



The Biddeford Beat

CITY OF BIDDEFORD WEEKLY NEWSLETTER | Monday, October 2, 2017

Volume 17.33

A1

UPCOMING MEETINGS

Monday, October 2:

6:30 PM – Downtown Development Commission
(2nd floor conference room)

Tuesday, October 3:

5:00 PM – Finance Committee (live)
6:00 PM – City Council Meeting (live)

Wednesday, October 4:

8:00AM – State Claims Commission
(Council Chambers)
6:00 PM – Planning Board Meeting (live)

Thursday, October 5:

8:00 AM – Downtown Taskforce
(Mayor’s Office)

Monday, October 9:

Biddeford City Hall Closed in Observance of Columbus Day

For Full Calendar, [click here](#)

Do you have Suggestions or Questions?

Do you have questions, topics or other suggestions that you would like us to cover in “The Biddeford Beat?” If so, we would like to hear from you. Please send us your questions, suggestions, concerns or ideas to: newsletter@biddefordmaine.org.

The 2nd Annual City of Biddeford Employee & Volunteer Appreciation Banquet was held on Thursday, September 28, 2017 at the Rochambeau Club. The following employees and volunteers were recognized: Carl Walsh, Marina Gagne, Paul Labrecque, Alex Buechner and William Southwick.



Award:	Name:	Title:	Yrs. of Svc:
Employee of the Year	Carl Walsh	Recreation Director	21
Customer Service Rep. of the Year	Marina Gagne	Account Clerk	2
Management Team Member of the Year	Paul Labrecque	Deputy Fire Chief	39
Technical Professional of the Year	Alex Buechner	Waste Water Lab Technician	8
Volunteer of the Year	William Southwick	Trustee Cartmill Trust/Planning Board	13

Questions/Comments: t. 207.284.9313 e. newsletter@biddefordmaine.org w. biddefordmaine.org



Biddeford Fire Department



Open House

Invites you to our

Saturday October 7th

10:00am – 2:00pm
Central Fire Station 152 Alfred Street

Come and Meet Our Special Guests:

- Biddeford Police Department
- Maine Forest Service
- Maine Warden Service
- Scarborough Police Department
- York County Emergency Management Command Van
- York County Juvenile Fire Safety Coalition
- Bicycle Coalition of Maine
- Magical Moonwalks
- Sugarloaf Ambulance Squad 51
- Face Painting
- Firehouse Subs

Activities Include:

- Meet the firefighters and tour the Fire Engines
- Guided tours of Fire House
- Visit our Fire Museum
- Live Car Cutting Demonstration
- Fire Safety Smoke House
- Bounce House
- Try on Firefighting Gear
- Live Fire Extinguisher Demonstration
- Car safety seat checks
- Use a Live Fire Hose
- Meet Sparky the Fire Dog and more



CITY OF BIDDEFORD NOTICE TO THE CITIZENS OF BIDDEFORD

The Biddeford City Clerk's Office is now taking
ABSENTEE BALLOT APPLICATIONS
For the upcoming November 7, 2017 State Referendum Election
and Municipal General Election.

You may request an absentee ballot by telephone
(284-9307) or by coming into the City Clerk's Office during the
business hours of Monday through Friday,
8:00 a.m. to 5:00 p.m.

PLEASE NOTE:

Absentee ballots will be available around October 9th.

You may also go to:

<http://www.maine.gov/cgi-bin/online/AbsenteeBallot/index.pl>
and request an absentee ballot electronically.

Absentee ballot **requests** must be received by the City Clerk's
Office by 7:00 p.m. on **Thursday, November 2nd, 2017**, unless
special circumstances exist. There will be no absentee voting on
Friday, November 3rd or Monday, November 6th.

**Please be advised that all voting on Election Day, regardless
of Ward, will now take place at the Tiger Gym at the
Biddeford High School on Maplewood Avenue.**

Biddeford Recreation Department

Now that fall is officially here, the Biddeford
Recreation Department is gearing up for some **Spooky
October** favorite fall events!

Fun begins with "Screeemfest" at Canobie Lake
Park. The Teen Center is hosting a trip for youth aged 12-
16 on Friday October 20th. For more information on cost
of "Screeemfest" contact the Teen Center at 282-4167 or
check out the Recreation Department web site.

On Friday October 27th there will be two separate
Halloween Events. The **Youth Halloween Party begins
at 6:30 and runs to 8:30 pm at the J. Richard Martin
Community Center Gym**. This event is for youth up to 10
years old. The Teen Center Halloween Event for ages 11-
16 will kick off at 6:00 and runs to 8:00 p.m. **Both the
Youth and Teen Halloween events are free of charge.**

**The Teen Center party requires pre-
registration by calling the center at 282-4167.** For
more information on any of these programs or others not
listed for a variety of age groups, please visit
www.biddefordrec.com.

YOU ARE CORDIALLY INVITED TO THE
Biddeford & Saco
MAYORAL GALA
AND
FUNDRAISER

FRIDAY, OCTOBER 20TH, 2017
8:00 P.M. TO 11:00 P.M.

PEPPERELL CENTER
40 MAIN STREET, BIDDEFORD
(next to Portland Pie)

TICKETS ARE \$25 AND CAN BE PURCHASED AT EITHER
THE BIDDEFORD OR SACO CITY CLERKS' OFFICES
AND THE BIDDEFORD-SACO CHAMBER OF COMMERCE.

Q & A about TIF's and Tax Sheltering

If you are not involved with local government on a regular basis, you might feel like government folks have coded language to confuse people. One of the areas that might be confusing is Tax Incremental Financing or TIF. This question and answer section is designed to better understand.

Q: "I hear about tax sheltering values often. What is this all about?"

A: Local communities receive two significant sources of funding from the State of Maine. The two sources fund local education and municipal revenue sharing. In addition, local property taxes pay for the majority of the cost of county government. Local communities are 'levied' a tax from the county government that must be collected from property taxpayers and sent to county government. The amount of State funding a community receives or pays to the county is highly dependent on the state valuation of the community. Generally, as the community grows in valuation, it receives less in state funding or pays a greater share of the county tax. A TIF district is a mechanism to shelter against revenue losses.

Q: "Please tell me more about the specifics of the two. Can you use one of the two as an example?"

Generally, the formulas use state valuation comparisons between an individual community and the balance of communities. Communities with higher valuations are considered rich; communities with low valuations are considered less wealthy. When a community taxable value goes up higher than the average of the balance of communities, it negatively impacts the three areas.

To illustrate, the twenty nine (29) York County communities will raise a total of \$16,721,815 in property taxes to pay York County government. The total state valuation of York County is \$30,629,550,000, which is the total of each community's state value. Each community will pay the same percentage of the York County bill as the percentage of the total taxable value in

York Co. Biddeford's state valuation is \$2,263,350,000 or 7.39%. Therefore, the City increased the total property taxes by \$1,235,647.27 (7.39% of the \$16,721,815 county tax total).

Each year, the state valuation changes. In the case of the county tax, if Biddeford's state valuation goes up a higher percentage than York County's does as a whole, we will pay a greater percentage of the bill. If goes down, Biddeford's percentage will be reduced.

For state education funding, the formula is complicated by the number of students and other factors. However, the state valuation is a key component in determining how aid is received. Biddeford is considered a high receiver district. In other words, we receive a greater amount of funding from the state than other districts. In the current budget, the Biddeford Schools received \$12,124,138 in state assistance of the total school budget of \$35,876,864.

Municipal revenue sharing uses 'full value tax rate' population to determine the community's share of revenues from the state. Full value tax rate uses the state valuation to determine the tax rate instead of the local assessor's value. While the calculations are different, the impact of increased value is the same. If the valuation increases at a greater rate than the rest of the state, there will be a reduction in the amount of revenue sharing that the City will receive. In the current budget year, the City estimates to receive \$1,360,000.

Every TIF district needs to be approved both locally and at the State. As part of the process, the TIF application includes a calculation to show what the tax sheltering is for the community. The last two TIF districts that were approved by the City calculated the tax shelter at 48% and 49%.

Q: What does this tax sheltering factor mean in simple terms?

The calculations show how much of every new tax dollar generated by new taxable property is lost because of the impact of the state tax policies. In Biddeford's case, about half of every new dollar is lost because of increases in the county tax and loss of revenues from state education funding and revenue sharing.

Under state law, valuation growth in a TIF district is not counted in the calculation of the state value for the length of the TIF. When a municipality creates a TIF district, it protects against the loss of revenues that would normally occur. In Biddeford's case, the City will not see half of the new revenue disappear because of higher county tax and loss of revenues from the state. Simply stated, if \$10,000 is generated by a new development, only \$5,000 will result in new property tax revenues for the community. The other \$5,000 will have to be used to pay the county tax and reductions in education funding and revenue sharing funds. However, if the development is in a TIF district, the entire \$10,000 remains available for the community.

Q: What is a 'credit enhancement' and how is related to TIF's?

Every TIF district is required to tell where the new tax money generated by the TIF will be used. There has to be some connection between the project/area that is in the TIF and the uses of the funds. This is often described as the 'nexus'. These funds are either retained for the benefit of the community or given back to the development (or a combination of the two). Funds that are given back to a development are referred to as 'credit enhancement'. The City has used the advantages of the TIF laws 16 times since the first one in June 1995. About 1/3 of the districts are strictly credit enhancements, 1/3 are strictly for the benefit of the City and the balance is a combination.

Q: How do TIF laws help me as a taxpayer?

Using a TIF district is helpful to you in two main ways. First, for the TIF districts that do not have a credit enhancement, the City protects the 50% that would otherwise be lost because of the state formula. If those funds can be used on items that would have likely been paid for by normal property taxes, it is essentially "found" revenues. Most recently, the City Council voted to increase the Lincoln Mill to a 100% TIF instead of a 65% TIF. In this case, the conservative estimates are that \$1,036,114 of new tax revenues would have been lost because of the tax shifts. The City plans (and already has approval by the state) to buy public works and police vehicles from this funds over the next 15 years totaling \$838,970. If it were not for the change, instead of paying with the TIF account, those would have had to come out of all the rest of the taxpayers' pockets.

The second more general way that TIF is good for taxpayers is the 'but for' test. Essentially, if the TIF was not created and some of the funds were not given back to the developer as a credit enhancement, the project would not have occurred. The saying *a half a loaf is better than no loaf at all* comes to mind when trying to articulate this benefit.

Q: There seems to be a lot to the process and the law regarding TIF's, is there more than has been shared here?

It is and there is more. If you like to learn more, please check out these resources:

- State of Maine [webpage](#)
- Maine Municipal Association [article](#)