

Barker Mill Trail Extension Estimate*

* Preliminary cost estimate

Section 1: Main Street to Barker Arms entrance

Length (ft) 385
Width (ft) 6

Item	Quantity	U/M	Unit Price	Total
Common Excavation	29	CY	\$35	\$998
Type A Gravel	43	CY	\$50	\$2,139
Hot Mix Asphalt	28	TON	\$150	\$4,235
Loam & Seed	257	SY	\$10	\$2,567
				<u>\$9,939</u>

Replace existing Fencing

Length (ft) 136

Item	Quantity	U/M	Unit Price	Total
4' x 8' panels	17		\$230	\$3,910
3" x 3 " x 7' posts	18		\$80	\$1,440
Installation				\$2,675
				<u>\$8,025</u>

Section 2: Barker Arms entrance to Dam control entrance

Length (ft) 310
Width (ft) 6

Item	Quantity	U/M	Unit Price	Total
Common Excavation	80	CY	\$15	\$1,206
Type A Gravel	121	CY	\$30	\$3,617
Hot Mix Asphalt	23	TON	\$150	\$3,410
Loam & Seed	207	SY	\$10	\$2,067
				<u>\$10,300</u>

River View/ Seating Area

300 s.f.

Item	Quantity	U/M	Unit Price	Total
Common Excavation	5	CY	\$15	\$75
Type A Gravel	10	CY	\$30	\$300
Hot Mix Asphalt	3	TON	\$150	\$450
Eight foot Bench	2		\$600	\$1,200
w/ Installation				\$600
				<u>\$2,625</u>

Section 3: Proposed Trailhead Area

Dam control entrance improvement

Length (ft) 30
 Width (ft) 20

Item	Quantity	U/M	Unit Price	Total
Common Excavation	8	CY	\$35	\$272
Type A Gravel	12	CY	\$50	\$583
Hot Mix Asphalt	7	TON	\$150	\$1,100
				<u>\$1,956</u>

Dam control parking area improvement

Length (ft) 100
 Width (ft) 20

Item	Quantity	U/M	Unit Price	Total
Common Excavation	26	CY	\$35	\$907
Type A Gravel	39	CY	\$50	\$1,944
				<u>\$2,851</u>

Trailhead improvement

Length (ft) 20
 Width (ft) 10

Item	Quantity	U/M	Unit Price	Total
Common Excavation	5	CY	\$75	\$389
Type A Gravel	8	CY	\$100	\$778
Hot Mix Asphalt	2	TON	\$200	\$489
Sign				\$1,500
				<u>\$3,156</u>

Total				\$38,852
10% Contingency				\$3,885
Grand Total				<u>\$42,737</u>

State Share 80%				\$34,189.60
Local Share 20%				\$8,547.40

11. COST SUMMARY

Note: Total costs shown are averages rounded to the nearest \$1,000.

<u>Use</u>	<u>Description</u>	<u>Square Feet</u>	<u>Cost/Sq. Ft.</u>	<u>Total</u>
Multipurpose Turf Facility				
	Turf and Protective Netting	22,500	\$5.25	\$118,000
	Lighting, LED Fixtures	22,500	\$3.25	\$73,000
	Renovations			\$90,000
	Exterior Exit Doors			\$9,000
	Interior Painting			\$25,000
	Mechanical			\$66,000
	Fire Suppression			\$27,000
			Sub-Total	\$408,000
	Contingency & fees – 20%			\$82,000
				<u>\$490,000</u>
Expected range of Costs - \$465,000 to \$514,000				

Tennis Courts (4)				
	Sports Coating and Nets, \$25,000/court			\$100,000
	Protective Netting			\$20,000
	Lighting, LED Fixtures	22,500	\$3.25	\$73,000
	Renovations			\$90,000
	Exterior Exit Doors			\$9,000
	Interior Painting			\$25,000
	Mechanical			\$66,000
	Fire Suppression			\$27,000
			Sub-Total	\$410,000
	Contingency & fees – 20%			\$82,000
				<u>\$492,000</u>
Expected range of Costs - \$468,000 to \$517,000				

Basketball Courts (4)				
	Rubber Floor	22,500	\$5.00	\$113,000
	Backboards & Protective Netting			\$54,000
	Lighting, LED Fixtures	22,500	\$3.25	\$73,000
	Renovations			\$90,000
	Exterior Exit Doors			\$9,000
	Interior Painting			\$25,000
	Mechanical			\$66,000
	Fire Suppression			\$27,000
			Sub-Total	\$457,000
	Contingency & fees – 20%			\$91,000
				<u>\$548,000</u>
Expected range of Costs - \$520,000 to \$575,000				



Section1- Widen sidewalk to 6 feet, replace fence, paint cross walk at street entrances, add seating area.

Section2- Construct new 6 feet trail, Re-construct walkway to Barker Mill Arms Apt.

Section3- Continue 6 feet trail to start of Barker Mill Trail, add signage and parking area/trailhead.

Recreational Trails Grant Barker Mill Trail Extension



0 25 50 100 150 200 Feet

Barker Mill Trail Extension

Recreational Trails Grant

RECREATIONAL TRAILS GRANT

Request to Council to approve
Resolution to Submit Grant
Application

Figure 1: Little Andy Downtown Connector Location Map

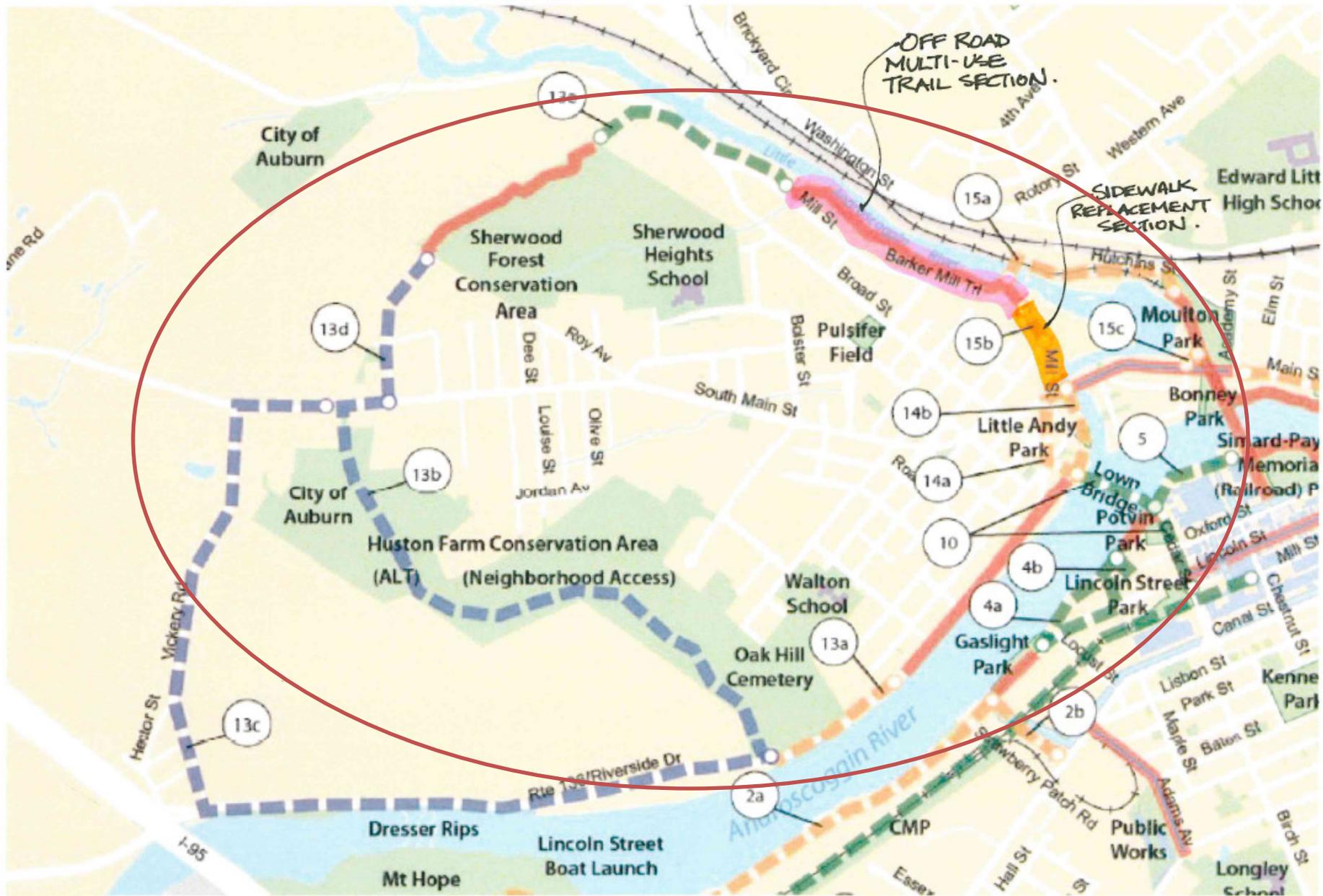


LITTLE ANDY CONNECTOR

Area of Barker Mill Trail Extension

The New Auburn Little Andy Connector Proposal from 2013.

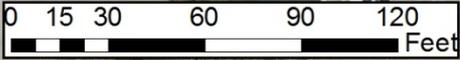
BARKER MILL GREENWAY TRAIL PROPOSAL

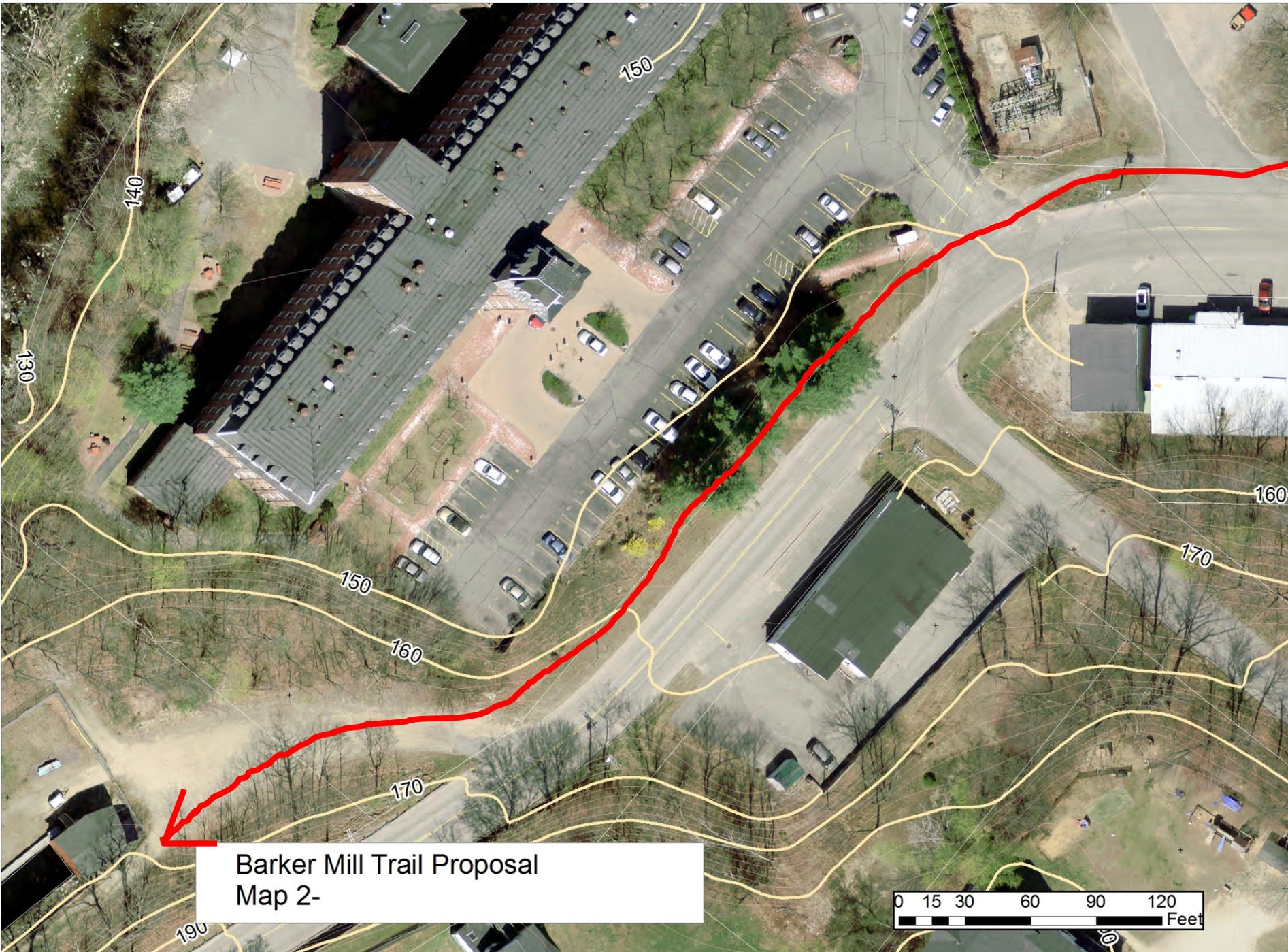


Proposed "loop" trail system connecting parks, trails, schools and open space.

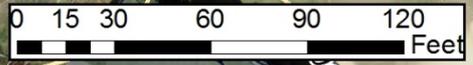


Barker Mill Trail Proposal
Map 1-





Barker Mill Trail Proposal
Map 2-





Start of Barker Mill Trail Extension-
Corner of South Main and Mill Street



Widen sidewalk to 6 feet

Replace Fence



Widen sidewalk to 6 feet

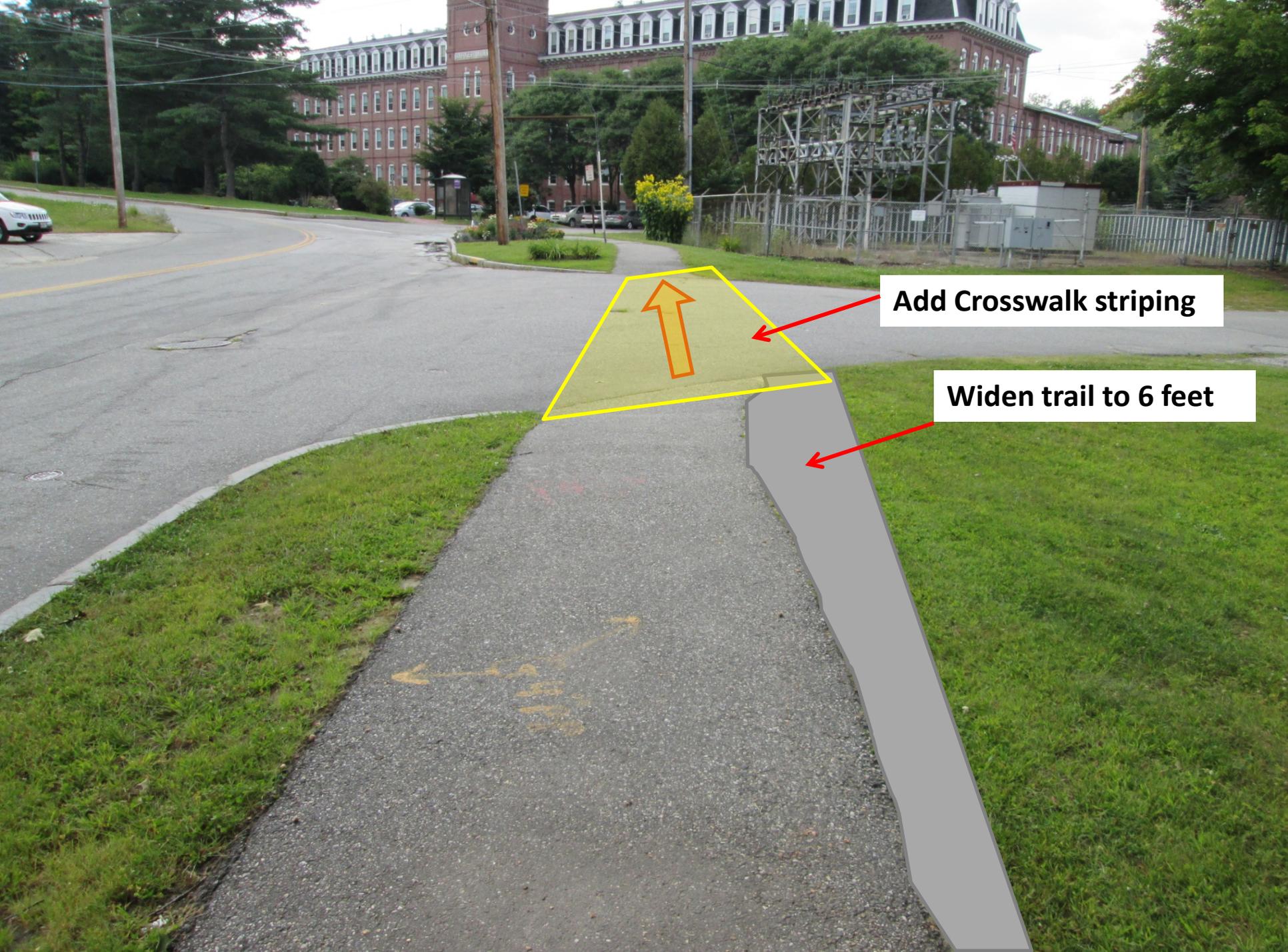




**Sitting area with
benches to view river.**

**Clear limbs for sitting area
view of Little Andy.**





Add Crosswalk striping

Widen trail to 6 feet

Divert or fix Penstock leak



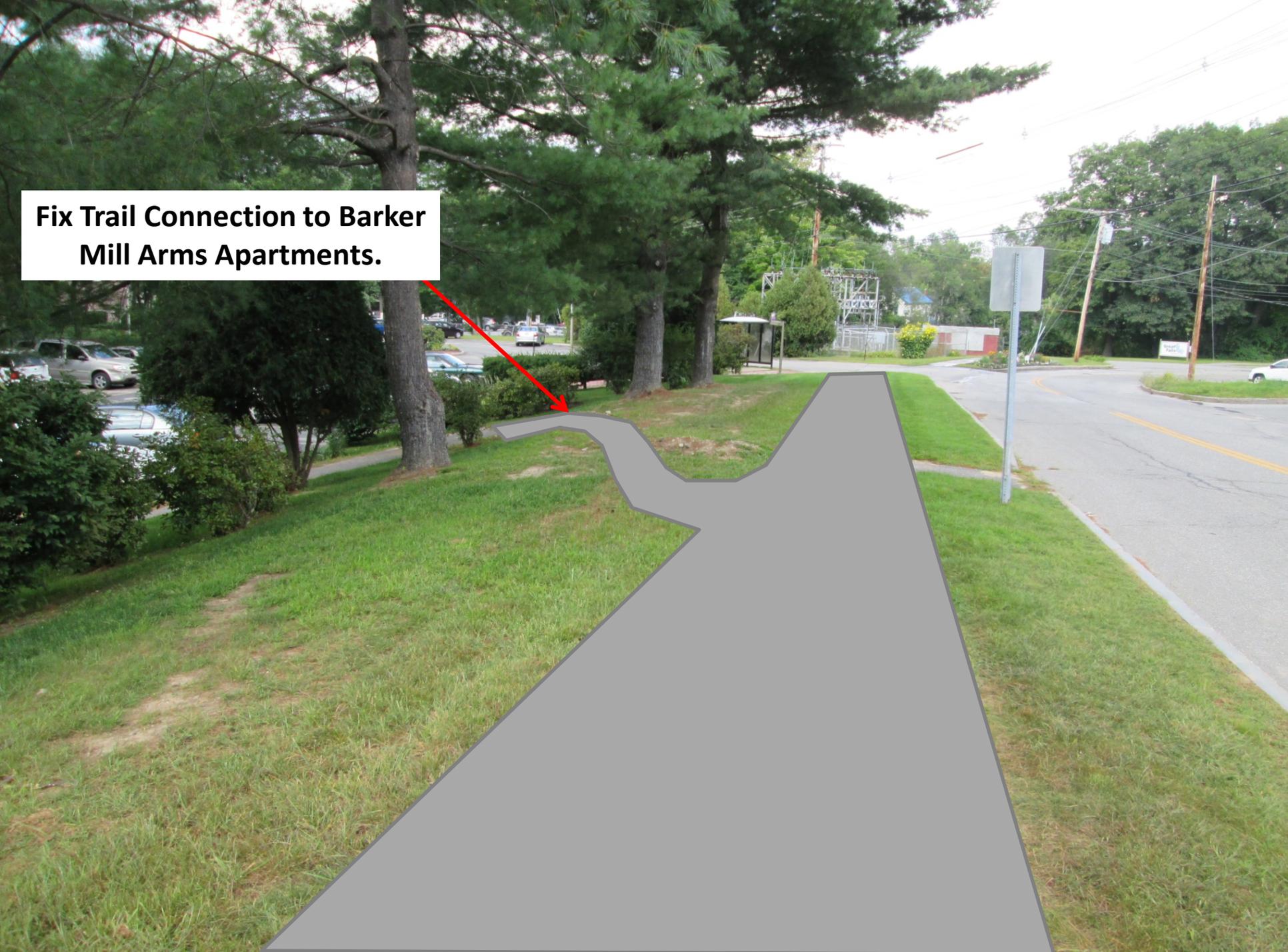
Widen trail to 6 feet



New trail construction



**Fix Trail Connection to Barker
Mill Arms Apartments.**



**NO PARKING
THIS**

**Parking Area and Beginning
of Barker Mill Trail**



New Trail

A gravel path leads from the foreground towards a red barn and a fenced-in area. The path is wide and appears to be a mix of gravel and dirt. On the left side of the path, there is a dense line of green trees and bushes. On the right side, there is a red barn with a grey base and a fenced-in area with a chain-link fence. A red arrow points from the text box to a specific spot on the path near the barn.

**Trail extension connects to
Barker Mill Trail here.**

Trailhead and Parking Area

Grant Summary

Budget- Maximum award is \$35,000 from State plus 20% (\$8,750) local match = \$43,750 total maximum award

Preliminary Budget is	\$38,852
with 10% contingency	<u>\$ 3,885</u>
TOTAL PROPOSED	\$42,737

STATE SHARE (80%) -	\$34,189.60
LOCAL SHARE (20%) -	<u>\$ 8,547.40</u>
TOTAL GRANT-	\$42,737.00

Timeframe- Grant is due November 14, 2014
Anticipated construction time- 1 month (Spring 2015)
Work must be completed in 2 years.

Tizz E. H. Crowley, Ward One
 Robert Hayes, Ward Two
 Mary Lafontaine, Ward Three
 Adam Lee, Ward Four



Leroy Walker, Ward Five
 Belinda Gerry, At Large
 David Young, At Large

Jonathan LaBonte, Mayor

Order # 61-07072014

TITLE: ORDER - AUTHORIZING ISSUANCE OF GENERAL OBLIGATION BONDS AND A TAX LEVY THEREFOR

Be It Ordered by the Auburn City Council, following a public hearing duly called and held as required by Article 8, Section 8.13 of the Auburn City Charter, that there be and hereby is authorized the issuance and sale of the City's general obligation bonds on either a taxable or a tax-exempt basis in the amount of \$7,200,000, the proceeds of which, including premium, if any, and investment earnings thereon, are hereby appropriated to finance the following capital equipment and capital improvements (including costs of issuance for the bonds), all constituting part of the City's FY15 Capital Improvement Program:

CITY OF AUBURN			
CAPITAL IMPROVEMENT PLAN FY 15 Bonds			
	Description		Bonded General Fund
Engineering	Reconstruction		\$ 900,000
Engineering	Reclamation/Resurfacing		\$ 900,000
Engineering	Major Drainage		\$ 100,000
Engineering	MDOT Match		\$ 1,100,000
Engineering	Retaining Walls		\$ 100,000
Engineering	Sidewalks		\$ 150,000
Engineering	Bridge Maintenance		\$ 75,000
PW-Facilities	Heating Oil Tank Conversion		\$ 25,000
PW-Facilities	Energy Efficiency Upgrades (Lighting)		\$ 120,000
Public Works	Replace Street Sweeper		\$ 236,250
Public Works	Replace 7 yard plow trucks		\$ 180,000
Public Works	Replace 12 yard plow truck		\$ 235,000
Public Works	Side Dump Body/Hydraulic Pump		\$ 38,700
Planning	Dangerous Building Demolition		\$ 150,000
Fire	Generator for South Main Street Station		\$ 15,000
Planning	Comprehensive Plan Property Acquisiton Program		\$ 350,000
Library	Masonry Repair		\$ 47,167
Recreation	Renovate Softball Fields		\$ 60,000
Parks	Replace Festival Plaza Canopies		\$ 35,000
Recreation	Repurpose Ingersoll Arena		\$ 250,000
Contingency	Contingency		\$ 51,518
School Department	School Department		\$ 2,081,365
TOTAL CIP			\$ 7,200,000

THAT the bonds shall be issued as authorized hereunder and shall be signed by the City's Finance Director and its Treasurer, attested by the City Clerk under the seal of the City. A tax levy is hereby provided for each fiscal year that the bonds authorized hereunder remain outstanding to meet the annual installments of principal and

Tizz E. H. Crowley, Ward One
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Adam Lee, Ward Four



Jonathan LaBonte, Mayor

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interest as may accrue in each respective year. The bonds may be issued at one time or from time to time, either singly or in series, and the authority and discretion to fix method of sale, issue date, maturities, denominations, interest rate, place of payment, form and other details of said bonds and notes, and to take all other actions and to sign and deliver all other documents, certificates and agreements in order to provide for the sale thereof is hereby delegated to the City's Finance Director.

THAT in order to finance temporarily the projects described above, the Finance Director is authorized to expend up to \$8,200,000 either from available funds of the City or from the proceeds of BAN's which would be reimbursed or refinanced from bond proceeds.

THAT the bonds authorized hereunder may be made subject to call for redemption, either with or without premium, on such terms as may be determined by the Finance Director.

THAT the authority and discretion to designate the bond or notes, or a portion thereof, as qualified tax-exempt obligations under Section 265 of the Internal Revenue Code of 1986, as amended, is hereby delegated to the Finance Director.

THAT the City's Finance Director, Treasurer, Clerk, and other proper officials of the City be, and hereby are, authorized and empowered in its name and on its behalf to do or cause to be done all such acts and things, and to execute, deliver, file, approve, and record all financing documents, contracts, agreements, certificates, preliminary and final official statements, tax certificates and other documents as may be necessary or advisable, with the advice of counsel for the City, to carry out the provisions of this order, as may be necessary or desirable.

THAT if the Finance Director, Treasurer, or Clerk are for any reason are unavailable to approve and execute the bonds or any related financing documents, the person or persons then acting in any such capacity, whether as an assistant, a deputy, or otherwise, is authorized to act for such official with the same force and effect as if such official had himself or herself performed such act.

THAT this order is a declaration of official intent pursuant to Treas. Reg. § 1.150-2 and shall be kept available for public inspection during reasonable business hours at the office of the City Clerk.

A Public Notice describing the general purpose of the borrowing and the terms thereof was published on or before June 28, 2014, in the Lewiston Sun-Journal, a daily newspaper published in the City of Auburn and in Androscoggin County.

A public hearing was held on August 4, 2014.



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David Young, At Large

Jonathan P. LaBonte, Mayor

IN CITY COUNCIL

ORDER 74-09082014

ORDERED, that the City Manager is authorized to execute all documents needed to create a tax increment finance (TIF) relationship with Auburn Housing Development Corporation (AHDC). The attached credit enhancement agreement (CEA) will pledge 75% of the new captured assessed value and resulting tax revenue back to the project at 62 Spring St. to ensure long-term affordability. The general fund will continue to receive the same tax revenues that have been historically contributed from this property.

CREDIT ENHANCEMENT AGREEMENT

Between

CITY OF AUBURN, MAINE

And

Auburn Housing Development Corporation (AHDC)

Dated as of September 8, 2014

City of Auburn

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CREDIT ENHANCEMENT AGREEMENT
BETWEEN THE
CITY OF AUBURN
AND
Auburn Housing Development Corporation (AHDC)

This Credit Enhancement Agreement dated as of September 8, 2014 between the City of Auburn, Maine (the "City"), a municipal body corporate and politic and a political subdivision of the State, and Auburn Housing Development Corporation (AHDC) (the "Developer").

WITNESSETH THAT:

Whereas, the City designated the #10 Downtown Omnibus Municipal Tax Increment Financing District (the "District") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes by action of the Auburn City Council on July 7, 2014 (the "Vote"), and pursuant to the same Vote adopted a Development Program and Financial Plan for the District (the "Development Program"); and

Whereas, the City submitted the Development Program to Department of Economic and Community Development for the Department's review and approval of the District and a Development Program on July 23, 2014; and

Whereas, the Development Program contemplates the execution and delivery of this Agreement by the City and the Developer; and

Whereas, the execution and delivery of this agreement by the City has been authorized and approved pursuant to a resolution and vote of the City Council on September 8, 2014; 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 1: DEFINITIONS

Section 1.1. Definitions.

The terms defined in this Article 1 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 hereunder, as amended from time to time.

"Administrative expense(s)" means the costs incurred by the City in administering the Development Program and this Agreement.

"Agreement" means this Credit Enhancement Agreement between the City and the Developer dated as of the date set forth above.

City of Auburn

"City" means the City of Auburn, Maine.

"Department" means Department of Economic and Community Development.

"Developer" means Auburn Housing Development Corporation (AHDC), their successors and assigns.

"Developer's Share" means 60% of the tax revenues derived from the new added value of the project in tax fiscal years 2016-36.

"Development Program" means the #10 Downtown Omnibus Municipal Tax Increment Financing District Development Program AMD-1, which was approved by the Department on July 23, 2014.

"Development Program Fund" means the development program fund described in the Financial Plan section of the Development Program and established and maintained pursuant to Article III hereof.

"District" means the #10 Downtown Omnibus Municipal Tax Increment Financing District more particularly described in the Development Program and to be designated by the City pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by vote at the City Council meeting.

"Effective Date" means the date hereof.

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

"Original Assessed Value" means \$495,100.00.

"Project" means the renovation of a building to be used as a low income rental housing project as described in the Development Program.

"Property" means all real property located within the District.

"Property Taxes" means any and all valorem property taxes assessed against the Property within the District by the City or on its behalf.

"Qualified Investments" means any and all securities, obligations or accounts in which municipalities may invest their funds pursuant to 30-A MRSA subsections, as amended from time to time.

"Regulations" means the regulations enacted by the Department pursuant to the Act.

"State" means the State of Maine.

"Affordable Housing Tax Increment" has the meaning set forth in 30-A M.R.S.A. Chapter 206.

"Tax Increment Revenues" means the portion of all real property taxes assessed in any Tax Year by the City, in excess of any state, county or special district tax, upon the captured assessed value of property in the District.

"Tax Payment Date" means the date(s), as determined by the City from time to time, on which property taxes assessed by the City are due and payable without interest from owners of property located within the City.

"Tax Year" means the twelve-month period beginning July 1 and ending June 30 or any other tax year hereafter adopted by the City.

Section 1.2. Interpretation and Construction.

In this Agreement unless the context otherwise requires:

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.

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

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.

Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to the 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.

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

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 except as expressly provided in Section 3.5.

Any term used herein and in the Act or the Regulations and not defined herein shall have the meaning ascribed to such term in the Act or the Regulations.

ARTICLE II: DEVELOPMENT PROGRAM FUND AND FUNDING
REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

Within thirty (30) days after the Effective Date, the City shall create and establish a segregated sub-account in the name of the City designated as the "Auburn Housing Development Corporation (AHDC) Fund" within the #10 Downtown Omnibus Municipal Tax Increment Financing District Development Program Fund" or "Development Program Fund" pursuant to, and in accordance with the terms and conditions of, the Development Program and within the Development Program Fund will establish a segregated account for the benefit of the Developer "Auburn Housing Development Corporation (AHDC) Project Cost Account".

Section 2.2. Liens.

Except as provided in this Agreement, the City shall not create any lien or encumbrance on, or create or transfer any other interest of any nature whatsoever in, nor shall it hypothecate, the Auburn Housing Development Corporation (AHDC) Project Cost Account or any funds therein or revenues resulting from investment of funds therein, other than the interest of the Developer hereunder; provided, however, nothing herein shall prohibit creation of real and personal property tax liens on the Developer's property in accordance with, and, entitled to the priority provided under, State law.

Section 2.3. Deposits into Development Program Fund.

Starting with the 2015-2016 tax year and for each year thereafter until 2035-2036 there shall be deposited into the Development Program Fund contemporaneously with each payment of property tax by the Developer during the term of this Agreement an amount equal to 75% of the property tax payment constituting Tax Increment Revenues from within the District for the period to which the payment relates; provided, however that such deposits to the Development Program Fund shall be due and payable solely from such property tax payments. The City shall retain any and all revenues resulting from investment of moneys on deposit in the Development Program Fund and shall be reimbursed for the City's Administrative Expense in administering the Program and this Agreement, which sum shall not exceed \$10,000 per year from the Development Program Fund out of the City's share. Contemporaneously with the deposit into the Development Program Fund, the City shall deposit into the Auburn Housing Development Corporation (AHDC) Cost Account, an amount equal to the Developer's Share, provided that the aggregate amount paid under this agreement shall not exceed the total Project Cost incurred by the Developer for the term of the Development Program within the District.

Section 2.4. Use of Monies in Development Program Fund.

Monies deposited in the Auburn Housing Development Corporation (AHDC), exclusive of investment earnings thereon, shall be used and applied exclusively to fund the City's payment obligation described in Article III hereof. All investment earnings shall be for the benefit of the

City of Auburn

City and free of any interest of the Developer under this Agreement.

Section 2.5. Monies Held for Benefit of Developer.

All monies actually paid into the Development Program Fund under the provisions hereof and the provisions of the Development Program and all investment earnings thereon shall be held by the City for the benefit of the Developer and the City as their interest may appear.

All monies actually paid into the Auburn Housing Development Corporation (AHDC) Project Cost Account under the provisions hereof and the provisions of the Development program shall be held by the City, in trust, for the benefit of the Developer.

Section 2.6. Investments.

The monies in the Development Program Fund shall be invested and reinvested in Qualified Investments as determined by the City. The City shall have discretion regarding the investments of such monies, provided such monies are invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the City shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of the Development Program Fund. The City shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Development Program Fund. The City shall not be liable on account of its investment decisions as long as such decisions are made in accordance with this section.

Section 2.7. Administrative Expenses.

Annually the City shall be reimbursed from the Development Program Fund, from interest earned on the deposited funds, its administrative costs and administering the Program and this Agreement up to the maximum sum per year of \$10,000. Such Administrative Expense shall not be paid from the Developer's Share.

ARTICLE III: PAYMENT OBLIGATIONS

Section 3.1. Developer Payments.

The Developer shall pay, when due, all amounts due pursuant to this Agreement. The City may withhold from any payment to be made by the City pursuant to this Agreement at any time any amount due from the Developer pursuant to this Agreement that is due and unpaid.

Section 3.2. Credit Enhancement Payments.

Within thirty (30) days following the date of receipt of each tax payment with respect to property within the District, the City shall pay to the Developer all amounts then on deposit in the Auburn Housing Development Corporation (AHDC) Project Cost Account, exclusive of investment earnings thereon. Such payments shall be used to satisfy debt service on

City of Auburn

indebtedness incurred to finance qualified "Project Costs" incurred by the Developer as that term is defined under Chapter 206 of Title 30-A. of the Maine Revised Statutes and as described in the Development Program or used to pay directly, or reimburse Developer for payment of, such Project Costs. Said payments shall commence with respect to tax payments made in the 2015-2016 tax year and continue for the period described in Section 2.3 hereof.

If, with respect to any tax payment date, Developer fails to pay any portion of the Property Taxes assessed by the City, because of a valuation dispute or otherwise, the Property taxes actually paid by Developer with respect to such tax payment date shall, first, be applied to taxes due on account of Original Assessed Value and, second constitute Retained Tax Increment Revenues.

The Developer (and its successors and assigns, as owners of property in the District) shall pay to the City, when due, all Property Taxes and assessments with respect to property of the Developer in the City of Auburn. If such Property Taxes and assessments are not paid when due, the City may withhold and suspend all payments under this Agreement until such Property Taxes and assessments and all interest thereon and other costs relating thereto are paid in full. In addition, if the Developer institutes any tax abatement proceedings with respect to any Property in the district, the City may withhold and suspend all payments of the Developer's Share of the Tax Increment with respect to the items of Property subject to the abatement proceedings, and shall deposit the withheld amount into a separate interest-bearing escrow account. Upon final action and completion of such abatement proceedings, the proper amount (based on the results of the abatement proceedings plus an allocable share of the interest accrued thereon) held in escrow account shall be paid to the Developer.

Section 3.3. Failure to Make Payment.

If the City should fail to, or be unable to, make any payment pursuant to this agreement, any such payments shall continue as a limited obligation of the City as provided in this Agreement. The Developer shall have the right to initiate and maintain an action to specifically enforce the City's obligation hereunder, including without limitation, the City's obligation to deposit Tax Increment Revenues to the Development Program Fund and thereafter to the Auburn Housing Development Corporation (AHDC) Project Cost Account and its obligation to make payment to the Developer.

Section 3.4. Manner of Payments.

The payments provided for in this Article III shall be paid directly to the Developer in the manner provided hereinabove for its own use and benefit. A City of Auburn check will be acceptable.

Section 3.5. Obligations Unconditional.

Except as otherwise expressly provided in this Agreement, the obligations of the City to make the payments from the Development Program Fund described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any right of set off, recoupment or counterclaim it might otherwise have against the Developer.

City of Auburn

Except as otherwise expressly provided in this agreement, the City shall not suspend or discontinue any such payment or terminate this agreement for any cause, including without limitation, any act or circumstance that may constitute failure of consideration or frustration of purpose or any damage to our destruction of the Project or any change in the tax or other laws of the United States, the State or any political subdivision of either thereof, or any failure of the Developer to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement. Notwithstanding the above, the City and the Developer each reserve the right to terminate this Agreement (except section 8.11 pertaining to indemnification) upon a final judgment by a court of competent jurisdiction that the Agreement or Development Program adopted in connection herewith is illegal or invalid. In such event, the termination shall be effective as of the date of such decision and neither party shall have any obligation or liability hereunder, under the Development Program or in respect of any of the transactions contemplated hereby, and shall be left in whatever positions, financial or otherwise, they may be in as of the date of termination. Such termination shall not, however, affect the Developer's obligation to defend and indemnify the City, which obligation shall survive any such termination.

Section 3.6. Limited Obligation.

The City's obligation to make payment in accordance with this Agreement shall be a limited obligation of the City payable solely from the Development Program Fund, excluding any earnings thereon, pledged therefore under this Agreement. The City's obligation 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, or any municipality or political subdivision thereof, but shall be payable solely from the Development Program Fund, excluding any earnings thereon. This Agreement shall not directly or indirectly or contingently obligate the City, the State, or any other municipality or political subdivision to levy or to pledge any form of taxation whatever therefore or to make any appropriation for payment due pursuant to this Agreement, except in the City's obligation to assess Property taxes upon the Project and the pledge of the Developer's Auburn Housing Development Corporation (AHDC) Project Cost Account, excluding earnings thereon, established under this Agreement.

ARTICLE IV: PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of Auburn Housing Development Corporation (AHDC) Project Cost Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Developer by the City, according to the terms and conditions contained herein, and subject to the City's right pursuant to this agreement, the City does hereby grant a security interest in and pledge the Developer the Auburn Housing Development Corporation (AHDC) Project Cost Account and sums of money and other securities and investments therein, excluding earnings thereon.

Section 4.2. Protection of Interest.

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The City shall cooperate with the Developer in causing appropriate financing statements and continuation statements setting forth the Developers interest in the Auburn Housing Development Corporation (AHDC) Project Cost Account to be duly filed and recorded in the appropriate State offices as required by and permitted under the provisions of the Uniform Commercial Code or other similar law as adopted by the State and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder. To the extent deemed necessary by the Developer, the City will at such time and from time to time as requested by Developer establish the Auburn Housing Development Corporation (AHDC) Project Cost Account as a segregated fund under the control of an escrow agent, trustee or other fiduciary so as to perfect Developer's interest therein.

Section 4.3. 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, materially disadvantage the City, or materially change this Agreement.

Section 4.4. No Disposition of Auburn Housing Development Corporation (AHDC) Project Cost Account.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Auburn Housing Development Corporation (AHDC) Project Cost Account.

Section 4.5. Access to Books and Records.

All books, records and documents in the possession of the City relating to the District, the Development Program, the Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Auburn Housing Development Corporation (AHDC) Project Cost Account shall at all reasonable times be open to inspection by the Developer, 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":

Any failure by the Developer to develop the Project to include the non-subsidized, "market-rate" components of the project as presented in the project budget and Performa submitted to the City by the Developer on July 14, 2014. Accordingly, 8 of the 39 housing units as well as approximately 2,373 square feet of ground floor retail space shall be marketed and leased at a full market-rate; having no maximum rent level or maximum tenant income restrictions.

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Any failure by the City to pay any amount from the Auburn Housing Development Corporation (AHDC) Project Cost Account to the Developer when the same shall become due and payable;

Any failure by the City to make deposits of Tax Increment Revenues into the Development Program Fund as and when due;

Any failure by the City to make deposits into Auburn Housing Development Corporation (AHDC) Project Cost Account as and when due;

Any failure by a party hereto to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the party to be observed or performed; and

If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, both for the winding up or liquidation of a party's affairs shall have been entered against the party or the party shall have consented to the appointment of a conservator or receiver or liquidator and any such proceedings of or relating to the party 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 party or the failure by the party to have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing or in the event and order for release has been entered under the Bankruptcy Code with respect to the party.

Section 5.2. Remedies on Default.

Whenever any Event of Default referred to in section 5.1 hereof shall have occurred and be continuing for a period of fifteen (15) days after a party's receipt from the other party of written notice of an Event of Default by the party, the other party may (a) specifically enforce the performance or observance of any obligations, agreement or covenants of the defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder or (b) suspend its performance under this Agreement for so long as the Event of Default continues or remains uncured.

Section 5.3. Remedies Cumulative.

No remedy herein conferred upon or reserved to a 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 the 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 Event of Default, to insist upon the strict performance of any covenant or Agreement herein set forth or to exercise any right or remedy 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 rights 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

City of Auburn

remedy, strict compliance by the party with all of the covenants and conditions hereof, or of the rights to exercise any such right or remedy, if such Events of Default be continued or repeated.

Section 5.4. Waiver of Governmental Immunity.

To the extent allowed by law, the City hereby waives its governmental immunity (but not any tort immunity) with respect to any action or suit undertaken by Developer, its successors or assigns, arising out of, resulting from or involving any alleged default by the City hereunder or failure by the City to observe or perform any of its obligations hereunder, it being understood and agreed that such waiver is a material inducement to the Developer entering into this Agreement and continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the City shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or otherwise dispute resolution mechanism. Except as expressly provided in this Agreement, the City hereby waives any right to withhold, suspend or setoff payments during the pendency of any such dispute. Provided, however, that nothing herein shall be deemed a waiver to the City's tort immunity. The City agrees that it will not in any manner challenge or contest the validity of this Agreement, the Development Plan or the proceedings for the adoption and approval of the same.

Section 5.5. Tax Laws.

The parties acknowledge that all laws of the state now in effect or hereafter enacted with respect to taxation of property shall be applicable and that the City, by entering into this Agreement, is not excusing any nonpayment of taxes by Developer. Without limiting the foregoing, the City and the Developer shall always be entitled to exercise all rights and remedies regarding assessment, collection and payment of taxes assessed on Developer's property.

ARTICLE VI: EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term.

This agreement shall remain in full force from the Effective Date and shall expire July 1, 2036 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 sooner terminated pursuant to Section 3.5, this Section 6.1, Section 8.3 or any other applicable provision of this Agreement. Thereafter, all property within the district shall be taxable by the City to the extent provided by law.

Section 6.2. Cancellation and Expiration of Term.

At the termination or other expiration of this Agreement and following full payment of all amounts due and owing to the Developer hereunder or provision for payment thereof, 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 DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that it is the intent of the Developer to pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the project, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this intention, the City does hereby consent and agree to the pledge and assignment of all the developers right, title and interest in, to and under this Agreement and in and to the payments to be made to Developer hereunder, to third parties as collateral or security for indebtedness, on one or more occasions during the term hereof.

Section 7.2. Pledge, Assignment or Security Interest.

Subject to the limitations set forth in Section 3.3, City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the protective pledge or assignee, including without limitation recognition of the pledge or assignee as the holder of all right, title and interest herein (to the extent provided by the Act) and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledge or assignee the position of such assignee or pledge and binding nature of this Agreement and provide to the pledge or assignee such rights and/or remedies as the Developer under this Agreement for the establishing, protection and protection of its interest herein.

Section 7.3. Assignment.

The Developer shall have the unrestricted right to transfer and assign all or any portion of its rights in, to and under this Agreement, at any time, and from time to time, as Developer may, in its sole discretion, deem appropriate, provided that the Developer is not in default of this Agreement at the time of such assignment. An assignment to a party which is not an affiliate of the Developer may be made only with the consent of the City, which consent will not unreasonably be withheld.

ARTICLE VIII: MISCELLANEOUS

Section 8.1. Successors.

In the event of the dissolution of the City or the Developer or any sale or other transfer of all or substantially all of the Project, the covenants, stipulations, promises and Agreement 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.

City of Auburn

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. Non-Severability.

In case any one or more of the material provisions of this agreement shall, for any reason, be held to be illegal or invalid, then this Agreement (except Section 8.11 pertaining to indemnification) may, at the option of either party, be terminated as of the date on which such holding becomes final. To exercise such option, the terminating party shall send written notice of termination to the other party within sixty (60) days after the date on which such holding becomes final.

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

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 any member of the City Council, the City Manager or the Assessor of the City, nor any registered voter of the City 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.

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 shall govern the construction and enforcement of this agreement in all respects.

Section 8.7. 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 deemed given when mailed by first-class mail, postage prepaid, addressed as follows:

If to the City:

City of Auburn

Clinton Deschene, City Manager City of Auburn
60 Court Street, Suite 243
Auburn, ME 04210 With a copy to:
Roland Miller, Economic Development Director City of Auburn
60 Court Street, Suite 102
Auburn, ME 04210

If to the Developer:

Auburn Housing Development Corporation (AHDC)
145 Newbury Street, 3rd Floor
Portland, ME 04101

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

Section 8.8. Amendments.

Neither this Agreement nor the Development Program may be amended without the express written consent of the parties hereto.

Section 8.9. 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 8.10. Authority of the City.

The Developer and the City waive any right to which either may have to contest, and shall not take any action to challenge, the other's authority to enter into, perform or enforce the Agreement or to carry out the Development Program or the validity or enforceability of this Agreement, the District or the Development Program. The City and the Developer shall each utilize their respective best efforts to uphold the District, the Development Program, this Agreement and the City's authority to enter into this Agreement and the validity and enforceability of the District, the Development Program and this Agreement, including without limitation opposing, to the extent permitted by law, any litigation or proceeding challenging such authority, validity or enforceability.

Section 8.11. Indemnification.

Developer shall at its own expense defend, indemnify, and hold harmless the City, its officers, agents, and employees from and against any and all liability, claims, damages, penalties, losses, expenses, or judgments relating in any manner to the District, the Project, the Development Program or this Agreement or arising from injury or death to any person or property damage sustained by anyone in and about the District or the Project or as a result of activities or services at the Project, resulting from any negligent act or

City of Auburn

omission of Developer, its officers, agents, servants, employees, or persons in privities with Developer, except to the extent that such injury, death, or property damage results from any negligent act or omission of the City, its officers, agents, employees or servants. Developer shall, at its own cost and expense, defend any and all suits or actions, just or unjust which may be brought against City upon any such above-mentioned matter, claim or claims, including claims of contractors, employees, laborers, material men, and suppliers. In cases in which the City is a party, the City shall have the right to participate at its own discretion and at its own expense and no such suit or action shall be settled without prior written consent of the City.

Without limiting the foregoing, the Developer agrees to reimburse any expenses incurred by the City in connection with this Agreement, the Project, the Development Program or any other instrument executed and delivered by the City in connection with this Agreement or the Development Program.

Notwithstanding any other provisions of this Agreement, this section shall survive any termination of this agreement.

The foregoing indemnification shall not apply to any action brought by the Developer to enforce this Agreement or to realize the benefit of this Agreement.

Section 8.12. Net Agreement.

This Agreement shall be deemed and construed to be a "net agreement," and the City shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, deductions or setoffs; provided, it is understood that the City's payment obligations are to be satisfied solely from Retained Tax Increment Revenues actually paid in by the Developer and received by the City, and earnings thereon.

Section 8.13. Benefit of Assignees or Pledges.

The City agrees that this Agreement is executed in part to induce assignees or pledges to provide financing for the Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledge from time to time of the Developer's right, title and interest herein.

INWITNESS WHEREOF, the City of Auburn and the Developer have executed this Agreement this ____ day of _____, 2014.

Witness By: _____
Its City Manager

State of Maine Androscoggin County

Before me personally appeared _____ who swore that the above was her true fact and deed.

Notary Public
My commission expires: _____

Witness By: _____
Its Secretary
(AHDC) Auburn Housing Development Corporation

Date: _____

State of Maine
Androscoggin County

Before me personally appeared _____ who swore that the above was her true fact and deed.

Notary Public
My commission expires: _____