

**ECONOMIC DEVELOPMENT PROJECT  
CITY OF BELFAST**

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

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**FIRST AMENDMENT  
CITY OF BELFAST NORTHPORT AVENUE  
MUNICIPAL DEVELOPMENT AND OMNIBUS TAX INCREMENT FINANCING  
DISTRICT**

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*Presented to:*

*Belfast City Council  
February 18, 2014*

## APPLICATION COVER SHEET

<b>MUNICIPAL TAX INCREMENT FINANCING</b>
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### A. General Information

1. Municipality Name: City of Belfast		
2. Address: 131 Church Street, Belfast, ME 04915-1796		
3. Telephone: 207-338-3370	4. Fax: 207-338-6222	5. Email: economicdevelopment@cityofbelfast.org
6. Municipal Contact Person: Thomas Kittredge, Economic Development Director		
7. Business Name: N/A		
8. Address:		
9. Telephone:	10. Fax:	11. Email:
12. Business Contact Person:		
13. Principal Place of Business:		
14. Company Structure (e.g. corporation, sub-chapter S, etc.):		
15. Place of Incorporation:		
16. Names of Officers:		
17. Principal Owner(s) Name:		
18. Address:		

### B. Disclosure

1. Check the public purpose that will be met by the business using this incentive (any that apply):		
job creation	job retention	capital investment
training investment	tax base improvement	public facilities improvement
other (list):		
2. Check the specific items for which TIF revenues will be used (any that apply):		
real estate purchase	machinery & equipment purchase	training costs
X debt reduction	other (list): Downtown TIF portage, potential future CEAs, general economic development program	

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## EXHIBIT LIST

- Exhibit A**      Approved Northport Avenue Municipal Development and Tax Increment Financing Development Program (approved January 31, 2006)
- Exhibit B**      City of Belfast Tax Increment Policy
- Exhibit C**      Corrected TIF District Map & Amended Assessor's Certification of Original Assessed Value (including Real and Personal Property)
- Exhibit D**      Statutory Requirements & Thresholds Form
- Exhibit E**      Public Hearing Notice
- Exhibit F**      Public Hearing and City Council Meeting Attested Minutes
- Exhibit G**      Municipal Tax Increment Financing Resolution
- Exhibit H**      Attesting Letter from City Manager

## INTRODUCTION

In July of 2005, the City of Belfast established the *Northport Avenue Municipal Development and Tax Increment Financing (TIF) District*, a tax increment financing district comprised of certain contiguous properties located along Northport Avenue, Perkins Road and Woodrow Lane, primarily to facilitate the expansion of the Mathews Brothers Company (Mathews Brothers), a 159-year old manufacturer of wood frame and hollow vinyl windows located on the Perkins Road, with revenues generated by the tax increment within the entire district over its twenty (20) year life are being used to help retire a \$350,000 general obligation bond, which paid for the improvement of existing sewer lines and construction of new ones along Northport Avenue, Perkins Road, and Woodrow Lane; this project was necessary for Mathews Brothers' expansion to take place. (The entire original Development Program is attached as Exhibit A.)

However, in the past two years, with potential future expansions of Mathews Brothers, the launch of a new substantial business in this TIF district (Coastal Farms & Foods), and the need to identify additional financial resources to help carry out public infrastructure projects within the City's the Downtown-Waterfront Municipal Development and Tax Increment Financing District, the City intends to amend this TIF district's Development Program.

Any items not addressed in this First Amendment narrative document shall remain the same as outlined in the original Northport Avenue TIF Development Program attached as Exhibit A. In summary, the City wishes to make the following changes to its Northport Avenue Municipal Development and Tax Increment Financing District, effective upon approval hereof by the Commissioner of the State of Maine Department of Economic and Community Development:

- 1) additionally capturing 100% of incremental personal property value (currently 100% of incremental real property value only is captured);
- 2) providing the City Council the discretion in the future to enter into individual credit enhancement agreements with developers to incentivize particular projects in accordance with the City's policy regarding such agreements (thus converting the TIF district to an omnibus TIF district); and
- 3) allowing for 'portage' of revenues from this TIF district to the City's Downtown-Waterfront Municipal Development and Tax Increment Financing District, so they may be used to help fund projects in that district's development program.

Tax increment financing is a proven method of strengthening ties between business, the community, and the broader regional economic base. Creating a TIF district serves a number of public purposes, including: diversifying the municipal tax base; maintaining and increasing property tax revenues generated within the district; providing a means to pay for investment in public facilities; allowing for the construction of public infrastructure needed to provide incentives for development; and creating and maintaining employment opportunities. The TIF district allows the City to shelter any increase in municipal valuation as development occurs in the TIF district, allowing the City to utilize all the tax revenues received from investments within the district for use by the City. Without this TIF any increased valuation would reduce the City's share of General Purpose Aid to Education, Municipal Revenue Sharing, and it would increase its local contribution to RSU 20 and its county tax assessments.

## 1. DEVELOPMENT PROGRAM

### A. Program Narrative

In July of 2005, the City of Belfast established the Northport Avenue Municipal Development and Tax Increment Financing District, a tax increment financing district comprised of certain contiguous properties located along Northport Avenue, Perkins Road and Woodrow Lane, pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The initial, primary purpose of this TIF district designation was to facilitate an expansion of the Mathews Brothers Company (Mathews Brothers), a 159-year old manufacturer of wood frame and hollow vinyl windows located on the Perkins Road.

All increased value and revenues generated by the tax increment within the entire district over its twenty (20) year life are currently being used to help retire a \$350,000 general obligation bond, which paid for the improvement of existing sewer lines and construction of new ones along Northport Avenue, Perkins Road, and Woodrow Lane; this project was a crucial piece of infrastructure that was necessary for the expansion of Mathews Brothers to take place.

Credit enhancement agreements, if any, will be made separately to individual companies/developers, and may include up to one hundred percent (100%) of the incremental increase in tax revenues reverting back to the company/developer. Credit enhancement agreements may be made for up to the remaining term of the TIF district. Each credit enhancement agreement will be negotiated and executed at the sole discretion of the Belfast City Council, using the City of Belfast's Tax Increment Financing Policy for guidance. (The City of Belfast's Tax Increment Policy is included as Exhibit B.)

### B. Financial Plan

The sewer line improvement/expansion contemplated by the original development program was funded through a \$350,000 general obligation bond issued to the City of Belfast. This 20-year bond has a 4% interest rate, with an annual debt service of \$25,754. All projections regarding captured assessed values, TIF revenues and tax shifts with respect to real property remain unchanged from the original development program attached as Exhibit A hereto. This First Amendment to the development program begins the 100% capture of all increased assessed value relating to personal property in the TIF district; however, the inclusion of personal property is not likely to result in a substantial change in the projected captured assessed value or tax shift impacts.

The City may utilize revenues from other TIF districts (including the Northport Avenue TIF) within Belfast to help fund projects included in the Downtown TIF's development plan, as allowed under Maine Revised Statutes, Chapter 206, Title 30-A §5225.1.B(3).

### C. Description of Public Facilities to be Constructed

The project included the construction of sewer lines along Northport Avenue, Perkins Road, and Woodrow Lane. Sewer service was provided to the property line; the cost to connect to the public sewer line was (and will continue to be) the responsibility of the property owner. Any and all projects listed in the Downtown Waterfront Municipal Development and Tax Increment Financing District Development Program, as amended, can also be funded with TIF revenues from the Northport Avenue Municipal Development and Omnibus Tax Increment Financing District.

D. Uses of Private Property

Tax increment financing is a proven method of encouraging investment in the community. Mathews Brothers, along with neighboring sites, buildings, and personal property along Northport Avenue, Perkins Road, and Woodrow Lane are privately owned. Properties within the district include primarily commercial or industrial uses or property suitable for such uses.

In order to foster economic development, the City has proposed to provide individual companies/developers with credit enhancement agreements on a case-by-case basis. Credit enhancement agreements, if any, will be made separately to individual companies/developers, and may include up to one hundred percent (100%) of the incremental increase in tax revenues reverting back to the company/developer. Credit enhancement agreements may be made for up to the remaining duration of the TIF district term. Each credit enhancement agreement will be negotiated and executed at the sole discretion of the Belfast City Council, using the City of Belfast's Tax Increment Financing Policy for guidance.

G. Environmental Controls

Future projects that may be undertaken by private companies/developers and any future municipal projects will be in compliance with applicable local and state rules and regulations. Each individual company/developer will be solely responsible for seeing that all applicable compliance measures are adhered to.

K. Physical Description of the District

The Northport Avenue Municipal Development and Omnibus Tax Increment Financing District contains 98.58 acres. Attached as Exhibit C hereto is a revised TIF district map correcting the inadvertent exclusion of Lot 30-6A from the original map, a lot which has always been included in the Original Assessed Value and treated as within the TIF district. The original assessed value of taxable real and personal property within the district's boundaries is comprised of two components:

- Total Taxable Real Property as of March 31, 2005 (April 1, 2004): \$9,236,500
- Total Taxable Personal Property as of March 31, 2013 (April 1, 2012): \$889,900
- Total: \$10,126,400

Such original assessed value is contained in an Amended Assessor's Certification of Original Assessed Value (for both real and personal property) also attached at Exhibit C hereto.

The *Statutory Requirements & Thresholds* form attached as Exhibit D for compliance with acreage and value caps.

2. FINANCIAL PLAN

B. Description of the Financing Structure and the Amount of Indebtedness to be Incurred

The City reserves the right to incur debt to facilitate, in part or in whole, any of the approved project costs within the development program, as amended.

E. Captured Assessed Value to be Applied to the Development Program

Over the twenty (20) year TIF term, the development program, as amended, provides for one hundred percent (100%) of the incremental tax revenues retained from the increase in taxable assessed real *and personal* property value within the TIF district to be captured by the City.

The City is hereby authorized to fund any project in the approved Downtown-Waterfront Municipal Development and Tax Increment Financing District development program partly or fully with TIF revenues from this Northport Avenue Municipal Development and Omnibus Tax Increment Financing District. The City may choose to issue general obligation bonds or incur other debt for any of these projects.

3. RECORD OF MUNICIPAL APPROVALS

A. Public Hearing Notice

The City of Belfast is required to hold a public hearing before submitting an application to the Maine Department of Economic and Community Development to amend Northport Avenue Municipal Development and Omnibus Tax Increment Financing District and for approval of an amended development program for said district. The City Council of the City of Belfast held a public hearing for these purposes on February 18, 2014 at 7:00 P.M. in the City Council Chambers located at Belfast City Hall.

Maine Statute also requires that the notice of this public hearing be published at least ten (10) days prior to the hearing in a newspaper of general circulation. Exhibit E is a copy of the public hearing notice that appeared in the *Republican Journal* on February 6, 2014.

B. Minutes of the Public Hearing and City Council Meeting

Included as Exhibit F are the attested and signed minutes from the February 18, 2014 public hearing and the City Council meeting at which the proposed First Amendment to this district was discussed.

C. Municipal Tax Increment Financing Resolution

An attested copy of the Belfast City Council Tax Increment Financing Resolution is attached as Exhibit G.

D. Attesting of Municipal Office

Joseph Slocum, Manager of the City of Belfast attests via letter that all information contained in this request to amend the district and amend the development plan for said district is true and correct to the best of his knowledge. This letter is included as Exhibit H.



JOHN ELIAS BALDACCI  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF  
ECONOMIC AND COMMUNITY DEVELOPMENT  
59 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0059

RECEIVED  
FEB 02 2006



JACK CASHMAN  
COMMISSIONER

January 31, 2006

Terrance St. Peter  
City Manager  
City of Belfast  
131 Church Street  
Belfast, ME 04915

*PC Mayor + Council - FYI*  
*Bob Whiteley*  
*Rickie Hoban*  
*TIF application binder*

*Terry*  
Dear Mr. St. Peter

The Maine Department of Economic and Community Development ("the department") has reviewed and approved the City of Belfast's designation of the **Northport Avenue** Municipal Development Tax Increment Financing (TIF) District ("the district"), effective today. Approval is subject to the following provision: should Mathews Brothers Company or any other business receive TIF payments from this district that exceed \$10,000 in a calendar year, they must submit an annual written report no later than August 1<sup>st</sup> of the following year, in accordance with 5 MRSA §13070-J(3).

The City of Belfast is authorized to capture 100% of the increased assessed value of real estate in the district as set forth in the financial plan section of the complete application received by the department on December 23, 2005. The tax increment arising from this captured value is to be used expressly for the development costs described in the Development Program, i.e. general obligation bond repayments for \$350,000 in bonds issued to fund infrastructure improvements (sewer extension) for a currently expanding manufacturer and for future commercial growth in the district. By law, bond projects funded with TIF revenues must be completed within five (5) years of TIF district approval. Also, in the unlikely scenario where TIF revenues exceed bond repayments, the City may also fund an economic developer position or a marketing program for business attraction.

Any changes to the approved Development Program require an amendment that is adopted in the same manner as the initial designation, and approved by the department.

Terrance St. Peter  
January 31, 2006

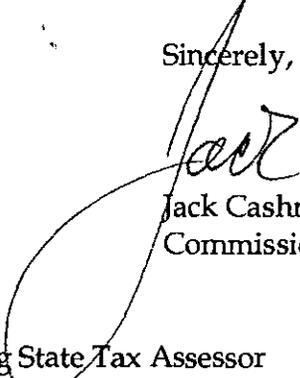
Page 2

Please note that all tax increment revenues derived from the district are to be deposited into either a Sinking Fund Account (for approved municipal debt service) or Project Cost Account (for bona fide economic development costs) and available for the Development Program as authorized by the department. If any tax increment revenues from the district are instead deposited into the City's general fund for non-TIF purposes, the incremental property values generating "unsheltered" revenues must be included with the City's equalized assessed value and reported as such, since the value cannot be captured.

The district designation remains in effect for twenty (20) years or until the authorized project costs are expended. If for any reason the City decides to forfeit this designation, it must promptly notify the department.

If you have questions regarding this approval, or the applicability of the economic development incentive reporting requirements, please do not hesitate to contact Jim Nimon at 624-9822.

Sincerely,

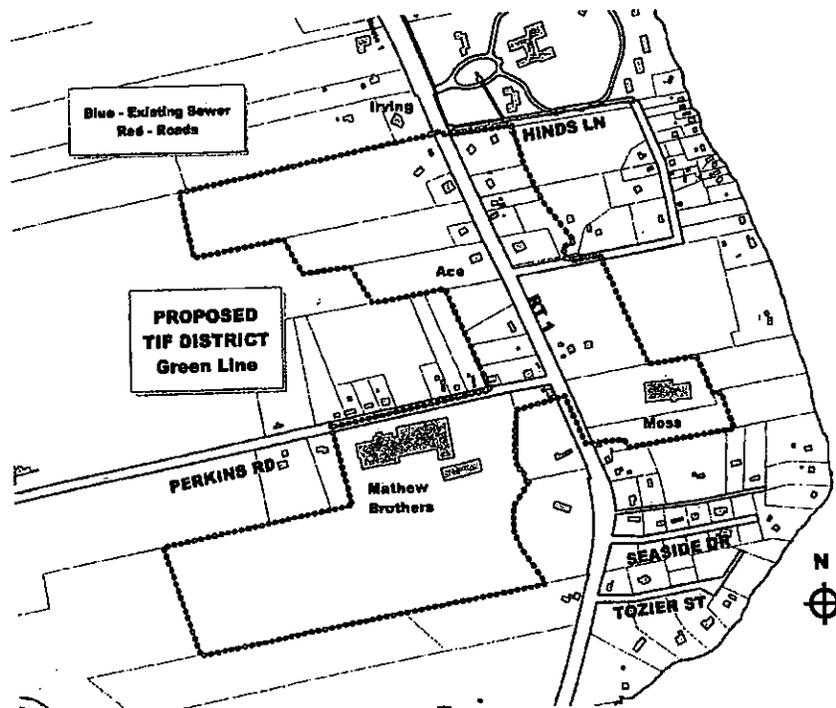


Jack Cashman  
Commissioner

cc: Jerome Gerard, Acting State Tax Assessor  
David Ledew, Acting Director of Property Tax  
Victoria Burpee, EMDC

**CITY OF BELFAST**  
**NORTHPORT AVENUE MUNICIPAL**  
**DEVELOPMENT DISTRICT**  
**and**  
**TAX INCREMENT FINANCING DISTRICT**

July, 2005



**EMDC**

Department of Economic and Community Development

**MUNICIPAL TAX INCREMENT FINANCING**

**APPLICATION COVER SHEET**

**A. General Information**

1. Municipality Name: City of Belfast, Maine
2. Address: 131 Church Street, Belfast, ME 04915
3. Telephone: 207/338-3370 Fax: 207/338/6222 Email: tstpeter@cityofbelfast.org
4. Project Contact Person: Terrance St. Peter Date: 8/01/2005

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5. Business Name: Not Applicable
6. Address:
7. Telephone: Fax: Email:
8. Principal Place of Business:
9. Company Structure (e.g. corporation, sub-chapter S, etc.):
10. Place of Incorporation:
11. Names of Officers:
12. Principal Owner(s) Name and Address:
13. Project Contact Person:

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**B. Disclosure** (attach separate sheets if necessary)

14. Check the public purpose (any that apply) that will be served by the business through the use of the TIF incentive:  
 job creation  job retention  capital investment  training investment  tax base improvement  public facilities improvement  other:

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15. Check the specific use (any that apply) to which the TIF revenues will be put:  
 real estate purchase  machinery & equipment purchase  training costs  debt reduction  
 other: Installation of sewer lines along Northport Avenue, Perkins Road, and Woodrow Lane.

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16. List the company's goals for the number, type and wage levels of jobs to be created or retained as a result of the TIF revenues received (*please use next page*). Please see Exhibit C attached hereto.

17. Does the business anticipate receiving more than \$10,000 in TIF revenues in any calendar year during the term of the TIF development program? Yes  No  (If so, please review example of annual report at back of manual).

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### Acronym Key

CAV	= Captured Assessed Value
DECD	= Department of Economic and Community Development
TIF	= Tax Increment Financing

## Appendix

<b>Exhibit A</b>	.....	<b>Public Purpose</b>
<b>Exhibit B</b>	.....	<b>Specific Uses of TIF Revenues</b>
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<b>Exhibit L</b>	.....	<b>Public Hearing Minutes</b>
<b>Exhibit M</b>	.....	<b>Municipal TIF Resolution</b>
<b>Exhibit N</b>	.....	<b>Certification of City Manager</b>

**I. Development Program Narrative**

**A. Program Narrative/Statement of Mean and Objectives**

To assist in facilitating economic development along Northport Avenue, Perkins Road, and Woodrow Lane, the City of Belfast is designating certain, contiguous properties as a municipal development and tax increment financing (TIF) district, pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. The designation of the TIF district will initially facilitate the expansion of Mathews Brothers Company (Mathews Brothers).

All increased value and revenue generated by the tax increment within the entire district over the twenty year life will help retire a \$350,000 general obligation bond. Revenues generated above the annual bond payment, if any, will be placed in an economic development fund to pay for future economic development initiatives including promotion and personnel costs. The Development Program as described herein is proposed for the purpose of administering the district once approved by the Maine Department of Economic and Community Development (DECD).

The City of Belfast has identified the Northport Avenue, Perkins Road, Woodrow Lane area as an area for continued planned commercial growth. A prime example of this is the planned expansion of Mathews Brothers Company. Mathews Brothers, a 151 year old manufacturer of wood-frame and hollow vinyl windows is planning a major expansion of its facility located on the Perkins Road in Belfast. As proposed the expansion will be done in 3 phases, with phases 1 and 2 to be completed by the end of 2005. Total estimated cost of the expansion is \$2,407,000, including \$2,107,000 in real estate development, \$250,000 for machinery and equipment, and \$50,000 in engineering and legal costs. As a result of the expansion, it is anticipated that 44 new positions will be created. These positions will primarily be in production, with an average salary of \$20,000 annually. Attached as Exhibit C is a summary of the jobs the company expects to create as a result of the proposed expansion.

The existing sewer lines are inadequate or nonexistent along Northport Avenue, Perkins Road, and Woodrow Lane. In order for Mathews Brothers to continue with its planned expansion, it is necessary for the City to expand the sewer lines.

A description of the public purposes served by the TIF District is attached hereto as Exhibit A.

**B. Brief Description of Financial Plan**

Initially, Mathews Brothers Company plans to invest \$1,307,000 in real estate development to construct a 100' x 250' building and a 100' x 96' building, as additions to their existing plant (Phase 1 & 2), including costs to connect to the proposed sewer line and paving. Phase 3, estimated at \$800,000 will follow as additional space is needed.

Total estimated cost of the 3 phased expansion is \$2,407,000, including \$2,107,000 in real estate development, \$250,000 for machinery and equipment, and \$50,000 in engineering and legal costs. Private enterprise will provide the capital necessary to fund the proposed expansion.

The critical infrastructure needed to facilitate this growth will be funded through a \$350,000 general obligation bond issued to the City of Belfast. It is anticipated that the bond will have a twenty year term at 4% interest rate, with annual debt service of approximately \$25,754.

**C. Description of Public Facilities to be Constructed**

This Project includes the installation of sewer lines along Northport Avenue, Perkins Road, and Woodrow Lane. Sewer service will be provided to the property line. Cost to connect to the public sewer line will be the responsibility of the property owner. The entire Northport Avenue Municipal Development District contains 18,275 taxable acres or 28.55 taxable square miles.

**D. Uses of Private Property**

Mathews Brothers Company, along with neighboring sites, buildings, and personnel property along Northport Avenue, Perkins Road and Woodrow Lane are privately owned. Properties within the District included 8 residential properties, 8 commercial properties, 2 industrial properties, 1 vacant lot, 1 vacant/commercial lot, and 1 residential/commercial lot.

**E. Plans for Relocation of Displaced Persons**

Not Applicable

**F. Proposed Regulations and Facilities to Improve Transportation**

For the proposed project, existing facilities are adequate to accommodate vehicular and pedestrian traffic.

**G. Environmental Controls**

All permits and approval are in place and the project has received the approval of the City of Belfast Planning Board.

**H. Plan of Operation Upon Completion**

During the life of the District, the City Council or their designee will be responsible for all administrative matters concerning the implementation and operation of the District.

**I. Calculation of Tax Shifts**

A table summarizing the impact of tax increment financing on all taxing jurisdictions within the District is included in Section II – Financial Plan.

**J. Duration of the Program**

The term of the Northport Avenue Municipal Development and Tax Increment Financing District is twenty (20) years commencing in the City of Belfast's fiscal year FY2006 and terminating in FY 2025.

**K. Physical Description of the District**

1. A tax map delineating the properties in the proposed tax increment financing district is attached as Exhibit D.
2. A municipal map showing the site location of the proposed tax increment financing district relative to the municipal boundaries is attached as Exhibit E.
3. A certification by the City of Belfast's Assessor, Robert F. Whiteley that the physical description as delineated on the attached tax map and municipal map is accurate is attached as Exhibit F.
4. Table 1 Physical Description is attached as Exhibit G.

**II. Financial Plan**

**A. Estimates of Development Costs**

Total development costs for this project are estimated at \$1,657,000. The costs break down as follows:

Mathews Brothers Company expansion (Phase 1 and 2) only	\$1,307,000
Sewer Extension along Northport Avenue, Perkins Road and Woodrow Lane	\$ 350,000

All private development costs are based on estimates provided by the business.

**B. Description of the Financing Structure and Amount of Indebtedness to be Incurred**

The proposed District will facilitate the continued growth and expansion of commercial development along Northport Avenue, Perkins Road, and Woodrow Lane in the City of Belfast. Mathews Brothers plans to invest \$1,307,000 in real estate development within the TIF district, by the end of 2005 (Phases 1 & 2). In addition, the Company will also install \$250,000 in new machinery and equipment. The timetable for Phase 3 is yet to be determined and is contingent upon the continued growth of the company. Although no definitive plans for expansion have been discussed with the City, it is not unreasonable to expect that with the installation of the sewer line, additional development will occur within the district over the next twenty years.

The City of Belfast will provide the needed public infrastructure to facilitate this development. Establishing the total development cost of the infrastructure at \$350,000, the City of Belfast is prepared to secure a \$350,000 general obligation bond to complete the funding package. A projected debt service schedule for the City's proposed borrowing is provided in Exhibit H. This exhibit assumes a \$350,000 bond at 4.0% interest with a term of 20 years.

**C. Sources and Uses of Funds to Finance Development Costs**

Table 2 from the TIF Program Rule Appendix showing sources and uses of funds to finance development costs is attached as Exhibit I.

**D. Estimates of Captured Assessed Value of the District**

The City of Belfast expects to capture the entire increased value of real estate, in excess of April 1, 2005 "original assessed value" of the property, within the District. The "original assessed value" is \$9,236,500. The total estimated captured assessed value for the TIF District over its 20 year life is \$470,520; this includes real estate only, as

City of Belfast

personnel property is not included in the Development Plan. A detailed analysis of captured assessed value is attached as Exhibit J.

**E. Captured Assessed Values to be Applied to the Development Program**

The City of Belfast plans to capture 100% of the assessed value to be applied to the development program. Annual debt service on the \$350,000 general obligation bond is estimated to be \$25,754. Over the life of the TIF it is expected that these revenues will exceed \$470,520. Shortfalls in captured revenues needed to make the annual debt service on the bond will be provided by the City out of the general fund. Any captured revenues in excess of the annual bond payment will be placed in an economic development account to be used for future economic development initiatives including promotion and personnel costs.

**F. Impact of TIF on all Taxing Jurisdictions**

The following table identifies tax shifts which will result from the project during the term of the District, using information provided by the City of Belfast, the State of Maine Department of Education, and the Maine Revenue Service. The table is for illustration purposes only.

<b>TAX SHIFT CALCULATIONS</b>		
<b>Tax Shift Item</b>	<b>Average Annual Amount</b>	<b>Total Undiscounted Amount</b>
Aid to Education	\$6,454	\$129,075
County Tax	\$3,998	\$79,966
State/Municipal Revenue Sharing	\$1,009	\$20,190
<b>TOTAL ALL TAX SHIFTS</b>	<b>\$11,462</b>	<b>\$229,231</b>

**III. Record of Municipal Approvals**

**A. Public Hearing Notice**

Pursuant to Maine Statute, the City of Belfast is required to hold a public hearing before submitting an application to the State of Maine Department of Economic and Community Development for the designation of the Northport Avenue Municipal Development and Tax Increment Financing District and for approval of the Development Program for said District. The City Council of the City of Belfast held a public hearing for these purposes on July 5, 2005 at 7:00 p.m. in the City Council Chambers at City Hall.

Maine Statute also requires that notice of the public hearing be published at least 10 days prior to the hearing in a newspaper of general circulation. Attached, as Exhibit K, is a copy of the Notice of Public Hearing which appeared in the Citizen on June 22, 2005.

**B. Minutes of the Public Hearing and City Council Meeting**

Attached, as Exhibit L, are minutes of the July 5, 2005 Public Hearing and the Belfast City Council meeting at which the proposed municipal tax increment financing district was discussed.

**C. Municipal Tax Increment Financing Resolution**

An attested copy of the Belfast City Council tax increment financing resolution is attached as Exhibit M.

**D. Attesting of Municipal Office**

Terrance St. Peter, Manager of the City of Belfast attests that all information contained in this request to designate the "Northport Avenue Municipal Development and Tax Increment Financing District" and adopt a Development Program for said District is true and correct to the best of his knowledge. A letter so attesting is attached as Exhibit N.

## PUBLIC PURPOSE

The proposed Northport Avenue Municipal Development District consists of property located along Northport Avenue, Perkins Road and Woodrow Lane, and contemplates the installation of sewer lines. Installation of the sewer lines will assist Mathew Brothers Company in the expansion of its facility. The project will serve the following public purposes:

- ❖ Establish critically needed sewer service along Northport Avenue, Perkins Road and Woodrow Lane, **thereby serving a public purpose.**
- ❖ There is a need to encourage the expansion, improvement, and new development of commercial and industrial facilities in Belfast, the expansion of the sewer line along Northport Avenue, Perkins Road and Woodrow Lane will encourage future development of existing businesses and will attract new businesses to the area and **thereby serves a public purpose.**
- ❖ There is a need to increase economic development and employment opportunities for the residents of Belfast and the surrounding communities in the region; with the completion of the Mathews Brothers Company expansion up to 44 new positions will be created, and **thereby serves a public purpose.**

## **SPECIFIC USES OF TIF REVENUES**

To facilitate the expansion of Mathews Brothers Company, as well as foster continued economic development, the City of Belfast proposes to install sewer lines along Northport Avenue, Perkins Road and Woodrow Lane. The City of Belfast proposes to fund the cost of the installation of the sewer lines through the issuance of a general obligation bond. Estimated cost of the project is \$350,000. At 4% interest it is estimated that the annual debt service on the bond would be \$25,754.

The municipal tax revenues generated by new investment within the TIF District over the twenty (20) year term will be used to retire the \$350,000 bond. Additional revenues generated beyond the annual bond payment will be placed in an Economic Development Fund for the City of Belfast, to finance future economic development initiatives including promotion and personnel costs throughout the City of Belfast.

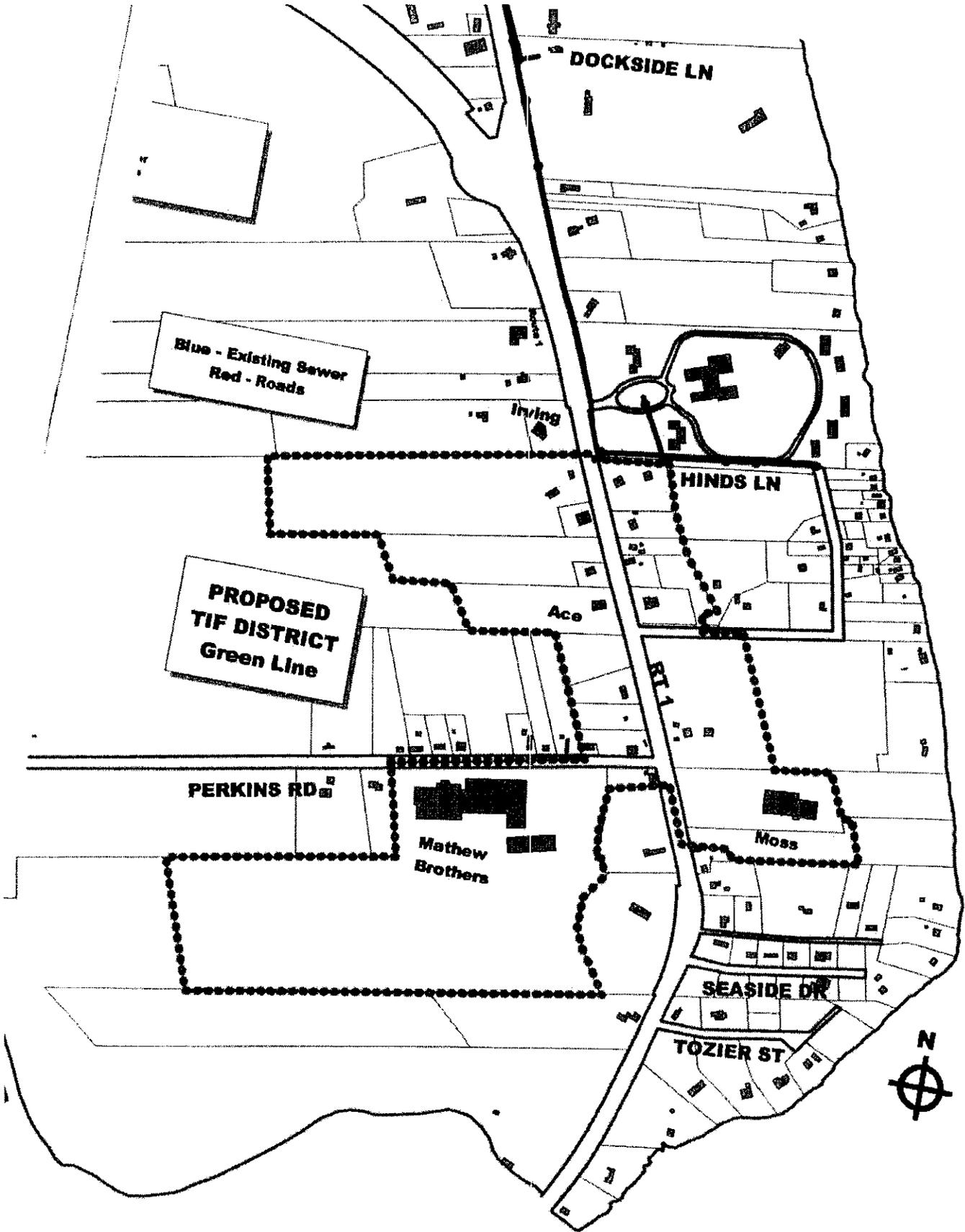
## EMPLOYMENT GOALS

As a direct result of the expanded sewer lines, Mathews Brothers Company is expanding its facility located on Perkins Road. As a result of this expansion the company expects to create 44 new jobs over the next several years.

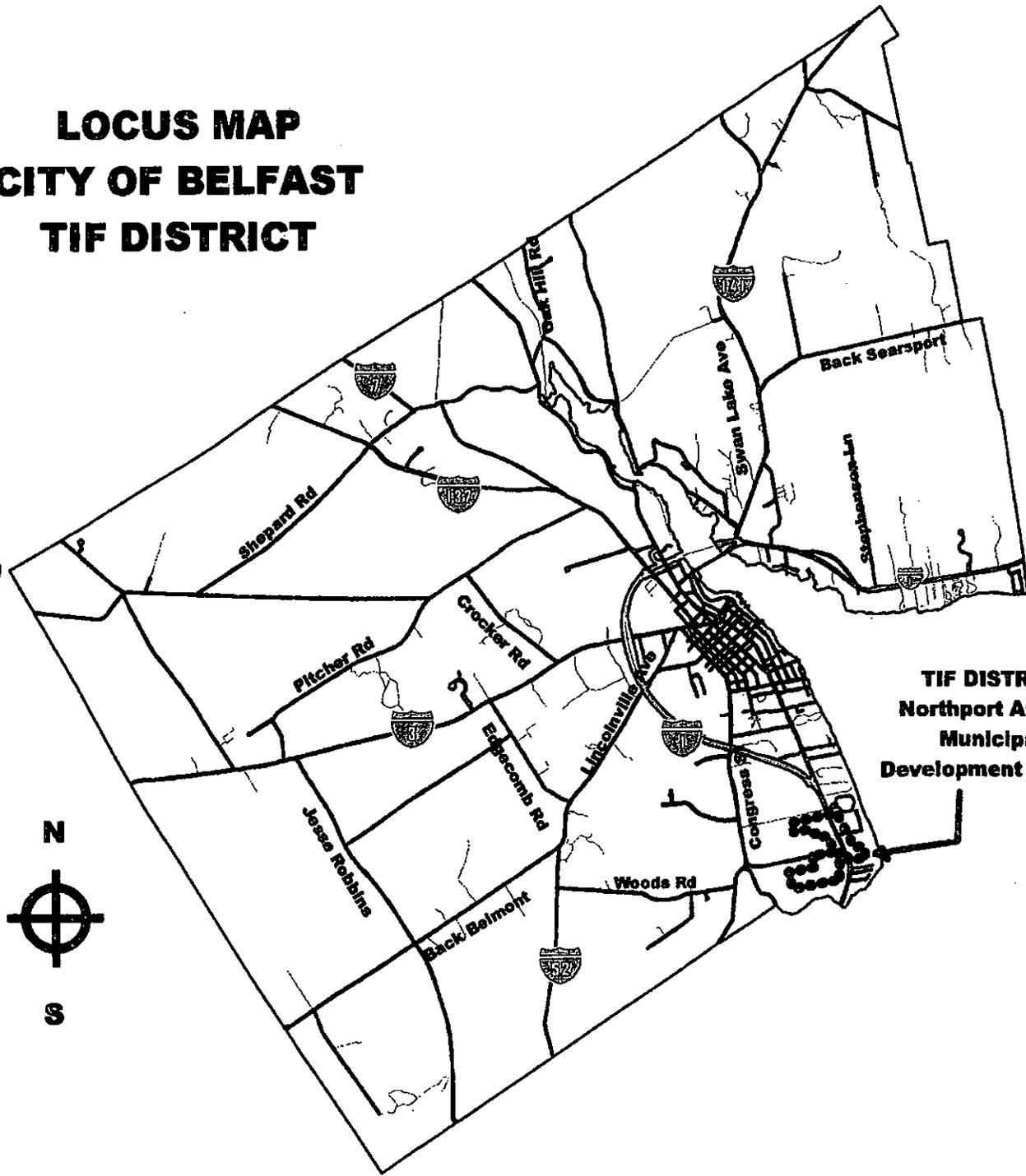
### EMPLOYMENT GOALS

Company Goals for Job Creation and Job Retention

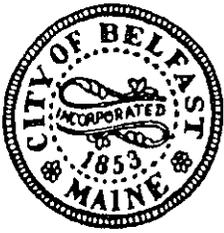
<i>A. Job Creation Goals</i>			
<i>Occupational Cluster</i>	<i>Full-Time</i>	<i>Part-Time</i>	<i>Wage Level</i>
1. Executive, Professional & Technical	7		\$ 30,000
2. Administrative Support, inc. Clerical	2		\$ 21,902
3. Sales & Service	3		\$ 45,370
4. Agriculture, Forestry & Fishing	0		\$ -
5. Maintenance, Construction, Production & Transportation	32		\$ 20,040
<i>B. Job Retention Goals</i>			
<i>Occupational Cluster</i>	<i>Full-Time</i>	<i>Part-Time</i>	<i>Wage Level</i>
1. Executive, Professional & Technical	21		\$ 46,096
2. Administrative Support, inc. Clerical	7		\$ 21,902
3. Sales & Service	27		\$ 45,370
4. Agriculture, Forestry & Fishing	0		\$ -
5. Maintenance, Construction, Production & Transportation	102	1	\$ 20,040



# LOCUS MAP CITY OF BELFAST TIF DISTRICT



**TIF DISTRICT**  
**Northport Avenue**  
**Municipal**  
**Development District**



131 Church Street  
Belfast, ME 04915

OFFICE OF THE ASSESSOR  
CITY HALL

Tel: (207) 338-3160 ext. 17  
Fax: (207) 338-1649  
E-mail: cityhall@cityofbelfast.org

**CERTIFICATE  
CITY OF BELFAST, MAINE  
CITY ASSESSOR**

The undersigned Robert F. Whiteley, City Assessor for the City of Belfast, Maine does hereby certify pursuant to the provisions of 30-A, M.R.S.A. Section 5227(2) that the assessed value of the Northport Avenue Municipal Development and Tax Increment Financing District as described in the Development Program to which this Certificate is attached was \$9,236,500.00 as of March 31, 2005.

The assessed value of the District is apportioned as follows: (see attached)

The Real Estate Value of the respective lots together with any improvements located thereon as enumerated herein (see attached) as of March 31, 2005 is hereby certified to be:

Nine Million, Two Hundred Thirty-Six Thousand, Five Hundred Dollars  
(\$9,236,500.00)

The undersigned further certifies that the tax and municipal maps upon which the District described herein is delineated and defined and which are attached to the Development Program referenced above as Exhibits "A" and "B" are accurate depictions of the District and the Municipality.

**IN WITNESS THEREOF**, this Certificate has been executed as of this 1st day of July, 2005.

City of Belfast

Robert F. Whiteley, CMA  
Assessor of Taxes  
City of Belfast, Maine

Map - Lot	Land Value	Building Value	Total Value	Acreage
30 - 2	\$76,400	\$170,800	\$247,200	1.70
30 - 3	\$59,200	\$1,200	\$60,400	0.90
30 - 4	\$39,500	\$17,200	\$56,700	0.51
30 - 5	\$54,100	\$34,900	\$89,000	0.52
30 - 5A	\$150,000	\$163,800	\$313,800	1.00
30 - 5B	\$35,000		\$35,000	1.50
30 - 35	\$162,900	\$82,300	\$245,200	7.43
29 - 2	\$312,100	\$2,664,100	\$2,976,200	7.30
30 - 6A	\$22,400	\$118,700	\$141,100	2.20
29 - 43	\$31,200	\$97,700	\$128,900	0.48
4 - 12A	\$195,600	\$2,429,900	\$2,625,500	38.50
30 - 36	\$52,500	\$115,400	\$167,900	1.00
30 - 36A	\$51,400	\$1,400	\$52,800	1.00
30 - 37	\$135,800	\$88,500	\$224,300	1.38
30 - 37A	\$152,100	\$610,400	\$762,500	2.04
30 - 38	\$155,600	\$165,500	\$321,100	3.80
30 - 39	\$63,200		\$63,200	5.42
30 - 39A	\$98,400	\$51,500	\$149,900	0.43
30 - 40	\$135,000	\$136,600	\$271,600	16.00
30 - 40A	\$110,200	\$194,000	\$304,200	0.54
Total	\$2,092,600	\$7,143,900	\$9,236,500	93.65

## APPENDIX

**TABLE 1**

<b>PHYSICAL DESCRIPTION</b>		
1. Total Acreage of Municipality	➤	20,780 acres
2. Total Acreage of Proposed Municipal TIF District	➤	98.55 acres
3. Percentage of Total Acreage in Proposed Municipal TIF District (cannot exceed 2%)	➤	0.47%
4. Total Acreage of <u>all</u> Existing and Proposed Municipal TIF Districts in the Municipality	➤	98.55 acres
5. Percentage of Total Acreage in all Existing and Proposed Municipal TIF Financing Districts (cannot exceed 5%)	➤	0.47%
6. Total Acreage of all Real Property in the Proposed Municipal TIF District that are:		
a. Blighted	➤	0
◆ Percentage [Line 6(a) divided by Line 2]	➤	
b. In Need of Rehabilitation or Conservation	➤	0
◆ Percentage [Line 6(b) divided by Line2]	➤	
c. Suitable for Industrial Sites	➤	83.81 acres
◆ Percentage [Line 6(c) divided by Line2]	➤	85.04%
NOTE: The percentage resulting from one of the three categories [6(a), 6(b), or 6(c)] <b>must equal or exceed 25%.</b>		

**TIF LIMITATIONS  
VALUE**

1. Original Assessed Local Valuation	➤	\$690,855,400
2. Assessed Value of Proposed TIF District	➤	\$9,236,500
3. Percentage of Assessed Value	➤	0.1337%
4. Total Assessed Value of all TIF Districts	➤	\$9,236,500
5. Percentage of Total Value in all Existing and Proposed TIF Districts (cannot exceed 5%)	➤	0.1337%

## DEBT SCHEDULE

The City of Belfast will fund the proposed sewer lines through the issuance of a \$350,000 General Obligation Bond.

<b>PROJECT DEBT SERVICE SCHEDULE</b>			
<b>Payment</b>	<b>Principal</b>	<b>Interest</b>	<b>Balance</b>
1	11,753.61	14,000.00	338,246.39
2	12,223.75	13,529.86	326,022.64
3	12,712.70	13,040.91	313,309.93
4	13,221.21	12,532.40	300,088.72
5	13,750.06	12,003.55	286,338.66
6	14,300.06	11,453.55	272,038.59
7	14,872.07	10,881.54	257,166.53
8	15,466.95	10,286.66	241,699.58
9	16,085.63	9,667.98	225,613.95
10	16,729.05	9,024.56	208,884.90
11	17,398.21	8,355.40	191,486.69
12	18,094.14	7,659.47	173,392.54
13	18,817.91	6,935.70	154,574.63
14	19,570.62	6,182.99	135,004.01
15	20,353.45	5,400.16	114,650.56
16	21,167.59	4,586.02	93,482.97
17	22,014.29	3,739.32	71,468.68
18	22,894.86	2,858.75	48,573.82
19	23,810.66	1,942.95	24,763.16
20	24,763.16	990.53	0.00
	350,000.00	165,072.28	

**APPENDIX**

**TABLE 2**

<b>DEVELOPMENT COSTS</b>					
<b>Cost Categories</b>	<b>Municipal</b>	<b>Private Funds</b>		<b>Other</b>	<b>Total</b>
	<b>TIF Revenues</b>	<b>Equity</b>	<b>Bank(s)</b>	<b>(Specify)</b>	
1. Land Acquisition					
2. Building Acquisition					
3. Relocation of Persons and Businesses					
4. Clearance & Demolition					
5. Street & Site Improvement					
6. Water & Sewer Improve.	\$350,000				\$350,000
7. Building Construction					
8. Parking Facilities					
9. Capital Equipment					
10. Preferred Fees					
11. Administrative Costs					
12. Discretionary Payments					
13. Training Costs (up to 20%)					
14. Other Costs (Specify) Soft Costs					
Other Costs (Working Capital)					
<b>Total</b>	<b>\$350,000</b>				<b>\$350,000</b>

# TAX INCREMENT FINANCING ANALYSIS

## Belfast 20 years

(year 1 begins with 2006)

### A. Tax Increment Revenues Generated by Project

Years	Undiscounted		
	Taxes-PP	Taxes-RE	Total
1-20	0	470,520	470,520
<b>Total</b>	0	470,520	470,520

### B. Revenue Allocation Schedule

Years	Belfast		Matthew's Brothers Company	
	PP	RE	PP	RE
1-20	100%	0%	100%	0%

### C. Distribution of TIF Revenues - Undiscounted

Years	Belfast			Matthew's Brothers Company		
	PP	RE	Total	PP	RE	Total
1-20	0	470,520	470,520	0	0	0
<b>Total</b>	0	470,520	470,520	0	0	0

<b>%Total</b>	<b>0%</b>	<b>100%</b>	<b>100%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>
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**Tax Increment Financing Analysis**

**Belfast - 20 years**

**Projected Municipal Tax Revenues**

**Personal Property**

<b>Fiscal Year ending</b>	<b>Original Assessed Value</b>	<b>Projected Assessed Value of Personal Property</b>	<b>Increase in Assessed Value</b>	<b>Increase in Tax Revenue: Per Year</b>	<b>Increase in Tax Revenue: Cumulative</b>
2006	0	0	0	0	0
2007	0	0	0	0	0
2008	0	0	0	0	0
2009	0	0	0	0	0
2010	0	0	0	0	0
2011	0	0	0	0	0
2012	0	0	0	0	0
2013	0	0	0	0	0
2014	0	0	0	0	0
2015	0	0	0	0	0
2016	0	0	0	0	0
2017	0	0	0	0	0
2018	0	0	0	0	0
2019	0	0	0	0	0
2020	0	0	0	0	0
2021	0	0	0	0	0
2022	0	0	0	0	0
2023	0	0	0	0	0
2024	0	0	0	0	0
2025	0	0	0	0	0
<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

1. Refer to Depreciation Schedule for assessed value of personal property
2. Refer to Assumptions for mill rate

## Tax Increment Financing Analysis

### Belfast - 20 years

#### Projected Municipal Tax Increment Revenues Real Estate

Fiscal Year ending	Original Assessed Value	Projected Assessed Value of Real Estate	Increase in Assessed Value	Increase in Tax Revenue: Per Year	Increase in Tax Revenue: Cumulative
2006	9,236,500	10,543,500	1,307,000	23,526	23,526
2007	9,236,500	10,543,500	1,307,000	23,526	47,052
2008	9,236,500	10,543,500	1,307,000	23,526	70,578
2009	9,236,500	10,543,500	1,307,000	23,526	94,104
2010	9,236,500	10,543,500	1,307,000	23,526	117,630
2011	9,236,500	10,543,500	1,307,000	23,526	141,156
2012	9,236,500	10,543,500	1,307,000	23,526	164,682
2013	9,236,500	10,543,500	1,307,000	23,526	188,208
2014	9,236,500	10,543,500	1,307,000	23,526	211,734
2015	9,236,500	10,543,500	1,307,000	23,526	235,260
2016	9,236,500	10,543,500	1,307,000	23,526	258,786
2017	9,236,500	10,543,500	1,307,000	23,526	282,312
2018	9,236,500	10,543,500	1,307,000	23,526	305,838
2019	9,236,500	10,543,500	1,307,000	23,526	329,364
2020	9,236,500	10,543,500	1,307,000	23,526	352,890
2021	9,236,500	10,543,500	1,307,000	23,526	376,416
2022	9,236,500	10,543,500	1,307,000	23,526	399,942
2023	9,236,500	10,543,500	1,307,000	23,526	423,468
2024	9,236,500	10,543,500	1,307,000	23,526	446,994
2025	9,236,500	10,543,500	1,307,000	23,526	470,520
			<b>Total</b>	<b>470,520</b>	

## Tax Increment Financing Analysis

### Belfast 20 years

#### Combined Projected Municipal Tax Increment Revenues Personal Property and Real Property

Fiscal Year ending	Original Assessed Value	Projected Assessed Value	Increase in Assessed Value (CAV)	Percentage of Increased Value Retained	Increase in Tax Revenue: Per Year	Retained Municipal Tax Increment Revenues
2006	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2007	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2008	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2009	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2010	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2011	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2012	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2013	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2014	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2015	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2016	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2017	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2018	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2019	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2020	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2021	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2022	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2023	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2024	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
2025	9,236,500	10,543,500	1,307,000	100%	23,526	23,526
		<b>Total</b>	<b>26,140,000</b>		<b>470,520</b>	<b>470,520</b>
		<b>Average</b>	<b>1,307,000</b>		<b>23,526</b>	<b>23,526</b>

# BELFAST - 20 YEARS

**Assumptions:**

1. Mill Rate of .018.
2. Calculations based on original assessed value of real estate of \$9,236,500 as of 3/31/05.
3. Personal property is not included.

(in K dollars)

April 1 Year ended	Total Capital Aditions	Year	Depreciation	Mill rate
1	\$0	1	N/A	0.01800
2	\$0	2	N/A	0.01800
3	\$0	3	N/A	0.01800
4	\$0	4	N/A	0.01800
5	\$0	5	N/A	0.01800
6	\$0	6	N/A	0.01800
7	\$0	7	N/A	0.01800
8	\$0	8	N/A	0.01800
9	\$0	9	N/A	0.01800
10	\$0	10	N/A	0.01800
11	\$0	11	N/A	0.01800
12	\$0	12	N/A	0.01800
13	\$0	13	N/A	0.01800
14	\$0	14	N/A	0.01800
15	\$0	15	N/A	0.01800
16	\$0	16	N/A	0.01800
17	\$0	17	N/A	0.01800
18	\$0	18	N/A	0.01800
19	\$0	19	N/A	0.01800
20	\$0	20	N/A	0.01800

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bids for the paving of town roads. A bid package sheet containing a list of roads as well as specs maybe obtained by contacting the Stockton Springs Town Office at 567-3404. Submission deadline is July 7 at 1PM. Bids will be opened and read aloud during the Selectman's Meeting of July 7 at 6PM. The town reserves the right to accept or reject any and all bids and to act in the best interest of the town of Stockton Springs.

**CITY OF BELFAST  
PUBLIC HEARING  
July 5, 2005 7:00 p.m.**

Notice is hereby given that the City Council of the City of Belfast will hold a public hearing on Tuesday, July 5, 2005 at 7:00 p.m. or as soon as possible thereafter in the City Council Chambers at City Hall, 131 Church Street, Belfast, Maine for the purpose of receiving public comments on the designation of its proposed Northport Avenue Municipal Development District and Tax Increment Financing District, and the adoption of a development program for the said District, Pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed Municipal Development District and Tax Increment Financing District consists of property located along Northport Avenue, Perkins Road, and Woodrow Lane, comprising 98.55 acres, or four tenths (0.4) of one per cent of the City, and contemplates construction and installation of water and sewer lines.

A summary of the proposed development program for the District will be on file at the office of the Belfast City Clerk after 9:00 a.m. on June 28, 2005 and may be reviewed at the office of the Belfast City Clerk, 131 Church Street, Belfast, Maine Monday through Friday 8am to 5pm.

All interested persons are invited to attend the public hearing and will be given opportunity to be heard at the time.

June 10, 2005 Attest: Roberta L. Fogg, City Clerk  
Belfast, Maine

**Excerpt of the July 5, 2005 City of Belfast - Council Minutes**

July 18, 2005

To Whom It May Concern:

The following is a true copy of an excerpt of the July 5, 2005 City Council Minutes:

**CITY OF BELFAST  
PUBLIC HEARING  
Council Chambers – Belfast City Hall  
July 5, 2005  
7:00 p.m.**

The City Council of the City of Belfast held a public hearing on Tuesday, July 5, 2005 at 7:00 p.m. or as soon as possible thereafter in the City Council Chambers at City Hall, 131 Church Street, Belfast, Maine for the purpose of receiving public comments on the designation of its proposed Northport Avenue Municipal Development District and Tax Increment Financing District, and the adoption of a development program for the said District, Pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed Municipal Development District and Tax Increment Financing District consists of property located along Northport Avenue, Perkins Road, and Woodrow Lane, comprising 98.55 acres, or four tenths (0.4) of one per cent of the City, and contemplates construction and installation of water and sewer lines.

A summary of the proposed development program for the District will be on file at the office of the Belfast City Clerk after 9:00 a.m. on June 28, 2005 and may be reviewed at the office of the Belfast City Clerk, 131 Church Street, Belfast, Maine Monday through Friday 8am to 5pm.

Mayor Hurley asked for any proponents or opponents.

Victoria Burpee from the EDC spoke about TIF's, and supporting local development projects, and infrastructure. She discussed the Mathew Bros. expansion plans, and the benefits to the City, including the tax base for education, the county and state revenue sharing, as well as the economic and employment opportunities. She added that establishing the sewer along Northport Avenue, Woodrow Lane and Perkins Road would encourage new businesses. Fran Riley asked if property taxes would increase because of the improvements on Northport Avenue, and was told that the property values would not change.

**Adoption of the Tax Incremental Financing proposal for the Northport Avenue Municipal Development District (Mathews Bros.).**

City Manager St. Peter passed out a resolution for the adoption of the Tax Incremental Financing proposal for the Northport Avenue Municipal Development District (Mathews Bros

Councilor Roberts, seconded by Councilor McDonald, made a motion to accept the resolution for the adoption of the Tax Incremental Financing proposal for the Northport Avenue Municipal Development District (Mathews Bros.), as recommended by City Manager St. Peter.; as follows:

**Excerpt of the July 5, 2005 City of Belfast - Council Minutes**

**Title: RESOLUTION OF CITY COUNCIL REGARDING NORTHPORT AVENUE DEVELOPMENT DISTRICT AND TAX INCREMENT FINANCING DISTRICT**

WHEREAS, the City of Belfast (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the City as a Municipal Development and Tax Increment Financing District (the "District") and to adopt a Development Program for the District (the "Development Program"); and

WHEREAS, there is a need for industrial and commercial development in the City of Belfast; and

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

WHEREAS, implementation of the Development Program will help to provide continued employment for the citizens of the City of Belfast, and the surrounding region; improve and broaden the tax base in the City of Belfast and improve the economy of the City of Belfast and the State of Maine; and

WHEREAS, there is a need to encourage the expansion, improvement and continuation of commercial and manufacturing facilities through the establishment of the District in accordance with the provisions of Chapter 206 of Title 30-A; and

WHEREAS, the City has held a public hearing on the question of establishing the District in Accordance with the requirement 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 Northport Avenue Municipal Development and Tax Increment Financing District, and to adopt a 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 (the "Department"), approving the designation of the District and the adoption of the Development Program for the District;

**NOW, THEREFORE, BE IT HEREBY VOTED BY THE CITY:**

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 suitable for commercial uses as defined in 30-A, M.R.S.A. § 5223; 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 original assessed value of the District plus the original assessed value of all existing tax increment financing districts in the City dose not exceed five percent (5%) of the total value of taxable property within the City as of April 1, 2005 and is not expected to exceed such value as of April 1, 2006; and

d. The aggregate value of municipal general obligation indebtedness financed by the proceeds from tax increment financing within Waldo County, including the proposed District, does not exceed \$50 million; and

e. The designation of the District and pursuit of the Development Program will generate substantial economic benefits for the City and its residents, including employment opportunities, broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

**Excerpt of the July 5, 2005 City of Belfast - Council Minutes**

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City hereby designates the Northport Avenue Municipal Development District and Tax Increment Financing District designated and described as more particularly set forth in the "Northport Municipal Development District and Tax Increment Financing Development Program" presented to City in the form attached hereto 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 as captured assessed value in accordance with the Development Program is the percentages established and set forth in the Development Program.

Section 4. The City Manager be, and hereby is, authorized, empowered and directed to submit the proposed designation of the District and the proposed Development Program for the District to the Commissioner of the State of Maine Department of Economic and Community Development of review and approval pursuant to the requirements of 30-A, M.R.S.A. § 5226.

Section 5. The City Council or their duly-appointed representative, be and hereby are authorized and empowered, at his/her discretion, from time to time, to make such revisions to the Development Program for the District as the Council or their duly-appointed representative deems reasonably necessary or convenient in order to facilitate the process for review and approval of the District by the Commissioner of the Department of Economic and Community Development, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of Development Program.

Section 6. The foregoing designation of the District and the adoption of the Development Program for the District 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 the Commissioner of the Department of Economic and Community Development, without requirements of further action by the City.

This was unanimously voted.

Attest:

Robin Reynolds  
Robin Reynolds, Deputy City Clerk



# CITY OF BELFAST, MAINE 04915

131 Church Street

**Terrence St. Peter**  
City Manager  
e-mail: [tstpeter@cityofbelfast.org](mailto:tstpeter@cityofbelfast.org)

Tel: (207) 338-3370 ext 10  
Fax: (207) 338-2419

## CERTIFICATION

I, Terrence St. Peter, City Manager of Belfast, do hereby certify that all information contained in this application is true and correct to the best of my knowledge.

  
\_\_\_\_\_  
Terrence St. Peter, City Manager

6/29/05  
\_\_\_\_\_  
Dated



# EASTERN MAINE DEVELOPMENT CORPORATION



December 19, 2005

James Nimon  
Department of Economic & Community Development  
59 State House Station  
Augusta, ME 04333-0059

Re: City of Belfast Tax Increment Financing Application

Dear Jim:

Following up on our telephone conversation a few weeks ago, enclosed is a revised Development Program Narrative (Sections 1-3) for the TIF application for the City of Belfast. Also enclosed is a revised Exhibit G – Physical Description and Exhibit J TIF Analysis.

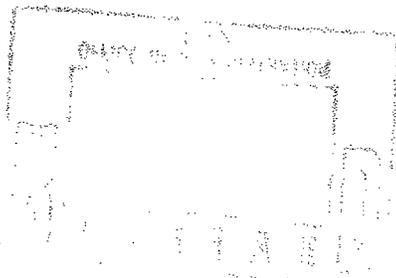
Please let me know if you need additional information or have questions.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Victoria'.

Victoria Burpee  
Loan Administration Manager

Cc: Terrance St. Peter, Manager, City of Belfast



**I. Development Program Narrative**

**A. Program Narrative/Statement of Mean and Objectives**

To assist in facilitating economic development along Northport Avenue, Perkins Road, and Woodrow Lane, the City of Belfast is designating certain, contiguous properties as a municipal development and tax increment financing (TIF) district, pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. The designation of the TIF district will initially facilitate the expansion of Mathews Brothers Company (Mathews Brothers).

All increased value and revenue generated by the tax increment within the entire district over the twenty year life will help retire a \$350,000 general obligation bond. Revenues generated above the annual bond payment, if any, will be placed in an economic development fund to pay for future economic development initiatives including promotion and personnel costs (please see Section II. E). The Development Program as described herein is proposed for the purpose of administering the district once approved by the Maine Department of Economic and Community Development (DECD).

The City of Belfast has identified the Northport Avenue, Perkins Road, Woodrow Lane area as an area for continued planned commercial growth. A prime example of this is the planned expansion of Mathews Brothers Company. Mathews Brothers, a 151 year old manufacturer of wood-frame and hollow vinyl windows is planning a major expansion of its facility located on the Perkins Road in Belfast. As proposed the expansion will be done in 3 phases, with phases 1 and 2 to be completed by the end of 2005. Total estimated cost of the expansion is \$2,407,000, including \$2,107,000 in real estate development, \$250,000 for machinery and equipment, and \$50,000 in engineering and legal costs. As a result of the expansion, it is anticipated that 44 new positions will be created. These positions will primarily be in production, with an average salary of \$20,000 annually. Attached as Exhibit C is a summary of the jobs the company expects to create as a result of the proposed expansion.

The existing sewer lines are inadequate or nonexistent along Northport Avenue, Perkins Road, and Woodrow Lane. In order for Mathews Brothers to continue with its planned expansion, it is necessary for the City to expand the sewer lines.

A description of the public purposes served by the TIF District is attached hereto as Exhibit A.

**B. Brief Description of Financial Plan**

Initially, Mathews Brothers Company plans to invest \$1,307,000 in real estate development to construct a 100' x 250' building and a 100' x 96' building, as additions to their existing plant (Phase 1 & 2), including costs to connect to the proposed sewer line and paving. Phase 3, estimated at \$800,000 will follow as additional space is needed.

Total estimated cost of the 3 phased expansion is \$2,407,000, including \$2,107,000 in real estate development, \$250,000 for machinery and equipment, and \$50,000 in engineering and legal costs. Private enterprise will provide the capital necessary to fund the proposed expansion.

The critical infrastructure needed to facilitate this growth will be funded through a \$350,000 general obligation bond issued to the City of Belfast. It is anticipated that the bond will have a twenty year term at 4% interest rate, with annual debt service of approximately \$25,754.

**C. Description of Public Facilities to be Constructed**

This Project includes the installation of sewer lines along Northport Avenue, Perkins Road, and Woodrow Lane. Sewer service will be provided to the property line. Cost to connect to the public sewer line will be the responsibility of the property owner. The entire Northport Avenue Municipal Development District contains 93.65 taxable acres.

**D. Uses of Private Property**

Mathews Brothers Company, along with neighboring sites, buildings, and personnel property along Northport Avenue, Perkins Road and Woodrow Lane are privately owned. Properties within the District included 8 residential properties, 8 commercial properties, 2 industrial properties, 1 vacant lot, 1 vacant/commercial lot, and 1 residential/commercial lot.

**E. Plans for Relocation of Displaced Persons**

Not Applicable

**F. Proposed Regulations and Facilities to Improve Transportation**

For the proposed project, existing facilities are adequate to accommodate vehicular and pedestrian traffic.

**G. Environmental Controls**

All permits and approval are in place and the project has received the approval of the City of Belfast Planning Board.

**H. Plan of Operation Upon Completion**

## **II. Financial Plan**

### **A. Estimates of Development Costs**

Total development costs for this project are estimated at \$1,657,000. The costs break down as follows:

Mathews Brothers Company expansion (Phase 1 and 2) only	\$1,307,000
Sewer Extension along Northport Avenue, Perkins Road and Woodrow Lane	\$ 350,000

All private development costs are based on estimates provided by the business.

### **B. Description of the Financing Structure and Amount of Indebtedness to be Incurred**

The proposed District will facilitate the continued growth and expansion of commercial development along Northport Avenue, Perkins Road, and Woodrow Lane in the City of Belfast. Mathews Brothers plans to invest \$1,307,000 in real estate development within the TIF district, by the end of 2005 (Phases 1 & 2). In addition, the Company will also install \$250,000 in new machinery and equipment. The timetable for Phase 3 is yet to be determined and is contingent upon the continued growth of the company. Although no definitive plans for expansion have been discussed with the City, it is not unreasonable to expect that with the installation of the sewer line, additional development will occur within the district over the next twenty years.

The City of Belfast will provide the needed public infrastructure to facilitate this development. Establishing the total development cost of the infrastructure at \$350,000, the City of Belfast is prepared to secure a \$350,000 general obligation bond to complete the funding package. A projected debt service schedule for the City's proposed borrowing is provided in Exhibit H. This exhibit assumes a \$350,000 bond at 4.0% interest with a term of 20 years.

### **C. Sources and Uses of Funds to Finance Development Costs**

Table 2 from the TIF Program Rule Appendix showing sources and uses of funds to finance development costs is attached as Exhibit I.

### **D. Estimates of Captured Assessed Value of the District**

The City of Belfast expects to capture the entire increased value of real estate, in excess of March 31, 2005 "original assessed value" of the property, within the District. The "original assessed value" is \$9,236,500. The total estimated captured assessed value for the TIF District over its 20 year life is \$470,520; this includes real estate only,

City of Belfast

as personnel property is not included in the Development Plan. A detailed analysis of captured assessed value is attached as Exhibit J.

**E. Captured Assessed Values to be Applied to the Development Program**

The City of Belfast plans to capture 100% of the assessed value to be applied to the development program. Annual debt service on the \$350,000 general obligation bond is estimated to be \$25,754. Over the life of the TIF it is expected that these revenues will exceed \$470,520. Shortfalls in captured revenues needed to make the annual debt service on the bond will be provided by the City out of the general fund.

Any captured revenues in excess of the annual bond payment will be placed in an economic development account to be used for future economic development initiatives including promotion and personnel costs. As funds allow, the City would look to hire an Economic Development Director (\$40,000 annually, including benefits); and would earmark funds to be used for marketing (\$10,000). It is anticipated that it will be at least three (3) years before either of these would be considered.

**F. Impact of TIF on all Taxing Jurisdictions**

The following table identifies tax shifts which will result from the project during the term of the District, using information provided by the City of Belfast, the State of Maine Department of Education, and the Maine Revenue Service. The table is for illustration purposes only.

<b>TAX SHIFT CALCULATIONS</b>		
<b>Tax Shift Item</b>	<b>Average Annual Amount</b>	<b>Total Undiscounted Amount</b>
Aid to Education	\$6,454	\$129,075
County Tax	\$3,998	\$79,966
State/Municipal Revenue Sharing	\$1,009	\$20,190
<b>TOTAL ALL TAX SHIFTS</b>	<b>\$11,462</b>	<b>\$229,231</b>

APPENDIX

TABLE 1

PHYSICAL DESCRIPTION		
1. Total Acreage of Municipality	➤	20,780 acres
2. Total Acreage of Proposed Municipal TIF District	➤	93.65 acres
3. Percentage of Total Acreage in Proposed Municipal TIF District (cannot exceed 2%)	➤	0.45%
4. Total Acreage of <b>all</b> Existing and Proposed Municipal TIF Districts in the Municipality	➤	93.65 acres
5. Percentage of Total Acreage in all Existing and Proposed Municipal TIF Financing Districts (cannot exceed 5%)	➤	0.45%
6. Total Acreage of all Real Property in the Proposed Municipal TIF District that are:		
a. Blighted	➤	0
◆ Percentage [Line 6(a) divided by Line 2]	➤	
b. In Need of Rehabilitation or Conservation	➤	0
◆ Percentage [Line 6(b) divided by Line2]	➤	
c. Suitable for Industrial Sites	➤	83.81 acres
◆ Percentage [Line 6(c) divided by Line2]	➤	85.04%
NOTE: The percentage resulting from one of the three categories [6(a), 6(b), or 6(c)] <b>must equal or exceed 25%.</b>		

**Tax Increment Financing Analysis**

**Belfast 20 years**

**Combined Projected Municipal Tax Increment Revenues**  
**Personal Property and Real Property**

<b>Fiscal Year ending</b>	<b>Original Assessed Value</b>	<b>Projected Assessed Value</b>	<b>Increase in Assessed Value (CAV)</b>	<b>Percentage of Increased Value Retained</b>	<b>Increase in Tax Revenue: Per Year</b>	<b>Funds Targeted for Bond Reduction</b>	<b>Contribution to Economic Development Fund</b>
<b>2006</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2007</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2008</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2009</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2010</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2011</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2012</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2013</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2014</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2015</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2016</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2017</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2018</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2019</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2020</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2021</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2022</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2023</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2024</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
<b>2025</b>	9,236,500	10,543,500	1,307,000	100%	23,526	25,754	(2,228)
		<b>Total</b>	<b>26,140,000</b>		<b>470,520</b>	<b>515,080</b>	<b>(44,560)</b>
		<b>Average</b>	<b>1,307,000</b>		<b>23,526</b>	<b>25,754</b>	<b>(2,228)</b>

## City of Belfast

### Tax Increment Financing (TIF) Policy

The following is the City of Belfast's Tax Increment Financing (TIF) policy and application guidelines. This policy is intended to establish the basic principles that should shape economic development in the community as well as to specify the criteria for decision-making and the process for the review of any development proposal.

For a TIF application to be considered by the City Council of Belfast, the application must meet a majority of the following guidelines.

#### **I. Basic Provisions:**

1. The proposed District, Development Program and Financing Plan are consistent with the TIF Policy and with the city's bonding limits and current indebtedness.
2. The TIF proposal is consistent with the provision of State law governing the establishment of Municipal Tax Increment Financial Districts.
3. The creation of the TIF District is necessary to bring about the proposed investments.
4. The activities resulting from the creation of the TIF District will not have an adverse impact on existing businesses within the community, and
5. The activities resulting are consistent with the City's Comprehensive Plan, existing or amended local ordinances and overall community development goals, particularly the goals and objectives established for the city's Business Park District.

#### **II. Basic Financial Provisions:**

1. The City of Belfast has the option of issuing bonds, which are retired using the tax increment, or paying the tax increment directly to the investing business via a Credit Enhancement Agreement. In order to minimize risk to the citizens of Belfast, tax increment financing provided via a credit enhancement agreement is preferred when the increment is used to support private investment. When the tax increment financing is for public facilities (publicly-owned, publicly-used), a pay-as-you-go method or a bond issuance, would be the preferred mechanism. The applicant must provide any and all other documentation that will protect the city's economic and financial position, and/or that conform both to the letter and spirit of the underlying agreement between the applicant and the City.

2. A Credit Enhancement Agreement will provide for a recapture of the benefits if the project should move to another municipality. Assignments will be allowed only for conventional commercial financing purposes or where the proposed assignee agrees to be bound by the same terms and conditions as the original applicant.
3. As a general rule, the City's share of the dedicated revenues for the project shall not exceed 50% of the incremental taxes over the life of the district. The actual share shall be determined, as deemed necessary for the project, in negotiations between the applicant and the City.
4. The Financing Plan for a proposed TIF District shall provide the city's administrative and legal costs involved with the creation of the TIF to be repaid out of sheltered tax revenues.
5. The Financing Plan for a proposed TIF District shall provide that not less than 5% of the sheltered tax revenues generated over the life of the TIF District shall be deposited in an Economic Development Reserve Fund to be used for promoting economic development in Belfast, maintaining the Belfast Business Park, and administering the TIF District.

**III. Guidelines that must be met:**

1. The city's participation is economically necessary and involvement by the City is needed in order for the project to be undertaken. Justification for economic need and City involvement must be demonstrated by:
  - a. A need to offset infrastructure costs unique to the site; or
  - b. A need to offset economic advantages available to the entity if it should build (or expand) outside of Belfast; or,
  - c. The unavailability of sufficient private or other public funding sources to meet the full capital investment needs of the entity seeking assistance; or
  - d. The private investment carries with it a need or desire for publicly owned improvements that the applicant and the city wish to include.
2. The project creates new incremental real estate tax value equal to, or greater than, one million dollars (\$1,000,000). The value of new, incremental personal property tax value may be considered if the value is equal to, or greater than, the value of the new incremental real estate tax value.
3. The applicant must provide evidence of financial capability to undertake the project by submitting one of the following.

- a. A letter from a financial institution, government agency, other funding agency, or private investors, indicating a commitment to provide a specified amount of funds, and the uses for which the funds may be utilized.
- b. In cases where funding is required but there can be no commitment of money until approvals are received, a letter of "Intend to Fund" from the appropriate funding institution indicating the amount of funds and their specified uses.
- c. The applicants' most recent corporate (or other entity) annual report indicating availability of sufficient funds to finance the development, together with explanatory material interpreting the report.
- d. Evidence indicating availability of funds if the developer will personally finance the development.

4. Compliance with statutory and regulatory guidelines of the City and the State.

**IV. Conditions of Approval and Guidelines to Determine Level of City Participation:**

Although an applicant may not meet each of the following criteria, the City may use them to determine the level of participation.

1. The project assists an established business in the City of Belfast, thus retaining existing employment and existing tax base.
2. The project creates long-term, permanent employment opportunities.
3. The project improves the general economy of Belfast.
4. The project improves and broadens the tax base.
5. The project improves a distressed area within the community in need of redevelopment or an area identified as a priority by the City of Belfast for redevelopment.
6. The project improves a distressed or blighted building in need of rehabilitation, or a building identified as a priority by the City of Belfast for rehabilitation.
7. The project creates public infrastructure facilities or benefits which have application beyond the particular development, such as traffic upgrades, public parking facilities, etc.

8. If not from the beginning of the District, then as soon as possible, the project will support community projects or create public benefits, such as granting access to open spaces, creating student internships, providing job training, supporting local contractors and suppliers, etc.

The City Council reserves the right to hear a proposal that may not meet all of the Tax Increment Financing criteria, but due to extraordinary circumstances, is unique and will provide substantial benefits to the City of Belfast.

#### **V. Procedures**

The establishment of a Tax Increment Financing (TIF) District, Development Program, and Financing Plan, or a development from proposal for the Belfast Business Park, can involve complex public policy decisions. To assure that the City considers all of the facets of a development proposal and that an applicant is treated expeditiously and fairly, the City has adopted an organized approach for reviewing and considering proposals. This section sets out a process for reviewing and acting on development proposals. This procedure is intended to be a guide for the City and applicant. The City may modify this procedure as necessary to assure thorough but timely consideration of Business Park development and TIF proposals.

#### **Step 1. Informal Discussions with the City Manager and Director of Planning and Community Development.**

Private parties contemplating the creation of a TIF District or a development proposal for the Belfast Business Park are requested to meet with the City Manager and the Director of Planning and Community Development. The purpose of this meeting will be to:

- Allow the City staff to obtain an understanding of the possible activities and structure of the TIF, or of a specific development proposal;
- Allow the applicant to gain an understanding of the City's policy regarding TIF's and the lots in the Belfast Business Park; and
- Assure that the applicant understands the process the City will use in considering a TIF request or development application, and the information that will be required as part of the process.

The meeting with the City's Manager and Planner shall be informational in nature. No action will be taken regarding the status of any pending development proposal.

## **Step 2. Preliminary Submission**

Private entities requesting the creation of a TIF District, or making a development proposal for the Belfast Business Park are required to prepare a preliminary submission prior to drafting the formal application. This step is intended to allow the applicant and the city to work together to ensure that the criteria as set forth herein, are met.

The preliminary submission is intended to be a general outline of a development proposal. It should include the following information and submissions:

- A. The area proposed to be included within a TIF District and the rationale for it. If in the Belfast Business Park, the lot or area that will be developed shall be identified.
- B. A description of the development activities anticipated within the TIF District and the estimated market value of taxable improvements.
- C. A general description of the anticipated TIF Development Program and Financial Plan including:
  - i. The share of the new valuation proposed to be sheltered in the TIF (see city guidelines provided below).
  - ii. The proposed utilization of the sheltered tax revenue.
  - iii. Any anticipated "credit enhancement" arrangements.
- D. A description of the employment anticipated to result from the creation of the TIF District including:
  - iv. The estimated number of permanent, year-round jobs to be created.
  - v. The estimated number of permanent, part-time jobs to be created.
  - vi. The estimated number of permanent, full-time and part-time jobs to be retained directly as a result of the activities.
  - vii. The number of construction or temporary jobs to be created.
  - viii. The average hourly wage or annual wage for permanent jobs that will be created or retained.

- E. Statement as to how the proposed TIF conforms to the City's adopted TIF Policy and any other municipal economic development policies or objectives.
- F. An analysis of the impact of the anticipated development activities on municipal services and an assessment of any increase in municipal service costs resulting from the activity.
- G. An analysis of the impact of the proposed activities on existing businesses within the community.
- H. A statement as to why the creation of a TIF District is necessary for the realization of the project, and that there is a clear economic need for assistance.
- I. A statement outlining other sources of publicly supported financial assistance for proposed project activities.
- J. A non-refundable application fee of \$250 for processing an application.

### **Step 3. Review of the Preliminary Submission**

The preliminary submission should be submitted to the City Manager at Belfast City Hall. Upon receipt of a preliminary submission, the City Manager shall:

- A. Forward the submission to the Business Development Committee for review. This review shall include an analysis of the conformance of the proposal with this Policy Statement. If the Committee finds that the proposal is in conformance with this policy, the Committee should identify any improvements that should be considered in drafting the formal application together with any questions on issues that should be addressed in the application. If the Committee finds that the submission is not in conformance with this policy, the Committee, and any staff or consultants contracted by the City to assist the Committee, should work with the applicant to identify possible changes that could be made to the proposal to bring the application into compliance with the policy.
- B. Following the Committee review of the preliminary submission, the City Manager shall notify the applicant of the outcome of the review.

### **Step 4. Submission and Review of a Formal Application**

A formal application for the designation of a Tax Increment Financing District for use of a lot in the Belfast Business Park shall be submitted to the City Manager. The application shall include all of the information required by State law. In addition, the application shall include:

- A. A description and analysis of the employment anticipated resulting from the development proposal, or the creation of the TIF District.

- B. An analysis of how the proposed development program and financing plan conform to this Policy Statement
- C. An analysis of the impact of the anticipated development activities on municipal services and an assessment of any increase in municipal service costs resulting from the activity.
- D. An analysis of the impact of the proposed activities on existing businesses with the community.

Upon approval, or approval with conditions, or denial of a formal application for the designation of a TIF District, and/or for use of a parcel of land in the Belfast Business Park, the City Manager shall:

- A. Notify the applicant of the actions recommended by city officials.
- B. If recommended for approval, place the item on the City's agenda for public hearing and advertise the hearing as required by State law, and
- C. If recommended for approval, schedule an agenda item for adoption by the Belfast City Council at an appropriate, regularly scheduled Council meeting.

CORRECTED NORTHPORT AVE OMNIBUS TIF DISTRICT MAP

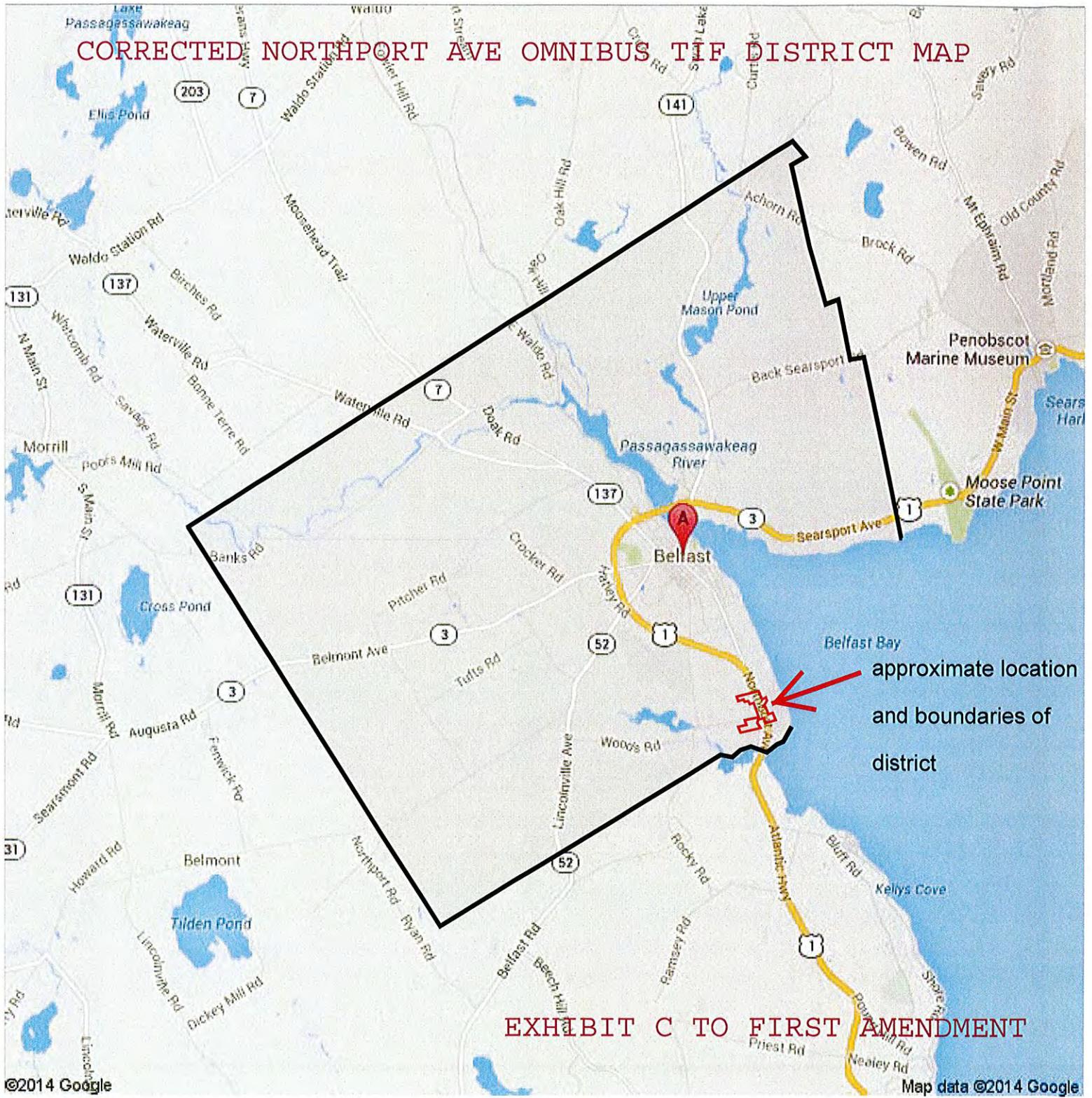


EXHIBIT C TO FIRST AMENDMENT



**CITY OF BELFAST  
NORTHPORT AVENUE MUNICIPAL DEVELOPMENT AND  
OMNIBUS TAX INCREMENT FINANCING DISTRICT**

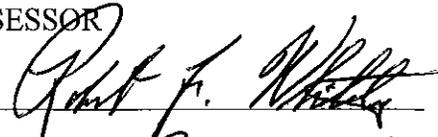
**AMENDED AND RESTATED ASSESSOR'S CERTIFICATE**

The undersigned Assessor for the City of Belfast, Maine, does hereby certify pursuant to the provisions of 30-A M.R.S.A. §5227 that the assessed value for all taxable real and personal property within the Northport Avenue Municipal Development and Omnibus Tax Increment Financing District, as delineated on a map included in the original Development Program, included as Exhibit A to the First Amendment (to which this Certificate is attached), was:

Total Taxable Real Property	\$9,236,500 as of March 31, 2005 (April 1, 2004).
Total Taxable Personal Property of Entire District (personal property not captured until adoption of this First Amendment):	\$889,900 as of March 31, 2013 (April 1, 2012).

**IN WITNESS WHEREOF**, This Certificate has been executed as of this 3rd day of June, 2013.

ASSESSOR

By: 

Printed name: **ROBERT F. WHITELEY**

**Original Assessed Values for Individual Parcels**

**For all parcels in the district, taxable real property assessed value as of April 1, 2004  
(March 31, 2005):**

Map/Lot Number	Land Value	Building Value	Real Property Assessed Value as of April 1, 2004 (March 31, 2005)	Acreage
30-2	\$76,400	\$170,800	\$247,200	1.70
30-3	\$59,200	\$1,200	\$60,400	0.90
30-4	\$39,500	\$17,200	\$56,700	0.51
30-5	\$54,100	\$34,900	\$89,000	0.52
30-5A	\$150,000	\$163,800	\$313,800	1.00
30-5B	\$35,000	\$0	\$35,000	1.50
30-35	\$162,900	\$82,300	\$245,200	7.43
29-2	\$312,100	\$2,664,100	\$2,976,200	7.30
30-6A	\$22,400	\$118,700	\$141,100	2.20
29-43	\$31,200	\$97,700	\$128,900	0.48
4-12A	\$195,600	\$2,429,900	\$2,625,500	38.50
30-36	\$52,500	\$115,400	\$167,900	1.00
30-36A	\$51,400	\$1,400	\$52,800	1.00
30-37	\$135,800	\$88,500	\$224,300	1.38
30-37A	\$152,100	\$610,400	\$762,500	2.17*
30-38	\$155,600	\$165,500	\$321,100	3.70**
30-39	\$63,200		\$63,200	5.42
30-39A	\$98,400	\$51,500	\$149,900	0.43
30-40	\$135,000	\$136,600	\$271,600	16.00
30-40A	\$110,200	\$194,000	\$304,200	0.54
<i>Rights of Way</i>				<i>4.90</i>
<b>Total:</b>	<b>\$2,092,600</b>	<b>\$7,143,900</b>	<b>\$9,236,500</b>	<b>98.58</b>

\*The acreage for this parcel has been changed to 2.17 from the original Assessor's Certificate (2.04) due to updated surveys, but no impact on the overall original assessed value has resulted.

\*\*The acreage for this parcel has been changed to 3.70 from the original Assessor's Certificate (3.80) due to updated surveys, but no impact on the overall original assessed value has resulted.

**Original Assessed Values for Individual Parcels**

**For all parcels in the district, taxable personal property assessed value as of April 1, 2012  
(March 31, 2013):**

[Note: this list includes only parcels that have personal property assessed values as of April 1, 2012. In the future, any new personal property value in the district will be captured]

Map/Lot Number	Account	Personal Property Assessed Value as of April 1, 2012 (March 31, 2013)
Map 30 Lot 37	160	\$4,400
Map 29 Lot 43	685	\$4,400
Map 4 Lot 12-A	289	\$738,200
Map 29 Lot 2	727	\$41,900
Map 30 Lot 39-A	358	\$5,200
Map 30 Lot 5-A	1132	\$10,100
Map 30 Lot 38	707	\$500
Map 30 Lot 5-A	939	\$2,000
Map 30 Lot 37-A	1176	\$83,200
<b>Total:</b>		<b>\$889,900</b>

Note: These values do not include property that qualified for the Business Equipment Tax Exemption (BETE).

BELFAST  
02:54 PM**Name / Address / Location / Assessment**

06/03/2013

Page: 1

<b>Account #</b>	<b>Name</b>	<b>Address</b>	<b>Location</b>	<b>Assessment</b>
160	FINLEY, DALE C III	D/B/A MAINELY USED CARS 237 NORTHPORT AVENUE BELFAST, ME 04915 0000	237 NORTHPORT AVE. Map 30 Lot 37	4,400
685	JUST JUMP'N, LLC	C/O CURT & DEBRA EDGERLY 245 NORTHPORT AVE. BELFAST, ME 04915	245 NORTHPORT AVE Map 29 Lot 43	4,400
289	MATHEWS BROS CO INC	P.O. BOX 345 BELFAST, ME 04915	22 PERKINS ROAD Map 4 Lot 12-A	738,200
727	MOSS INC	C/O MR. LYN DICKINSON  2600 ELMHURST RD. ELK GROVE VILLAGE, IL60007	248 NORTHPORT AVE Map 29 Lot 2	41,900
358	POTTLE, ALLEN H.	D/B/A THE BEETLE SHOP 223 NORTHPORT AVENUE BELFAST, ME 04915 0000	223 NORTHPORT AVE. Map 30 Lot 39-A	5,200
1132	RITCHIE, REYNOLDS	STATE FARM AGENCY 228 NORTHPORT AVENUE BELFAST, ME 04915	228 NORTHPORT AVE Map 30 Lot 5-A	10,100
707	SMEDLEY, RESTORE B III	*SMEDLEY, SUZANNE K 31 CAINS POND ROAD SEARSPORT, ME 04974	225 NORTHPORT AVE Map 30 Lot 38	500
939	STATE FARM MUTUAL	C/O CORPORATE TAX DEPT AUTO INS COMPANY  ONE STATE FARM PLAZA D-3 BLOOMINGTON, IL 61710	228 NORTHPORT AVE Map 30 Lot 5-A	2,000
1176	W.E. AUBUCHON CO.,	D/B/A AUBUCHON INC HARDWARE #171  95 AUBUCHON DR. WESTMINSTER, MA 01473	231 NORTHPORT AVE Map 30 Lot 37-A	83,200
<b>Count</b>	<b>9</b>		<b>Total</b>	<b>889,900</b>

**STATUTORY REQUIREMENTS & THRESHOLDS**  
**FIRST AMENDMENT NORTHPORT AVENUE OMNIBUS TIF DISTRICT - EXHIBIT D**

<b>A. ACRE LIMITATION</b>		
1. Total Acreage of Municipality		20,769.63
2. Total Acreage of Proposed Municipal TIF District		98.58
3. Total <b>Downtown</b> acres contained in the Proposed Municipal TIF District		0
4. Total <b>Transit</b> acres contained in the Proposed Municipal TIF District		0
5. Total acreage of Proposed Municipal TIF District counted towards 2% cap (A2-A3-A4)		0
6. Percentage of total acreage in proposed municipal TIF District (cannot exceed 2%) Divide A5 by A1		.47%
7. Total acreage of all existing and proposed municipal TIF districts in the municipality. Add A2 to sum of all existing TIF district acreage.		292.28 Northport Ave TIF: 98.58 Downtown TIF: 193.70
8. Total acreage of an existing or Proposed <b>Downtown</b> TIF District in the municipality.		193.70
9. Total acreage of all <u>existing</u> <b>Pine Tree Development Zone</b> TIF Districts in the municipality.		0
10. Total acreage of all existing or Proposed <b>Transit</b> TIF Districts in the municipality.		0
11. Total acreage of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap. Subtract A8+A9+A10 from A7.		98.58
12. Percentage of total acreage in all existing and proposed Municipal TIF Districts (cannot exceed 5%) Divide A11 by A1.		0.47%
13. Total Acreage of all real property in the Proposed Municipal TIF District that is:		
(Note: a, b, or c must be at least 25%)	Acres	%
a. Blighted (Divide acres by A2)	0.00	0%
b. In need of rehabilitation/conservation (Divide acres by A2)	0.00	0%
c. Suitable for industrial/commercial site (Divide acres by A2)	83.81	85.02%
<b>TOTAL</b>	83.81	85.02%
<b>B. VALUATION LIMITATION</b>		
1. Total Aggregate Value of Municipality (TAV) <i>Use most recent April 1<sup>st</sup></i>		\$691,409,760
2. Original Assessed Value (OAV) of Proposed Municipal TIF District. <i>Use March 31<sup>st</sup> of tax year preceding date of municipal designation</i>		\$10,126,400
3. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality. <i>Add b2 to sum of all existing TIF district OAVs</i>		\$57,533,680 Northport Ave TIF: \$10,126,400 Downtown TIF: \$47,407,280
4. OAV of an existing or proposed <b>Downtown</b> TIF District in the municipality.		\$47,407,280
5. OAV of all <u>existing</u> <b>Pine Tree Development Zone</b> TIF Districts in the municipality.		\$0
6. OAV of all existing or Proposed <b>Transit</b> TIF Districts in the municipality.		\$0
7. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap: <i>Subtract B4+B5+B6 from B3</i>		\$10,126,400
8. Percentage of total OAV to TAV in all existing and Proposed Municipal TIF Districts (cannot exceed 5%): <i>Divide B7 by B1</i>		1.46%

knowingly published. Each advertiser who submits an advertisement shall be responsible to indemnify and hold harmless the publisher for any cost, injury, or liability imposed upon it because of the content of any advertisement submitted.

**VS Automotive**

**CARS OVER \$5,000**

**2006 TOYOTA CAMRY SOLARA V6, AUT, 135K, A/C, PW, PL, CRUISE/TILT, NEW TIRES, BRAKES, INSPECTION STICKER. SALE PRICE \$ 5,485.00 207-236-8006 clachance@herricksagarage.com**

**2007 CHEVROLET COBALT COUPE 2.2 LITER 4 CYL., AUTOMATIC, 72K, A/C, AM/FM/CD RADIO, CUSTOM WHEELS, 32 MPG, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 7,687.00 207-236-8006 clachance@herricksagarage.com**

**2008 TOYOTA COROLLA 4 CYL, 5 SPEED, A/C, 101K, AM/FM/CD RADIO, ALLOY WHEELS, TILT WHEEL, 2 year/30,000 mile powertrain warranty included. SALE PRICE \$ 6,985.00 207-236-8006 clachance@herricksagarage.com**

**2009 KIA RIO 4 DR 1.6 4 CYL, AUTOMATIC, 69K, A/C, AM/FM/CD RADIO, REAR DEFROST, 35 MPG, 90 DAY/3000 MILE WARRANTY SALE PRICE \$**

7,989.00 207-236-8006 clachance@herricksagarage.com

**2010 DODGE CARAVAN SE V6, AUT, 72K, A/C, PW, PL, CRUISE/TILT, STOW & GO SEATING, 7 PASSENGER, AM/FM/CD, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 12,485.00 207-236-8006 clachance@herricksagarage.com**

**2011 MAZDA 6I SPORT 4 CYL, AUTOMATIC, 23K, PW, PL, CRUISE/TILT, A/C, AM/FM/CD RADIO, REMAINDER OF FACTORY WARRANTY INCLUDED SALE PRICE \$ 14,985.00 207-236-8006 clachance@herricksagarage.com**

**PICK-UPS OVER \$5,000**

**2003 FORD RANGER S/C XLT 4X4 4.0 LITER V6, 5 SPD, 142K, A/C, ALLOY WHEELS, AM/FM/CD, NEW STICKER, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 7,485.00 207-236-8006 clachance@herricksagarage.com**

**2003 Nissan Frontier King Cab 2wd 4cyl automatic A/C green 75000 mi very clean. \$7500.00 207-592-2121 nealsheward@yahoo.com**

**SPORT UTILITY OVER \$5,000**

**2003 FORD ESCAPE XLT 4X4 V6, AUT, 126K, PW, PL, A/C, CRUISE/TILT, ALLOY WHEELS, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 6,485.00 207-236-8006 clachance@herricksagarage.com**

**2007 CHEVROLET TRAILBLAZER LT 4X4 6 CYL, AUT, 88K, A/C, PW, PL, CRUISE/TILT, ALLOYS, RUNNING BOARDS, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 10,485.00 207-236-8006 clachance@herricksagarage.com**

**2007 DODGE NITRO SXT 4X4 V6, AUT, 88K, A/C, PW, PL, CRUISE/TILT, AM/FM/CD RADIO, ALLOYS, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 10,985.00 207-236-8006 clachance@herricksagarage.com**

**2007 JEEP COMPASS 4X4 4 CYL, AUT, 90K, A/C, PW, PL, CRUISE/TILT, AM/FM/CD RADIO, ALLOYS, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 9,485.00 207-236-8006 clachance@herricksagarage.com**

**2008 KIA SPORTAGE LX 4X4 V6, AUT, 65K, A/C, PW, PL, CRUISE/TILT, AM/FM/CD RADIO, SIDE STEPS, ALLOYS, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 11,985.00 207-236-8006 clachance@herricksagarage.com**

**TRUCKS OVER \$5,000**

**2008 GMC SIERRA EXT CAB 4X4 5.3 V8, AUT, 100K, A/C, PW, PL, CRUISE/TILT, AM/FM/CD RADIO, TOW PACKAGE, B' BED, 90 DAY/3000 MILE WARRANTY SALE PRICE \$ 15,985.00 207-236-8006 clachance@herricksagarage.com**

**2009 GMC SIERRA 4X4 V6, AUT, 46K, A/C, AM/FM/CD RADIO, TOW PACKAGE, 90 DAY/3000 MILE WARRANTY SALE PRICE \$15,785.00 207-236-8006 clachance@herricksagarage.com**

**VS Recreation**

**RVS/TRAILERS**

**2013 HEARTLAND PROWLER TRAVEL TRAILER: 26 ft, 1 Slide out, Patio Awning, Booth Dinette, Etc. Great price! Asking 18,000.00 OBO. 207-266-9523 mustbescene@gmail.com**

**MOTORCYCLES**

**2002 YAMAHA ROADSTAR: Thomaston. 1600 Midnight Star edition, 14K mi. black & chrome, fiberglass lockable hard bags. Vance and Hines pipes, custom air cleaner, new tires front and rear, belt drive, inspected. All original parts included for right price. \$5500. Pictures available. No text messages. Call 691-6826**

**SNOWMOBILES**

**2 SNOWMOBILES: Thomaston — 1999 Polaris xc 500 \$1700/BO. 1999 Artic Cat Thundercat 1000 c.c. 173 hp, new long track w/built in picks in track, electric start 4K mi. \$3000/BO. Both sleds need nothing! Run as good as new! Both for \$4250. Pictures available. No text messages. Call 691-6826**

**CITY OF BELFAST NOTICE OF PUBLIC HEARING**

The City of Belfast will hold a public hearing on Tuesday, February 18th, 2014, at 7:00 PM, immediately prior to its regularly-scheduled City Council meeting, at Belfast City Hall Council Chambers, 131 Church Street, Belfast, for the purpose of receiving public comments on a proposed amendment to the previously-established Northport Avenue Municipal Development District and Tax Increment Financing District and Development Program for the district. The District consists of property located along Northport Avenue, Perkins Road, and Woodrow Lane in the City of Belfast.

The proposed amendment reflects changes in economic development priorities and opportunities. A copy of the proposed amendment to the Development Program will be on file at the office of the Economic Development Director, top floor, Belfast City Hall, 131 Church Street, Belfast, Maine, and may be reviewed there during normal business hours. All interested persons are invited to attend this public hearing and will be given opportunity to be heard at that time.

**LAWN SALES**

INDOOR YARD SALE  
TONS of FURNITURE, 2 new house lots, electronics, kitchen, EA MKT, CHON, HOUSE, ct box... @ 225 Northport Ave. next to Safeway  
SATURDAY FEBRUARY 15th 10:00-5:00  
CITY CLERK, BELFAST MAINE  
spring

**City of Belfast  
Notice of Public Hearing**

The City of Belfast will hold a public hearing on February 18<sup>th</sup>, 2014, at 7:00 PM, immediately prior to its regularly-scheduled City Council meeting, at Belfast City Hall Council Chambers, 131 Church Street, Belfast, for the purpose of receiving public comments on a proposed amendment to the previously-established Northport Avenue Municipal Development District and Tax Increment Financing District and Development Program for the district. The District consists of property located along Northport Avenue, Perkins Road, and Woodrow Lane in the City of Belfast.

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\*These are "Action Only" minutes. Video of comments may be found on recorded discs at City Hall or at [www.cityofbelfast.org](http://www.cityofbelfast.org).\*

**City of Belfast**  
**Council Chambers-Belfast City Hall**  
**Tuesday, February 18, 2014**  
**6:00 p.m.**

The meeting will start at 6:00pm for an executive session and will come back into a public session at 7:00 pm

Request from the City Manager to go into executive session to discuss a legal matter pursuant to 1MRSA 405 (6) E and an economic development matter pursuant to 1MRSA 405 (6) C.

Councilor Hamilton, seconded by Councilor Sanders, made a motion to go into Executive Session to discuss a legal matter pursuant to 1 MRSA 405 (6) E at 6:00 p.m. The motion passed, 5-0.

Councilor Hamilton, seconded by Councilor Sanders, made a motion to adjourn Executive Session to discuss a legal matter pursuant to 1 MRSA 405 (6) E at 6:20 p.m. The motion passed, 5-0.

Councilor Hamilton, seconded by Councilor Sanders, made a motion to go into Executive Session to discuss a legal matter pursuant to 1 MRSA 405 (6) E at 6:21 p.m. The motion passed, 5-0.

Councilor Hamilton, seconded by Councilor Sanders, made a motion to adjourn Executive Session to discuss a legal matter pursuant to 1 MRSA 405 (6) E at 6:40 p.m. The motion passed,5-0

Councilor Hamilton, seconded by Councilor Sanders, made a motion to go into Executive Session to discuss a economic development matter pursuant to 1 MRSA 405 (6) C at 6:40 p.m. The motion passed, 5-0.

Councilor Hamilton, seconded by Councilor Sanders, made a motion to adjourn Executive Session to discuss a economic development matter pursuant to 1 MRSA 405 (6) C at 6:53 p.m. The motion passed, 5-0.

**Public Hearing #1**  
**7:00 p.m.**

In accordance with Title 28A Section 653 MRSA 1964 a public hearing will be held on February 18, 2014 at 7:00 p.m. or as soon as possible thereafter in the Council Chambers, Belfast City Hall to hear an application by Capital Pizza Huts, Inc. d/b/a Pizza Hut located at 15 Belmont Avenue, Belfast, Maine for a renewal Malt and Vinous Restaurant liquor license, interior only.

Mayor Ash asked for proponents and opponents and hearing none declared the hearing closed.

### **Public Hearing #2**

In accordance with Title 28A Section 653 MRSA 1964 a public hearing will be held on February 18, 2014 at 7:00 p.m. or as soon as possible thereafter in the Council Chambers, Belfast City Hall to hear an application by Michael Casby d/b/a Trillium Events, Inc. located at 31 Pendleton Street, Belfast, Maine for a new Malt, Spirituous and Vinous qualified liquor license.

Mayor Ash asked for proponents and opponents and hearing none declared the hearing closed.

### **Public Hearing #3**

Pursuant to Belfast Victualer's License Ordinance a public hearing will be held on Tuesday, February 18, 2014 at 7:00 p.m. or as soon as possible thereafter, in the Council Chambers of Belfast City Hall on an application for a new Victualer license for Courtney Sanders d/b/a Daily Soup LLC located at 118 High Street, Belfast, Maine license to expire May 31, 2015.

Mayor Ash asked for proponents and opponents and hearing none declared the hearing closed.

### **Public Hearing #4**

The City of Belfast will hold a public hearing on Tuesday, February 18<sup>th</sup>, 2014, at 7:00 PM, immediately prior to its regularly-scheduled City Council meeting, at Belfast City Hall Council Chambers, 131 Church Street, Belfast, for the purpose of receiving public comments on a proposed amendment to the previously-established Northport Avenue Municipal Development District and Tax Increment Financing District and Development Program for the district. The District consists of property located along Northport Avenue, Perkins Road, and Woodrow Lane in the City of Belfast.

The proposed amendment reflects changes in economic development priorities and opportunities. A copy of the proposed amendment to the Development Program will be on file at the office of the Economic Development Director, top floor, Belfast City Hall, 131 Church Street, Belfast, Maine, and may be reviewed there during normal business hours. All interested persons are invited to attend this public hearing and will be given opportunity to be heard at that time.

1. Laurie Allen, Belfast. Spoke about her concerns with the Northport TIF in which she requested Seaview Terrace be included so that infrastructure improvements could occur immediately.

Mayor Ash asked for proponents and opponents and hearing none declared that additional time will be permitted for public comment during agenda item **E) 1. Public Hearing** on proposed amendments to the previously established Northport Ave Municipal Development District and Tax Increment Financing District and Development Program for the district.

### **Regular Council Meeting No. 16**

#### **1) Call to order**

**2) Present:** Mayor Walter Ash, Jr.; Councilors Mary Mortier, Roger Lee, Eric Sanders, Michael Hurley and Nancy Hamilton, and City Manager Joseph Slocum, and Admin. Assistant Manda Cushman.

#### **3) Pledge of Allegiance**

#### **4) Adoption of the agenda**

City Manager Joseph Slocum requested to amend the agenda as follows:

1. Add item **9) E.** Request by Fire Chief Jim Richards for the confirmation of Benjamin Pratt to be a Paramedic Per Diem for the Belfast Ambulance Service.
2. Remove item **10) A.** Request from local environmental activist to support a resolution calling for divestment front companies identified with excessive hydrocarbon generation. Readdress this item at the March 4, 2014 Council Meeting.
3. Asked for direction about amending the minutes from September 17, 2013 per the request of Tom Pendleton of Goose River Apartments to reflect an approval vote of 5-0 rather than 4-0 for the acceptance of “Alberta Way” as a City Street.

Councilors briefly discussed and decided not to add number three to the agenda, requesting that the City Manager’s office review video from that meeting to determine what the vote was.

Councilor Hurley, seconded by Councilor Hamilton, made a motion to adopt the agenda as amended. This motion was approved, 5-0.

## 5) Acceptance of the minutes

Regular Council Meeting of February 4, 2014.

Councilor Hurley, seconded by Councilor Mortier, made a motion to accept the minutes from Regular Council Meeting of February 4, 2014. This was approved, 5-0.

## 6) Open to the public

Please state your name and town you are from when addressing the City Council.

1. Christopher Hyk, Belfast. Wanted to inform the Council and public of two upcoming events; February 24<sup>th</sup> the Army Corps of Engineers will be having a Public Meeting in regards to the Searsport dredging project starting at 5:30 pm at the Cross Insurance Center in Bangor. And on March 24<sup>th</sup> MSMA will be holding a Day at the State House, if anyone would like to attend call 622-3473.
2. Jesse Witherell and Joanne Parent, spoke on behalf of the Skateboard Park and their efforts to raise money and donate a personal ramp.

## 7) Communications

Councilor Hamilton informed the public about the Tarratine Club will be celebrating their 125<sup>th</sup> Birthday, Friday, February 21 at 6:00 pm at their location in Belfast and the public is invited.

Councilor Sanders gave an update on youth basketball, noting the achievements of Searsport's Girls Team and Belfast Troy Howard Middle School.

City Manager Joseph Slocum thanked Public Works crew for all their hard work this winter. He also reminded Council and local business owners that the Belfast Chamber would be holding their Business Breakfast at Athena Health on Thursday, February 20<sup>th</sup> from 7:30 – 9:00 am.

Mayor Ash acknowledged the passing of Mr. and Mrs. Hawthorn and informed the public that there will be services held on Thursday, February 20<sup>th</sup> at 5:00 pm at 18 Spring St. and on Friday, February 21<sup>st</sup> at 2:30 pm.

City Manager noted to the public that due to the services for Mr. and Mrs. Hawthorn on these days residents may see an influx of traffic.

## 8) Old Business and Council Committee Reports

Councilor Sanders reminded the public that Thursday, February 20, 2014 is the next Withdrawal Committee Meeting in the Council Chambers at City Hall.

**9) Permits, Petitions and Licenses - Consent Agenda**

- A. Request to approve application by Capital Pizza Huts, Inc. d/b/a Pizza Hut located at 15 Belmont Avenue, Belfast, Maine for renewal Malt and Vinous Restaurant liquor license, interior only.
- B. Request to approve application by Michael Casby d/b/a Trillium Events, Inc. located at 31 Pendleton Street, Belfast, Maine for a new Malt, Spirituous and Vinous qualified caterer liquor license.
- C. Request to approve application by Courtney Sanders d/b/a Daily Soup LLC located at 118 High Street, Belfast, Maine for a new Victualer license to expire May 31, 2015.
- D. Request to approve application by Maine Farmland Trust to use Steamboat Landing for the June 20-21, 2014 “MaineFare” event.
- E. Request by Fire Chief Jim Richards for the confirmation of Benjamin Pratt to be a Paramedic Per Diem for the Belfast Ambulance Service.

Councilor Hamilton, seconded by Councilor Hurley, made a motion to accept the Consent Agenda. This motion was approved, 5-0.

**10) Business**

A) Request from local environmental activist to support a resolution calling for divestment front companies identified with excessive hydrocarbon generation.

\*Removed from agenda until March 4, 2014 Council Meeting.

**B) Update on RSU#20**

City Manager Joseph Slocum gave an update on the Cities decision to hire financial consultant Charles Lawton of Planning Decisions, Inc. and made the distinction of who has hired this consultant and why.

Councilor Sanders discussed interest from other towns Withdrawal Committees to contribute finances toward this audit.

Tony Sewbilius, Morrill. Spoke on behalf of Morrill’s Withdrawal Committee and their interest in being part of this audit in which they have allocated \$5,000 to contribute.

Councilor Sanders read an email he received from Carol Robbins of Searsmont, which discussed Searsmont's interest in being part of this audit in which their Withdrawal Committee have also allocated \$5,000 to contribute.

There was discussion between Councilors and the City Manager about what the scope of work entails and if it correlates with what other towns are hoping to achieve through this audit.

Councilors discussed the financial review meeting on Friday, February 21, 2014, ultimately deciding to make it a Special City Council Meeting/Work Session that will be open to the public.

C) Request from the Economic Development Director for authorization to send a letter of intent to apply for a Community Development Block Grant Housing Assistance Grant.

Economic Development Director Thomas Kittredge gave an update and history of the Housing Grant within Belfast and informed the Council that the City is able to apply for another grant this year. He outlined the three things he is requesting from the Council at this time:

1. Authorization to send a letter of intent by March 14, 2014.
2. Documenting the need through survey of current tenants.
3. Begin process of identifying an administrator and rehab technician.

Councilors discussed the need for this Grant in Belfast, what the funds could be used for and where funds would come from within the budget to hire an outside administrator to do surveys of current tenants (it was determined that these funds could potentially come from the Economic Development's Miscellaneous account).

Economic Development Director will report back at the March 4, 2014 Council Meeting with more details and specifics relating to the application process.

Councilor Hamilton, seconded by Councilor Sanders, made a motion to accept the request from the Economic Development Director for authorization to send a letter of intent to apply for a Community Development Block Grant/Housing Assistance Grant by March 14, 2014, to commence looking for an administrator and to hire a consultant to do field survey work as part of the Grant application for the approximate amount of \$300 which will come from the Economic Development's Miscellaneous account. This motion was approved, 5-0.

**D)** Request from the Economic Development Director to spend \$5,000 to participate in a project that will expand the ability of Belfast Businesses to secure the benefits associated with being in a Foreign Trade Zone.

Economic Development Director Thomas Kittredge reviewed his discussions with Central Maine Growth Council about this project and a brief history of Foreign Trade Zones within Maine.

Councilors discussed physical range and what types of business this would benefit and how this could be a positive attribute to the Cities economic growth.

Councilor Hamilton, seconded by Councilor Hurley, made a motion to accept the request from the Economic Development Director to spend \$5,000 to participate in a project that will expand the ability of Belfast Businesses to secure the benefits associated with being in a Foreign Trade Zone. This motion was approved, 5-0.

**E)** Consideration of a request to amend the Northport Ave Tax Increment Financing District and its Developmental Program.

Economic Development Director Thomas Kittredge reviewed the history of the Northport Ave Tax Increment Financing District and outlined what changes the City is proposing which are listed as follows:

1. Additionally capturing 100% of incremental personal property of the District.
2. Providing the City Council with the ability or discretion in the future to enter into individual credit enhancement agreements with developers, if they so choose.
3. Allowing for the ‘portage’ of revenues from this TIF District to the City’s Downtown-Waterfront Municipal Development and Tax Increment Financing District.

Councilor Hamilton asked for clarification of map boundaries of the TIF District.

Councilors and City Manager clarified where the proceeds of the Northport Ave TIF could be used within the future as well as the length of the TIF District.

**E) 1.** Public Hearing on proposed amendments to the previously established Northport Ave Municipal Development District and Tax Increment Financing District and Development Program for the district.

The City of Belfast will hold a public hearing on Tuesday, February 18<sup>th</sup>, 2014, at 7:00 PM, immediately prior to its regularly-scheduled City Council meeting, at Belfast City Hall Council Chambers, 131 Church Street, Belfast, for the purpose of receiving public comments on a proposed amendment to the previously-established Northport Avenue Municipal Development District and Tax Increment Financing District and Development Program for the district. The District consists of property located along Northport Avenue, Perkins Road, and Woodrow Lane in the City of Belfast.

The proposed amendment reflects changes in economic development priorities and opportunities. A copy of the proposed amendment to the Development Program will be on file at the office of the Economic Development Director, top floor, Belfast City Hall, 131 Church Street, Belfast, Maine, and may be reviewed there during normal business hours. All interested persons are invited to attend this public hearing and will be given opportunity to be heard at that time.

1. Laurie Allen, Belfast. Spoke about concerns with increased taxes and lack of City improvements, sewage and drainage.

Mayor Ash asked declared the hearing closed.

**E) 2.** Consideration of a vote to amend the Northport Ave Tax Increment Financing District and its Development Program.

Economic Development Director Thomas Kittredge asked for any further questions or comments.

Councilors made a motion with clarifying language from the Economic Development Director.

Councilor Hurley, seconded by Councilor Hamilton, made a motion to accept the request from the Economic Development Director to amend the Northport Ave Tax Increment Financing District and its Development Program which include these changes: 1) additionally capturing 100% of incremental personal property, 2) discretion to enter into credit enhancement agreements with developers, and 3) allowing for the ‘portage’ of revenues from this TIF District to the City’s Downtown-Waterfront

Municipal Development and Tax Increment Financing District, and to approve the City Council Resolution related there to. This motion was approved, 5-0.

**F)** Discussion on possibilities for recently announced Next Gen Large Grant opportunities.

Economic Development Director Thomas Kittredge wanted to bring this Grant opportunity to the Councils attention.

Council discussed the importance of getting this information out and hopefully someone within our community has a project or sponsor that is eligible and willing to apply.

**G)** Request by the Economic Development Director to transfer \$3,000 from Airport Runway Capital Reserves for survey and appraisal work associated with a possible land swap.

Economic Development Director Thomas Kittredge reviewed map of Airport and corresponding property owners and how this potential land swap would provide the ideal runway configuration.

Councilors discussed who owns what parcel and how the potential land swaps would alter the existing property lines of the Belfast Airport.

Councilor Hurley, seconded by Councilor Hamilton, made a motion to accept the request from the Economic Development Director to transfer \$3,000 from Airport Runway Capital Reserves for survey and appraisal work associated with a possible land swap. This motion was approved, 5-0.

**H)** Update on lighting on Front Street.

City Manager Joseph Slocum discussed the ongoing predicament with getting all of the Harbor Walk lights fixed so that Councilors could view all working lights and then determine how they would like to proceed in remedying them.

Councilor Hurley questioned when these lights be turned over to the Highway Department for maintenance.

City Manager Joseph Slocum replied that once everything is finalized with the project would it become a Highway Department's responsibility to maintain.

**I)** Request from the City Manager to go into Executive Session to discuss a real estate and economic development matter pursuant to 1 MRSA 406 (6) C.

Councilor Lee, seconded by Councilor Sanders, made a motion to go into Executive Session to discuss a real estate and economic development matter pursuant to 1 MRSA 406 (6) C at 8:46 p.m. The motion passed, 5-0.

Councilor Lee, seconded by Councilor Hamilton, made a motion to adjourn Executive Session to discuss a real estate and economic development matter pursuant to 1 MRSA 406 (6) C at 9:00 p.m. The motion passed, 5-0.

**J) Signing of Council Orders and housekeeping items.**

Council Order # 44 Signed by Councilor Hamilton, Ordered That:

The City Manager and the City Treasurer are authorized to expend up to \$14,296.15 to purchase a new Stryker battery-powered hydraulic stretcher. Funds are to come from the Ambulance Capital Reserve. (Approved February 4, 2014)

Council Order #45 Signed by Councilor Sanders, Ordered That:

The City Manager and the City Treasurer are authorized to expend up to \$25,000 for the services of Charles Lawton of Planning Decisions, Inc. for financial review of RSU 20. Funds are to come from the Undesignated Fund Balance. (Approved February 4, 2014)

Council Order #46 Signed by Councilor Hamilton, Ordered That:

The City Manager and the City Treasurer are authorized to expend up to \$5,000 to participate in a project by the Waterville-based Central Maine Growth Council (CMGC) that will expand the ability of Belfast Businesses to secure the benefits associated with being a Foreign Trade Zone. Funds are to come from account 1-2004-00. (Approved on February 18, 2014)

Council Order #47 Signed by Councilor Hurley, Ordered That:

The City Manager and the City Treasurer are authorized to transfer \$3,000 from account Airport Runway Capital Reserve (640-595) into a new capital account to be used to appraise and survey land at the Belfast Municipal Airport for a potential swap for land. Funds for the appraisal and survey will come from this new capital account. (Approved on February 18, 2014)

**11) Open to the Public**

Please state your name and town you are from when addressing the City Council.

None.

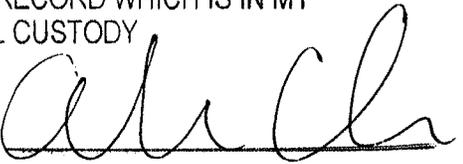
**12) Communications**

Councilor Hurley thanked the individuals involved in the community effort to improve the Belfast Skate Park.

**13) Adjourn**

Councilor Hamilton, seconded by Councilor Sanders, made a motion to adjourn at 9:00 p.m. The motion passed, 5-0.

I HEREBY CERTIFY THAT THE ABOVE  
IS A TRUE COPY OF INFORMATION  
ON THE RECORD WHICH IS IN MY  
OFFICIAL CUSTODY

ATTEST 

AMANDA CUSHMAN, BELFAST MAINE

**CITY COUNCIL  
RESOLUTION**

**WHEREAS**, the City of Belfast (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to amend the Northport Avenue Municipal Development and Omnibus Tax Increment Financing District (the "District") and the District's Development Program (as amended, the "Development Program"); and

**WHEREAS**, there is a need for economic development in the City of Belfast, in the surrounding region, and in the State of Maine; and

**WHEREAS**, there is a need to improve and broaden the tax base of the City of Belfast; and to improve the general economy of the City of Belfast and the surrounding region; and

**WHEREAS**, implementation of the Development Program will help to improve and broaden the tax base in the City of Belfast and improve the economy of the City of Belfast and the region by attracting business development to the District; and

**WHEREAS**, there is a need to implement continued economic development initiatives in the District through the amendment of the Development Program in accordance with the provision of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended; and

**WHEREAS**, the City desires to amend the Development Program; and

**WHEREAS**, it is expected that approval will be obtained from the State of Maine Department of Economic and Community Development (the "Department"), approving this *First Amendment to the Northport Avenue Municipal Development and Omnibus Tax Increment Financing District and Development Program*.

**ORDERED AS FOLLOWS:**

**Section 1.** The City of Belfast hereby approves the First Amendment to the Northport Avenue Omnibus Tax Increment Financing ("TIF") District Development Program; such amendment to be pursuant to the following findings, terms, and provisions:

**Section 2.** The City Council hereby finds and determines that:

a. This amendment to the Development Program will not result in the District falling out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3); and

b. The District and pursuit of the Development Program will make a contribution to the economic growth and well being of the City of Belfast and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of Belfast, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose. The City has considered all evidence, if any,

EXHIBIT G TO FIRST AMENDMENT

presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined that such adverse economic effect on or detriment to any existing business, if any, is outweighed by the contribution expected to be made through the First Amendment to the Development Program.

**Section 3.** Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of increased assessed value to be retained as captured assessed value in accordance with the Development Program is hereby established as set forth in the Development Program.

**Section 4.** The City Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed First Amendment to the Development Program for the District to the State of Maine Department of Economic and Community Development for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226.

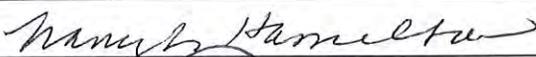
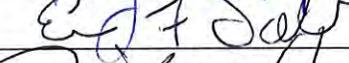
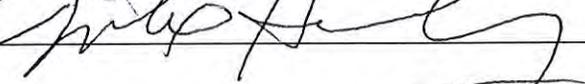
**Section 5.** The foregoing adoption of the First Amendment to the Development Program for the District shall automatically become final and shall take full force and effect upon receipt by the City of approval of the by the State of Maine Department of Economic and Community Development, without requirement of further action by the City, the City Council, or any other party.

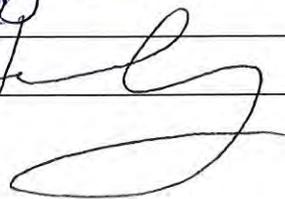
**Section 6.** The City Manager, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the First Amendment to the Development Program for the District as the City Manager may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the First Amendment by the State of Maine Department of Economic and Community Development, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Development Program as amended.

**Section 7.** The City Council is hereby authorized to approve credit enhancement agreements in the future following a public hearing of up to 100% reimbursement for durations up to the total term of the District, all in accordance with the Tax Increment Financing Policy of the City that is in force at the time of any such credit enhancement agreement.

Dated: February 18, 2014

**Authorized Signatures**

Name	
Name	
Name	
Name	
Name	



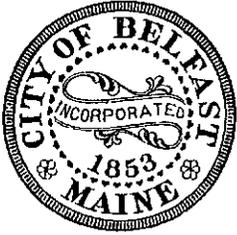


EXHIBIT H TO FIRST AMENDMENT

## CITY OF BELFAST

131 Church Street  
Belfast, Maine 04915

**Joseph J. Slocum**  
City Manager

**E-mail:** [jslocum@cityofbelfast.org](mailto:jslocum@cityofbelfast.org)  
**Tel:** (207) 338-3370 ext. 10  
**Fax:** (207) 338-2419

February 19, 2014

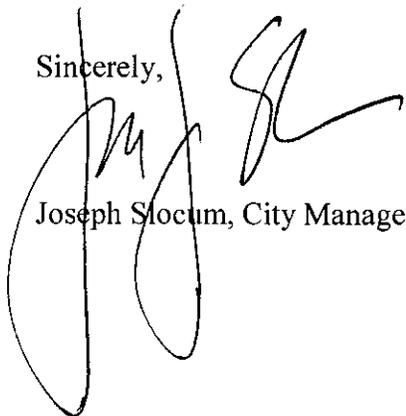
George Gervais, Commissioner  
Maine Department of Economic & Community Development  
State House Station 59  
Burton Cross Bldg, 3rd Floor  
Augusta, ME 04333-0059

Dear Commissioner Gervais:

On behalf of the City of Belfast, I am pleased to submit the enclosed document – First Amendment to the Northport Avenue Municipal Development and Omnibus Tax Increment Financing District Development Program.

With this letter, I certify that all information contained in the amendment application is true and correct to the best of my knowledge.

Sincerely,



Joseph Slocum, City Manager