



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).

**EMPLOYMENT GOALS** (from #16 on previous page)

<b>A. Job Creation Goals (Attributable to Approval of TIF District)</b>			
<i>Occupational Cluster*</i>	<i>Full-time</i>	<i>Part-time</i>	<i>Wage Level</i>
1. Executive, Administrative & Managerial			\$
2. Professional Specialty			\$
3. Technicians & Related Support			\$
4. Marketing & Sales			\$
5. Administrative Support, including Clerical			\$
6. Service			\$
7. Agriculture, Forestry & Fishing			\$
8. Mechanics, Installers & Repairers			\$
9. Construction Trades & Extractive			\$
10. Production			\$
11. Transportation & Material Moving			\$
12. Handlers, Equip. Cleaners, Helpers & Lab'rs			\$
<b>B. Job Retention Goals (Attributable to Approval of TIF District)</b>			
<i>Occupational Cluster*</i>	<i>Full-time</i>	<i>Part-time</i>	<i>Wage Level</i>
1. Executive, Administrative & Managerial			\$
2. Professional Specialty			\$
3. Technicians & Related Support			\$
4. Marketing & Sales			\$
5. Administrative Support, including Clerical			\$
6. Service			\$
7. Agriculture, Forestry & Fishing			\$
8. Mechanics, Installers & Repairers			\$
9. Construction Trades & Extractive			\$
10. Production			\$
11. Transportation & Material Moving			\$
12. Handlers, Equip. Cleaners, Helpers & Lab'rs			\$
<i>*Please use the Occupational Cluster descriptions on the next page to complete this form.</i>			

## Falmouth Municipal Infrastructure Tax Increment Financing District Development Program Narrative Summary

### Project Overview

The Town of Falmouth (the “Town”) is proposing the amendment of the Falmouth Route One North and Route One South Municipal Development Districts and Tax Increment Financing Development Programs (the “Districts”), existing tax increment financing districts in the Route One Corridor. The purpose of this amendment is to update the list of infrastructure projects to be undertaken, as well as to create a mechanism for ongoing funding of this public infrastructure throughout the life of the Development Program.

Through this amendment, there will be no change in the basic configuration of the Development Program as originally approved by the Falmouth Town Council and subsequently by the Commissioner of the Maine Department of Economic and Community Development. The geographic boundaries, the percentage allocations of any captured assessed value, and the term for these districts is remaining unchanged.

Therefore, the information and assumptions contained in this amendment refer back to the original approval of this Development Program regarding base year values. Where appropriate, projections have been updated to reflect actual numbers, and subsequent projected years have been refined. All other calculations reflect the original application.

There are two distinct districts. The first district, Route One North, being approximately 252 acres; and, the second district, Route One South, being approximately 142 acres. Both districts are comprised of properties adjacent to U.S Route One in the vicinity of the interchanges with the Maine Turnpike and Interstate 95. A plan depicting the Districts and delineating the lots is attached as Exhibit C hereto. The Development Program described herein is proposed for the purpose of administering the two Districts as Municipal Tax Increment Financing Districts pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended (the "Development Program").

Upon action of the Falmouth Town Council amending the District and adopting this Development Program, the designation of the Districts and adoption of the Development Program will become immediately final, subject only to approval by the Maine Department of Economic and Community Development.

The purpose of the District is to finance the construction, installation and operation of certain public improvements inside the District and/or outside the District, but benefiting the District (the "Public Improvements"). Captured assessed value will be calculated for the District based upon the property's assessed value as of April 1, 1999. The Town will capture one hundred percent (100%) of the increase in assessed value resulting from the development with the District for a period of twenty (20) years from the initial creation of the Districts in 2000.

All of the retained tax increment revenues on increases in assessed value resulting from the District allocated to the Town above the April 1, 1999 valuation will be used by the Town to

help pay all or a portion of the costs of the Town to construct the Public Improvements described in Table No. 1 below. The Town anticipates the costs of the Public Improvements to be as high as \$9,664,000. The exact cost of the municipal infrastructure as well as a precise description of those investments is difficult to ascertain, given the dynamic nature of the market forces that will shape the investments in the Route One Corridor. Different development types and densities will demand different requirements in terms of traffic mitigation and other infrastructure.

Depending upon the timing of new value as well as the development of the improvements, the Town may choose to utilize a financing mechanism that will require additional resources for debt service. Therefore, the list provided below as Table One is a descriptive projection based on careful research, but may not necessarily be all inclusive, since emerging development opportunities may demand alternative configurations of the investment. In order to accommodate these market forces, the Town will place all tax increment revenues in a Community Infrastructure and Conservation Fund, managed by the Town. Allocations from that Fund will be by the action of the Town Council and all tax increment revenues on the increase in assessed value not expended on the Public Improvements may be reallocated to the town's general fund by action of the Town Council.

### **Redevelopment of the Falmouth Route One Corridor**

The Falmouth Route One Corridor continues to undergo significant redevelopment. The business character of many properties in this corridor is being transformed. This transformation is driving new construction and opening potential areas for additional redevelopment. A mix of activities including retail facilities, office and commercial space, dining and commercial entertainment, and others all exist or are potential within the corridor. This expansion has created the need to upgrade public facilities in this area.

Transportation enhancements, together with improved pedestrian services (sidewalks; pedestrian way; enhanced lighting) are needed to enhance public safety. Expansion of environmental facilities (water and sewer) must also be included in the public investment to support this redevelopment. Such strategic investments are a key incentive for creating the type and density of development needed to insure a viable economic mix for job and tax base growth.

Given these emerging public investment demands, the creation of the District provides the Town the opportunity to capture the newly generated tax revenues to invest in the proposed Public Improvements.

### **Public Improvements**

The Town will use 100% of the Captured Tax Increment Revenues to construct or finance certain important and related Public Improvements currently under consideration by the Town. These projects either are within the District, are related to the District, or are otherwise qualifying projects under Chapter 207 of 30-A M.R.S.A. The projects under consideration to be included as part of the Development Program are identified in Table No.1 below. In response to emerging development opportunities these particular Public Improvements investments may be augmented.

The Public Improvements will be qualifying public improvements and shall consist of municipal infrastructure:

- i. located within the District;
- ii. located outside the District but related to the access to, use of, supplying of, or disposition of waste from properties located within the District as contemplated by 30-A M.R.S.A. § 5252(8)E(9);
- iii. located inside or outside of the District related to providing public safety within the area in which the District is located, as contemplated by 30-A M.R.S.A. § 5252 (8) (b) (ii); or
- iv. other improvements, such as economic development programs and environmental improvement projects, that constitute qualifying improvements under applicable law as now existing or hereafter enacted.

These projects will ultimately be selected by the Town as part of the ongoing Development Program. Given the involvement of other parties, such as the Maine Department of Transportation and Central Maine Power, in the completion of certain of these improvements, it is possible that certain of these projects may be completed after five years. However, the planning and financing mechanisms for these projects will be in place before five years has elapsed. For that reason, the Town intends to create a Community Infrastructure and Conservation Fund as the mechanism for maintaining the funds derived from the operation of the District and make the subsequent investment in the Development Program based on need and market opportunity.

Below is Table One that presents a representative sample of the projected projects to be undertaken within the District. While this list is intended to be as complete and representative as possible, other projects may be added as appropriate to respond to market needs for development within the District.

**TABLE NUMBER ONE  
MUNICIPAL INFRASTRUCTURE DEVELOPMENT PROJECTS**

**US Route 1 TIF Districts**

<b>NORTH</b>	
Johnson Road Upgrades	\$ 240,000
	\$ 450,000
Johnson Road Turn Lane Signalization	\$ 75,000
	\$ 55,000
	\$ 80,000
<b>SOUTH</b>	
Westbound Turn Lane Rte 1	\$ 350,000
Signal Upgrades	\$ 20,000
	\$ 90,000
Sidewalk - Bucknam Rd	\$ 100,000
Sidewalks - Middle Rd	\$ 100,000
Sidewalks -Rte 1	\$ 350,000
Underground Utilities	\$ 2,875,000
Signalization	\$ 65,000
	\$ 300,000
Depot Rd Upgrades	\$ 120,000
Village Pedestrian Access	\$ 300,000
Street Lighting	\$ 180,000
Access Rd/ Ring Rd	\$ 500,000
Public Parking	\$ 100,000
District Operations	\$ 83,000
	\$ 61,000

<b>BOTH ROUTE 1 DISTRICTS</b>	
Storm water Management	\$ 400,000
Rte 1 lane Enhancement	\$ 1,000,000
Signage	\$ 15,000
Adjacent to/ Impacting Districts	
Traffic Island Rte 1	\$ 500,000
Treatment Plant Upgrade	\$ 300,000
Signalization (Route 1 & Rte 88)	\$ 350,000
Sidewalks Falmouth / Lunt Rds	\$ 180,000
Tidewater Force Main	\$ 200,000
Sewer Line Capacity Upgrade - Johnson Rd to Mill Creek	\$ 75,000
North Intersection Rte 9 / Bucknam Road	\$ 150,000
<b>Total</b>	<b>\$ 9,664,000</b>

**Total Projects of \$9,664,000 over 20 years.**

In summary, the Development Program will provide financing for important Public Improvements related to the redevelopment of the Falmouth Route One Corridor. To the extent that the Town can develop Public Improvements contemplated under this Development Program, a public benefit results. Preserving the quality of life within the community is an important balance to promoting economic investment. These improvements that enhance public safety, environmental quality and the visual appearance of the community will provide a significant benefit to the Town. The Town intends, to the maximum feasible extent, to incorporate quality of life and environmental criteria into economic development decisions, programs and projects associated with this Development Program.

**FINANCIAL PLAN SUMMARY**

The Financial Plan for the District is set forth in greater detail below. The following is a brief summary of the Plan.

At this time, the exact amount of capital investment in the Falmouth Route One corridor can only be estimated. Redevelopment, additions, and adaptations of existing properties together with in-fill development and other new construction will expand the tax base. Through the creation of this District, the Town will direct these new tax revenues to pay for the Public

Improvements that will enhance public safety, environmental quality and the visual appearance of the community.

The cost of the development program will be financed by the revenue stream generated from the District. The Town will develop the public facilities described above either through direct investment or the issuance of a financial instrument to complete the projects. Any financial instrument issued by the Town will be in accordance with statute. In accordance with the provisions of any Town ordinances governing such matters, voters will be asked to approve the issuance of any financial instrument together with a brief description of the projects to be financed by such an instrument.

### **Description of Public Facilities to be Constructed**

The goal of this proposal is to provide much needed Public Improvements in the Route One corridor in the Town of Falmouth. These Public Improvements include, but are not limited to:

- Transportation Enhancements
  - widening and road improvements;
  - signalization and signal enhancements;
  - traffic islands and turning lanes;
  - access road construction
- Pedestrian Services
  - sidewalks;
  - pedestrian way;
  - enhanced lighting
- Relocation of Overhead Utilities
- Environmental Facilities
  - stormwater management
  - treatment plant upgrades

The Development Program will provide financial resources to the Town of Falmouth for the construction and operations of these Public Improvements. Preserving the quality of life within the community is an important balance to promoting economic investment. These Improvements that foster public safety, environmental quality and enhance the visual appearance of the community will provide a significant benefit to the Town.

Since the redevelopment of this interchange will be taking place as a result of increased private investment over a number of years, the exact details and sequence of the investment in the Public Improvements will have to be finalized by the Falmouth Town Council as development projects are proposed and completed. The description of projects contained in Table No.1 above provides the general outline of the improvements to be undertaken. Depending upon the scope of the projects, and the time at which they are executed, the cost may vary from the estimates provided.

### **Relocation of Displaced Persons.**

Not applicable.

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

The project, as it is currently proposed, will improve vehicular and pedestrian transportation in the District, and facilitate access to the District. Existing facilities will, thereby, be upgraded are to accommodate the development in the Falmouth Route One corridor. The Public Improvements will enhance the District as well as the area of the Town where the District is located.

### **Environmental Control**

All improvements in the District, including the improvements contemplated by the Developers, will comply with all requirements of the Town of Falmouth Zoning Ordinance. All other applicable licenses required in connection with the Project either have been, or will be, applied for by the Developers.

The Town of Falmouth will take all steps required by the Department of Environmental Protection in order to insure that the acquisition, installation, construction and operation of the improvements comply with all federal, state and local environmental laws, zoning rules and regulations and any site plan requirements and restrictions.

### **Plan of Operation Upon Completion**

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

## ARTICLE II FINANCIAL PLAN

### General Characteristics.

There are two proposed tax increment financing district contemplated by this Development Plan. The first distinct, Route One North being approximately 252 acres, and the second district, Route One South being approximately 158 acres. Both districts are comprised of properties adjacent to U.S Route One in the vicinity of the interchanges with the Maine Turnpike and Interstate 95. The total value of land and buildings, together with personal property for Route One North, as of March 31, 1999, is \$ 14,177,600. The total value of land and buildings, together with personal property for Route One South, as of March 31, 1999, is \$27,424,700. Incremental tax revenues will be captured under this Development Program for the project only after the City's valuation reaches the assessed valuation assigned by the Town as of April 1, 1999. All tax revenues attributable to values lower than the City's assessed valuation as of April 1, 1999 shall be deposited in the City's general fund.

This Development Program requires the establishment of a Development Program Fund consisting of the Community Infrastructure and Conservation Fund pledged to and charged with payment of project costs. The captured tax increment revenues will be deposited into the applicable subaccount that will fund payments required for the Public Facilities described above. In the event that the Town issues its bonds to finance the Public Improvements, the captured tax increment revenues will be deposited into a sinking fund account pledged to repayment of the bonds.

As reflected in Table No. 2 below, the Town currently expects private development investment within the district to produce approximately \$ 50 million of additional tax base for the Town over the twenty year life of the District. The private investment will produce estimated tax increment revenues of \$11,879,540 over the twenty year life of the program. The Town will retain 100% of new tax revenues that will be allocated to the Community Infrastructure and Conservation Fund to pay for the Public Improvements that support the District.

The projected investment by the developers within the District is \$50 million as shown below. However, the developers' actual investment and the timing of those investments during the life of the District may vary. Table No. 2 below is a summary of the projected Private Development Costs for this Project reflected in an increase in both real and personal property values, as well as the projected tax revenues and allocation of those tax revenues to the Public Improvements as specified above. Table 2 reflects activity since the inception of the Districts in 2000. When available, actual figures are presented. Other figures represent updated projections.

**TABLE NUMBER TWO**

Route 1 NORTH TIF District

<b>Base Value: \$14,177,600</b>				
<b>Year</b>	<b>Value</b>	<b>Captured Value</b>	<b>Tax Rate</b>	<b>Total TIF Revenue</b>
1999	\$14,177,600	\$ -	\$ 18.44	\$ -
2000	\$15,472,300	\$ 1,294,700	\$ 18.60	\$ 24,081
2001	\$22,339,700	\$ 8,162,100	\$ 19.54	\$ 159,487
2002	\$23,375,500	\$ 9,197,900	\$ 20.45	\$ 188,097
2003	\$23,907,200	\$ 9,729,600	\$ 15.80	\$ 153,728
<b>TO DATE:</b>				<b>\$ 525,394</b>
2004	\$30,123,072	\$ 15,945,472	\$ 15.64	\$ 249,387
2005	\$30,424,303	\$ 16,246,703	\$ 15.64	\$ 254,098
2006	\$30,728,546	\$ 16,550,946	\$ 15.64	\$ 258,857
2007	\$31,035,831	\$ 16,858,231	\$ 15.64	\$ 263,663
2008	\$31,346,190	\$ 17,168,590	\$ 15.64	\$ 268,517
2009	\$31,659,651	\$ 17,482,051	\$ 15.64	\$ 273,419
2010	\$31,976,248	\$ 17,798,648	\$ 15.64	\$ 278,371
2011	\$32,296,010	\$ 18,118,410	\$ 15.64	\$ 283,372
2012	\$32,618,971	\$ 18,441,371	\$ 15.64	\$ 288,423
2013	\$32,945,160	\$ 18,767,560	\$ 15.64	\$ 293,525
2014	\$33,274,612	\$ 19,097,012	\$ 15.64	\$ 298,677
2015	\$33,607,358	\$ 19,429,758	\$ 15.64	\$ 303,881
2016	\$33,943,432	\$ 19,765,832	\$ 15.64	\$ 309,138
2017	\$34,282,866	\$ 20,105,266	\$ 15.64	\$ 314,446
2018	\$34,625,694	\$ 20,448,094	\$ 15.64	\$ 319,808
2019	\$34,971,951	\$ 20,794,351	\$ 15.64	\$ 325,224
<b>..NOW TO END:</b>				<b>\$ 4,582,806</b>

Route 1 SOUTH TIF District

Base Value: \$27,424,700				
Year	Value	Captured Value	Tax Rate	Total TIF Revenue
1999	\$27,424,700	\$ -	\$ 18.44	\$ -
2000	\$27,641,400	\$ 216,700	\$ 18.60	\$ 4,031
2001	\$37,149,600	\$ 9,724,900	\$ 19.54	\$ 190,025
2002	\$38,538,100	\$ 11,113,400	\$ 20.45	\$ 227,269
2003	\$38,343,500	\$ 10,918,800	\$ 15.80	\$ 172,517
TO DATE:				\$ 593,841
2004	\$48,312,810	\$ 20,888,110	\$ 15.46 15.64	\$ 326,690
2005	\$48,795,938	\$ 21,371,238	\$ 15.64	\$ 334,246
2006	\$49,283,897	\$ 21,859,197	\$ 15.64	\$ 341,878
2007	\$49,776,736	\$ 22,352,036	\$ 15.64	\$ 349,586
2008	\$50,274,504	\$ 22,849,804	\$ 15.64	\$ 357,371
2009	\$50,777,249	\$ 23,352,549	\$ 15.64	\$ 365,234
2010	\$51,285,021	\$ 23,860,321	\$ 15.64	\$ 373,175
2011	\$51,797,872	\$ 24,373,172	\$ 15.64	\$ 381,196
2012	\$52,315,850	\$ 24,891,150	\$ 15.64	\$ 389,298
2013	\$52,839,009	\$ 25,414,309	\$ 15.64	\$ 397,480
2014	\$53,367,399	\$ 25,942,699	\$ 15.64	\$ 405,744
2015	\$53,901,073	\$ 26,476,373	\$ 15.64	\$ 414,090
2016	\$54,440,084	\$ 27,015,384	\$ 15.64	\$ 422,521
2017	\$54,984,484	\$ 27,559,784	\$ 15.64	\$ 431,035
2018	\$55,534,329	\$ 28,109,629	\$ 15.64	\$ 439,635
2019	\$56,089,673	\$ 28,664,973	\$ 15.64	\$ 448,320
NOW TO END:				\$ 6,177,499

**Developer Capital Indebtedness**

The developers will finance the development costs through private financing arrangements. The actual details of the developer financing will vary for each project.

**Bond Indebtedness**

The Town of Falmouth may, at some future time, execute a financial instrument in accordance with provisions of town statute to finance all or a portion of the Public Improvements as needed. If so, a sinking fund account will be established in accordance with 30-A M.R.S.A. § 5227.

## Sources of Anticipated Revenues

The sources of anticipated revenues generated by the District to be used to satisfy expenditures for Public Improvements as indicated in the Development Program are (i) municipal tax increment revenues on retained captured assessed values, which will be deposited as received into the appropriate account of the Community Infrastructure and Conservation Fund as described above, and (ii) earnings on amounts in the Development Fund.

The Town shall also be entitled to exercise its right under 30-A M.R.S.A. § 5254 to decrease the percentage of captured assessed value retained in any year under this Development Program to the extent necessary in order to achieve a proper matching of retained municipal tax increment revenue and payment for the Public Improvements costs.

## Financial and Statistical Data

The following summary of financial and statistical information relating to the District's satisfaction of certain conditions imposed under Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, is a prerequisite to designation of the District.

This information is set forth below:

(a) Total value of equalized taxable property in Falmouth as of April 1, 1999  
\$895,200,000

(b) Aggregate value of equalized taxable property in all existing and proposed tax increment financing districts as of the April 1st preceding each such district's designation

Existing District:	<u>\$553,000</u>
Route One North:	<u>\$14,177,600</u>
Route One South:	<u>\$27,424,700</u>
Total:	<u>\$42,155,300</u>

(c) Percentage of total value of equalized taxable property represented by aggregate value of all equalized taxable property in all existing and proposed tax increment financing districts expressed as a percentage (cannot exceed 5%) 4.71%

(d) Aggregate original principal amount of municipal indebtedness financed by the proceeds from tax increment financing districts within Cumberland County, including the District, is \$20,187,905, which does not exceed \$50,000,000.

(e) Total taxable acreage in the Town of Falmouth is approximately 18,944 acres.

(f) Total acreage included in existing tax increment financing districts 59.74 acres or 0.32 % of the total taxable acreage.

(g) Total acreage included in Route One North is 252 acres or 1.33%, suitable for commercial / industrial development

Total acreage included in Route One South is 142 acres or 0.75%, suitable for commercial / industrial development

(h) Total acreage in all existing and proposed districts 453.74 acres or 2.4%

Attached hereto as Exhibit D is a certification of original assessed value executed by the Assessor of the Town of Falmouth in accordance with the requirements of 30-A M.R.S.A § 5254(2) certifying that the assessed value of the Falmouth Municipal Infrastructure Tax Increment Financing District, as of March 31, 1999, is \$ \$ 27,424,700. Exhibits B and C delineate the properties and values within the Falmouth Municipal Infrastructure Tax Increment Financing District

### **Estimated Impact of Financing Upon Taxing Jurisdiction**

In accordance with Maine statutes governing the establishment of tax increment financing districts, the table set forth below identifies tax shifts that may result during the term of the District attributable to the project. The numbers set forth below are taken from the original application and are for illustrative purposes only. The actual impact upon the taxing jurisdiction may be at variance with these numbers given proposed and pending changes in both the school funding formula, and Maine property tax.

**TABLE NUMBER 3  
TAX SHIFTS**

<b>Tax Shift Item</b>	<b>Average Annual Amount</b>	<b>Total Amount</b>
<b>Educational Aid</b>	\$178,478	\$3,569,570
<b>County Tax</b>	\$1,414	\$28,272
<b>Municipal Revenue Sharing</b>	\$18,103	\$362,070
<b>Total</b>	\$197,996	\$3,959,912

### **Duration of Program**

The Development Program shall continue in effect until the later of Fiscal Year 2020, or until 20 years from the initial approval of the program by DECD.

### **Site Location Map**

Set forth on Exhibit A is a map of the vicinity of the District

### **Physical Description of District**

Exhibit B is a list of parcels included in the District. Set forth on Exhibit C is a plan depicting the District.

### **Public Hearings**

Attached hereto as Exhibit E is a copy of the Notice of Public Hearing held in accordance with the requirements of 30-A M.R.S.A. § 5253. The Notice was published in the Falmouth Forecaster, a newspaper of general circulation in the municipality, on August 12, 2004.

### **Authorizing Votes**

Attached as Exhibit F is a copy of the Order adopted

DRAFT – AUGUST 3 2004

**EXHIBIT A – SITE MAP**

DRAFT - AUGUST 3 2004

**EXHIBIT B - PARCEL LIST**

DRAFT – AUGUST 3 2004

**EXHIBIT C – TAX MAP**

DRAFT – AUGUST 3 2004

**EXHIBIT D – ASSESSOR'S CERTIFICATION**

DRAFT – AUGUST 3 2004

**EXHIBIT E – PUBLIC HEARING NOTIFICATION**

DRAFT – AUGUST 3 2004

**EXHIBIT F – TOWN COUNCIL ORDER**