

**ROUTE ONE SOUTH TIF AMENDMENT REQUEST
APPLICATION COVER SHEET**

MUNICIPAL TAX INCREMENT FINANCING

A. General Information

1. Municipality Name: Town of Falmouth		
2. Address: 271 Falmouth Road, Falmouth, Maine 04105		
3. Telephone: 781-5253	Fax: 781-8677	5. Email: npoores@town.falmouth.me.us
6. Municipal Contact Person: Nathan Poore, Town Manager		
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):		
<input type="checkbox"/> job creation	<input type="checkbox"/> job retention	<input checked="" type="checkbox"/> capital investment
<input type="checkbox"/> training investment	<input type="checkbox"/> tax base improvement	<input checked="" type="checkbox"/> public facilities improvement
<input type="checkbox"/> other (list):		
2. Check the specific items for which TIF revenues will be used (any that apply):		
<input type="checkbox"/> real estate purchase	<input checked="" type="checkbox"/> machinery & equipment purchase	<input type="checkbox"/> training costs
<input type="checkbox"/> debt reduction	<input checked="" type="checkbox"/> other (list): infrastructure investment, economic development	

C. Employment Data

List the company's goals for the number, type and wage levels of jobs to be created or retained as part of this TIF development project (<i>please use next page</i>). n/a
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D. Annual Report

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 <input type="checkbox"/> No <input type="checkbox"/> (<i>If so, please review the example of an annual report at the back of the TIF manual – a current version will be mailed by May 15th each year to the business contact person on this page and by law must then be filed with DECD by August 1st</i>). n/a

Falmouth Route One South Tax Increment Financing District
2010 Development Program Amendment Request
Draft November 30, 2009

Project Overview

The Route One South District was established on March 31, 2000 for a period of 20 years through FY 2019-20. The District encompasses approximately 142 acres and is comprised of properties adjacent to U.S. Route One in the vicinity of the interchanges with the Maine Turnpike and Interstate 295. The development program was amended on March 29, 2005.

The Town of Falmouth (the “Town”) is again proposing to amend the Route One South Tax Increment Financing District program. In addition, the Town would like to amend the term of the District.

The purpose of these amendments is to update the list of infrastructure projects and economic development initiatives to be undertaken. Through this amendment, there will no other change, with exception to the term, to the basic configuration of the Development as approved by the Town of Falmouth and the State of Maine. The geographic boundaries and the percentage allocations of any captured assessed value remain unchanged. Therefore, this amendment refers back to the original approval regarding base year values. Where appropriate, projections have been updated to reflect actual numbers, and subsequent projected years have been added and/or refined. All other calculations reflect the original application.

The main 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, and to perform Economic Development activities. Captured assessed value is calculated for the District based upon the property’s assessed value as of April 1, 1999.

All of the retained tax increment revenues on increases in assessed value resulting from the District will be used by the Town to help pay all or a portion of the costs of the Town to conduct the activities described in Table 1 below.

Term amendment

The term of the Route One South District is proposed to be extended with three (3) years through fiscal year 2022-23, so it is in sync with the Route One North District Amendment as well as the existing term of the Northbrook Sub-District that is located inside the Route One North District.

Redevelopment of the Route One South Corridor

The Route One South Corridor continues to undergo significant redevelopment. The character of many properties is being transformed. This transformation is driving new construction, which in turn creates the need to upgrade public facilities in this area. Since 2000, the majority of improvements have been road improvements, while there also have been some sewer and pedestrian improvements.

A number of infrastructure improvements which were included in the 2005 amendment approval remain to be completed. They have been listed in table 1 under “previously approved projects.” They include sidewalk improvements, underground utilities and street lighting, a new access road, some road and parking improvements.

Besides these projects, the Town sees the need for continued investment in Clearwater Drive, Falmouth Road, sidewalk repair, tree planting, wayfinding, and staff time to perform economic development functions.

**Town of Falmouth Tax Increment Financing
U.S. ROUTE ONE SOUTH TIF DISTRICT**

Table 1: 2010 Development Program Update

Project Name	Scope	2005 vs. New	Approximate cost	Proposed Fiscal Year(s) Ending	Notes
Previously Approved Projects					
SOUTH					
Sidewalk - Bucknam Road	Entire street	In 2005 amendment approval	\$336,000	2016	
Sidewalks - Route 1	Providence Avenue to Brown Street	In 2005 amendment approval	\$254,240	2010	
Sidewalks - Route 1	Brown Street to Payson Road	In 2005 amendment approval	\$317,800	2010	
Sidewalks - Route 1	Payson Road to Martin's Point Bridge	In 2005 amendment approval	\$335,960	2010	
Underground utilities and street lighting	Route One	In 2005 amendment approval	\$500,000 \$500,000 \$1,000,000	2013 2014 2015	

Project Name	Scope	2005 vs. New	Approximate cost	Proposed Fiscal Year(s) Ending	Notes
Depot Road	Curbing	In 2005 amendment approval	\$25,723	2010	
Village Pedestrian Access	Trail and sidewalks in Village Park and Route 1 South	In 2005 amendment approval	\$32,700	2010	Some pedestrian amenities have been completed, but not the entire scope of trail and recreational opportunities.
Access Road (s)	Hat Trick Drive and other locations	In 2005 amendment approval	\$292,714	2010	Hat Trick Drive to Clearwater section was funded as a joint 3-party Congestion Mitigation project. The other locations are for signalization improvements at four intersections in Route One South.
Public Parking	Proposed P+R facility that will be located in the TIF district.	In 2005 amendment approval	\$280,000	2017	

Project Name	Scope	2005 vs. New	Approximate cost	Proposed Fiscal Year(s) Ending	Notes
District operations	Machine designed for year round operations in Districts. Operations include: Roadside finish/flail mowing, sidewalk snow removal and sweeping, road grinding and repair work.	In 2005 amendment approval	\$66,400	2010	A total of \$83,000 was originally set aside to purchase equipment to perform district operations. This was not done. PW recommends maintaining this item for future expenditure. The total amount is split 80-20 between the Route One South and West Falmouth TIF districts.
Traffic Islands Route 1	Route 1 and Route 88 intersection	In 2005 amendment approval	\$224,000	2012	Realignment of existing traffic islands. Scope of work TBD.
BOTH ROUTE 1 DISTRICTS (costs for projects which apply to both districts have been split 67%-33% between the Route One North and South district)					
Stormwater Management		In 2005 amendment approval	\$40,200	2015	These include projects to meet NPDES Phase 2 requirements and as locally prioritized. This is ongoing regulation. The Town's next 5-year CIP cycle plan will identify specific projects.

Project Name	Scope	2005 vs. New	Approximate cost	Proposed Fiscal Year(s) Ending	Notes
Signage		In 2005 amendment approval	\$6,700	2010	Proposed wayfinding signage will be limited to signs within the TIF district or those that are related to the district. The purpose of the signs outside the District are to direct business customers, many of whom are from outside Falmouth, to the District. (5-5-2010: Add Falmouth Memorial Library and Falmouth Historical Society to the signs.)
Sidewalks Falmouth Road		In 2005 amendment approval			Discussion of this is included in "Falmouth Road" project below.
North Intersection Route 9/Bucknam Road	North side of the intersection	In 2005 amendment approval	\$225,120	2014	A Gorrill-Palmer study recommended to improve road capacity by adding a double left turn at Falmouth Corners.
New projects					
SOUTH (new)					
Clearwater Drive "Gateway" upgrade	Route 1 to Farm Gate Lane	New project	\$336,000	2013	Planning Department began design considerations for section from Farm Gate to Route 1. Plan by DeLuca-Hoffman. This road is located inside the TIF district.
BOTH ROUTE 1 DISTRICTS (new) (costs for projects which apply to both districts have been split 67%-33% between the Route One North and South district)					

Project Name	Scope	2005 vs. New	Approximate cost	Proposed Fiscal Year(s) Ending	Notes
Falmouth Road reconstruction with pedestrian amenities	Bucknam to Merrill	New project	\$446,890 \$223,110	2011 2012	While this project is not located in the Route One South District, it is directly related to it. Falmouth Road is the <i>only</i> east-west connector road through Falmouth, providing access to and from local neighborhoods to the District and linking the Maine Turnpike-Route 100 corridor with the Interstate 295/Route 1 corridor. It also connects Morrill's Corner, Allen's Corner, and the Riverside Industrial Park in Portland to Interstate 295 and Route 1. As the Turnpike Connector charges a toll, it is <i>not</i> used from local east-west travel purposes. Increased traffic on Falmouth Road to and from the Route One South District, in part as a result of increased business activity in the district, combined with a growing concern for pedestrian safety have triggered the need for road and sidewalk improvement. The first portion to be constructed is from Blueberry Road to Bucknam Road. The second portion to be constructed is from Blueberry Road to Merrill Road.
TIF and Economic Development Staff Time	Portion of salaries of staff to administer the TIF Development Program and accounting as well as to conduct economic development activities.	New project	\$30,986 \$31,916 \$32,873 \$33,860 \$34,875 \$35,922 \$36,999 \$38,109 \$39,253 \$40,430 \$41,643	2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020	This budget includes a portion of the salaries (% allocated) of the following staff members: <ul style="list-style-type: none"> - Town Manager (3.3%), - Community Development Director (6.7%), - Director of Long-Range Planning (10%), - Assessor (1.7%), - Finance Director (1.7%), - Bookkeeper (1.7%), and - Budget/Purchasing Director (1.7%).

Project Name	Scope	2005 vs. New	Approximate cost	Proposed Fiscal Year(s) Ending	Notes
GIS Maintenance	This is a digital, interactive mapping program that the Town uses for site location, zoning, land use, and project planning decision making.	New project	\$2,513 \$2,513 \$2,513 \$2,513 \$2,513 \$2,513 \$2,513 \$2,513 \$2,513 \$2,513 \$2,513	2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020	The Falmouth GIS is a key tool for economic development purposes as developers using it can gauge preliminary suitability of properties during their site search. The GIS serves other purposes as well. For equity purposes, just ¼ of the total cost for the annual GIS update for the entire Town (total = \$30,000) has been allocated to the West Falmouth Crossing, Route One North, and Route One South districts. That ¼ share has been further divided between the Route One North/South and West Falmouth Districts. This means that 75% of the maintenance expenses is paid with General Funds, and 8.3% is paid with Route One South Crossing TIF funds.
Street Tree Planting	Street planting will be located inside the TIF district.	New project	\$167,500	2018	Exact scope of this work is TBD.
Sidewalk Repair and Construction	Sidewalks will be located inside TIF district.	New project	\$167,500	2017	Exact scope of this work is TBD.

Financial Plan

The total value of land and buildings, together with personal property, for Route One South as of March 31, 1999 was \$27,424,700. Private development investment within the District produced between 1999-2009 \$50,071,300 of additional tax base, resulting in \$3,000,944 of TIF revenue for the Town. This private investment will produce estimated tax increment revenues of \$ \$7,456,431 between 2010-2022, 100% of which is available to fund public improvements.

Appendix 1 reflects activity since inception of the District. Where available, actual figures are presented.

Developer Capital Indebtedness

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

Bond Indebtedness

The Town of Falmouth may execute financial instruments to finance all or a portion of the activities as needed. If so, a sinking fund will be established in accordance with 30-A MRSA §5227.

Sources of Anticipated Revenues

The sources of anticipated revenues by the District are municipal tax increment revenues on retained captured assessed values and earnings on amounts in the Community Infrastructure and Conservation Fund.

Financial and Statistical Data

Total value of equalized taxable property in Falmouth as of April 1, 1999 is \$895,200,000.

Aggregate value of equalized taxable property in all existing tax increment financing districts as of April 1st preceding each such district's designation:

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

Percentage of total value of equalized taxable property represented by aggregate value of all equalized taxable property in all existing tax increment financing districts expressed as a percentage: 4.71 %.

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

Acreage included in existing tax increment financing districts:

West Falmouth:	59.74 acres (0.32% of total taxable acreage)
Route One North:	252 acres (1.33% of total taxable acreage)

Route One South: 142 acres (0.75% of total taxable acreage)
Total acreage: 453.74 (2.4% of total taxable acreage)

Estimated Impact of Financing Upon Taxing Jurisdiction

Table 2 below identifies tax shifts that may result during the term of the District attributable to the project. The numbers are taken from the original application and for illustrative purposes only. The actual impact upon the taxing jurisdiction may vary.

Table 3: Tax Shifts 2010-2023

Tax Shift Item	Average Annual Amount	Total Amount
Educational Aid	\$ 315,348	\$4,099,528
County Tax	\$ 22,849	\$ 297,041
Municipal Revenue Sharing	\$ 36,224	\$ 470,914
Total	\$ 374,422	\$ 4,867,483

Duration of the Program

The Development Program is proposed to be extended from Fiscal Year 2019-20 to Fiscal Year 2022-23.

Public Hearings

Attached is a copy of the Notice of Public Hearing held in accordance with the requirements of 30-A MRSA § 5253. The Notice was published in The Forecaster, a newspaper of general circulation in the municipality, on November 20, 2008. An attested copy of the minutes of the Public Hearing of December 8, 2008 are attached. No public comments were received at this Public Hearing.

Authorizing Vote

Attached is an attested copy of the Order adopted.