

# STATE OF MAINE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



GEORGE C. GERVAIS
COMMISSIONER

March 30, 2016

Chris Rossignal, Chair, Board of Selectmen TOWN OF UNITY 74 School Street Unity, ME 04988

RE: Omnibus Municipal *Tax Increment Financing* (TIF) District; Development Program *Third Amendment* (AMD-3)

## APPROVED

Dear Chris.

The Maine Department of Economic and Community Development (DECD) reviewed and <u>EFFECTIVE</u> <u>TODAY APPROVED</u> your application to amend above referenced Municipal TIF District and Development Program (Program). I am happy to note/approve, based on application:

- a. District term of 30 years ending JAN-31-2026 with Town FY2025-26;
- b. District taxable Original Assessed Value of \$1,239,849 as of April 2014/2006/2000/1997—acreage 182.84;
- Real and personal property Increased Assessed Value (IAV) capture of up to 100%;
- d. District revenues deposited/held in dedicated project cost accounts to reimburse companies/developers for costs authorized by 30-A M.R.S.A. § 5225(1)(A) and DECD rules as amended from time to time,
- e. Negotiation/Execution of multiple reimbursement agreements within sole Board of Selectmen discretion following municipal Economic Develop-

- ment Committee recommendation for an average of up to 50% and requiring Town Meeting approval for up to 75% with associated payments limited to District term and incremental taxes from NEW actual value;
- f. IMMEDIATELY UPON EXECUTION, UNITY MUST FORWARD COPY of any associated credit enhancement agreement or assignment to DECD—with completed Application Cover Sheet if company/developer including detailed private project description and completed Employment Goals Form if company.

Extended term Town revenue allocation projected at \$619,000 may facilitate funding for an estimated \$835,000 in public costs and associated debt—if any, **as further described in Program.** This funding MUST comply with already established municipal appropriation process—with activities/projects due completion BEFORE/BY JAN-31-2026. The approved public activities/projects costs list immediately following is comprehensive and supersedes previous approvals:

## WITHIN DISTRICT

- g. Capital costs including land acquisition, public parking and trails improvements, demolition, site preparation and associated expenses including planning and legal fees; sidewalk/road/streetscape construction/upgrades \$200,000; Ф x
- h. Financing costs including interest \$TBD;

- Real property assembly costs \$TBD;
- j. Professional/Administrative/Organizational costs including implementation of Program administrator/ committee and pro-rated municipal staff salaries, relocation∆ costs \$35,000;



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#### OUTSIDE DISTRICT ◊

- Public safety equipment/facility acquisition/ improvements including but not limited to current fire station upgrades and traffic calming measures \$130,000; ‡
- Adverse impact mitigation with additional/prior DECD check except for environmental issues \$20,000;

### WITHIN MUNICIPALITY

- Marketing Town as a business/arts location including economic development (ED) programs, events, staff/ consultant fees, studies/plans and organizational dues \$50,000;
- n. Commercial/Arts District environmental improvements \$10,000; Φ
- Permanent revolving loan funds, investment funds and grants per § 5225(1)(C)(3) for costs authorized by

- 30-A M.R.S.A. § 5225 and DECD rules as amended from time to time \$100,000:
- Training funds for jobs created or retained in Unity including scholarships, business/commercial broadband services in support of tourism and jobs skills training \$150,000; Ψ
- q. Quality child care costs including financing/ construction/staffing/training/certification/ accreditation \$50,000;
- r. Recreational trails \$30,000; Φ
- s. New/Expanded transit service costs limited to vehicles and related equipment; bus shelters and other structures, benches/signs and downtown/retail area Horse & Buggy capital costs \$10,000; ×
- Grant matching related to 30-A M.R.S.A. §§ 5221-5235 economic development activities \$50,000.

DECD notes while Program may list multiple statutory citations with public project costs, in application not all citations apply to all activities/projects described within each cost description. Unity is obligated to verify proper authorization for each project cost to be undertaken. Per MAR-31-1997 original designation and previous amendments approvals, DECD restates:

- District revenues deposited/held in dedicated accounts and applied <u>ONLY</u> toward approved activities/projects due completion <u>BEFORE/BY</u> <u>JAN-31-2026</u>,
  - i) Project Cost account[s] to fund public activities/projects,
  - ii) Sinking Fund Account to retire associated public debt if any;
- Any non-captured incremental property values resulting in General Fund revenue/deposits <u>MUST</u> be included/reported with Town equalized assessed value;
- w. Any future amendment MUST comply with 30-A M.R.S.A. §§ 5221-5235 and DECD rules:
- x. When District expires or is terminated <u>UNITY MUST NOTIFY DECD IN WRITING</u>.

MAINE IS OPEN FOR BUSINESS. Please contact Municipal Tax Increment Financing Program Director Laura Santini-Smith with questions about this certification letter or DECD review. DECD extends best wishes for the success of your District.

Sincerely,

George C. Gervais Commissioner

cc: Senator Michael Thibodeau (SD-11) and Representative MaryAnne Kinney (HD-99)—127<sup>th</sup> Legislature; David Ledew, MRS Director Property Tax Division; Jamie Logan, Governor's Account Executive; Noreen Norton, Consultant

♦ To the extent a project is outside the District, Unity must prorate/allocate costs not directly related to or made necessary by establishment/operation of this District to other funding sources.

# **EXCLUDING FOLLOWING COSTS/FUNDING:**

Φ Public park(s)

‡ Law enforcement (police)

Δ Rent and operational expenses

Ψ Private residential distribution line(s)

- x Items beyond § 5222(1) scope, i.e.: holiday decorations, plant pots/containers and art
- × § 5225(1)(A)(1)(a)(i), (8) and (C)(7)(b) Transit-Oriented Development projects