



Paul R. LePage
GOVERNOR

STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



George C. Gervais
COMMISSIONER

April 16, 2014

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

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

Dear Mr. Slocum,

This letter supersedes the March 29, 2013 AMD-1 approval letter for above referenced Municipal TIF District and Development Program. Please consider all other aspects of previous District/ Program(s) approvals simply restated unless underscored below as a technical revision:

- a. District taxable Original Assessed Value of \$47,407,280 as of April 1, 2005/11 —acreage 197.50;
- b. Increased Assessed Value (IAV) capture of \$0 through June 30, 2007 then 100% of real property improvements through June 30, 2013,
- c. then real and personal improvements starting July 1, 2013;
- d. Up to 100% Company or Developer reimbursement of incremental taxes from new actual value limited to District term, with negotiation/execution of agreements at sole Council discretion following public hearing;

City revenue allocation projected at \$15.4 million may facilitate funding for an estimated \$15.8 million in public costs and associated debt **as further described in Development Program**. This funding MUST comply with already established City appropriation process—with activities/projects COMPLETED BEFORE/BY March 19, 2032. The Department restates previously approved public activities/projects:

WITHIN DISTRICT

- d. Washington Street improvements \$475,000; ψ
- e. Sidewalks \$375,000;
- f. Front Street reconstruction \$4,500,000; ψ
- g. CDBG Downtown Revitalization Projects \$700,000; φψ
- h. Thompson Wharf expansion \$400,000;
- i. Beaver Street improvements \$300,000; ψ
- j. Streetscape upgrades \$250,000; κ
- k. Street lighting \$350,000;
- l. Parking \$400,000;
- m. Commercial Event Center construction \$2,000,000;
- n. Building demolition \$50,000;
- o. Professional services \$15,000; ≈
- p. Financing costs \$250,000;

WITHIN/OUTSIDE DISTRICT

- q. Harbor Floats \$400,000;

WITHIN DISTRICT/MUNICIPALITY

- r. Belfast Harbor Walk \$2,100,000; φ
- s. Wave attenuator or breakwater \$3,000,000;

WITHIN MUNICIPALITY

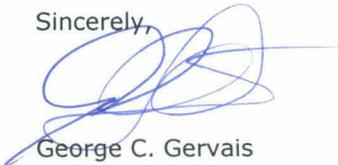
- t. Economic Development Office funding inclusive of salaries \$75,000; ≈
- u. Funding for Our Town Belfast, Belfast Creative Coalition, Belfast Area Chamber of Commerce and Waterfall Arts \$60,000/YR;
- v. Downtown events \$20,000; ≈
- w. Permanent revolving loan funds, investment funds and grants per § 5225(1)(C)(3) for costs of economic development activities authorized by 30-A M.R.S. § 5225 and Department rules as amended from time to time \$50,000.

Per March 20, 2007 original designation and AMD-1 approvals, Department restates:

- x. District term of 25 years ending March 19, 2032;
- y. District revenues deposited/held in dedicated accounts and applied ONLY toward approved activities/projects to be completed BEFORE/BY March 19, 2032,
 - i) Project Cost accounts to reimburse companies/developers for costs of economic development activities authorized by 30-A M.R.S. § 5225 (1)(A) and Department rules as amended from time to time AND/OR fund public activities/projects,
 - ii) Sinking Fund Account to retire associated public debt;
- z. AFTER EXECUTION CITY MUST FORWARD COPY of any credit enhancement agreement linked to this District to the Department—with completed **Application Cover Sheet** (if Company or Developer) including detailed private project description and (if Company) **Employment Goals Form**;
 - aa. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with City equalized assessed value;
 - bb. Portage of revenue from other Belfast Municipal TIF districts into this District only while capture remains 100% per § 5225(1)(B)(3)(b) and such portage is an allowable project cost in Commissioner approved development program for other districts;
 - cc. Any future amendment MUST comply with 30-A M.R.S. §§ 5221-5235 and Department rules;
 - dd. CITY MUST NOTIFY DEPARTMENT IN WRITING when District expires or is otherwise terminated.

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

Sincerely,



George C. Gervais
Commissioner

cc: David Ledew, MRS Director Property Tax Division; Jamie Logan, Governor's Account Executive; Shana Cook Mueller, Bernstein Shur

≈ Projects are common to Northport Avenue District
EXCLUSIVE OF FOLLOWING COSTS/FUNDING:
Φ Public park(s).
Ψ Private residential distribution line(s).
⌘ Items beyond § 5222(1) scope, i.e.: holiday decorations,
flower pots.