

**ECONOMIC DEVELOPMENT PROJECT**

**CITY OF AUBURN, MAINE**

*An Application for a Municipal Development and Tax Increment Financing District*

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**TIF #27 - STABLE RIDGE MUNICIPAL DEVELOPMENT  
AND TAX INCREMENT FINANCING DISTRICT  
DEVELOPMENT PROGRAM**

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*Presented to:*

**City Council  
City of Auburn  
March 6, 2023**

## APPLICATION COVER SHEET

### MUNICIPAL TAX INCREMENT FINANCING

#### A. General Information

1. Municipality Name: City of Auburn		
2. Address: 60 Court Street, Auburn, ME 04210		
3. Telephone: 207-333-6601	4. Fax: 207-333-6623	5. Email: gholmes@auburnmaine.gov
6. Municipal Contact Person: Glen E. Holmes, Director of Business and Community Development		
7. Business Name: <b>American Development Group, LLC</b>		
8. Address: 8 Belmont Court Auburn, ME 04210		
9. Telephone: <b>207-240-3965</b>	10. Fax: N/A	11. Email: <a href="mailto:jessicaklimek.ahi@gmail.com">jessicaklimek.ahi@gmail.com</a>
12. Business Contact Person: <b>President &amp; CEO Jessica Klimek</b>		
13. Principal Place of Business: Maine		
14. Company Structure (e.g. corporation, sub-chapter S, etc.): LLC		
15. Place of Incorporation: Maine		
16. Names of Officers: Jessica Klimek		
17. Principal Owner(s) Name: Jessica Klimek		
18. Address: 8 Belmont Court Auburn ME 04210		

#### B. Disclosure

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

#### C. Employment Data

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

N/A

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# Development Program

## I. Introduction

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

The City of Auburn (the "City" or "Auburn") seeks to establish a Tax Increment Financing ("TIF") district to be known as the "**TIF #27 Stable Ridge Municipal Development and Tax Increment Financing District**" (the "District"), located at 555 Court Street.

The District consists of one parcel located at 555 Court Street and is identified on City Tax Maps as Tax Map 229 Lot 007. The District is approximately 13.19 acres. The District is being developed for rental housing, Phase 1 consisting of five (5) buildings with twelve (12) apartments per building and Phase 2 consisting of five (5) buildings with twelve (12) apartments per building, a garage and recreational storage facility for use by the residents. The complex is estimated to add \$14,000,000 in taxable value to the City.

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

- Maintain the existing tax revenues;
- Enjoy enhanced future tax revenues generated by improvements within the District;
- Enable the investment of TIF Revenues (defined below) in high priority City projects;
- Improve the overall economy of the City, the Androscoggin County region, and the State of Maine.

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

## **II. Development Program Narrative**

### **A. The Development District**

The District will encompass approximately 13.19 acres of real property. The District is located at 555 Court Street. The District is shown in **Exhibit A-1** and **Exhibit A-2** attached hereto.

### **B. The Development Program**

The City's designation of the District and adoption of this Development Program creates a single municipal TIF District in order to capture the value of the taxable real property improvements made within the District and to authorize the use of tax increment financing revenues for various municipal economic development projects, as well as any potential future credit enhancement agreements. The Development Program will begin with the City's 2023-2024 fiscal year on July 1, 2023 and will continue for a total of twenty (20) years, ending on June 30, 2043.

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

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

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

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

### C. The Projects

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

**TABLE 1**  
**Municipal Project Costs**

<b>Project</b>	<b>Cost Estimate*</b>	<b>Statutory Citation</b>
1. <u>Administrative &amp; Professional Services Costs</u> . Costs of prorated portion of salaries of City staff for time associated with creation and administration of District, and fund costs of professional services associated with creation and administration of District. ***	\$120,000	30-A M.R.S. § 5225(1)(A)(4); (1)(A)(5)
2. <u>Economic Development Programs</u> : Costs of the City's economic development programs, including, but not limited to, marketing costs, prorated portions of staff salaries devoted to supporting and administering TIF programming, and other related operating expenses for the City's Economic Development Department. **	\$20,000	30-A M.R.S. § 5225(1)(C)(1)
3. <u>Road Improvements</u> : Design, construction, engineering, other associated costs of road construction, sidewalk and pedestrian crossing safety improvements on Court Street, Park Ave., Russel Ave., Pinnacle Drive, Fairview Ave, Allen Ave., Dawes Ave., and Minot Ave. located within the District or outside the District but directly related to or made necessary by the District. ***	\$3,000,000	30-A M.R.S. § 5225(1)(A)(1); (1)(B)(1)

<b>Project</b>	<b>Cost Estimate*</b>	<b>Statutory Citation</b>
<p>4. Public Safety Facility: To the extent a new public safety building or equipment is needed to serve District development, TIF revenues may support the costs of such facility whether it is located inside the District or outside the District.</p> <p>Costs related to the construction or operation of a public safety facility in the City, the need for which is related to general economic development within the City, not to exceed 15% of the captured assessed value of the development district.***</p>	\$250,000	30-A M.R.S. § 5225 (1)(C)(9); (1)(B)(1)
<b>Total</b>	<b>\$3,390,000</b>	

\* These are estimates only. The City may allocate revenues generated by the District across approved project cost categories as needed.

\*\* Similar project contained within #23 Auburn Memory Care TIF, #10 Downtown Omnibus TIF, #25 Futureguard TIF and TID #26 – North River Road.

\*\*\* Similar project costs contained within TIF #25 Futureguard and TIF #26 – North River Road.

#### **D. Strategic Growth and Development**

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

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

#### **E. Improvements to the Public Infrastructure**

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

#### **F. Operational Components**

##### **1. Public Facilities**

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



## **2. Commercial Improvements Financed Through Development Program**

No commercial improvements will be financed through the Development Program.

## **3. Relocation of Displaced Persons**

No persons will be displaced.

## **4. Transportation Improvements**

Certain transportation related improvements are described in Table 1.

## **5. Environmental Controls**

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

## **6. Plan of Operation**

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

### **III. Physical Description**

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

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

### **IV. Financial Plan**

The District will encompass approximately 13.19 acres of property. The original assessed value of the real property in the District was \$129,600 as of March 31, 2022 (April 1, 2021). Development of the parcel is estimated to add approximately \$14,000,000 of new assessed real property value to the City.

This Development Program provides that, beginning on July 1, 2023, the City will "capture" one hundred percent (100%) of the increased assessed value of real property in the District. TIF revenues will consist of property taxes paid on 100% of the increased assessed value ("TIF Revenues").

The reimbursement schedule provides for the Developer to receive up to fifty percent (50%) of the TIF revenues generated by the captured assessed value of real property in the District for a term of ten (10) years or until the Developer reaches an overall payment cap \$500,000, whichever occurs first. The City will retain fifty percent (50%) of TIF Revenues generated by the captured assessed value of the real property located within the District for the City's economic development projects. The City will retain 100% of the TIF Revenues for the remainder of the District term after the expiration of the Credit Enhancement Agreement with the Developer.

The City will establish two Development Program Fund sub-accounts: one for the Developer reimbursement and one for the City programs and projects. Upon each payment in full as due of property taxes by the Developer, the City, based upon the allocations described above, will deposit into the Development Program Fund Developer's sub-account. The Development Program Fund Developer's sub-account is pledged to and charged with the payment of the project costs in the manner provided in 30-A M.R.S.A. § 5227(3). In each fiscal year, the City will disburse funds from the Development Program Fund sub-account to the Developer within thirty (30) business days following payment of the taxes on all captured assessed value.

The Credit Enhancement Agreement will provide for the maximum of a 10-year term of TIF revenue reimbursements to the Developer at fifty percent (50%) of the captured assessed value until payments reach an overall cap of \$500,000, per **Exhibit C-1 and Exhibit C-2**. This Credit Enhancement Agreement represents reimbursement of extraordinary costs associated with infrastructure improvement and improved site access. Estimates of the increased assessed values of the District, the anticipated TIF Revenues generated by the District, the portion of the TIF revenues to be applied to the District each year, and the estimated tax shifts are shown in **Exhibit C-1 and Exhibit C-2**.

#### **A. Costs and Sources of Revenues**

Developers of District property will pay for and/or finance all costs of projects located in the District through private sources.

#### **B. Municipal Indebtedness**

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

### **V. Financial Data**

The original assessed value of the taxable property in the District was \$129,600 as of March 31, 2022 (April 1, 2021). Please find attached as **Exhibit G** the Statutory Requirements and Thresholds Form required by the Maine Department of Economic and Community Development.

## **VI. Tax Shifts**

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

## **VII. Municipal Approvals**

### **A. Notice of Public Hearing**

Attached as **Exhibit D** is a certified copy of the Notice of Public Hearing held on March 6, 2023 in accordance with the requirements of 30-A M.R.S.A. § 5226(1). The notice was published in the *Sun Journal*, a newspaper of general circulation in the City on a date at least ten (10) days prior to the public hearing.

### **B. Minutes of Public Hearing**

Attached as **Exhibit E** is a certified copy of the minutes of the public hearing held on March 6, 2023, at which time the proposed District was discussed by the public.

### **C. City Council Order**

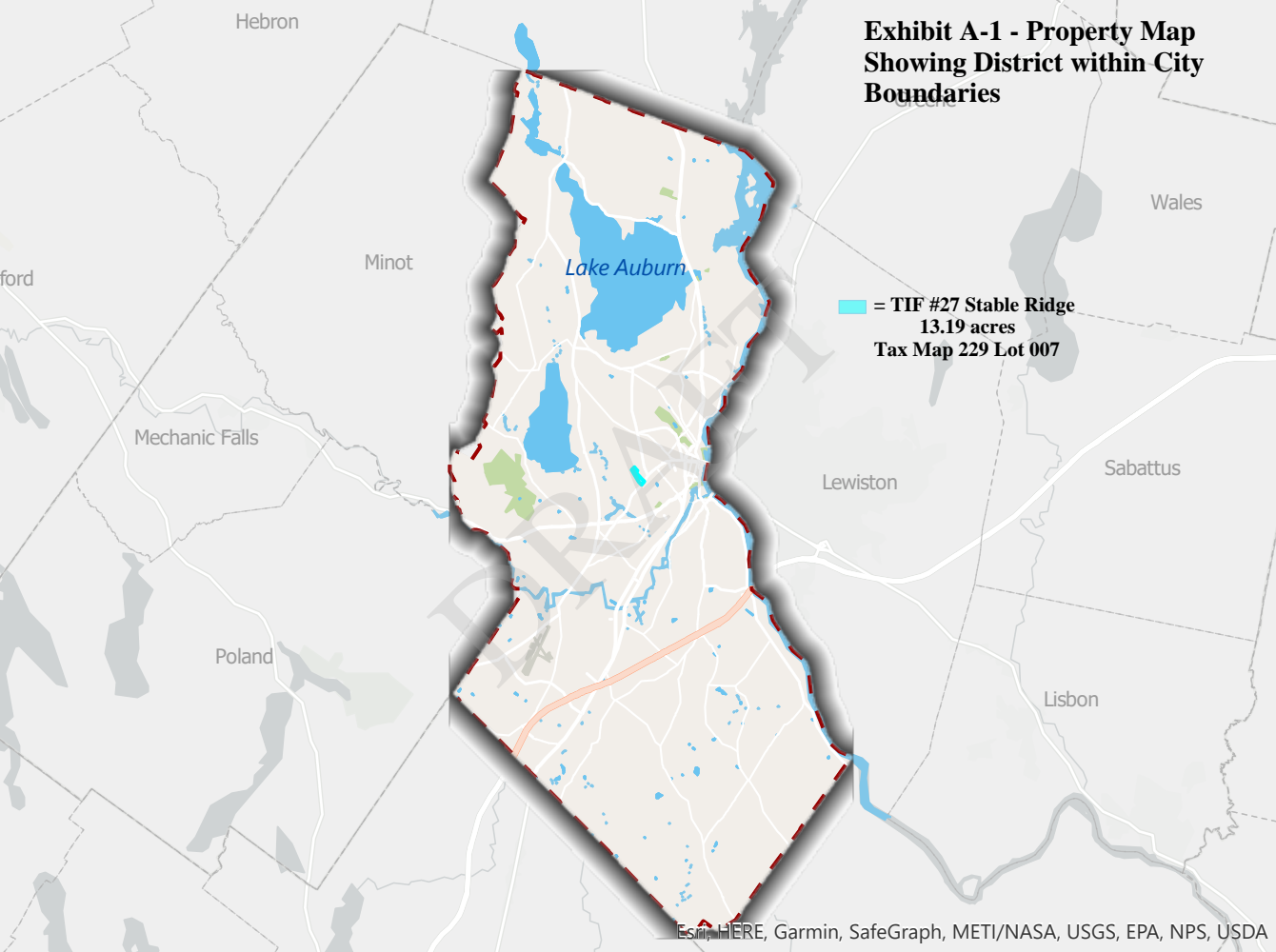
Attached as **Exhibit F**, is an attested copy of the City Council Order adopted by the Auburn City Council at a Council Meeting duly called and held on March 6, 2023, designating the District and adopting the Development Program.

# **Exhibit A-1**

**(Property Map Showing District Property Relative to City  
Boundaries)**

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# Exhibit A-1 - Property Map Showing District within City Boundaries

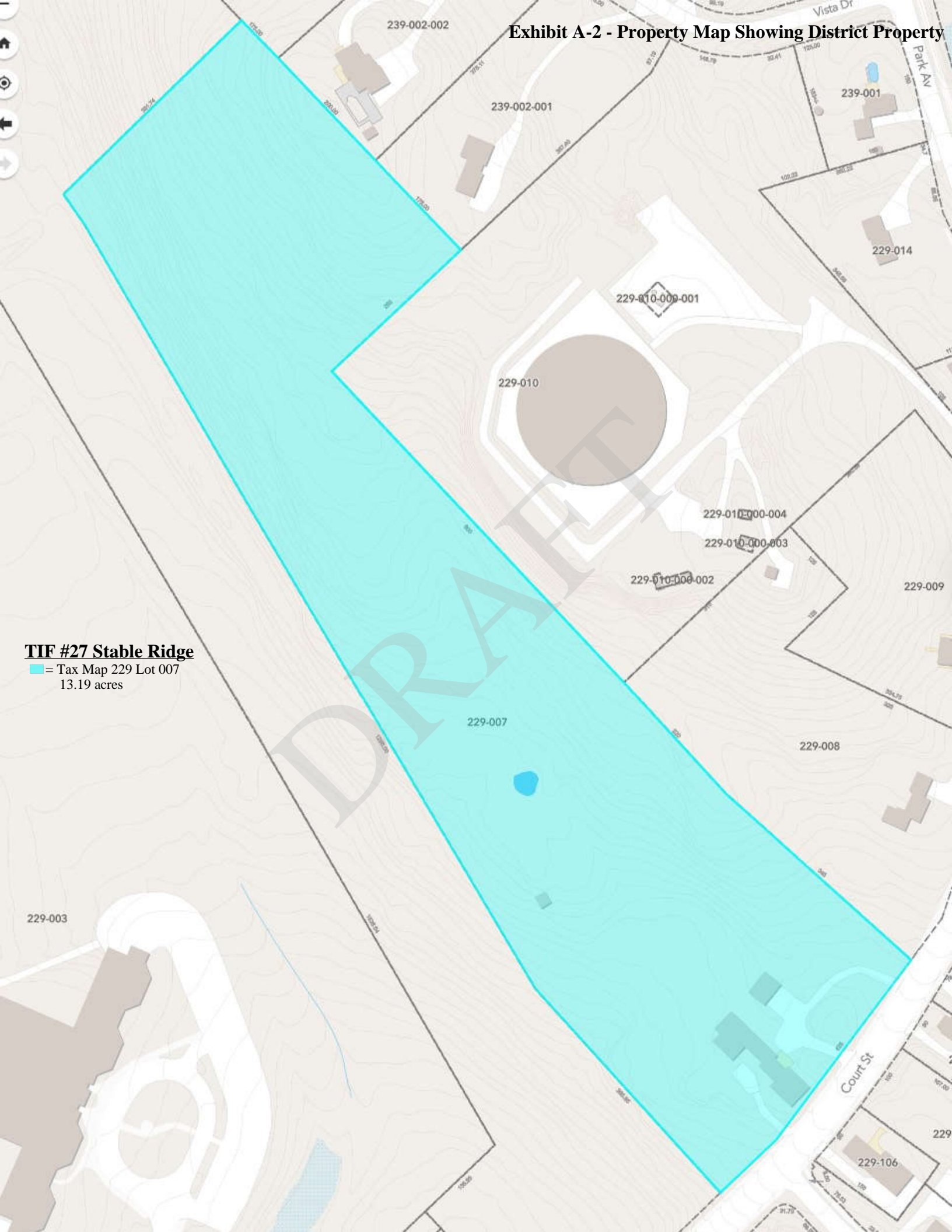


# **Exhibit A-2**

**(Property Map Showing District Property)**

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Exhibit A-2 - Property Map Showing District Property



**TIF #27 Stable Ridge**  
= Tax Map 229 Lot 007  
13.19 acres

# **Exhibit B**

**(Assessor's Certificate)**



**ASSESSOR'S CERTIFICATE  
CITY OF AUBURN**

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

The assessed value of taxable real property of the TIF #27 Stable Ridge Municipal Development and Tax Increment Financing District as described in the Development Program to which the Certificate is included, comprised of the approximately 13.19 acres identified on City Tax Maps as Tax Map 229, Lot 007, was **\$129,600** as of March 31, 2022 (April 1, 2021).

In Witness Whereof, This Certificate has been executed as of this \_\_\_\_ day of February, 2023.

ASSESSOR

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Karen Scammon, CMA-4, City Assessor

# **Exhibit C-1**

**(Anticipated TIF Captured Assessed Values)**

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# Exhibit C-1 - Captured Assessed Value & TIF Revenue Projections

TIF #27 Stable Ridge TIF District – City of Auburn

Fiscal Year	TIF Year	Original Assessed Value	Projected Total Assessed Value	Projected Increased Assessed Value	Percent Captured in TIF	Estimated Assessment Ratio	TIF District Projected Captured Assessed Value	Projected Mill Rate 22/23: 22.75	Projected Total TIF Revenue	TIF Revenue to Company (50%) Years 1-10	TIF Revenue to City
2023-2024	1	\$129,600	\$ 2,629,600	\$2,500,000	100%	100%	\$2,500,000	22.75	\$56,875	\$28,438	\$28,438
2024-2025	2	\$129,600	\$ 2,629,600	\$2,500,000	100%	100%	\$2,500,000	22.75	\$56,875	\$28,438	\$28,438
2025-2026	3	\$129,600	\$ 5,129,600	\$5,000,000	100%	100%	\$5,000,000	22.75	\$113,750	\$56,875	\$56,875
2026-2027	4	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2027-2028	5	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2028-2029	6	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2029-2030	7	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2030-2031	8	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2031-2032	9	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2032-2033	10	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$159,250	\$159,250
2033-2034	11	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2034-2035	12	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2035-2036	13	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2036-2037	14	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2037-2038	15	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2038-2039	16	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2039-2040	17	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2040-2041	18	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2041-2042	19	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500
2042-2043	20	\$129,600	\$ 14,129,600	\$14,000,000	100%	100%	\$14,000,000	22.75	\$318,500	\$0	\$318,500

**20-Year Projected Total:** \$5,642,000 \$1,228,500 \$4,413,500  
**20-Year Projected Average:** \$282,100 \$61,425 \$220,675

## Assumptions:

1. The above projections show the anticipated increased assessed values, captured assessed values, and TIF revenues throughout the term of the District. The Assessor has estimated the projected increased assessed value based on available project plans and currently available information. The final assessed value will be determined based on the actual land and improvement values after construction of phase one and phase two on the applicable April 1st.
2. The projections assumes a 20-year district term, with a 10-year credit enhancement agreement to the Developer. The credit enhancement agreement under these assumptions provides a reimbursement of 50% of the TIF revenues to the Developer and 50% to the City for the first 10 years of the District. The City will retain 100% of the TIF revenues for years 11-20.
3. Projections assume a flat mill rate of 22.75 and projected certified assessment ratio of 100%.
4. Projections assume 100% of the increased assessed value is captured in the District and that TIF revenue is available for municipal project costs.
5. The preceding financial information contains projections and forward-looking statements that are subject to a number of risks and uncertainties that could cause the actual results, performance, or achievements to differ materially from any future results, performances, or achievements expressed or implied by the financial information reported in this projection. The model is not, nor intended to be, an appraisal or guarantee of an assessed value, and there may be positive or negative variations in the actual assessment of the project due to variety of factors, including without limitation the employment of alternative methods of valuation and then-current market conditions.

# **Exhibit C-2**

**(Projected Tax Shift Benefits)**

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**Exhibit C-2 - Tax Shift Benefits**  
*TIF #27 Stable Ridge TIF District – City of Auburn*

<b>Fiscal Year</b>	<b>TIF Year</b>	<b>State Aid to Education Benefit</b>	<b>County Tax Benefit</b>	<b>State Revenue Sharing Benefit</b>	<b>Total Tax Benefit</b>
2023-2024	1	-	-	-	\$0
2024-2025	2	-	-	-	\$0
2025-2026	3	-	\$2,441	\$829	\$3,270
2026-2027	4	\$18,225	\$2,441	\$829	\$21,495
2027-2028	5	\$18,225	\$4,740	\$1,658	\$24,623
2028-2029	6	\$36,450	\$13,009	\$4,641	\$54,099
2029-2030	7	\$102,060	\$13,009	\$4,641	\$119,709
2030-2031	8	\$102,060	\$13,009	\$4,641	\$119,709
2031-2032	9	\$102,060	\$13,009	\$4,641	\$119,709
2032-2033	10	\$102,060	\$13,009	\$4,641	\$119,709
2033-2034	11	\$102,060	\$13,009	\$4,641	\$119,709
2034-2035	12	\$102,060	\$13,009	\$4,641	\$119,709
2035-2036	13	\$102,060	\$13,009	\$4,641	\$119,709
2036-2037	14	\$102,060	\$13,009	\$4,641	\$119,709
2037-2038	15	\$102,060	\$13,009	\$4,641	\$119,709
2038-2039	16	\$102,060	\$13,009	\$4,641	\$119,709
2039-2040	17	\$102,060	\$13,009	\$4,641	\$119,709
2040-2041	18	\$102,060	\$13,009	\$4,641	\$119,709
2041-2042	19	\$102,060	\$13,009	\$4,641	\$119,709
2042-2043	20	\$102,060	\$13,009	\$4,641	\$119,709
2042-2043		\$102,060	\$13,009	\$4,641	\$119,709
2043-2044		\$102,060	\$13,009	\$4,641	\$119,709
2044-2045		\$102,060	-	-	\$102,060
<b>Totals:</b>		<b>\$1,807,920</b>	<b>\$230,773</b>	<b>\$82,206</b>	<b>\$2,120,899</b>
<b>Averages:</b>		<b>\$90,396</b>	<b>\$11,539</b>	<b>\$4,110</b>	<b>\$92,213</b>

**Assumptions:**

1. Data sources include the 2022-2023 mill rate/commitment reported by the City, Androscoggin County's FY2022 Budget reflecting Tax Allocation, the State Treasurer's Office Municipal Revenue Sharing projections for FY2023, published 03/17/2022, and the Maine Department of Education 02/02/2023 2023-2024 ED 279 form for Auburn Schools. Based on these projections, the City of Auburn loses approximately 37 cents out of every new tax dollar to education and state subsidy losses and increased County taxes. This loss is determined by calculating the total subsidy and County tax that would have left the City's revenue stream for this project and dividing it by the total TIF revenue generated for there District term.

2. Tax shift losses are comprised of declining subsidies in revenue sharing and increasing obligations to pay county taxes. Tax shift losses occur for a couple of years following the year in which the new assessed value is first recognized in the assessment. No tax shift losses occur when a TIF captures all of the new value.

3. The preceding financial information contains projections and forward-looking statements that are subject to a number of risks and uncertainties that could cause the actual results, performance, or achievements to differ materially from any future results, performances, or achievements expressed or implied by the financial information reported in this projection. These projections assume that the formulas and general inputs for state subsidies and county taxes do not change over time and they assume that all other values in other communities are static relative to one another except for the new value assessed. The projections are less likely to be accurate farther into the future.

4. Assumes the assessment ratio in the City is 100% when the new property value arrives, such that the market value of new property is used for assessment purposes.

# **Exhibit D**

**(Notice of Public Hearing)**

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## **NOTICE OF PUBLIC HEARING**

### **CITY OF AUBURN NOTICE OF PUBLIC HEARING**

**Regarding**  
**Approval of the Municipal Development and Tax Increment Financing District known as:**  
**“TIF #27 Stable Ridge Municipal Development and Tax Increment Financing District”**

Notice is hereby given that the City of Auburn will hold a public hearing on

March 6, 2023  
**at 60 Court Street Auburn , ME 04210**  
**The Public Hearing will be at 7:00 p.m.**

The purpose of the public hearing is to receive public comments on the creation of a municipal development and tax increment financing district known as the TIF #27 Stable Ridge Municipal Development and Tax Increment Financing District (the “District”) and the adoption of the development program for the District pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The TIF #27 Stable Ridge Municipal Development Tax Increment Financing District is comprised of approximately 13.19 acres and is located at 555 Court Street. The proposed district will consist of Phase 1 consisting of three five buildings with sixty apartments per building and Phase 2 consisting of five buildings with sixty apartments per building. This District authorizes the City Manager to enter into a credit enhancement agreement with the developer, as described in the proposed development program.

A copy of the proposed Development Program materials, , including a description of a proposed credit enhancement agreement with the developer, will be on file with the City Office during normal business hours of 8:30 am – 4:00 pm. They can also be found at <https://www.auburnmaine.gov/> or one can call 207-333-6601 during normal business hours to request that a copy be mailed to you. All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time.

Public comments will be taken at the hearings and written comments should be submitted to Susan Clements-Dallaire, City Clerk. Written comments will be accepted until 4:00 PM on February 27, 2023.

# **Exhibit E**

**(Minutes of Public Hearing)**



# **Exhibit F**

**(City Council Order)**

DRAFT

**City Council Order**

**Approving the TIF #27 Stable Ridge Municipal Development Tax Increment Financing Development Program**

**WHEREAS**, the City of Auburn (the “City”) is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the City as the TIF #27 Stable Ridge Municipal Tax Increment Financing District (“the District”) and to adopt a development program for the District (the “Development Program”); and

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

**WHEREAS**, adopting and implementing the District and the Development Program will help to improve and broaden the tax base in the City and improve the economy of the City and the State of Maine; and

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

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

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

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

**Section 1.** The City hereby finds and determines that:

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

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

(c) The aggregate original assessed value of the District plus the original assessed value of all other existing tax increment financing districts in the City does not exceed five percent (5%) of the total value of taxable property within the City as of April 1, 2021; and

(d) The City Council has considered all evidence presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined

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

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

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

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

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

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

**Section 7.** The City Manager be and hereby is authorized, empowered and directed to enter into the Credit Enhancement Agreement contemplated by the Development Program, in the name of and on behalf of the City, such agreement to be in such form and to contain such terms and provisions, not inconsistent with the Development Program, as the City Manager may approve, the City Manager's approval to be conclusively evidenced by his or her execution thereof.

This Order shall take effect immediately upon adoption.

Approved March 6, 2023, by the City Council, at a meeting duly convened and conducted in Auburn, Maine.

DRAFT

# **Exhibit G**

**(Statutory Requirements and Thresholds)**

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**TIF #27 STABLE RIDGE MUNICIPAL TAX INCREMENT FINANCING DISTRICT**

<b>41SECTION A.   Acreage Caps</b>		
1. Total <b>municipal</b> acreage;	41,430	
2. Acreage of <b>proposed</b> Municipal TIF District;	13.19	
3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF District;	0	
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF District;	0	
5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	13.19	
6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	.032%	
7. <b>Total acreage</b> of all <u>existing/proposed</u> Municipal TIF districts in municipality <b>including</b> Municipal Affordable Housing Development districts: <sup>3</sup>  #6 Proctor & Gamble (Tambrands II)/84 acres #10 Downtown Omnibus/264.18 acres #13 Retail Development/29.67 acres #15 Mall Area Hotel/1.5 acres #19 Hartt Transportation Industrial Park/43 acres #20 62 Spring Street/.81 #22 Hampshire Street/1.01 #24 Gracelawn/2.92 #26 North River Road Apartments/3.32	Existing	711.10
	Proposed	13.19
	Total:	724.29
<b>30-A § 5223(3) EXEMPTIONS<sup>4</sup></b>		
8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	264.18	
9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts:	0	
10. Acreage of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	0	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>5</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above:	0	
12. <b>Total acreage</b> [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	460.11	
13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.11%	
14. <b>Real property</b> in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area;	0	0
b. In need of rehabilitation, redevelopment or conservation;	0	0
c. Suitable for commercial or arts district uses.	13.19	100%
<b>TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)</b>		100%

\*The acreages for existing TIF districts are consistent with existing approved TIF development program documentation and do not necessarily represent revisions that might result in time to acreages from updated surveys and assessing software information.

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

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

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

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

<sup>5</sup> PTZ districts approved through December 31, 2008.

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**TIF #27 STABLE RIDGE MUNICIPAL TAX INCREMENT FINANCING DISTRICT**

SECTION B.   Valuation Cap			
1. <b>Total TAXABLE</b> municipal valuation—use most recent April 1;	\$2,171,967,423		
2. <b>Taxable Original Assessed Value (OAV)</b> of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;	\$129,600		
3. <b>Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality <b>excluding</b> Municipal Affordable Housing Development districts:</b>  <div style="display: flex; justify-content: space-between; font-size: 0.9em;"> <div style="width: 45%;"> #6 Proctor &amp; Gamble (Tambrands II)/\$520,900  #10 Downtown Omnibus/\$83,168,800  #13 Retail Development/\$5,425,400  #15 Mall Area Hotel/\$4,900  #19 Hartt Transportation Center/\$1,278,600  #23 Memory Care/\$327,100  #25 FutureGuard/\$3,838,700  #27 Stable Ridge/\$129,600 </div> <div style="width: 45%;"> #9 Mall Area/\$5,956,300  #12 Auburn Industrial Park/\$334,200  #14 Mall Revitalization/\$11,328,400  #20 62 Spring Street/\$474,300  #24 Gracelawn/\$262,600  #26 North River Road Apartments/\$60,300 </div> </div>	Existing	\$112,980,500	
	Proposed	\$129,600	
	Total:	\$113,110,100	
<b>30-A § 5223(3) EXEMPTIONS</b>			
4. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	\$83,168,800		
5. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts:	0		
6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	0		
7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation</b> <sup>6</sup> Municipal TIF districts:	0		
8. <b>Taxable OAV</b> in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such OAV also factored in Exemptions 4-7 above:	0		
9. <b>Total taxable OAV</b> [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$29,941,300		
10. <b>Percentage of total taxable OAV</b> [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.38%		

COMPLETED BY			
PRINT NAME	Amanda J. Methot		
SIGNATURE		DATE	
If this form has <b><u>not be completed by the municipal or plantation assessor</u></b> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME	Karen Scammon, CMA-4, City Assessor		
SIGNATURE		DATE	

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

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**TIF #27 STABLE RIDGE MUNICIPAL TAX INCREMENT FINANCING DISTRICT**

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3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF District;	0	
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF District;	0	
5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	13.19	
6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	.032%	
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11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>5</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above:	0	
12. <b>Total acreage</b> [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	460.11	
13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.11%	
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b. In need of rehabilitation, redevelopment or conservation;	0	0
c. Suitable for commercial or arts district uses.	13.19	100%
<b>TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)</b>		100%

\*The acreages for existing TIF districts are consistent with existing approved TIF development program documentation and do not necessarily represent revisions that might result in time to acreages from updated surveys and assessing software information.

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

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

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

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**TIF #27 STABLE RIDGE MUNICIPAL TAX INCREMENT FINANCING DISTRICT**

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	Total:	\$113,110,100	
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4. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	\$83,168,800		
5. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: District Name/OAV      District Name/OAV	0		
6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts: District Name/OAV      District Name/OAV	0		
7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation</b> <sup>6</sup> Municipal TIF districts: District Name/OAV      District Name/OAV	0		
8. <b>Taxable OAV</b> in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such OAV also factored in Exemptions 4-7 above: District Name/OAV      District Name/OAV      District Name/OAV District Name/OAV      District Name/OAV      District Name/OAV	0		
9. <b>Total taxable OAV [=B3-B4-B5-B6-B7-B8]</b> of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$29,941,300		
10. <b>Percentage of total taxable OAV [=B9÷B1]</b> of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.38%		

COMPLETED BY			
PRINT NAME	Amanda J. Methot		
SIGNATURE		DATE	
If this form has <b><u>not be completed by the municipal or plantation assessor</u></b> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME	Karen Scammon, CMA-4, City Assessor		
SIGNATURE		DATE	

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

**ASSESSOR'S CERTIFICATE  
CITY OF AUBURN**

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

The assessed value of taxable real property of the TIF #27 Stable Ridge Municipal Development and Tax Increment Financing District as described in the Development Program to which the Certificate is included, comprised of the approximately 13.19 acres identified on City Tax Maps as Tax Map 229, Lot 007, was **\$129,600** as of March 31, 2022 (April 1, 2021).

In Witness Whereof, This Certificate has been executed as of this \_\_\_\_ day of February, 2023.

ASSESSOR

\_\_\_\_\_  
Karen Scammon, CMA-4, City Assessor