on November 20, 2017 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:

Amendment to Downtown Development and Tax Increment Financing District #10 The amendment is proposed to remove a portion of the district including a parcel on Troy Street. (Municipal Tax Map 240 Parcel 212 and surrounding areas) pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes.

The proposed amendment will allow for the adoption of the Hampshire Street Apartments Municipal Affordable Housing Development and Tax Increment Finance District on the parcel located at (Municipal Tax Map 240 Parcel 212).

Establishment of an Affordable Housing Development and Tax Increment Financing District #22 to designate a parcel on Hampshire Street and Troy Street. (Municipal Tax Map 240 Parcel 212 and surrounding areas) pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed Hampshire Street Apartments Municipal Affordable Housing Development and Tax Increment Finance District consists of approximately 0.64 acres and is intended to offset operating costs in an affordable housing project proposed for the parcel. The proposed district consists of property within the Downtown Traditional District T-5.1.

Amendment of the Affordable Housing Development and Tax Increment Financing District #21 to amend the Affordable Housing Development and Tax Increment Financing District #21 located at 477 Minot Ave, (Municipal Tax Map 209-Parcel 058) and to amend the 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 amendment will allow for changes to the Development Program for the 477 Minot Avenue Affordable Housing Development and Tax Increment Financing District. The proposed changes to the Development Program will allow for a date change to the Development Program and Credit Enhancement Agreement.

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.

covered-ups and tampering of sample bottles first gathered last year by McLaren's team.

In a notable Russian victory on Thursday, the IOC dropped a case against another athlete but declined to confirm the person's identity "in order to protect the rights of the athlete." Russian news agencies reported that it was figure skating gold medalist Adelina Sotnikova.

"To be honest, we expected this result from the investigation into Sotnikova because we were sure that everything would be cleared up," Russian Figure Skating Federation

Russian news agen-
eported that it was
skating gold medal-
elina Sotnikova.
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s result from the in-
ation into Sotnik
cause we were sure
verything would be

LOCATION: SOUTH PARIS
DOCKET NO. RE-2017-31

U.S. Bank Trust, N.A., as Trustee for LSF9 Master Participation Trust, Plaintiff vs Jamie P. Jalette, Defendant Deborah L. Dolloff, Party-in-Interest Upon review of the Plaintiff's ex parte Motion to Serve Defendant by Publication and the Complaint of Foreclosure, the Court finds that the Plaintiff has commenced a civil action to foreclose a mortgage on real estate located at 58 Main Street, Peru, ME 04290, more particularly described in a mortgage deed recorded in the Oxford County Registry of

family mortgage bonds that were used to finance, the acquisition, construction and improvement of owner-occupied residences.
BOND SIZE: An amount not to exceed Five Hundred Million Dollars ($500,000,000) to finance, to replace amounts to be used to redeem single family mortgage bonds issued to finance, and to redeem single family mortgage bonds that were used to finance, the acquisition, construction and improvement of owner-occupied residences.
STATUTORY AUTHORITY: 30-A M.R.S.A. §4701, *et seq.*, I.R.C. §§143, 147(f)
DATE AND LOCATION OF

will follow the hearing.

NOTICE OF PUBLIC SALE

Notice is hereby given that in accordance with the Judgment of Foreclosure and Sale entered October 3, 2016, as affected by an Order on Plaintiff's Motion to Enlarge Deadlines entered on October 5, 2017 in the action entitled *U.S. Bank National Association, as Trustee for Structured Asset Investment Loan Trust, Mortgage Pass-Through Certificates, Series 2005-6 v. Michael R. Grandmaison*, by the Maine District Court, Division of Lewiston

The sale will be by public auction. All bidders for the property will be required to make a deposit of $5,000.00 in cash, certified or bank check at the time of the public sale made payable to Shechtman Halperin Savage, LLP, which deposit is non-refundable as to the highest bidder. The balance of the purchase price shall be paid within thirty (30) days of the public sale. In the event that a representative of U.S. Bank National

bidders for the property will be required to make a deposit of $5,000.00 in cash, certified or bank check at the time of the public sale made payable to Shechtman Halperin Savage, LLP, which deposit is non-refundable as to the highest bidder. The balance of the purchase price shall be paid within thirty (30) days of the public sale. In the event that a representative of Deutsche Bank National Trust Company, as Trustee for Securitized Asset Backed Receivables LLC Trust 2004-NC1is not present at the time and place stated in this notice, no sale shall be deemed to have occurred and all rights

Attachment 2: Public Hearing Record

EXCERPT FROM THE DRAFT MINUTES OF THE 11/20/2017 REGULAR CITY COUNCIL MEETING

I. New Business

2. Order 108-11202017

Amending the Downtown Development and Tax Increment Financing (TIF) District #10 to remove a portion of the district including a parcel on Troy Street.

Motion Pross second Walker

Public hearing – no one from the public spoke.

Establishing an Affordable Housing Development and Tax Increment Financing District (TIF) #22 to designate a parcel on Hampshire Street and Troy Street.

Public hearing – no one from the public spoke.

Motion was made by Councilor Pross and seconded by Councilor Walker for passage.

Vote 5-1 (Councilor Lee opposed, Councilor Burns absent).

3. Order 109-11202017

Amending the Affordable Housing Development and Tax Increment Financing (TIF) District #21 located at 477 Minot Avenue.

Motion was made by Councilor Pross and seconded by Councilor Walker for passage

Public hearing – no one from the public spoke

Passage – 6-0 (Councilor Burns absent).

A TRUE COPY ATTEST Susan Clements-Dallaire 12/5/17

Susan Clements-Dallaire, City Clerk Date

Attachment 3: Additional Documents

Please refer to Attachment 4

Attachment 4: Municipal Approval

James Pross, Ward One
Robert Stone, Ward Two
Andy Titus, Ward Three
Adam Lee, Ward Four

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

Jonathan P. LaBonte, Mayor

IN CITY COUNCIL
November 20, 2017

Order 108-11202017

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 adopted the Second Amendment to the Downtown District Development Program in 2016 in order to remove an area to be developed as a separate tax increment financing district,

WHEREAS, the City has received a request for a credit enhancement agreement from the developer of an affordable housing project relating to a property located in the area of a parcel known on City tax maps as Map 240, Lot 212 but the project has not yet commenced; 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 development program for the Downtown District and the development program for the Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District (the "Hampshire Street 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 ***Third Amendment to the Downtown Municipal Development and Tax Increment Financing District Development Program #10*** (the "Third Amendment") in order to remove the area planed for the Hampshire Street Apartments project from the Downtown District; and

WHEREAS, pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City desires to approve the ***Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District*** (the "Hampshire Street District") and development program for such district in order to promote the planned 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 ***Third Amendment to the Downtown Municipal Development and Tax Increment Financing District*** and amended development program for such district; and

WHEREAS, it is expected that approval will be obtained from the Maine State Housing Authority approving the designation of the ***Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District*** and approving its development program; and

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

Section 1 The City of Auburn hereby approves the Third Amendment to the Downtown District and the amended development program for such district. The Third 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 Amendment to the Downtown District and the Downtown District development program 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 amendment to the Downtown District and the Downtown District development program 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 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.

Section 7 Pursuant to Chapter 206, Subchapter 3 of Title 30-A of the Maine Revised Statutes, as amended, the City hereby approves the Hampshire Street District and the development program for such district. The approval shall be pursuant to the following findings, terms, and provisions:

Section 8 The City Council hereby finds and determines:

a. The designation of the Hampshire Street District and adoption of a development program therefore will comply with each of the conditions of 30-A M.R.S.A. § 5250-A; and

b. The pursuit of the Hampshire Street 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 Hampshire Street District and Hampshire Street District development program.

Section 9 The City Manager be, and hereby is, authorized, empowered and directed to submit the proposed Hampshire Street District and the proposed development program for the Hampshire Street District to the Maine State Housing Authority for review and approval pursuant to the requirements of 30-A M.R.S.A. Chapter 206, Subchapter 3; and to enter into credit enhancement agreements as contemplated by the Hampshire Street District development program materials.

Section 10 The City Manager be and hereby is authorized and empowered at his direction from time to time to make such revisions to the Hampshire Street District development program for the Hampshire Street District as he deems reasonably necessary or convenient in order to facilitate the process of review and approval of the Hampshire Street District by the Maine State Housing Authority, or for any other reason, so long as such provisions are not inconsistent with these resolutions or the basic structure and intent of the Hampshire Street District development program. The City Manager is also hereby authorized and directed to submit any reports to the Maine State Housing Authority regarding the Hampshire Street District and development program throughout the term of the District.

Section 11 The foregoing adoption of the Hampshire Street District and the adoption of the development program for the Hampshire Street District shall automatically become final and shall take full force and effect upon receipt by the City of approval by the Maine State Housing Authority without requirements of further action by the City, City Council or any other party.

Dated: November 20, 2017

_____

City Manager

A TRUE COPY

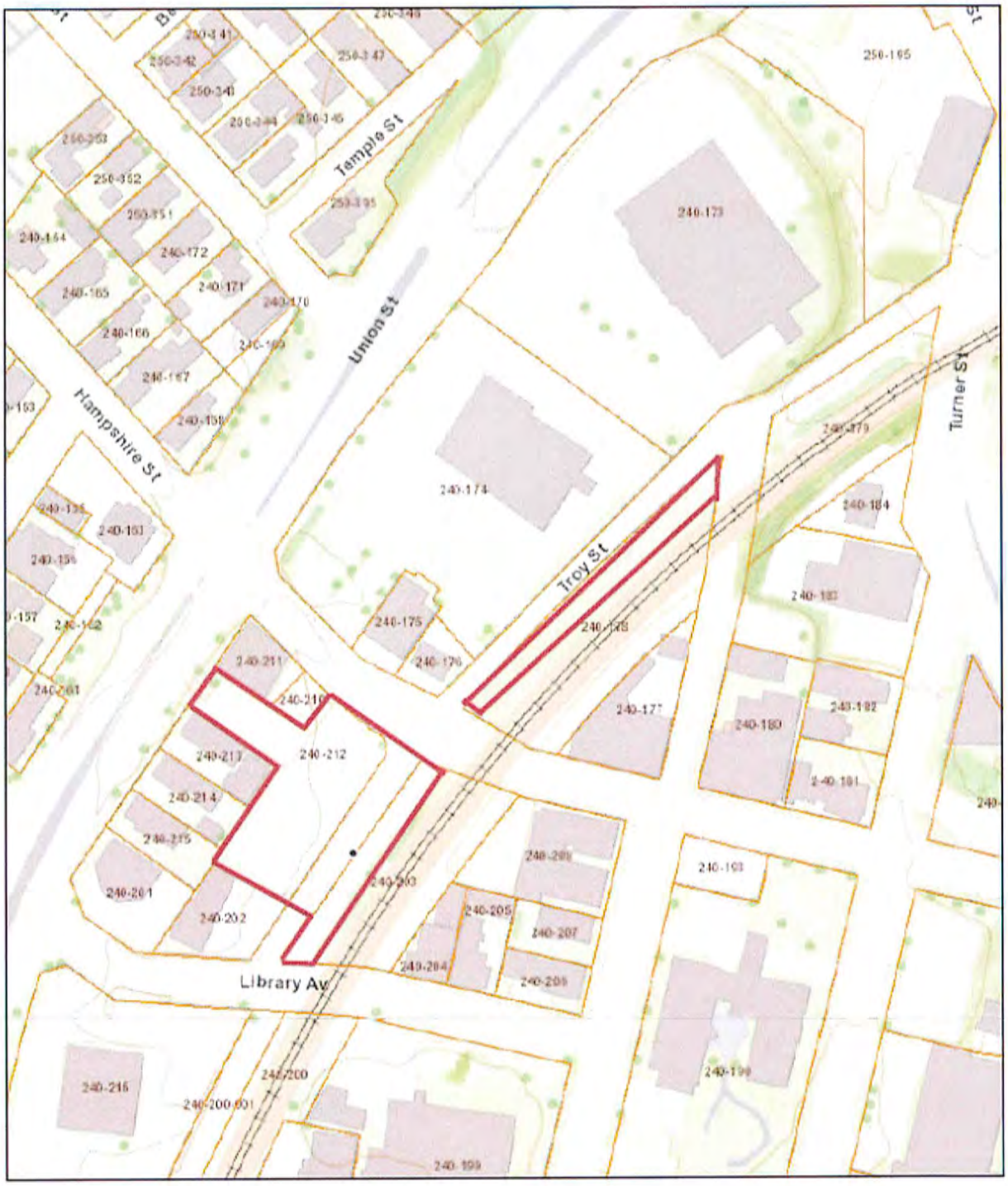
ATTEST Susan Clements-Dallaire 12/5/17

Susan Clements-Dallaire, City Clerk Date

Passage on 11/20/2017, 5-1 (Councilor Lee opposed, Councilor Burns absent).

Attachment 5: District Maps

Attachment 5, City of Auburn, TIF # 22



Attachment #5, City of Auburn TIF # 22

1:144,448

0 1 2 4 mi

0 1.25 2.5 5 km

Sources: Esri, HERE, DeLorme, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), MapmyIndia, NGCC, © OpenStreetMap contributors, and the GIS User Community

City of Auburn
Esri, HERE, Garmin, NGA, USGS, NPS | Unknown source, unknown date. |

Attachment 6: Certificate of Original Assessed Value of District

City of Auburn, Maine
Office of the Assessor
www.auburnmaine.gov | 60 Court Street
Auburn, Maine 04210
207.333.6601

ASSESSOR'S CERTIFICATE

Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District #22

CITY OF AUBURN MAINE

The undersigned Assessor for the City of Auburn does hereby certify pursuant to the provisions of 30-A M.R.S.A. 5250-A that:

The assessed value of the taxable real property of the Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District (#22) as described in the Development Program to which this Certificate is included, was **0** as of March 31, 2017.

In witness whereof, this Certificate has been executed as of this _26_ day of October 2017.

Assessor, City of Auburn, Maine

Karen Scammon, CMA

Attachment 7: Development Program

Attachment 7

Hampshire Street Apartments Municipal Affordable Housing Development and Tax Increment Financing District

Development Program & Financial Plan

I. Introduction

The City desires to attract and retain quality jobs and commercial development, create and maintain a healthy tax base, improve the economy of the City and the State of Maine, and provide for construction of new public infrastructure and improvements to facilitate economic development.

Szanton Monks Properties, LLC or an entity affiliated with Szanton Monks Properties, LLC (the "Developer") has requested that the City of Auburn establish an Affordable Housing Tax Increment Financing (TIF) District, development program, and financial plan to assist in financing the operational an maintenance costs of the fifty-three (53) units of affordable and market rate housing to be constructed in downtown Auburn. Thirty-four (34) to forty-two (42) of the units (64%-80% of the total units) will be occupied by households earning not more than 60% of the area median income with the remaining units occupied at market rental terms.

The Developer has commissioned a market study of the Auburn housing market that will be completed by December 31, 2017. The Developer anticipates that the market study will show a strong need for family rental housing in the Auburn market (the term "family housing" here is used to contrast with the demand for senior housing). Maine State Housing Authority (MaineHousing) has identified Auburn as a high-priority municipality, and specifically targeted Auburn on its tax credit allocation scorecard with the highest-possible score, which reflects MaineHousing's assessment of significant affordable housing need in the City.

The Developer is requesting a Tax Increment Financing arrangement pursuant to which 50% of the "tax increment revenues" as defined in the legislation creating the Affordable Housing Tax Increment Financing Program would be returned to it each year for a 30-year period. The obligation to pay such tax increment revenues to the Developer or an affiliated entity would be set forth in a Credit Enhancement Agreement between the City and the Developer or an affiliated entity, on usual and customary terms. A copy of the proposed Credit Enhancement Agreement is on file with the City.

The Project will be located at the intersection of Hampshire Street and Troy Street on a 1.01 acre vacant site currently utilized as a municipal parking area. The proposed project site will encompass approximately 44,000 square feet. The proposed TIF district will be 1.01 acres in size which will include the site for affordable housing units as well as related site improvements. A map of TIF district is included as Attachment 5. This 1.01 acre area is comprised of what is currently identified on City Tax Maps as Map 240 Lot 212, a portion of what is currently identified as Troy Street as well as a strip of property currently part of a railroad right-of-way located on City Tax Maps as Map 240, Lot 203 and Map 240, Lot 178. To the extent that the railroad right-of-way area does not come under the control of the Developer, then the Developer will not be eligible to receive reimbursed property tax increment with respect to that portion of the District.

Attachment 7

The City of Auburn and the Developer agreed on a plan to redevelop the property in November 2017. The project site is located in both the Downtown Traditional Center zoning district and the General Business zoning district. The Downtown Traditional Center zoning district is characterized by medium to larger sized buildings in a compact urban environment that generates an active street life. There is interplay between the Public Realm of the busy street and sidewalk, and the Private Realm of the residential stoops, commercial storefronts and gallery building fronts. The increased building widths form a more solid and compact street wall pattern, generating an energized traditional downtown feel. The General Business zoning district is intended to include commercial uses serving both the city and the region, together with normal accessory uses compatible with a cohesive and attractive shopping and office area.

A copy of the Downtown Traditional Center zoning district ordinance and the General Business zoning district ordinance is included with Attachment 7.

Within Auburn municipal boundaries there are approximately 42,073 acres. The proposed TIF District is approximately 1.01 aces is size which is 0.0024% of the total acreage of the municipality, well below the 2% cap.

The City of Auburn has approved 21 TIF districts of which 6 are retired and the remaining 15 are active. The combined acreage of TIF districts in the City is 718.68 acres or 1.71 % of the City's total acreage, well within the 5% cap.

The total acreage of all existing and proposed development districts (affordable housing and DECD districts) in the municipality divided by total municipal acreage is not more than 5%. Existing and proposed development districts are 468.27 acres excluding the City's Downtown Municipal TIF District which is exempt from this calculation) out of a total of 42,073 acres in Auburn representing 1.15%.

II. Affordable Housing Development Program

A. Designation of TIF District

In order to fulfill the goals of maintaining a healthy tax base, improving the economy of the City and the State of Maine, and providing for construction of new public infrastructure and improvements to facilitate economic development, certain properties are being designated as the Hampshire Street Apartments Tax Increment Financing District. The District encompasses an area of approximately 1.01 acres, comprising a portion of the City, as shown on Attachment 5 attached hereto and incorporated herein by reference (the "District"). 100% of District acreage is suitable for residential use, and in need of rehabilitation/ redevelopment. The District is well-located for housing as it is located in an urban neighborhood directly adjacent to the Downtown City Center. The District is bounded by Hampshire Street, Troy Street/railroad right-of-way, and Union Street (U.S. Route 4). The District is also is close proximity to several municipal buildings including the library, restaurants, pharmacies, and grocery stores. The District includes vacant land which is in need of redevelopment and given its proximity to services is perfect for urban infill. The District is serviced by municipal sewer and water services and will include only residential uses. The District is in the Downtown Traditional Center Zone and General Business Zone.

Attachment 7

III. Development Program Narrative

A. Development Program

The Development Program described herein is proposed for the purpose of administering the District as a municipal tax increment financing (TIF) district pursuant to Chapter 206 of the title 30-A of the Maine Revised Statutes. Upon resolution of the Auburn City Council designating the District and adopting this Development Program on November 20, 2017 the designation of the District and adoption of the Development Program becomes final subject to approval by the Maine State Housing Authority (MaineHousing).

The purpose of the District is to reimburse the developer costs associated with improvements within or in support of the District.

The City will use the captured tax increment revenues from the District to finance the Project as permitted under 30- A M.R.S.A 5225 (the " Project Costs"). The estimated Project Costs are to be included as part of this Development Program.

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

- Ensure the construction of a highly desirable multi-family mixed income project
- Maintain existing tax revenues
- Enhance future tax revenues with increased assessed value of property within the district
- Create new mixed-income housing stock

Thus, the City's designation of the TIF District and pursuit of this Development Program constitutes a good and valid public purpose pursuant to Chapter 206 of Title 30-A because it represents a substantial contribution to the economic well-being of the City, by adding needed affordable housing stock to the area.

In addition, by creating the District, the City will "shelter" the increase in municipal valuation that the Project will bring about. This tax shift benefit 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, and its county tax assessment. An estimate of the tax shift benefit is shown as part of this Attachment 7.

The Development Program will begin as of April 1, 2017 and end March 31, 2047 (the municipal fiscal year is July 1-June 30). The Development Program meets an identified housing need in Auburn. Hampshire Street Apartments will be developed utilizing Low Income Housing Tax Credit (LIHTC) equity and thus will be subject to an Extended Use Agreement with MaineHousing, which will be executed for the project at loan closing and a copy recorded at the registry of deeds. The Extended Use Agreement will restrict occupancy of the LIHTC units at 50% or 60% of Area Median Income (AMI). When completed, Hampshire Street Apartments will be managed by Saco Falls Management or another company with comparable experience. The Developer's property contained within District will be subject to a long term restrictive covenant required by MaineHousing as a condition of receiving low income housing tax credits. The restrictive covenant will require that the affordable units in the project be restricted to households with low incomes (based on a percentage of area median income) and that the

rent levels that can be charged will be limited as provided by MaineHousing and the U.S. Department of Housing and Urban development and the low income housing tax credit program. The restrictive covenant will be the senior encumbrance on the property and will run for a 45 year period after the completion of the project.

The project in the District will be owned by the Developer. The Developer will enter into a property management contract with Saco Falls Management or another company with comparable experience. Saco Falls Management manages a variety of affordable housing projects in central and southern Maine and is experienced and qualified to manage the project. Funding during operations will come from revenue generated by rental of the units in the project.

The Hampshire Street Apartments project is committed to following all local and state laws and regulations. Locally, full planning board approval is expected to be granted in late 2017. Any environmental issues will be fully remediated as part of the project. A qualified general contractor will be chosen with the approval of MaineHousing. The Development Program is consistent with the City of Auburn's Comprehensive Plan, dated April 19, 2011, and complies with Maine law limiting growth-related capital investments (30-A M.R.S.A. 4349-A). Additionally, the District is not in conflict with Auburns' municipal charter.

IV. Financial Plan

A. Financial Plan

The proposed TIF district will encompass approximately 1.01 acres of taxable property with a total assessed land value as of April 1, 2016 of $0 as the property was municipally owned and/or tax exempt on that date.

The Development program Fund is established consisting of a project cost account ("Project Cost Account") pledged to and charged with payment of project costs outlined in the financial plan. The Project Cost Account shall consist of one or more City cost Subaccounts (the "City Project Cost Subaccount") pledged to and charged with payment of costs of the City's project costs, and one or more developer cost subaccounts (the "Developer Project Cost Subaccounts") pledged to and charged with payment of the costs of reimbursement consistent with an approved individual credit enhancement agreement.

The City will capture an estimated 97% of the increased assessed value of the district over the entire 30 year term. This is merely an estimate because the total captured value percentage will depend somewhat upon the value and tax rate necessary to generate a specific dollar amount of TIF revenues for City use. Specifically, 50% of the taxes paid on the increased assessed value will be deposited into the Development Program Fund for the district to be reimbursed to the developer pursuant to a credit enhancement agreement. An additional amount of the taxes paid on the increased assessed value, $35,825 to be specific, will also be deposited in the Development Program Fund, but will be made available solely for use to offset the projected additional educational costs resulting from the Project. Please see the attached chart which demonstrates the anticipated education costs of $35,825 per year. Any remaining taxes paid on the increased assessed value that are not obligated to be reimbursed to the developer and not obligated or authorized to be utilized for educational costs herein shall be deposited into the general fund.

Attachment 7

All project costs will be funded directly or reimbursed from incremental tax revenues of the District. Public Indebtedness is not required for this project.

B. Anticipated Revenues

The anticipated municipal TIF revenues will be generated by real property improvements made within the district. Investment by District developers in the City of Auburn is estimated to result in a collective municipal assessed value of $3, 300,000.

C. Developer's use of TIF Revenue

Reimbursement to the Project's developer of the entirety of fifty percent (50%) of the captured taxes paid on the increased assessed value of the District achieves two complementary goals. First, the TIF revenues will provide a source of revenue to support the capital infrastructure project inside the District. Secondly, the designation of the District and adoption of the development program will allow for the developer to earn points on the Project for Maine State Housing Authority's tax credit scoring benchmarks. Additionally, the tax increment revenues being returned to the developer shall be utilized by the to fund (i) operating costs, including without limitation property management and administration, utilities, routine repairs and maintenance, insurance, real estate taxes, and the Project's replacement reserve account, and (ii) debt service in connection with financing that may be obtained for the Project.

D. Strategic Growth and Development

By designating the District and adopting the development program, the City is capitalizing on the tax shift benefits so that the City will not lose new tax revenue to subsidy loses and increased obligations related to the captured assessed value in the District. The District's designation and implementation of the Development program is expected to improve and boost the City's economy by increasing the availability of the affordable housing stock.

E. Description of District

This section addresses the conditions for approval contained in 30-A M.R.S.A 5247.

The proposed municipal TIF district will encompass approximately 1.01 acres of taxable property currently utilized primarily as a vacant municipally owned parking lot as shown in Attachment 5. The statutory threshold limits addressing the conditions for approval mandated by 30-A M.R.S.A 5247 are set forth in Exhibit B.

100% of District acreage is suitable for residential use, and in need of rehabilitation/redevelopment. The District is well-located for housing as it is located in an urban neighborhood directly adjacent to the Downtown City Center. The District is bounded by Hampshire Street, Troy Street/railroad right-of-way, and Union Street (U.S. Route 4). The District is also is close proximity to several municipal buildings including the library, restaurants, pharmacies, and grocery stores. The District includes vacant land which is in need of redevelopment and given its proximity to services is perfect for urban infill. The District is serviced by municipal sewer and water services and will include only residential use.

The original assessed land value of the proposed district as of March 31, 2017 (April 1, 2016) was $0. Fifty percent (50%) of the increased assessed value of the taxable real property located within the District

will be captured by the Project and reinvested into the District, while the other fifty percent (50%) will be captured by the City for TIF project costs approved herein. Estimates of the increased assessed property values of the District, the anticipated TIF revenues generated by the District and the estimated tax shifts are shown in this Attachment 7.

The OAV of all existing and proposed affordable housing development districts in Auburn ($170,100 + $522,800+$0 = $692, 900) divided by the aggregate taxable value of property in Auburn ($1,998,286,739) as of April 1, 2017 is .035%.

F. Anticipated Revenues

The anticipated municipal TIF revenues will be generated by real property improvements made within the district. Investment by District developers in the City of Auburn is estimated to result in a collective municipal assessed value of $3, 300,000. The total development cost for Hampshire Street Apartments is budgeted at $9,557,000 (See attached detailed development budget sheet). The project will be financed primarily through Low Income Housing Tax Credits which are estimated to generate development funds in the amount of $6,942,000. In addition it will be financed with a Rental Loan Program subsidy of approximately $975,000 and as well as a HOME loan from the City of Auburn worth $110,000.

V. Terms of the Development Program

A. Description of the terms and conditions of any agreements, contracts, or other obligations related to the development program

The City anticipates entering into a CEA with The Developer within the District to reimburse 50% of the property taxes paid on the Increased Assessed Value (IAV) in the District for thirty (30) years.

The Development Program shall begin upon the approval by the Director of Maine Housing of the City's application for Tax Increment Financing, and continue for a 30 year period thereafter as described above. In the event that the Developer is unsuccessful in obtaining an award of Low Income Housing Tax Credits under both the 2018 Qualified Allocation Plan and the 2019 Qualified Allocation Plan, this development Program shall terminate.

The District is delineated on Attachment 5 hereto.

B. Description of Public Facilities to be constructed

There are no public facilities to be constructed with this project.

C. Relocation of Displaced Persons

No persons or businesses will be displaced or relocated as a result of the development activities proposed in the District.

D. Proposed regulations and facilities and environmental controls

The Hampshire Street Apartments project is committed to following all local and state laws and regulations. Locally, full planning board approval will be granted by the end of 2017. Any environmental

issues will be fully remediated as part of the project. A qualified general contractor will be chosen with the approval of MaineHousing.

E. Plan of Operation after Completion

The improvements in the District will at all times be owned by the Developers, its 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 Developers shall be solely responsible for implementation of the Project in the District.

The current and future developers owning or leasing properties located within the District will pay for or finance improvements located in the District through public and private sources.

Attachment #7

City of Auburn
TIF #22 Tax Shift Benefits

Tax Year	Avoided Loss in State Allocation For Education	Avoided Loss in Revenue Sharing	Avoided Increase In County Tax	**Total Tax Shifts**
FY 17-18	-	58.61	78.34	$ **136.95**
FY18-19	-	58.61	78.34	$ **136.95**
FY19-20	29,700.00	58.61	78.34	$ **29,836.95**
FY20-21	29,700.00	58.61	78.34	$ **29,836.95**
FY 21-22	29,700.00	58.61	78.34	$ **29,836.95**
FY22-23	29,700.00	58.61	78.34	$ **29,836.95**
FY23-24	29,700.00	58.61	78.34	$ **29,836.95**
FY24-25	29,700.00	58.61	78.34	$ **29,836.95**
FY25-26	29,700.00	58.61	78.34	$ **29,836.95**
FY26-27	29,700.00	58.61	78.34	$ **29,836.95**
FY27-28	29,700.00	58.61	78.34	$ **29,836.95**
FY28-29	29,700.00	58.61	78.34	$ **29,836.95**
FY29-30	29,700.00	58.61	78.34	$ **29,836.95**
FY30-31	29,700.00	58.61	78.34	$ **29,836.95**
FY31-32	29,700.00	58.61	78.34	$ **29,836.95**
FY32-33	29,700.00	58.61	78.34	$ **29,836.95**
FY33-34	29,700.00	58.61	78.34	$ **29,836.95**
FY34-35	29,700.00	58.61	78.34	$ **29,836.95**
FY35-36	29,700.00	58.61	78.34	$ **29,836.95**
FY 36-37	29,700.00	58.61	78.34	$ **29,836.95**
FY 37-38	29,700.00	58.61	78.34	$ **29,836.95**
FY-38-39	29,700.00	58.61	78.34	$ **29,836.95**
FY 39-40	29,700.00	58.61	78.34	$ **29,836.95**
FY 40-41	29,700.00	58.61	78.34	$ **29,836.95**
FY 41-42	29,700.00	58.61	78.34	$ **29,836.95**
FY 42-43	29,700.00	58.61	78.34	$ **29,836.95**
FY 43-44	29,700.00	58.61	78.34	$ **29,836.95**
FY 44-45	29,700.00	58.61	78.34	$ **29,836.95**
FY 45-46	29,700.00	58.61	78.34	$ **29,836.95**
FY46-47	29,700.00	58.61	78.34	$ **29,836.95**
Totals:	$ **831,600.00**	$ **1,758.30**	$ **2,350.20**	$ **835,708.50**

Attachment #7

Estimated Captured Assessed Values of TIF District # 22

Tif Year	Tax Year	Original Assessed Value 2016	Projected Increased Assessed Value (IAV)	Estimated Percent of Value Captured (depends how much value must be captured to fund CEA and $35,825 of school costs)	Projected Captured Assessed Value (depends how much value must be captured to fund CEA and $35,825 of school costs)	Projected Mil Rate	Projected New Taxes Captured (100%)	TIF Revenue to Developer (50% of new tax revenue)	TIF Revenue to City Project Account (Projected at 47.221%)	TIF Revenue to General Fund (Projected at 2.779%)
1	2017	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
2	2018	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
3	2019	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
4	2020	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
5	2021	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
6	2022	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
7	2023	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
8	2024	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
9	2025	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
10	2026	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
11	2027	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
12	2028	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
13	2029	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
14	2030	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
15	2031	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
16	2032	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
17	2033	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
18	2034	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
19	2035	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
20	2036	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
21	2037	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
22	2038	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
23	2039	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
24	2040	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
25	2041	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
26	2042	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
27	2043	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
28	2044	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
29	2045	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
30	2046	$0	3,300,000	97%	$3,201,000	0.02299	$75,867	$37,934	$35,825	$2,108
Totals							**$2,276,010**	**$1,138,005**	**$1,074,755**	**$63,250**

Attachment 7
Estimated Impact on School Operating Costs TIF # 22

Unit Size	Number of units	School aged Children per unit	Estimated # of students	Cost per student per year
1 Bedroom	26	0	0	$3,700
2 Bedroom	17	0.33	5.61	$3,700
3 Bedroom	10	0.73	7.3	$3,700
Total	53		12.91	

Source: Residential Demographic Multipliers, Estimates of the Occupants of New Housing, June

2006, Center for Urban Policy Research, Rutgers University. (Massachusetts data used for 3 BR since data not available for Maine)

Cost per student per year	Estimated number of Students	Total Cost per year	Total cost per year (new students only)	Total Cost over term of TIF (30 Years)
$3,700	12.91	$47,767	$35,825.25	$1,074,757.50

Hampshire Street

Financial Model

PROJECT DESCRIPTION	Apartments		53	Note: The exact number of apartments, the balance of affordable and market-rate units, and the precise bedroom mix (percentage of one-bedrooms, two-bedrooms, etc) would be based on market need as determined by a market study.
	Income-Restricted	74%	39	
	Market-Rate	26%	14	
	Studios	0%	0	
	One-Bedrooms	49%	26	
	Two-Bedrooms	32%	17	
	Three-Bedrooms	19%	10	

FINANCING SOURCES	Affordable Housing Tax Credits	6,942,000	72.6%	Based on Eligible Costs
	MaineHousing Subsidy	975,000	10.2%	Based on Eligible Units
	MaineHousing Mortgage	1,530,000	16.0%	Based on Net Operating Income
	City HOME grant	110,000	1.2%	
	TOTAL	9,557,000		

Hampshire Street

Financial Model

DEVELOPMENT BUDGET	Land Acquisition	45,000
	Construction + Contingency	7,200,000
	Professional and Other Fees	1,320,000
	Building Permit	
	Sewer Impact Fee	
	Architectural	
	Developer Fee	
	Civil and Structural Engineering	
	Surveyor	
	Geotechnical	
	Legal	
	Reserves Required by MaineHousing and Other Fees	992,000
	Mortgage Fee	
	Tax Credit Allocation Fee	
	Operating Reserve	
	Replacement / Capital Improvement Reserve	
	Marketing / Rent-Up Reserve	
	Interest, Financing Fees, and Other Costs	
	Construction Loan Interest	
	Construction Inspections	
	Lender Legal	
	Construction Loan Origination Fee	
	Appraisal & Market Study	
	Property Taxes During Construction	
	TOTAL	9,557,000

Hampshire Street

Financial Model

ANNUAL INCOME	Apartment Type and Income Targeting	# of units	Rent per unit	Monthly Revenue
	0-BR at/below 50% of AMI*	0	501	-
	1-BR at/below 50% of AMI*	6	528	3,168
	2-BR at/below 50% of AMI*	6	631	3,786
	3-BR at/below 50% of AMI*	4	717	2,868
	0-BR at/below 60% of AMI*	0	607	-
	1-BR at/below 60% of AMI*	12	642	7,704
	2-BR at/below 60% of AMI*	7	768	5,376
	3-BR at/below 60% of AMI*	4	875	3,500
	0-BR Market Rate	0	700	-
	1-BR Market Rate	8	775	6,200
	2-BR Market Rate	4	950	3,800
	3-BR Market Rate	2	1,065	2,130
		53		
			Monthly Rental Revenue	38,532
			Annual Rental Revenue	462,384
			Property Taxes Returned Under TIF	36,450
			Less 5% vacancy	(23,119)
			Laundry Income	12,720
			TOTAL INCOME	488,435

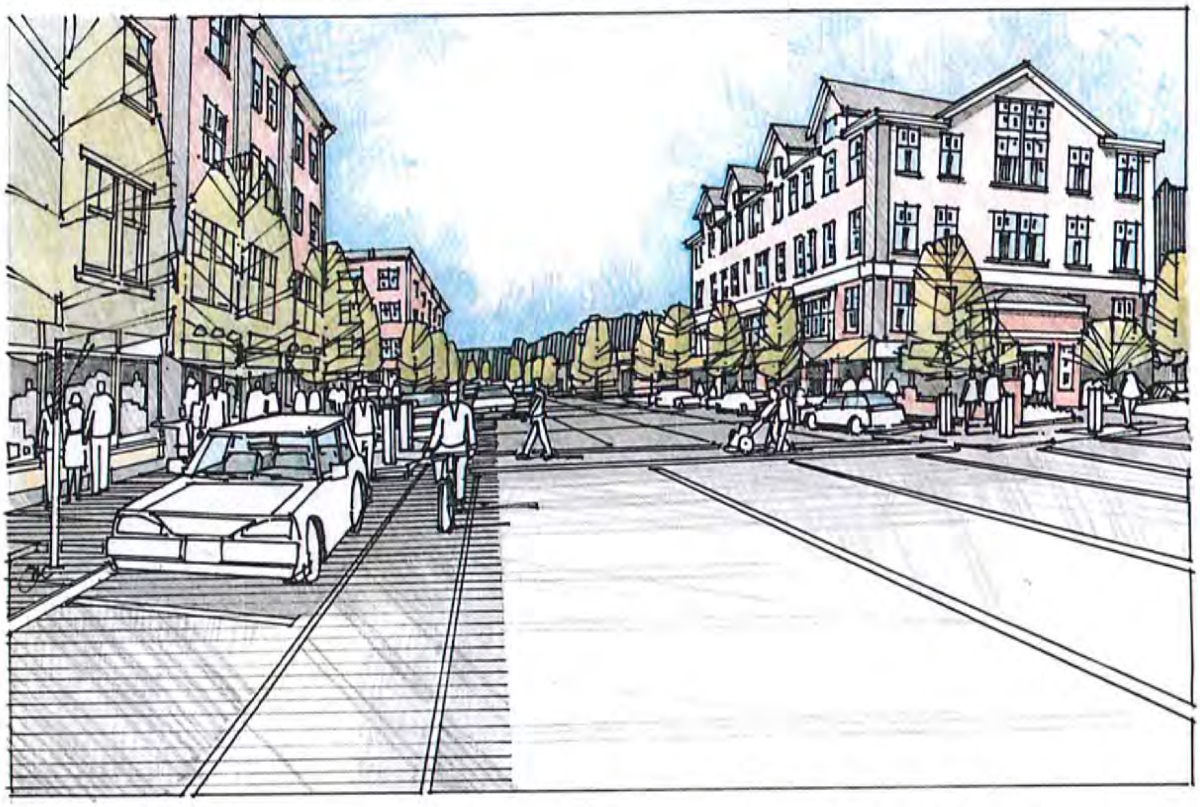
* AMI: area median income, which is a function of household size

Hampshire Street

Financial Model

ANNUAL EXPENSES	Management Fees	34,600
	Management Expenses and Reimbursements	5,100
	Marketing	3,100
	Legal	3,100
	Audit	5,100
	Janitorial / Cleaning	12,500
	Fuel and Gas	39,400
	Electricity	21,400
	Water and Sewer	21,400
	Garbage and Trash Removal	9,100
	Vehicle and Equipment Expenses	1,200
	Grounds Contractual Services	21,400
	Building Maintenance	42,900
	Building Tools and Supplies	10,700
	Other Contract Services	15,400
	Building Systems Maintenance	7,700
	Property and Liability Insurance	12,900
	Resident Service Coordinator	16,300
	Property Taxes	72,900
	Replacement Reserve (Required by MaineHousing)	27,600
	TOTAL EXPENSES	383,800
	Net Operating Income	104,635
	Debt Service / Mortgage Payments	78,135
	Net Cash Flow / Profit	26,500

ATTACHMENT 7



Illustrative View of T- 5.1 (Future Great Falls Plaza)

Intent and Purpose:

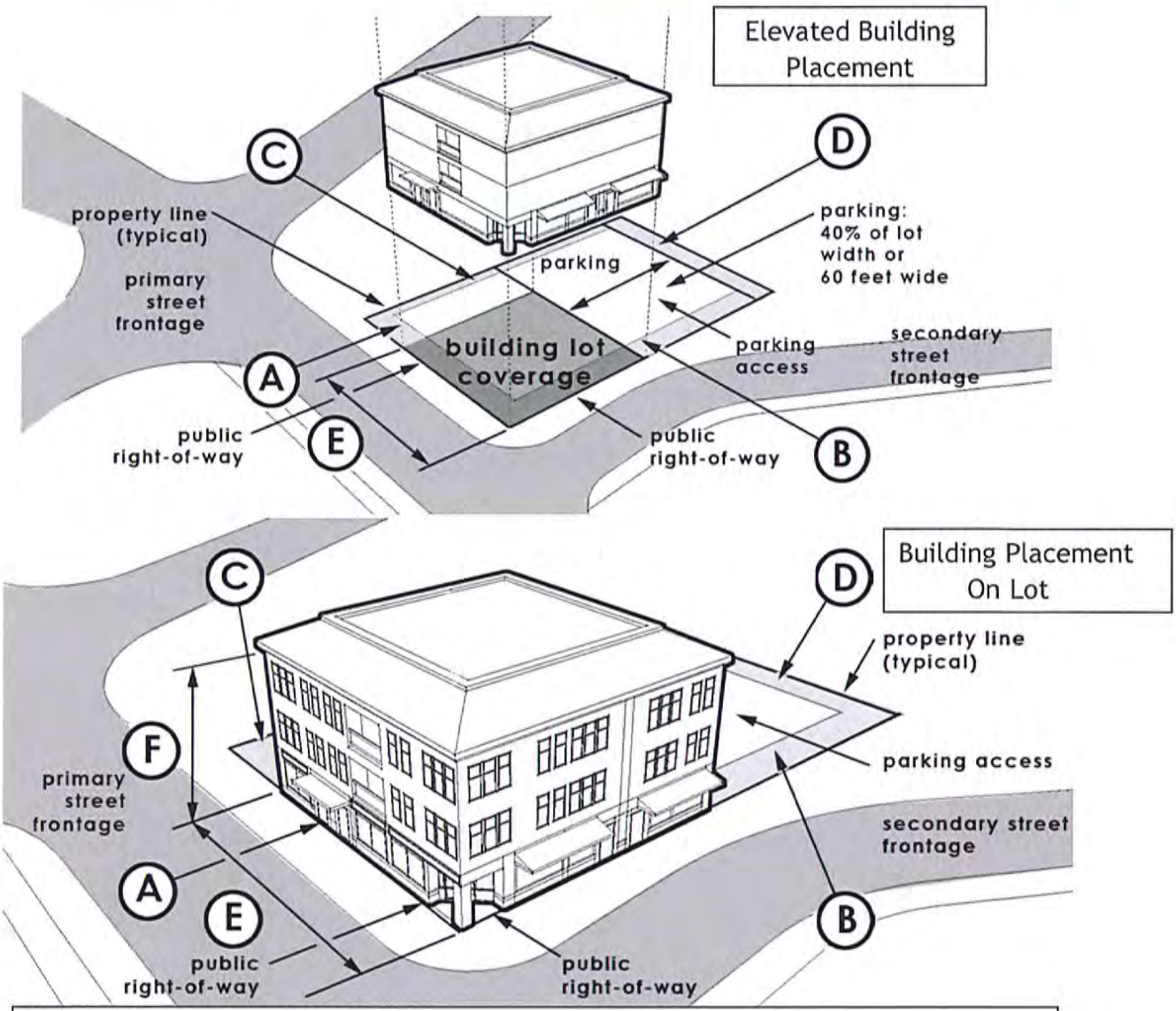
Downtown Traditional Center (T- 5.1)

The Downtown Traditional Center zone is characterized by medium to larger sized buildings in a compact urban environment that generates an active street life. There is interplay between the Public Realm of the busy street and sidewalk, and the Private Realm of the residential stoops, commercial storefronts and gallery building fronts. The increased building widths form a more solid and compact street wall pattern, generating an energized traditional downtown feel.

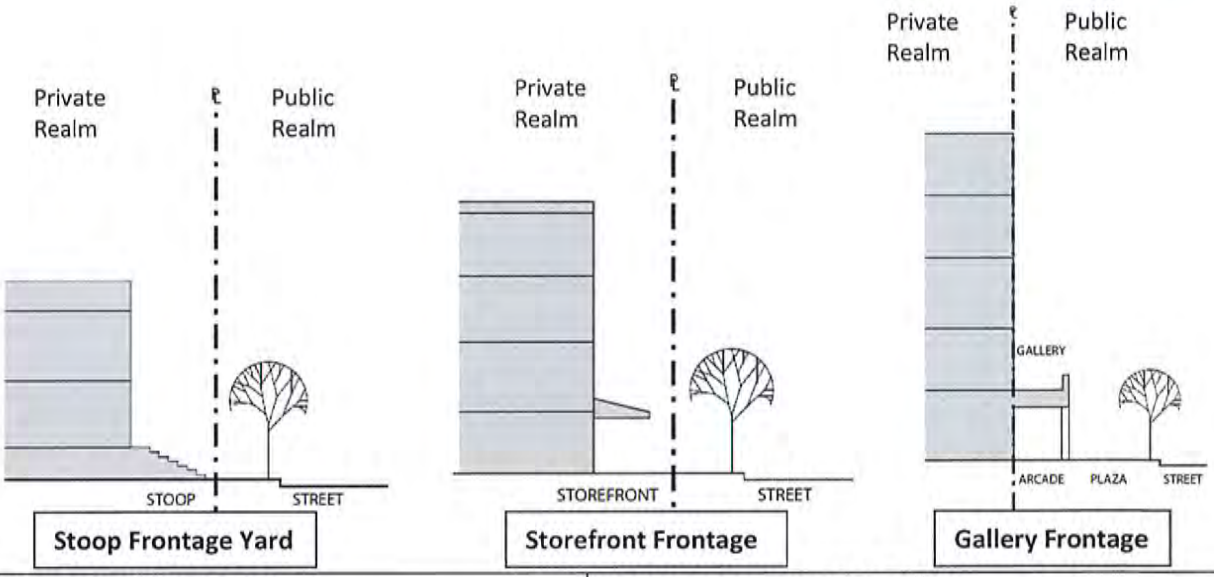
Key Features

- Vibrant and active interaction between public and private realms
- Larger buildings
- Front facade detailing
- Bay windows
- Balconies
- Street trees
- More urban density

Examples of Downtown Traditional Center – T- 5.1



PRINCIPAL BUILDING PLACEMENT:		
Front Setback, Principal:	0 ft Min, 10 ft Max	(A)
(Corner Lot) Front Setback, Secondary:	0 ft Min, 10 ft Max	(B)
Side Setback:	0*-5 ft Min	(C)
	*Subject to Building Permit Approval	
Rear Setback:	10 ft Min	(D)
Building Lot Coverage:	75% Max	
Useable Open Space:	5% Min	
Frontage Build-Out:	75% Min (along Front Setback, Primary)	
Lot Width:	24 ft Min, 160 ft Max	
PRINCIPAL BUILDING CONFIGURATION:		
Building Width:	14 ft Min, 150 ft Max	(E)
Building Height Minimum:	2 Story Min	(F)
Building Height Maximum:	4 Story Max (excluding attic story)	(F)



Stoop Frontage Yard | Storefront Frontage | Gallery Frontage

BUILDING FRONTAGE TYPES:.....	Stoop, Storefront and Gallery
BUILDING ENTRIES:	Primary entry door is encouraged along ground story facade facing a primary street.
BUILDING ENVELOPE ARTICULATION:	
Ground Story Building Frontage Facade:	Windows and doors shall comprise a minimum of 25% and maximum 60% coverage of the total ground story facade frontage.
Upper Story Building Frontage Facade:	Windows and doors shall comprise a minimum of 20% and maximum 40% coverage of the total upper story facade frontage.
Ground Story Finished Floor Elevation:	Residential- The ground story elevation must be a minimum of 2 feet minimum to 6 feet maximum above the front yard elevation (average grade). Commercial- The ground story elevation must be at a minimum of sidewalk grade to maximum of 2 feet.
Front Facade Wall:	Blank lengths of wall exceeding 10 linear feet are prohibited.

Front Yard Fence: (Residential)	Residential- A front yard fence a minimum of 2 feet and a maximum of 4 feet in height is encouraged to maintain spatial edge of street. No chain link, vinyl, split rail, or barbed wire is allowed.
Street Wall/Wall Opening:	A vehicle entry way, as part of a street wall, shall be a maximum width of 20 feet (residential) and 24 feet (commercial); a pedestrian entry way shall be a maximum width of 6 feet.
Building Projections:	No part of any building, except overhanging eaves, awnings, balconies, bay windows, stoops and other architectural features shall encroach beyond the minimum front setback line.
Stoop Encroachments:	Stoops may encroach upon the front setback line by the following distances but not encroach in the street right of way.
Garages:	Detached garages shall be located a minimum of 20 feet from any street right of way.
Driveways:	Driveways are encouraged to be on the secondary street frontage. Driveways shall be paved and a minimum of 8 feet wide and a maximum of 20 feet wide.
Parking:	Residential-Vehicle parking areas shall be located only on driveways or designated parking areas and shall not extend into the street right of way or sidewalk. Commercial- Parking shall be located to rear of the property to the greatest extent possible. Parking on a side yard is limited to no more than 60 feet wide or 40% of the lot width. Screening and/or street wall is required for parking areas along a street.
Accessory Structures:	Accessory structures shall be located a minimum of 20 feet from any street right of way and 5 feet from either side or rear property line.
Landscaping:	Landscaping is encouraged but shall not extend into any street sidewalk or travel way. Street trees are encouraged.
Foundation Planting:	Foundation plantings are encouraged but should be pruned and maintained with enough clearance from the building facade to encourage air circulation.

Sec. 60-554 FORM BASED CODE USE and PARKING MATRIX

* * * (2)

USE (1)	T-4.1	T-4.2	T 5.1	T-5.2	T-6	PARKING REQUIREMENTS (2)
Residential Type Use						
Single Family	P	P	P			1 sp/DU
Duplex	P	P	P	P	P	1 sp/DU
Townhouse	P	P	P	P	P	1 sp/DU
Multi-Family	P	P	P	P	P	1 sp/DU plus 1 guest space/4 DU
Bed & Breakfast < 4 Rooms	S	P	P	P	P	1 sp/employee plus 1 sp/guest
Bed & Breakfast > 4 Rooms	S	S	P	P	P	1 sp/employee plus 1 sp/guest
Hotel	X	X	S	S	P	1/2 sp /employee plus 1 sp /room
Elderly/Child Care Facility	S	S	S	S	P	1/2 sp /employee plus 1 sp/ 8 users
Home Occupation	P	P	P	P	P	Based on Use Type (Sec. 60-673-10)
Community Based Residential Facilities	P	P	P	P	P	1 sp/employee plus 1 sp/client
Boarding House/Lodginghouse	P	P	P	S	X	1 sp/guestroom plus 1 sp/employee
Office/Service Type Use						
Professional Offices	S	S	P	P	P	1 sp/400 sf
Medical and Dental Clinics	S	S	P	P	P	1 sp./400 sf
Personal Services	S	P	P	P	P	1 sp./400 sf
Retail Type Use						
General Retail	S	S	P	P	P	1 sp/400 sf
Age Restricted Retail (3)	S	S	S	S	S	1 sp/400 sf
Specialty Shops	S	P	P	P	P	1 sp/400 sf
Restaurant up to 30 seats w/16 outdoor	X	S	P	P	P	1 sp/4 seats
Restaurant over 30 seats w/16 outdoor	X	S	S	P	P	1 sp/4 seats
Halls, Private Clubs, Indoor Amusement	S	S	S	P	P	1 sp/400 sf
Artist Studios, Performing Art Center	S	S	P	P	P	1 sp/400 sf
Civic						
Church or Places of Worship	S	S	P	P	P	1 sp/5 seats
Government Offices	X	X	P	P	P	1 sp/400 sf
Art Galleries	S	P	P	P	P	1 sp/400 sf
Transportation Facilities	X	X	S	S	S	1 sp/400 sf

Notes:

(1) Uses not listed are considered prohibited unless deemed similar by the Director of Planning or by the Planning Board through a special exception approval.

(2) Parking requirements in T-5.1, T- 5.2 and T-6 may be provided by the municipality or private parking resources within 1,000 feet of the principal building, subject to Planning Board approval.

(3) Where more than 50% of floor space is devoted to Age Restricted Goods

S = Special Exception **P** = Permitted **X**-Prohibited
sp = parking space **sf** = square foot of gross floor space **DU** = Dwelling Unit

DIVISION 12. - GENERAL BUSINESS DISTRICT

Sec. 60-498. - Purpose.

This district is intended to include commercial uses serving both the city and the region, together with normal accessory uses compatible with a cohesive and attractive shopping and office area.

(Ord. of 9-21-2009, § 3.62A)

Sec. 60-499. - Use regulation.

(a) *Permitted uses.* The following uses are permitted:

(1) Residential dwelling uses permitted in the Multifamily Suburban District (MFS) (division 9 of article IV of this chapter).

(2) Grocery stores and supermarkets.

(3) Clothing stores.

(4) Furniture stores.

(5) Department stores.

(6) Specialty shops.

(7) Hotels and motels.

(8) Funeral homes and mortuaries.

(9) Child day care centers.

(10) Medical and dental clinics.

(11) Wholesale bakeries.

(12) Retail laundries and dry cleaners, but not plants.

(13) Banks, business and professional offices.

(14) Public transportation passenger offices.

(15) Governmental offices.

(16) Municipal, civic or public service buildings and other utility facilities.

(17) Warehouses, wholesale offices, salesrooms and showrooms.

(18) Restaurants, bars, dining rooms or lunchrooms, but not to include drive-in and carry-out restaurants.

(19) Halls, private clubs and lodges, bowling alleys, ice and roller skating rinks, indoor theaters and similar places of indoor amusement or recreation.

(20) Animal hospitals and pet shops, but no kennels.

(21) Business equipment repair and business services.

(22) Radio and television studios.

(23) Printing shops, but not publishing plants.

(24) Retail, service, office and commercial uses similar to the foregoing.

(25) Carwashes.

(26) Accessory uses, building and structures.

(27) Shelters for abused persons.

(28) Greenhouses and lawn maintenance services.

(29) Temporary outdoor places of amusement.

(30) Churches and temples.

(b) *Special exception uses.* The following uses are permitted as special exceptions after approval by the planning board in accordance with division 3 of article XVI of this chapter:

(1) Automobile filling stations.

(2) Automobile repair and service stations.

(3) Automobile and marine sales lots and sales and service agencies.

(4) Automobile and marine paint and body repair shops.

(5) Hospitals, care homes, boardinghouses and lodginghouses.

(6) Research or philanthropic institutions.

(7) Outdoor theaters.

(8) Drive-in or carry-out restaurants.

(9) Commercial parks.

(10) Sales, rental and service agencies for mobile homes, farm equipment, trucks and trailers, and machine equipment.

(11) Light industrial plants which will not create a nuisance by noise, vibration, smoke, odor or appearance.

(12) Off-street parking as a commercial or municipal use provided that such parking is limited to occupants of buildings located within 500 feet of such parking area whether or not within the same district. The planning board may impose conditions regarding fencing and screening, drainage, ingress and egress, signs and lighting, and total capacity of the parking area as it deems necessary to protect the character of the neighborhood.

(13) Trucking terminals and similar nonprocessing storage and distribution uses, except bulk storage of chemicals, petroleum products and other flammable, explosive or noxious materials.

(14) Convenience stores.

(15) Research, experimental and testing laboratories.

(16) Landscape services.

(17) Any new building of 5,000 square feet or more or any existing building which proposes a use permitted under subsection (a) of this section which will occupy an area of 5,000 square feet or more.

(18) Automotive towing and storage.

(19) Major retail development provided that it meets the conditions noted in section 60-45(g).

(20) Outpatient addiction treatment clinics.

(21) Adaptive reuse of structures of community significance.

(Ord. of 9-21-2009, § 3.62B; Ord. No. 11-11072016, 11-21-2016; Ord. No. 05-04032017, § 2, 4-24-2017)

Sec. 60-500. - Dimensional regulations.

All structures in this district, except as noted, shall be subject to the following dimensional regulations:

(1) *Minimum lot width and depth.* No building used for commercial or office uses shall be constructed on a lot having less than 10,000 square feet minimum lot area and measuring 100 feet in width. No lot shall be less than 100 feet in depth. Buildings used for residential uses shall have the same minimum lot area, width and depth as provided for buildings in the Multifamily Suburban District (MFS), section 60-307(1).

(2) *Density.* Not more than 30 percent of the total lot area shall be covered by buildings used for commercial or office uses. The density of residential uses shall be the same as that required for buildings in the Multifamily Suburban District (MFS), section 60-30(2).

(3) *Yard requirements.*

a. *Rear.* There shall be behind every building a rear yard having a minimum depth of 35 feet or 35 percent of the average depth of the lot, whichever is less.

b. *Side.* There shall be a distance of five feet between any side property line, plus the side yard setback shall be increased one foot for every two feet or part thereof increase in street frontage over 60 feet to a maximum of 25 feet for side yard setback.

c. *Front.* There shall be in front of every building a front yard having a minimum depth of 25 feet or 25 percent of the average depth of the lot, whichever is less. No front yard need to be any deeper than the average depth off front yards on the lots next thereto on either side. A vacant lot or a lot occupied by a building with a front yard more than 25 feet shall be considered as having a front yard of 25 feet.

d. *Principal buildings.* More than one principal building may be erected on a lot, provided that the building meet all yard setback requirements and are separated by a distance equivalent to the height of the higher building or 30 feet, whichever is greater.

e. *Railroad tracks.* Where the principal use requires access to a railroad, the yard requirements are disregarded for the

side of the building adjacent to the railroad trackage. The engineering requisites for a safe and properly designed siding and building setback acceptable to the railroad shall take precedence.

f. *Open and unbuilt spaces.* Any yard, space or area required to be kept open and unbuilt on may be used, if otherwise lawful for outdoor storage and display of articles, supplies and materials. Such outdoor storage and display shall occupy no more than 20 percent of the lot with display areas not to exceed one-quarter of the total allowable area. Storage and display areas shall be clearly identified on the land in a fixed location. Storage areas shall be screened from the view of an abutting residential district or use and from the street by an evergreen tree line planted in staggered rows having the base of the trees not more than ten feet apart or by a solid fence not less than six feet in height.

(4) *Height.* No permitted structure shall exceed four stories or 45 feet in height. Religious buildings, municipal buildings or buildings listed by the state historic preservations commis- sion may have a steeple, cupola or tower to a maximum height of 90 feet, if said structure is limited to 15 percent of the footprint of the principal building. In the airport approach zone, Federal Aviation Administration regulations shall apply. Accessory structures, including windmills, that are necessary for the operation of an allowed principal use may exceed the above maximum height requirements, provided that the front yard, rear yard and each of the side yards shall be increased by one foot for each foot in height in excess of the yard required pursuant to this section. In the airport approach zone, Federal Aviation Administration regulations shall apply.

(5) *Off-street parking.* Off-street parking and loading spaces shall be provided in accordance with the requirements for specific uses as set forth in articles V through XI of this chapter.

(Ord. of 9-21-2009, § 3.62C; Ord. of 3-22-2010)

Secs. 60-501—60-523. - Reserved.

Attachment 8: Credit Enhancement Agreement

Attachment 8

CREDIT ENHANCEMENT AGREEMENT

between

THE CITY OF AUBURN, MAINE

and

_____, LP

DATE: _____, 2017

DRAFT

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EXHIBITS

Exhibit 1 Copy of Exhibit A from Development Program – District Map

DRAFT

THIS CREDIT ENHANCEMENT AGREEMENT dated as of _____, 2017, between the City of Auburn, a municipal corporation located in Auburn, County of Androscoggin and State of Maine, with offices at 60 Court Street, Auburn, Maine 04210 (hereinafter "the City"), and _____, LP a Maine limited partnership, (hereinafter the "Developer") with principal place of business of 482 Congress Street, Suite 203, Portland, Maine 04101

WITNESSETH THAT

WHEREAS, on November 20, 2017, and pursuant to the Act, the City Council of the City at a meeting duly called and held, adopted an order that designated a tax increment financing ("TIF") district: the Hampshire Street Apartments Municipal Development and Tax Increment Financing District (1.01 acres); and

WHEREAS, on November 20, 2017, the City of Auburn adopted a development program: the Hampshire Street Apartments Municipal Development and Tax Increment Financing District Development Program (the "Development Program"); and

WHEREAS, the Maine State Housing Authority reviewed and approved the District and the Development Program pursuant to an approval letter dated _____; and

WHEREAS, within the Development Program, and as contemplated thereby, the City proposed to execute a credit enhancement agreement with the Developer; and

WHEREAS, the City and the Developer desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated by and described in the Development Program; and

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. Definitions.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

"Act" means chapter 206 of Title 30-A of the Maine Revised Statutes and regulations adopted thereunder, as amended from time to time.

"Agreement" shall mean this Credit Enhancement Agreement between the City and the Developer dated as of the date set forth above, as such may be amended from time to time.

"Captured Assessed Value" means the amount, stated as a percentage, of the Increased Assessed Value of the Hampshire Street Property that is retained in the District in each Tax Year during the term of the District, as specified in Section 2.2 hereof.

"Commissioner" means the Commissioner of the Maine Department of Economic and Community Development.

"Current Assessed Value" means the then-current assessed value of the Hampshire Street Property located in the District as determined by the City Tax Assessor as of April 1 of each Tax Year during the term of this Agreement.

"Development Program Fund" means the development program fund described in the Financial Plan of the Development Program into which the Tax Increment Revenues are to be deposited, established and maintained pursuant to the Development Programs and Article II hereof.

"District" means the Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District (1.01 acres), designated by the City on November 20, 2017, a map of which is attached as Exhibit A to the Development Program.

"Effective Date of the Development Program" means the date of final approval of the Development Program by the Director of the Maine State Housing Authority pursuant to the Act.

"Financial Plan" means the financial plan described in the "Financial Plan" Section of the Development Program.

"Fiscal Year" means July 1 to June 30 each year or such other fiscal year as the City may from time to time establish.

"Hampshire Street Apartments Affordable Housing Municipal Development and Tax Increment Financing District" means the 1.01-acre tax increment financing district as more fully defined by the Development Program.

"Hampshire Street Property" means real property owned by the Developer within the District.

"Increased Assessed Value" means, for each Fiscal Year during the term of this Agreement, the amount by which the Current Assessed Value for such year exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any given Tax Year, there is no Increased Assessed Value in that year.

"Original Assessed Value" means zero dollars ($0) the taxable assessed value of the District as of March 31, 2017 (April 1, 2016).

"Project" means the mixed income housing project as described in the Development Program.

"Property Taxes" means any and all *ad valorem* property taxes levied, charged or assessed against real property located in the District by the City, or on its behalf.

"State" means the State of Maine.

"Tax Increment Revenues" means that portion of all real property taxes assessed and paid to the City in any Tax Year, in excess of any state, or special district tax, upon the Captured Assessed Value.

"Tax Payment Date" means the later of the date(s) on which property taxes levied by the City are due and payable from owners of property located within the City, or are actually paid to the City with respect to taxable property located within the District.

"Tax Year" shall have the meaning given such term in 30-A M.R.S.A. § 5246, as amended, to wit: April 1 to March 31.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

(a) The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before, the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.

(f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II
DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

The City hereby confirms the creation and establishment of a segregated fund in the name of the City designated as the "Development Program Fund" pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5250-A. The Development Program Fund shall be used to fund payments as described in this Agreement. The Development Program Fund is pledged to and charged with the payment of costs in the manner and priority provided in 30-A M.R.S.A. § 5250-A and as set forth in Section 3.1(b) below. The Development program Fund is established consisting of a project cost account ("Project Cost Account") pledged to and charged with payment of project costs outlined in the Development Program. The Project Cost Account shall consist of a City cost subaccount (the "City Project Cost Subaccount") pledged to and charged with payment of costs of the City's project costs, and a Developer cost subaccount (the "Developer Project Cost Subaccounts") pledged to and charged with payment of the costs of reimbursement consistent with this Agreement.

Section 2.2. Captured Assessed Value; Deposits into Development Program Fund.

(a) Beginning with Tax Year April 1, 2017 and ending with Tax Year April 1, 2047 (hereinafter "CEA Years"), the City shall retain in the District fifty percent (50%) of the Increased Assessed Value as Captured Assessed Value for purposes of making deposits and payment obligations to the Developer hereunder. An additional percentage of Increased Assessed Value is expected to be retained as Captured Assessed Value for purposes of funding approved City project costs pursuant to the Development Program.

(b) For each of the CEA Years, the City shall deposit into the Development Program Fund contemporaneously with each payment of Property Taxes during the term of this Agreement an amount equal to one hundred percent (100%) of that portion of the property tax payment constituting Tax Increment Revenues. The City shall deposit the Tax Increment Revenues relating to fifty percent (50%) of the Increased Assessed Value into the Developer Project Cost Subaccount of the Project Cost Account.

Section 2.3. Use of Monies in Development Program Fund.

All monies in the Development Program Fund that are allocable to and/or deposited in the Development Program Fund shall in all cases be used and applied to fund fully the City's payment obligations to the Developer, as described in Articles II and III hereof, but in all cases the Developer must use such monies for approved project costs under the Act.

Section 2.4. Monies Held in Segregated Account.

All monies required to be deposited with or paid into the Development Program Fund under the provisions hereof and the provisions of the Development Program shall be held by the City for the uses specified in the Development Program. Interest earnings thereon shall be retained by the City for the City's own use.

ARTICLE III
PAYMENT OBLIGATIONS

Section 3.1. Company Payments.

(a) The City agrees to pay the Developer up to all amounts then on deposit in the Developer Project Cost Subaccount of the Development Program Fund, on or before thirty (30) days following the Tax Payment Date.

(b) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the property taxes assessed against real property located in the District remain unpaid, because of a valuation dispute or otherwise, the City shall be under no obligation to pay the Developer share of the Tax Increment Revenues to the Developer to the extent such portion remains unpaid. In such a circumstance, the property taxes actually paid with respect to such Tax Payment Date shall first be applied to taxes due on account of Original Assessed Value.

Section 3.2. Failure to Make Payment.

In the event the City should fail to, or be unable to, make any of the payments at the time and in the amount required under the foregoing provisions of this Article III including in the event that the amount deposited into Development Program Fund is insufficient to reimburse the Developer for the full amount due to the Developer under this Agreement, the amount or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid.

Section 3.3. Reserved.

Section 3.4. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Tax Increment Revenues pledged therefor under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of Tax Increment Revenues payable to the Developer hereunder, whether or not actually deposited into Developer Project Cost Subaccount in the Development Program Fund. This Agreement shall not directly, indirectly or contingently obligate the City, the State of Maine, or any other City or political subdivision to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the pledge of the Tax Increment Revenues established under this Agreement.

ARTICLE IV
FURTHER INSTRUMENTS AND BOOKS AND RECORDS

Section 4.1. Further Instruments.

The City shall, upon the reasonable request of the Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the City; and provided further that the cost of executing and delivering such further instruments (including the reasonable and related costs of counsel to the City with respect thereto) shall be borne exclusively by the Developer.

Section 4.2. Access to Books and Records.

(a) All non-confidential books, records and documents in the possession of the City relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into Development Program Fund shall at all reasonable times and upon reasonable notice be open to inspection by the Developer, its agents and employees.

(b) All non-confidential books, records, lease agreements and documents in the possession of the Developer relating to the District, the Development Program, this Agreement and the monies, revenues and receipts used from the Development Program Fund shall at all reasonable times and upon reasonable notice be open to inspection by City, its agents and employees.

ARTICLE V
DEFAULTS AND REMEDIES

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

(a) Any failure by the City to pay any amounts due to the Developer when the same shall become due and payable;

(b) Any failure by the City to make deposits into Development Program Fund as and when due;

(c) Any failure by the City or the Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the City or the Developer to be observed or performed, which failure is not cured within thirty (30) days following written notice thereof;

(d) If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of the Developer's affairs shall have been entered against the Developer or the Developer shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Developer or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the Developer or the failure by the Developer to have an involuntary petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Developer;

(e) If any secured lender of the Developer other than the City accelerates the indebtedness owed to it and commences foreclosure proceedings which are not dismissed within ninety (90) days following the commencement of the foreclosure proceedings;

(f) If any written representation or warranty given to the City by the Developer is knowingly incorrect or incomplete in any material respect, other than statements made about or in agreements with the City that were later changed by mutual consent; and

(g) If the Developer fails to maintain surety bonding during the initial construction period at the levels and terms as may be required from time to time by the Developer's secured lenders.

Section 5.2. <u>Remedies on Default</u>.

Subject to the provisions contained in Section 8.13, whenever any Event of Default described in Section 5.1 hereof shall have occurred and be continuing, the nondefaulting party, following the expiration of any applicable cure period, shall have all rights and remedies available to it at law or in equity, including the rights and remedies available to a secured party under the laws of the State of Maine, and may take whatever action as may be necessary or desirable to collect the amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the nondefaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder. Further, the non-defaulting party may elect to terminate this Agreement upon 30 days' written notice to the defaulting party.

Section 5.3. <u>Remedies Cumulative</u>.

Subject to the provisions of Section 8.13 below concerning dispute resolution, no remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the

right to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

ARTICLE VI
EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term.

Notwithstanding any other provision of this Agreement, this Agreement is conditioned upon receipt of the Maine State Housing Authority Director's unconditional approval of the City's designation of the District and adoption of the Development Program. Following execution and delivery of this Agreement, the Agreement shall not be or become binding and enforceable until receipt of such unconditional approval. Upon receipt of such approval, this Agreement shall remain in full force from the Effective Date of the Development Program and shall expire June 30, 2048 or sooner upon the payment of all amounts due to the Developer hereunder and the performance of all obligations on the part of the City hereunder, unless even sooner terminated pursuant to Section 3.4 or any other applicable provision of this Agreement.

The City may terminate this Agreement by delivering written notice of such termination to the Developer in the event that the Developer does not receive a certificate of occupancy for the project by December 31, 2020.

Section 6.2. Cancellation and Expiration of Term.

At the acceleration, termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII
ASSIGNMENT AND PLEDGE OF SZANTON MONK'S INTEREST

Section 7.1. Pledge and/or Assignment.

The City hereby acknowledges that Developer may pledge, assign and grant a security interest in its right, title and interest in, to and under this Agreement as collateral for financing by a bank, financial institution and/or Maine State Housing Authority to the Developer for the Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of and the grant of a security interest in all the Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to the Developer's hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof. The City agrees upon request to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective

pledgee or assignee or secured party, including without limitation recognition of the pledgee or assignee or secured party as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledgee or assignee or secured party the position of such assignee or pledgee or secured party and the irrevocable and binding nature of this Agreement, and provide to the pledgee or assignee such rights and/or remedies as the parties may reasonably deem necessary for establishing, perfection and protection of its interest herein. The Developer shall be responsible for the City's necessary and reasonable costs of counsel with respect to any such pledge or assignment.

Section 7.2. Transfer

Except as specified in Section 7.1 hereof, the Developer shall not transfer or assign any portion of its rights in, to and under this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE VIII
MISCELLANEOUS

Section 8.1. Successors.

In the event of the dissolution, merger or consolidation of the City or the Developer, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred. Notwithstanding this Subsection 8.1, unless the City affirmatively approves of such action, the City shall have the unilateral right to terminate this Agreement upon the dissolution, merger or consolidation of the Developer, and if it exercises such right shall not be obligated to comply with this Agreement thereafter.

Section 8.2. Parties-in-Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Developer any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Developer.

Section 8.3. Severability.

In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability of Officials of the City.

(a) No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity, and neither the City Council nor any official, officer, employee or agent of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement the Developer contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future officer, agent, servant or employee of the Developer in his or her individual capacity, and no official, officer, employee or agent of the Developer shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.7. Amendments.

This Agreement may be amended only with the concurring written consent of both of the parties hereto.

Section 8.8. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 8.9. Dispute Resolution.

In the event of a dispute regarding this Agreement or the transactions contemplated by it, the parties hereto will use all reasonable efforts to resolve the dispute on an amicable basis. If the dispute is not resolved on that basis within sixty (60) days after one party first brings the dispute to the attention of the other party, then either party may refer the dispute for resolution by one arbitrator mutually agreed to by the parties, and judgment on the award rendered by the arbitrator may be entered in any Maine state court having jurisdiction. Any such arbitration will take place in Auburn, Maine or such other location as mutually agreed by the parties. The parties acknowledge that arbitration shall be the sole mechanism for dispute resolution under this

Agreement. Provided however, that in the event the parties are unable to agree, within a reasonable period, on the selection of an arbitrator, either party may file suit to resolve the dispute in any court having jurisdiction within the State of Maine. This arbitration clause shall not bar the City's assessment or collection of property taxes in accordance with law, including by judicial proceedings, including tax lien thereof.

Section 8.10. Reserved.

Section 8.11. Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the City:

City Manager
City of Auburn
60 Court Street
Auburn, Maine 04210

With a copy to:

Shana Cook Mueller, Esq.
Bernstein Shur
100 Middle Street
P.O. Box 9729
Portland, Maine 04104-5029

If to the Developer:

_____, LP
c/o The Szanton Company
482 Congress Street, Suite 203
Portland, Maine 04101

With a copy to:

John S. Kaminski, Esq.
Drummond Woodsum
84 Marginal Way, Suite 600
Portland, Maine 04101

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

WITNESS:

CITY OF AUBURN

_____

By:_____
Name: Peter Crichton
Its City Manager Duly Authorized by the City Council on November 20, 2017

WITNESS:

_____ LP

BY: _____, its General Partner

_____

By:_____
Name:
Its:

Exhibit 1: Map of District

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