



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



PAUL R. LEPAGE
GOVERNOR

GEORGE C. GERVAIS
COMMISSIONER

December 22, 2015

James Bennett,
City Manager
CITY OF BIDDEFORD
205 Main Street
Biddeford, ME 04005

RE: RTE 111 - Mill Redevelopment Municipal Tax Increment Financing (TIF) District; Development Program Sixth Amendment (AMD-6)

A P P R O V E D

Dear James,

The Maine Department of Economic and Community Development (Department) has reviewed and EFFECTIVE TODAY APPROVED your application to amend above referenced Municipal TIF District. Based on application, I am happy to note/approve:

- a. District taxable Original Assessed Value of \$20,260,315 as of April 1, 2014/2012/2007/2005/2003—acreage 204.55;

Per August 24, 2004 original designation and previous amendments approvals, Department restates:

- b. District term of 30 years ending June 30, 2034 with City FY2033-34;
- c. Real and personal property Increased Assessed Value (IAV) capture of up to 95/75/65% respective of years 1/2/3-30;
- d. District revenues deposited/held in dedicated accounts and applied ONLY toward approved activities/projects due completion BEFORE/BY June 30, 2034,
 - i) Project Cost accounts to reimburse North Dam, LLC (Developer) for costs 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 if any;
- e. Developer reimbursement limited to incremental taxes from NEW actual value capped at \$2,077,361 total projected at 100/50% annually during District term respective of years 1-9/10;
- f. City may NOT negotiate/execute additional agreements with reimbursement components without due public process and future amendment;
- g. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with City equalized assessed value;
- h. Any future amendment MUST comply with 30-A M.R.S. §§ 5221-5235 and Department rules;
- i. When District expires or is terminated CITY MUST NOTIFY DEPARTMENT IN WRITING.

City revenue allocation projected at \$17 million may facilitate funding for an estimated \$25 million in public costs and associated debt if any, **as further described in development programs**. This funding MUST comply with already established City appropriation process—with activities/projects due completion BEFORE/BY June 30, 2034. The Department restates previously approved public activities/projects immediately following:



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WITHIN DISTRICT

- j. Fire Department equipment \$30,000;
- k. Police Department cruisers \$112,180;
- l. Plow trucks \$371,875;
- m. District Program administration \$445,020;
- n. Parking facility \$15 million;

WITHIN/OUTSIDE DISTRICT ◊

- o. Riverwalk and Pedestrian connector \$2 million; g ◊
- p. Infrastructure and amenities \$2.5 million; g

OUTSIDE DISTRICT ◊

- q. RTE 1 reconstruction \$750,000;

WITHIN MUNICIPALITY

- r. Transfer of ownership of Maine Energy Recovery Company parcel/related site costs \$3 million;
- s. Economic development programs \$400,000; g
- t. Environmental projects \$150,000; ◊
- u. Skills development/training \$72,500;
- v. Quality child care \$72,500;
- w. Permanent revolving loan funds, investment funds and grants per § 5225(1)(C)(3) for costs authorized by 30-A M.R.S. § 5225 and Department rules as amended from time to time \$30,000.

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 best wishes for the success of your District.

Sincerely,

George C. Gervais
Commissioner

cc: Senator David Dutremble (SD-32) and Representatives Ryan Fecteau (HD-11) and Martin Grohman (HD-12)—127th Legislature; David Ledew, MRS Director Property Tax Division; Brian Doyle, Governor’s Account Executive; Shana Cook Mueller, Bernstein Shur

◊ To the extent a project is outside the District, the City must prorate/allocate costs not directly related to or made necessary by establishment/operation of this District to other funding sources.

EXCLUDING FOLLOWING COSTS/FUNDING:

- ◊ Public park(s)
- ⌘ Items beyond § 5222(1) scope, i.e.: holiday decorations, plant pots/containers and art

TIF District	Credit Enhancement Agreement	Status
Mill Development/Rte. 111 TIF*	None – City TIF revenue	Expires June 30, 2034
Airport Industrial Park TIF	Soleras	CEA expires June 30, 2019
Biddeford Industrial Park TIF	Volk Packaging	CEA expires June 30, 2018
Mill Development/Rte. 111 TIF	North Dam	CEA expires June 30, 2019
Mission Hill AHTIF	Mission Hill LP	CEA expires June 30, 2030
Mission Hill AHTIF	Mission Hill, LP 2	CEA expires June 30, 2030
The Lofts at Saco Falls AHTIF**	The Lofts at Saco Falls, LP	CEA expires March 31, 2044
New Laconia House AHTIF	Laconia House, LP	CEA expires March 31, 2033
Emery School AHTIF	Developers Collaborative Predevelopment LLC	CEA expires June 30, 2027

*See attached DECD approval letter dated December 22, 2015.

**A portion of the TIF revenues is earmarked for parking.

Note: New Laconia House AHTIF was approved locally, but did not receive Maine Housing funding. Therefore, the project will not received any TIF funds.