

Town of Falmouth Maine

Route One North and Route One South

Municipal Development Districts

And

Tax Increment Financing Development Program

March, 2000

Table of Contents

ARTICLE I DEVELOPMENT PROGRAM NARRATIVE

Section 1.01. Introduction.	pg 1
a. General District Description	
b. Route One Development	
c. Public Improvements	
Section 1.02. Statement of Means and Objectives.	pg 5
Section 1.03. Brief Discussion of Financial Plan.	pg 6
Section 1.04. Description of Public Facilities to be Constructed.	pg 6
Section 1.05. Uses of Private Property.	pg 8
Section 1.06. Relocation of Displaced Persons.	pg 8
Section 1.07. Proposed Regulations / Facilities to Improve Transportation.	pg 9
Section 1.08. Environmental Controls.	pg 9
Section 1.09. Plan of Operation Upon Completion.	pg 9
ARTICLE II FINANCIAL PLAN	
Section 2.01. General Characteristics	pg 10
Section 2.02. Cost Estimates for Phases of Development	pg 11
Section 2.03. Developer Capital Indebtedness.	pg 12
Section 2.04. Bond Indebtedness.	pg 12
Section 2.05. Sources of Anticipated Revenues.	pg 14
Section 2.06. Financial and Statistical Data.	pg 17
Section 2.07. Estimated Impact of Financing Upon Taxing Jurisdiction.	pg 19
Section 2.08 Duration of Program.	pg 19
ARTICLE III PHYSICAL DESCRIPTION	
Section 3.01. Physical Description of District.	pg 20
Section 3.02- Site Location Map	pg 20
ARTICLE IV MUNICIPAL APPROVALS	
Section 4.01. Public Hearing	pg 20
Section 4.02. Authorizing Votes.	pg 20
EXHIBIT A TIF Boundary Map	
EXHIBIT B Route One Location Map	pg 21
EXHIBIT C Legal Advertisement / Public Notice	pg 22
EXHIBIT D Council Order Authorizing District	pg 23
EXHIBIT E Certificate of Assessment	pg 24
EXHIBIT F-1 Delineation of Route One North	pg 27
EXHIBIT F-2 Delineation of Route One South	pg 28
	pg 29

ARTICLE I

DEVELOPMENT PROGRAM NARRATIVE

Section 1.01. Introduction.

a. General District Description.

Two districts are being proposed as the Route One North and Route One South Municipal Development and Tax Increment Financing Districts (the "Districts") by the Town of Falmouth (the "Town"). 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 which are 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 A 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 resolution of the Falmouth Town Council designating the District and adopting this Development Program, the designation of the District 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 Districts are 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. See Section 2.01, "General Characteristics" of the Financial Plan. The Town will capture one hundred percent (100%) of the increase in assessed value resulting from the development with the Districts.

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 a portion of the costs (including debt service) of the Town to construct the Public Improvements described in Section 1.04 and Table No. 1 below or to pay the cost of such Public Improvements directly. The Town anticipates costs of the Public Improvements to be approximately \$9,000,000. All tax increment revenues on the increase in assessed value not expended on the Public Improvements will go into the City's general fund.

b. Redevelopment of Route One

The Route One corridor in Falmouth is undergoing a significant redevelopment. The business character of many properties in this corridor is being transformed. This transformation is driving both the new construction and the major renovations which characterize this redevelopment. Retail facilities, office space, dining and commercial entertainment options that exist and are expanding along the Route One corridor create the need to upgrade public facilities in this area.

Transportation enhancements (widening and improvements; signalization and signal enhancements; traffic islands and turning lanes; access road construction) together with improved pedestrian services (sidewalks; pedestrian way; enhanced lighting) are needed to enhance public safety. The relocation of overhead utilities will promote reliability of services with a significant visual enhancement. Expansion of environmental facilities (stormwater management and treatment plant upgrades) must also be included in the public investment to support this redevelopment.

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

c. 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.

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 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 Development Program. See Section 1.04, Description of Public Facilities to be Constructed. It is anticipated that the Town will issue bonds to finance these Public Improvements. Such bonds will be issued within five years of the designation of the Districts. 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.

TABLE NO. 1
Description of Projects

Route One North District

Johnson Road Upgrades	\$240,000
	\$450,000
Johnson Road Turn Lane	\$75,000
Signalization	\$65,000
	\$80,000

Route One South District

Westbound Turn Lane Rte 1	\$100,000
Signal Upgrades	\$20,000
	\$90,000
Sidewalks – Bucknam Rd	\$100,000
Sidewalks – Middle Rd	\$100,000
Sidewalks – Rte 1	\$350,000
Underground Utilities	\$2,875,000
Signalization	\$65,000
	\$200,000
	\$65,000
Depot Road Upgrades	\$370,000
Village Pedestrian Access	\$300,000
Street Lighting	\$180,000
Access Road / Ring Road	\$500,000
Public Parking	\$100,000
District Operations	\$83,000
	\$61,000

Both Districts

Stormwater Management	\$400,000
Route One Lane Enhancement	\$1,000,000
Signage	\$15,000

Adjacent to / Impacting Districts

Traffic Islands Rte 1	\$500,000
Treatment Plant Upgrade	\$300,000
Signalization (Route 1 & Route 88)	\$350,000

Total	\$9,034,000
--------------	--------------------

Section 1.02. Statement of Means and Objectives.

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 which foster public safety, environmental quality and enhance the visual appearance of the community will provide a significant benefit to the Town.

In summary, the means and objectives of the Development Program are to provide financing for important Public Improvements related to the redevelopment of the Route One corridor. To the extent that the Town can develop Public Improvements contemplated under the Development Program, a public benefit results.

Section 1.03. Brief Discussion of Financial Plan.

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

At this time, the exact amount of capital investment in the 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 these Districts, the Town will direct these new tax revenues to pay for the Public Improvements which 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 Districts . The Town will develop the public facilities described above either through direct investment or the issuance of bonds to complete the projects. In accordance with the Town charter, the issuance of bonds shall be considered by ballot by the voters. Voters will be asked to approve the issuance of a bond together with a brief description of the projects to be financed by the bond.

Given the approval of such a ballot by the voters, the Town Council will develop the specifics of the Public Improvements as well as the sequence of their implementation. As needed, the Town Council will execute the issuance of bonds, as approved by ballot, in whole or in part to finance the construction, installation and operation of these Public Improvements.

Section 1.04. Description of Public Facilities to be Constructed.

The significant redevelopment of the Route One corridor in Falmouth creates the need to upgrade public facilities to improve the safety and health for Falmouth citizens and the traveling public. With an increased utilization of this corridor for the expanding commercial and business base, pedestrian and vehicular traffic will also

increase. Enhancements to Route One itself, as well as roads which will feed Route One, such as Johnson Road and Depot Road are contemplated as essential elements in this Development Plan. Traffic enhancements will include road upgrades and widening, addition of turn lanes, creation of access or frontage roads to decrease Route One curb cuts, addition of traffic islands, improved signalization, enhanced signage, and expanded lighting.

Pedestrian utilization of the area will also increase as the developments are completed. To insure pedestrian safety, new sidewalks will be added, pedestrian access off of Route One will be completed, and lighting will be enhanced.

The development and public improvements will create new pressures on Falmouth environmental facilities, especially in the areas of stormwater management. An upgrade of the wastewater treatment facility, together with public investments in improved stormwater management will deliver compliance with environmental quality standards, especially in this area which has significant wetlands and is in close proximity to both fresh and salt water resources.

Relocation of overhead utilities will enhance the visual aspects of this development while promoting greater reliability of energy and telecommunications networks.

Since the redevelopment of this corridor is 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 completed. The description of projects contained in Table No.1 above provides the general outline 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.

It is contemplated that the Town of Falmouth will issue bonds to cover the costs of these Public Improvements and satisfy the bonded indebtedness using the revenues generated by the Development Program. In accordance with the Town of Falmouth charter, such bonding will proposed for approval to the voters of Falmouth. Falmouth voters will be asked to approve a package of bonded improvements of approximately \$9,000,000. As the developments are completed, Public Improvements will be constructed to anticipate the needs generated by the new development. The exact scope and sequence of those improvements will remain the responsibility of the Town Council based on the authorization to issue bonds it has received from the voters of Falmouth.

Section 1.05. Uses of Private Property.

The development within the District involves redevelopment, rehabilitation, and new construction of a variety of commercial facilities along the Route One corridor. The current estimated average new value of these properties will be approximately \$23.3 million in both real and personal property. This new value will be the result of a number of different parties (the "Developers") taking independent action to invest private capital.

All capital investments related to the Development Program by the Developers will be located within the District. The acquisition and installation of all such private improvements will be supervised by the Developers and will be subject to all required state and local approvals. The proposed and emerging uses of the District by the Developers is in keeping with current zoning requirements in the zone in which the District is located.

Section 1.06. Relocation of Displaced Persons.

Not applicable.

Section 1.07. Proposed Regulations and Facilities to Improve Transportation.

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

Section 1.08. Environmental Controls.

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 complies with all federal, state and local environmental laws, zoning rules and regulations and any site plan requirements and restrictions.

Section 1.09. Plan of Operation Upon Completion.

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

ARTICLE II

FINANCIAL PLAN

Section 2.01. 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 which are 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 a Project Cost Account pledged to and charged with payment of project costs. The captured tax increment revenues will be deposited into the applicable subaccount which will fund payments required for the Public Facilities described in Section 1.01c. 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. 3, the Town currently expects private development investment within the two districts to produce approximately \$ 23,300,065 of additional tax base for the Town. The private investment will produce estimated tax increment revenues of \$9,776,491 over the twenty year life of the program. The Town will retain 100% of new tax revenues which will be allocated to the Project Cost Account or the

Sinking Fund Account as appropriate, to pay for the Public Improvements which support the Districts.

Section 2.02. Cost Estimates for Phases of Development

The following table contains an estimate of the minimum cost the Town expects the private developers to invest in the districts.

TABLE NO.2
DEVELOPMENT COSTS

Program Year	Year Ended March 31	Projected Costs
1	2000	\$3,900,000
2	2001	\$11,272,700
3	2002	\$14,162,700
4	2003	\$17,162,700
5	2004	\$20,062,700
6	2005	\$22,562,700
7	2006	\$25,062,700
8	2007	\$27,062,700

The projected investment by the developers within the District is \$27.1 million as shown above. However, the developers' actual investment and the timing of those investments during the life of the District may vary. Table 3 below is a summary of the Development Costs for this Project. The values in Tables 5 and 6 below reflect the estimated depreciated value of the taxable assets at the initiation of the District.

TABLE NO. 3
DEVELOPMENT COSTS

Category	Private Funds	TIF Funds	Total
Land Acquisition			
Building Acquisition			
Relocation Expenses			
Clearance & Demolition			
Street / Site Improvements		\$5,000,000	\$5,000,000
Water / Sewer Improvements		\$5,000,000	\$5,000,000
Building Construction	\$24,750,000		\$24,750,000
Capital Equipment	\$ 2,312,700		\$ 2,312,700
Administrative Costs		\$144,000	\$144,000
Debt Service			
Other Costs			

Section 2.03. 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.

Section 2.04. Bond Indebtedness.

The Town of Falmouth anticipates incurring bonded indebtedness in connection with financing the development in the District in the amount of approximately \$9 million. The amortization assumptions underlying the results shown in the table are for illustrative purposes only and will be subject to the capital financing program at the time of construction of the project.

TABLE NO.4
PROJECTED DEBT AMORTIZATION

Year	Amortization
1	\$488,800
2	\$488,800
3	\$488,800
4	\$488,800
5	\$488,800
6	\$488,800
7	\$488,800
8	\$488,800
9	\$488,800
10	\$488,800
11	\$488,800
12	\$488,800
13	\$488,800
14	\$488,800
15	\$488,800
16	\$488,800
17	\$488,800
18	\$488,800
19	\$488,800
20	\$488,800

Section 2.05. Sources of Anticipated Revenues.

The sources of anticipated revenues generated by the District to be used to satisfy any bonded indebtedness of the Town are (i) municipal tax increment revenues on retained captured assessed values, which will be deposited as received into the appropriate account of the Development Program Fund as described below, and (ii) earnings on amounts in the Development Fund.

The following table reflects (i) the original assessed value of all properties within the District, (ii) the projected cost of improvements (including both real and personal property) by the developers in the District, (iii) the estimated increase in assessed value per year attributable to the project following implementation of the Development Program, (iv) the estimated retained tax increment revenues per year attributable to project following implementation of the Development Program, (v) the estimated annual captured assessed value and (vi) the estimated percentage of captured assessed value to be retained by the District.

TABLE NO.5
PROJECTED MUNICIPAL TAX INCREMENT REVENUES ROUTE ONE NORTH

	Original Assessed Value	Cost of Improvements	Total Increase in Assessed Value	Total TIF Revenues from Retained CAV	Total Retained Value (CAV)	Projected Percentage of CAV Retained
1	\$14,177,600	\$11,102,700	\$1,900,000	\$ 38,000	\$1,900,000	100%
2			\$5,052,700	\$103,580	\$5,052,700	100%
3			\$5,702,700	\$119,757	\$5,702,700	100%
4			\$8,702,700	\$182,757	\$8,702,700	100%
5			\$11,102,700	\$ 233,157	\$11,102,700	100%
6			\$11,102,700	\$ 233,157	\$11,102,700	100%
7			\$11,102,700	\$ 233,157	\$11,102,700	100%
8			\$11,102,700	\$ 233,157	\$11,102,700	100%
9			\$11,102,700	\$ 233,157	\$11,102,700	100%
10			\$11,102,700	\$ 233,157	\$11,102,700	100%
11			\$11,102,700	\$ 233,157	\$11,102,700	100%
12			\$11,102,700	\$ 233,157	\$11,102,700	100%
13			\$11,102,700	\$ 233,157	\$11,102,700	100%
14			\$11,102,700	\$ 233,157	\$11,102,700	100%
15			\$11,102,700	\$ 233,157	\$11,102,700	100%
16			\$11,102,700	\$ 233,157	\$11,102,700	100%
17			\$11,102,700	\$ 233,157	\$11,102,700	100%
18			\$11,102,700	\$ 233,157	\$11,102,700	100%
19			\$11,102,700	\$ 233,157	\$11,102,700	100%
20			\$11,102,700	\$ 233,157	\$11,102,700	100%
Av			\$9,950,065	\$ 208,730	\$9,950,065	100%

TABLE NO.6

PROJECTED MUNICIPAL TAX INCREMENT REVENUES ROUTE ONE SOUTH

	Original Assessed Value	Cost of Improvements	Total Increase in Assessed Value	Total TIF Revenues from Retained CAV	Total Retained Value (CAV)	Projected Percentage of CAV Retained
1	\$27,424,700	\$17,632,700	\$2,000,000	\$ 40,000	\$2,000,000	100%
2			\$6,220,000	\$127,510	\$6,220,000	100%
3			\$8,460,000	\$ 177,660	\$8,460,000	100%
4			\$8,460,000	\$ 177,660	\$8,460,000	100%
5			\$8,960,000	\$ 188,160	\$8,960,000	100%
6			\$11,460,000	\$ 240,660	\$11,460,000	100%
7			\$13,960,000	\$293,160	\$13,960,000	100%
8			\$15,960,000	\$335,160	\$15,960,000	100%
9			\$15,960,000	\$335,160	\$15,960,000	100%
10			\$15,960,000	\$335,160	\$15,960,000	100%
11			\$15,960,000	\$335,160	\$15,960,000	100%
12			\$15,960,000	\$335,160	\$15,960,000	100%
13			\$15,960,000	\$335,160	\$15,960,000	100%
14			\$15,960,000	\$335,160	\$15,960,000	100%
15			\$15,960,000	\$335,160	\$15,960,000	100%
16			\$15,960,000	\$335,160	\$15,960,000	100%
17			\$15,960,000	\$335,160	\$15,960,000	100%
18			\$15,960,000	\$335,160	\$15,960,000	100%
19			\$15,960,000	\$335,160	\$15,960,000	100%
20			\$15,960,000	\$335,160	\$15,960,000	100%
Av			\$13,350,000	\$280,095	\$13,350,000	100%

The Town Council 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.

Section 2.06. 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 E 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 District Route One North, as of March 31, 1999, is \$ 14,177,600, and that the assessed value of the District Route One South, as of March 31, 1999, is \$ 27,424,700. Exhibits F-1 and F-2 delineate the properties and values within District Route One North and District Route One South respectively.

Section 2.07. 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 which will result during the term of the District attributable to the project.

TABLE 6
TAX SHIFTS

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

Section 2.08 Duration of Program.

The Development Program shall continue in effect until the later of Fiscal Year 2022, or until 20 years from the approval of the program by DECD.

ARTICLE III

PHYSICAL DESCRIPTION

Section 3.01. Physical Description of District.

Set forth on Exhibit A is a plan depicting the Districts.

Section 3.02- Site Location Map.

Set forth on Exhibit B is a map of the vicinity of the Districts.

ARTICLE IV

MUNICIPAL APPROVALS

Section 4.01. Public Hearing

Attached hereto as Exhibit C 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 Portland Press Herald, a newspaper of general circulation in Falmouth on March 10, 2000, a date at least ten (10) days prior to the public hearing. A public hearing was held prior to Town Council Vote on March 27, 2000.

Section 4.02. Authorizing Votes.

Attached as Exhibit D is a copy of the Order adopted at Town Council Meeting of the Town of Falmouth at a meeting thereof duly called and held on March 27, 2000 designating the District and adopting the Development Plan.

EXHIBIT A

TOWN OF FALMOUTH

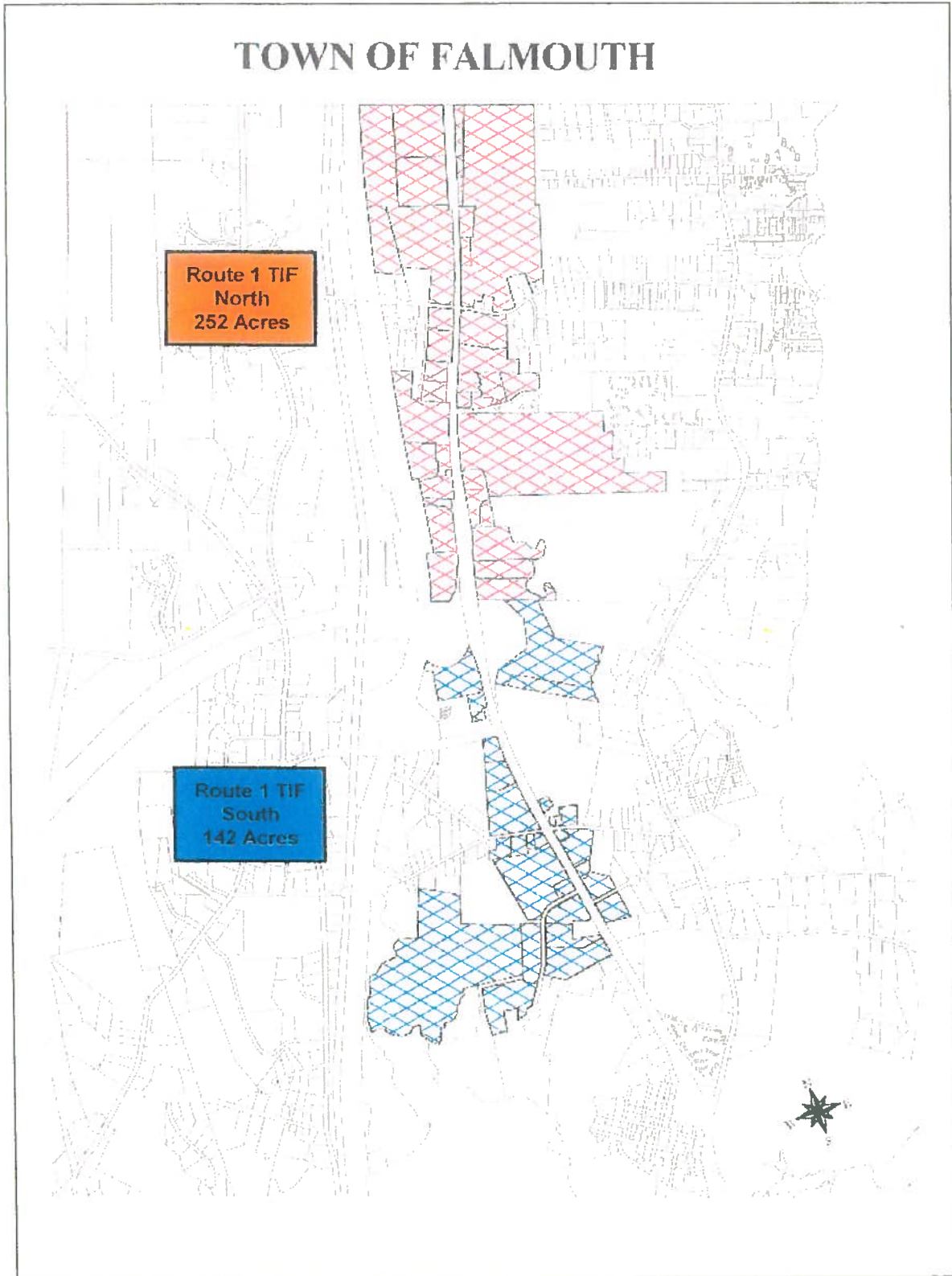


EXHIBIT B



TOWN OF FALMOUTH NOTICE OF PUBLIC HEARING

Notice is hereby given that the Falmouth Town Council will hold a public hearing on Monday, March 27, 2000 at 7:30 p.m., at the Falmouth Town Hall, 271 Falmouth Street, Falmouth, Maine, for the following purposes:

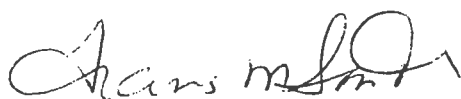
To receive public comments on the designation of its proposed Route One North and Route One South Municipal Development Districts and the adoption of a tax increment financing development program for the said Districts, pursuant to the provisions of Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed municipal development districts consists of approximately 252 acres in the Route One North district and approximately 158 acres in the Route One South district, both districts consisting of land located adjacent to Route 1 in the vicinity of the Maine Turnpike and the Interstate 95 interchanges in the Town.

A copy of the proposed development program for the district will be on file with the Town Clerk prior to the public hearing and may be reviewed at the offices of the Town Clerk during normal business hours.

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

True attested copy of
the advertisement
which appeared in the
Portland Press Herald
on March 10, 2000.



FRANCES M. SMITH

**LEGAL ADVERTISEMENT
TOWN OF FALMOUTH
NOTICE OF PUBLIC HEARING**
Notice is hereby given that the Falmouth Town Council will hold a public hearing on Monday, March 27, 2000 at 7:30 p.m., at the Falmouth Town Hall, 271 Falmouth Street, Falmouth, Maine, for the following purposes:
To receive public comments on the designation of its proposed Route One North and Route One South Municipal Development Districts and the adoption of a tax increment financing development program for the said Districts, pursuant to the provisions of Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended.
The proposed municipal development districts consists of approximately 252 acres in the Route One North district and approximately 158 acres in the Route One South district, both districts consisting of land located adjacent to Route 1 in the vicinity of the Maine Turnpike and the Interstate 95 interchanges in the Town.
A copy of the proposed development program for the district will be on file with the Town Clerk prior to the public hearing and may be reviewed at the offices of the Town Clerk during normal business hours.
All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time.

240101

TOWN OF FALMOUTH, MAINE

**ORDER DESIGNATING ROUTE ONE NORTH AND ROUTE ONE SOUTH
MUNICIPAL DEVELOPMENT DISTRICTS AND ADOPTING A TAX
INCREMENT FINANCING DEVELOPMENT PROGRAM**

WHEREAS, the Town is authorized pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the Town as municipal development and tax increment financing districts and to adopt a development program for such districts; and

WHEREAS, the Town Council expects developers to make real and personal property investments and to otherwise develop certain properties on the Route 1 corridor to be located within the proposed Districts described below; and

WHEREAS, in light of the foregoing anticipated investment and improvements, there is a need for infrastructure and other public improvements to support the commercial development on the Route 1 corridor in the Town; and

WHEREAS, the infrastructure and other public improvements to be built by the Town will support the private investment within the districts which private investment will help to provide continued employment for the citizens of the Town and the surrounding region; improve and broaden the tax base in the Town and improve the economy of the Town and the State of Maine; and

WHEREAS, the Town has held a public hearing on the question of establishing the districts in accordance with the requirements of 30-A M.R.S.A. § 5253, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town; and

WHEREAS, the Town desires to designate the Route One North and Route One South Municipal Development Districts (the "Districts") and adopt a Tax Increment Financing Development Program for such Districts; and

WHEREAS, it is expected that approval will be sought and obtained from the Maine Department of Economic and Community Development, approving the designation of the Districts and the adoption of the Development Program for the Districts;

NOW, THEREFORE, BY THE TOWN COUNCIL OF THE TOWN OF FALMOUTH, BE IT HEREBY ORDERED:

Section 1. The Town hereby finds and determines that:

(a) At least twenty-five percent (25%), by area, of the real property within each of the Districts, as hereinafter designated, is suitable for industrial sites as defined in 30-A M.R.S.A. § 5253; and

(b) The total area of each of the Districts does not exceed two percent (2%) of the total acreage of the Town, and the total area of all development districts within the Town (including the Districts) does not exceed five percent (5%) of the total acreage of the Town; and

(c) The aggregate value of equalized taxable property of each of the Districts as of April 1, 1999 does not exceed five percent (5%) of the total value of equalized taxable property within the Town as of April 1, 1999; and

(d) The aggregate value of indebtedness financed by the proceeds from tax increment financing districts within Cumberland County, including the proposed Districts, does not exceed \$50 million; and

(e) The Town expects that the Development Program will be completed within five (5) years of the designation of the Districts by the Department of Economic and Community Development; and

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

Section 2. Pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, the Town hereby designates the Route One North and Route One South Municipal Development Districts, designated and described as more particularly set forth in the "Route One North and Route One South Municipal Development Districts and Tax Increment Financing Development Program" presented to the Town Council and such Development Program is hereby incorporated by reference into this vote as the Development Program for the Districts.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5254, the percentage of captured assessed value to be retained in each of the respective Districts is hereby established as set forth in the Development Program.

Section 4. The Town Manager be, and hereby is, authorized, empowered and directed to submit the proposed designation of the Districts and the proposed Development Program for the Districts 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. § 5253(1)(F).

Section 5. The foregoing designation of the Districts and the adoption of the Development Program for the Districts shall automatically become final and shall take full force and effect upon receipt by the Town of approval of the designation of the Districts and adoption of the Development Program by the Department of Economic and Community Development, without requirements of further action by the Town, the Town Council, or any other party.

Section 6. The Town Manager be and hereby is authorized and empowered, at his discretion, from time to time, to make such technical revisions to the Development Program for the Districts as the Town Manager deems reasonably necessary or convenient in order to facilitate the process for review and approval of the Districts by 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 the Development Program.

True attest copy of the order adopted by the Falmouth Town Council at their regular meeting on March 27, 2000.

James M. Smith

Town of Falmouth, Maine

John D. Harris, Town Manager

271 Falmouth Road
Falmouth, Maine 04105
(207) 781-5253



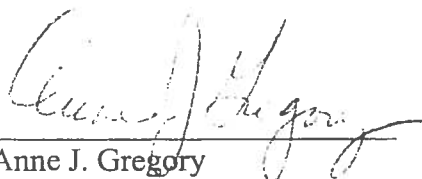
Exhibit E

Assessor's Certificate Town of Falmouth

The undersigned Assessor for the Town of Falmouth, Maine does hereby certify pursuant to provisions 30-MRSA 5254 that the assessed value of the Route One North Municipal Development District and Tax Increment Financing Development Program, as described in Exhibit F1 in this Development Program to which this Certificate is attached was \$14,177,600 on April 1, 1999.

Further, that the assessed value of the Route One South Municipal Development District and Tax Increment Financing Development Program, as described in Exhibit F2 in this Development Program to which this Certificate is attached, was \$27,424,700 on April 1, 1999.

In witness thereof, this Certificate has been executed as of this 29th day of March, 1999.



Anne J. Gregory
Falmouth Tax Assessor

1999 ASSESSMENTS FOR ROUTE ONE NORTH TIF

MAPLOT	LOT SIZE	LAND	BUILDING	TOTAL RE	PERSONAL PROPERTY	LOCATION	OWNER
MBLU	CAMA	ASSESSMENT	ASSESSMENT	ASSESSMENT	# ACCTS	ASSESSMENT	
U13-001	6.30	\$ 170,200	\$ 92,300	\$ 262,500	2	\$ 69,800	305 US RTE 1 Campbell/Gnome/Araby
U15-001	7.60	\$ 259,700	\$ -	\$ 259,700	0	\$ -	315 US RTE1 Hopload
U15-001-A	2.40	\$ 160,800	\$ 495,400	\$ 656,200	1	\$ 172,600	325 US RTE 1 LTM Assoc
U15-001-B	4.80	\$ 186,500	\$ 202,300	\$ 388,800	1	\$ 66,200	309 US RTE 1 Babcock
U15-001-C	1.50	\$ 57,400	\$ -	\$ 57,400	0	\$ -	E/S US RTE 1 EXEMPT Town
U15-004	2.37	\$ 204,300	\$ 155,900	\$ 360,200	1	\$ 49,900	333 US RTE1 Auto Motion
U53-001	6.71	\$ 217,300	\$ -	\$ 217,300	0	\$ -	W/S US RTE 1 Fairmouth Executive Pk
U53-002	4.26	\$ 101,800	\$ 257,400	\$ 359,200	0	\$ -	342 US RTE 1 Ellis Trust
U53-002-A	1.03	\$ 90,200	\$ -	\$ 90,200	0	\$ -	346 US RTE 1 McGoldrick
U53-003	2.58	\$ 236,400	\$ 340,700	\$ 577,100	1	\$ 4,100	348 US RTE 1 Timm
U53-004	4.20	\$ 47,500	\$ -	\$ 47,500	0	\$ -	N/S US RTE 1 MeState Builders
U53-004-A	2.10	\$ 121,700	\$ -	\$ 121,700	0	\$ -	356 US RTE 1 S B Enterprises
U54-001	3.64	\$ 481,500	\$ 1,864,500	\$ 2,346,000	2	\$ 978,500	374 US RTE 1 Marr
U54-001-A	2.40	\$ 169,000	\$ 21,400	\$ 190,400	0	\$ -	370 US RTE 1 Marr
U54-002	1.67	\$ 200,900	\$ 526,600	\$ 727,500	8	\$ 112,500	366 US RTE 1 Marr
U54-003	1.58	\$ 237,300	\$ 1,072,200	\$ 1,309,500	3	\$ 168,300	362 US RTE 1 Marr
U54-028	12.43	\$ 293,700	\$ 10,100	\$ 303,800	0	\$ -	358 US RTE 1 Batson
U59-008	7.18	\$ 63,400	\$ -	\$ 63,400	0	\$ -	S/S JOHNSON RD Lucas Tree
U59-008-001	6.28	\$ 22,900	\$ -	\$ 22,900	0	\$ -	JOHNSON RD 367 US RTE 1
U59-009	1.78	\$ 178,700	\$ 551,300	\$ 730,000	14	\$ 113,900	361 US RTE 1 Bauer
U59-009-A	0.91	\$ 127,400	\$ 115,500	\$ 242,900	2	\$ 21,200	N/S NORTHBRK Unity Church of Truth
U59-009-B	1.22	\$ 18,300	\$ -	\$ 18,300	0	\$ -	12 NORTHBROOK BDM&P Realty
U59-010-A1	2.96	\$ 132,000	\$ -	\$ 132,000	0	\$ -	20 NORTHBROOK US RTE 1
U59-010-A2	3.32	\$ 148,000	\$ -	\$ 148,000	0	\$ -	US RTE 1 Sukeforth
U59-011	54.00	\$ 210,200	\$ -	\$ 210,200	0	\$ -	10 VALLEY AVE S & A Assoc
U60-012	1.87	\$ 34,200	\$ 136,300	\$ 170,500	0	\$ -	395 US RTE 1 European Bakery
U60-013	1.29	\$ 114,700	\$ 74,800	\$ 189,500	1	\$ 20,100	N/S JOHNSON RD Hincks
U60-014	42.00	\$ 92,100	\$ -	\$ 92,100	0	\$ -	E/S US RTE 1 Proctor
U61-019	1.89	\$ 66,800	\$ -	\$ 66,800	0	\$ -	417 US RTE 1 Halverson
U61-021	0.63	\$ 101,500	\$ 156,100	\$ 257,600	4	\$ 25,100	411 US RTE 1 Group Dynamic Inc
U61-022	0.66	\$ 104,000	\$ 422,900	\$ 526,900	2	\$ 123,700	115 JOHNSON RD Fortune (landlocked?)
U62-001	9.00	\$ 13,500	\$ -	\$ 13,500	0	\$ -	400 US RTE 1 Fortune
U62-003	26.26	\$ 251,700	\$ 481,600	\$ 733,300	2	\$ 85,400	W/S US RTE 1 Anson (heirs of)
U62-004	12.00	\$ 136,700	\$ -	\$ 136,700	0	\$ -	W/S US RTE 1 Prince
U62-005	12.00	\$ 136,700	\$ -	\$ 136,700	0	\$ -	
TOTALS	252.82	\$ 5,189,000	\$ 6,977,300	\$ 12,166,300	44	\$ 2,011,300	14,177,600 Total RE & PP

99 ASSESSMENTS FOR ROUTE ONE SOUTH TIF

MAPLOT	LOT SIZE	LAND ASSESSMENT	BUILDING ASSESSMENT	TOTAL RE ASSESSMENT	# ACCTS	PERSONAL PROPERTY ASSESSMENT		LOCATION	OWNER
MBLU	CAMA								
R02-009	5.25	\$ 57,300	\$ -	\$ 57,300	0	\$ -		W/S US RTE 1	Emery Waterhouse
R04-028	42.00	\$ 248,800	\$ 178,600	\$ 427,400	0	\$ -		22 LUNT RD	Finks
U11-033	2.76	\$ 754,500	\$ -	\$ 754,500	0	\$ -		E/S US RTE 1	Noyes
U11-033-A	0.88	\$ 276,000	\$ 337,300	\$ 613,300	3	\$ 39,500		219 US RTE 1	Wolak
U11-033-B	1.00	\$ 294,600	\$ -	\$ 294,600	1	\$ -		231 US RTE 1	Noyes
U11-033-BBD	0	\$ -	\$ 82,800	\$ 82,800		\$ 7,800		231 US RTE 1	Noyes
U11-033-1BD	0	\$ -	\$ 238,500	\$ 238,500				223 US RTE 1	Peoples (leased land)
U11-033-2BD	0	\$ -	\$ 403,200	\$ 403,200	1	\$ 103,600.00		227 US RTE 1	McDonalds (leased land)
U11-035	2.76	\$ 623,400	\$ 562,200	\$ 1,185,600	1	\$ 50,500		211 US RTE 1	Falmouth Inn
U11-035-A	2.00	\$ 594,600	\$ 679,000	\$ 1,273,600	0	\$ -		215 US RTE 1	Infiniti (Saab for 2000)
U12-007-A	4.30	\$ 21,500		\$ 21,500	0	\$ -		S/S US RTE 1	Fal Realty/rear land
U12-009	0.22	\$ 86,500	\$ 94,100	\$ 180,600	1	\$ 19,000		37 DEPOT RD	Mark Stimson/DeWolfe
U12-010	0.26	\$ 81,100	\$ 44,500	\$ 125,600	1	\$ 1,700		35 DEPOT RD	Tirbassi
U12-011	0.92	\$ 141,900	\$ 36,900	\$ 178,800	0	\$ -		33 DEPOT RD	Harris/vacant apt bldg
U12-013	0.78	\$ 258,100	\$ 233,300	\$ 491,400	1	\$ 109,600		239 US RTE 1	Bath Savings
U13-002-B	21.00	\$ 290,500	\$ -	\$ 290,500	0	\$ -		W/S RTE 88	Fal Realty/rear land UB
U24-005	8.10	\$ 1,371,400	\$ 947,700	\$ 2,319,100	0	\$ -		240 US RTE 1	Classic Cadillac(vac'99)
U24-006	0.49	\$ 42,500	\$ 99,100	\$ 141,600	0	\$ -		46 DEPOT RD	Jones-2family
U24-007	1.22	\$ 153,600	\$ 413,200	\$ 566,800	4	\$ 35,900		50 DEPOT RD	Banks/ReMax
U24-007-001	1.65	\$ 156,200	\$ 67,100	\$ 223,300	0	\$ -		56 DEPOT RD	Fal Plaza-rental
U52-001	3.38	\$ 194,300	\$ -	\$ 194,300	0	\$ -		W/S US RTE 1	Emery Waterhouse
U52-001-B	7.18	\$ 651,800	\$ 1,308,900	\$ 1,960,700	3	\$ 172,700		196 US RTE 1	Portland Athletic Club
U52-002	13.96	\$ 2,834,500	\$ 4,069,400	\$ 6,903,900	2	\$ 1,625,500		206 US RTE 1	Fal Plaza/Hoyts&Walmart
U52-003	1.38	\$ 414,600	\$ 577,600	\$ 992,200	7	\$ 72,900		204 US RTE 1	Kiwi LTD/sm shops
U52-004	3.30	\$ 693,600	\$ 1,051,600	\$ 1,745,200	13	\$ 937,400		202 US RTE 1	Strenhoex/Forside Mall
U52-006	4.58	\$ 259,600	\$ -	\$ 259,600	0	\$ -		W/S CLEARWT	Emery Waterhouse
U52-008	0.5	\$ 46,900	\$ -	\$ 46,900		\$ -		Com Rte 1 & Dep	EXEMPT Town Park
U58-006	2.56	\$ 473,300	\$ 183,100	\$ 656,400	0	\$ -		256 US RTE 1	Key Bank (Vacant)
U58-007	1.02	\$ 301,200	\$ 82,300	\$ 383,500	2	\$ 10,200		264 US RTE 1	Kibler/Exxon/Webber
U58-010	7.18	\$ 283,900		\$ 283,900		\$ -		W/S US RTE 1	MMC Realty Corp
U58-010-A1	0.49	\$ 176,300	\$ 117,600	\$ 293,900	1	\$ 14,300		266 US RTE 1	Dino/Mobil
U58-010-A2	1.06	\$ 272,300	\$ 321,500	\$ 593,800	1	\$ 39,800		270 US RTE 1	Burnett/Moose Crossing
TOTALS	142.18	\$ 12,054,800	\$ 12,129,500	\$ 24,184,300	42	\$ 3,240,400	\$ 27,424,700		Total RE & PP