



Paul R. LePage
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



George C. Gervais
COMMISSIONER

March 24, 2014

Joseph Slocum,
City Manager
CITY OF BELFAST
131 Church Street
Belfast, ME 04915

**RE: Northport Avenue Omnibus Municipal Tax Increment Financing (TIF) District
Development Program; First Amendment (AMD-1)**

Dear Mr. Slocum,

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

- a. District taxable Original Assessed Value of \$10,126,400 as of April 1, 2004/12—acreage 98.58;
- b. Increased Assessed Value (IAV) capture of up to 100% of real and personal property improvements;
- c. District revenues deposited/held in dedicated Project Cost accounts to reimburse companies/developers for costs of economic development activities authorized by 30-A M.R.S. § 5225 (1)(A) and Department rules as amended from time;
- d. Company/Developer payments are limited to incremental taxes from NEW actual value and may include up to 100% reimbursement for balance of District term within sole Council discretion as guided by City TIF Policy in force at time of agreement negotiation/execution;
- e. AFTER EXECUTION CITY MUST FORWARD COPY of any credit enhancement agreement linked to this District to the Department—with corresponding **Application Cover Sheet** (if Company or Developer) including detailed private project description and (if Company) **Employment Goals Form**;

Any City revenue allocation may facilitate ongoing debt retirement and funding for an estimated \$515,080 in public costs as further described in Development Program. This funding MUST comply with already established City appropriation process—with activities/projects COMPLETE BEFORE/BY January 30, 2026. The Department restates/approves public activities/projects costs listed below, with AMD-1 changes/additions underlined:

WITHIN DISTRICT

- f. Sewer line upgrades/extensions (Ψ) along Northport Avenue, Perkins Road and Woodrow Lane funded via \$350,000 bond plus associated debt service;

OUTSIDE DISTRICT

- g. Portage of District revenues to Downtown Waterfront Omnibus District;

WITHIN MUNICIPALITY

- h. Economic Development staffing position \$800,000; ≈
- i. Marketing program for business attraction \$10,000. ≈

Per January 31, 2006 original designation approval, Department restates:

- j. District term of 20 years from January 31, 2006 ending January 30, 2026;
- k. District revenues deposited/held in dedicated accounts and applied ONLY toward approved activities/projects,
- l) Sinking Fund Account to retire associated public debt,
- ii) Project Cost Account to fund public activities/projects;

- v. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with City equalized assessed value;
- w. Any future amendment MUST comply with 30-A M.R.S. §§ 5221-5235 and Department rules;
- x. CITY MUST NOTIFY DEPARTMENT IN WRITING when District expires or is otherwise terminated.

MAINE IS OPEN FOR BUSINESS. Please contact Municipal Tax Increment Financing Program Director Laura Santini-Smith with questions about this certification letter or Department review. With this approval, the Department extends an open ended offer of assistance and best wishes for the success of your District.

Sincerely,



George C. Gervais
Commissioner

cc: Senator Michael Thibodeau (SD-23) and Representative Erin Herbig (HD-43), 126th Legislature;
David Ledew, MRS Director Property Tax Division; Jamie Logan, Governor's Account Executive;
Shana Cook Mueller, Bernstein Shur

≈ Projects are common to Downtown Waterfront Omnibus District Development Program.

Ψ Exclusive of private residential distribution line(s) costs.