

South Portland City Council
Position Paper of the City Manager

Subject:

ORDER #156-16/17 – Adopting the Third Amendment to the Long Creek TIF District Development Program. Passage requires majority vote.

Position:

The City is seeking to amend the Long Creek TIF District Development Program. The amendment would extend the life of the TIF District from 15 to 30 years, through June 30, 2032. The amendment would also allow the City Council to enter into a Credit Enhancement Agreement (CEA) with property owners within the district for up to 100% of the captured TIF revenues and for the remainder of the life of the TIF. Lastly, the amendment would add one new eligible use of funds to the District and Development program, which is costs associated with funding public facilities and improvements in the Downtown TIF District.

Finance Director Greg L'Heureux and TIF Counsel Shana Cook-Mueller will be in attendance at Monday's meeting to answer any questions.

Requested Action:

Council passage of Order #156-16/17.



City Manager

**ECONOMIC DEVELOPMENT PROJECT
CITY OF SOUTH PORTLAND, MAINE**

An Application for a Municipal Development and Tax Increment Financing District

**THIRD AMENDMENT TO THE LONG CREEK
MUNICIPAL DEVELOPMENT AND TAX INCREMENT
FINANCING DISTRICT DEVELOPMENT PROGRAM**

Presented to:

**The City of South Portland City Council
Public Hearing March 20, 2017
Adopted by City Council March 20, 2017**

**(Original development program approved by the State of Maine Department of Economic
and Community Development on March 30, 2001)**

APPLICATION COVER SHEET
Long Creek TIF | AMD-3

MUNICIPAL TAX INCREMENT FINANCING
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A. General Information

1. Municipality Name: City of South Portland		
2. Address: 25 Cottage Road, P.O. Box 9422, South Portland ME 04116		
3. Telephone: 207-767-3201	4. Fax: 207-767-7620	5. Email: smorelli@outhportland.org
6. Municipal Contact Person: Scott Morelli, City Manager		
7. Business Name: N/A		
8. Address: N/A		
9. Telephone: N/A	10. Fax: N/A	11. Email: N/A
12. Business Contact Person: N/A		
13. Principal Place of Business: N/A		
14. Company Structure (e.g. corporation, sub-chapter S, etc.): N/A		
15. Place of Incorporation: N/A		
16. Names of Officers: N/A		
17. Principal Owner(s) Name: N/A		
18. Address: N/A		

B. Disclosure

1. Check the public purpose that will be met by the business using this incentive (any that apply):		
job creation	job retention	capital investment
training investment	tax base improvement	public facilities improvement
other (list):		
2. Check the specific items for which TIF revenues will be used (any that apply):		
real estate purchase	machinery & equipment purchase	training costs
debt reduction	other (list):	

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>).
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N/A

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EXHIBIT LIST

Exhibit A	Anticipated TIF Revenues Generated by District
Exhibit B	Tax Shift Benefits
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I. Introduction

The City of South Portland, Maine (the “City”) created the Long Creek Municipal Development Tax Increment Financing District (the “District”) and approved a development program (the “Development Program”) for the District on November 6, 2000, which was approved by the Maine Department of Economic and Community Development (“DECD”), in a letter dated March 30, 2001.

On June 15, 2009, the City Council amended the Development Program by adding some additional City project costs and clarifying the treatment of business property that is exempt from property taxation under the Business Equipment Tax Exemption law. On December 21, 2015, the City submitted a second amended Development Program to DECD that is currently awaiting DECD approval, which added a single City project cost.

The City now desires to amend the Development Program a third time in order to provide new employment opportunities, improve and broaden the tax base, and improve the general economy of the City and the State. For future reference, original Development Program materials are attached as Exhibit G. To the extent there is a discrepancy between this Amendment, the original Development Program, or prior amendments, this Amendment controls.

II. Term

Pursuant to Section 2.09 of the original Development Program, the duration of the District was to be fifteen (15) years beginning with the first full fiscal year following substantial completion of construction of the office park building(s) in the District. As evidenced by the District’s \$9,650,500 increase in assessed value of between the assessed value as of April 1, 2001 (\$1,066,300 which was the Original Assessed Value) and the assessed value as of April 1, 2002 (\$10,716,800), substantial completion of construction of the office park buildings within the District occurred in 2002. Therefore, the term of the District began with the 2002-2003 fiscal year and is currently set to expire June 30, 2017. The term of the District is hereby extended to the maximum term of thirty (30) years and shall now expire on June 30, 2032. Please see Exhibit A and Exhibit B for an updated set of projected captured assessed values and tax shifts. Please see Exhibit C for an updated Statutory Requirements and Thresholds form for the District.

III. Credit Enhancement Agreements

The City currently captures, and will continue to capture, 100% of the increased assessed value within the District. The City currently has one existing Credit Enhancement Agreement (“CEA”) with Long Creek Properties, LLC. Future CEAs may be negotiated and entered into by the City Council, which may involve a reimbursement of up to 100% of the TIF revenues produced in the District, and may involve a term of up to the full term of the District; provided however, that any such CEA shall only be finally approved and executed by the City Council after a duly noticed public hearing.

IV. Public Project Costs Table

Table 1: Municipal Project Costs

Note: This Third Amendment makes only one change to the project list – to add the ability to fund Downtown TIF Development Program projects from this District.

PROJECT	COST ESTIMATE	STATUTORY CITATION	CURRENT STATUS
Project Costs In Original Development Program 2000:			
<p>1. Public Improvements (a) traffic improvements in the Maine Mall Area Master Plan, as amended from time to time; (b) acquisition of land for economic development purposes in the Maine Mall Area; (c) other “project costs” as defined in the TIF statute, subject to any necessary approval by DECD.</p>		<p>30-A M.R.S.A. § 5225 (1)(A) & (1)(B)</p>	<p>Ongoing with additional projects anticipated to be funded with Long Creek TIF funds Not being currently considered Other projects to be considered but not currently defined</p>
Project Costs Added in First Amendment 2009:			
<p>2. Stormwater Improvements* (a) The Maine DEP is requiring the City of South Portland and surrounding communities that also affect the Long Creek watershed to bring Long Creek into compliance; (b) South Portland, Westbrook, Scarborough and Portland have jointly created the Long Creek Watershed Management Plan to jointly comply with the water quality regulations; (c) The Long Creek Watershed Management Plan includes the stormwater improvements along with any additional coordination efforts develop the Plan, including staff time at the City to manage the Long Creek Watershed Project.</p>	<p>\$6,757,300</p>	<p>30-A M.R.S.A. § 5225(1)(C)(2)</p>	<p>Ongoing funding of Long Creek Watershed Management Plan assessments and related partial funding of City Stormwater Coordinator</p>

<p>3. Supplemental Snow Removal Costs (Contracts)* (a) In order to promote economic development in the area of the National TIF District, the City supplements snow removal activities for that area with additional contractual snow plowing services that go beyond the services the City provides directly in the rest of the City.</p>	Annual Cost Estimate \$2,000-\$10,000	30-A M.R.S.A. § 5225(1)(B)	Ongoing
<p>Projects Costs Added in Third Amendment 2016:</p>			
<p>4. High Speed “Open-access” Fiber Backbone** (a) The City has recently developed a new high speed “open-access” fiber backbone bringing symmetrical gigabit broadband to 4 miles of the City. This first phase of the project will connect several of the City’s buildings to the “3-Ring Binder” and will allow businesses and residents along its route to take advantage of this gigabit internet service. The City wishes to expand this high speed “open access” fiber backbone to several key areas within the City to aid access to high speed broadband for businesses and their patrons. TIF revenues will be used for this project on a prorated basis in order to account for the fact that some of the expansion of cable will serve residences and TIF revenue cannot be used for such purposes.</p> <p>**Still awaiting DECD approval.</p>	\$300,000	30-A M.R.S.A. § 5225(1)(C)(1)	Not yet undertaken
<p>Project Costs Added in Fourth Amendment 2017:</p>			
<p>5. Fund the Downtown South Portland Development Program: Costs of funding public facilities and improvements in the City’s Downtown South Portland Municipal Tax Increment Financing District.</p>	See Downtown TIF Development Program	30-A M.R.S.A. § 5225(1)(B)(3)	

*Projects 1, 2, and 3 are jointly funded by several TIF districts including Fairchild Semiconductor TIF, Texas Instruments TIF, Long Creek TIF, Jared TIF, Hannaford TIF, and Downtown TIF. Project 4 is jointly funded by Fairchild Semiconductor TIF, Hannaford TIF, and Texas Instruments TIF. For such projects, the City will determine on a case-by-case basis which TIF district(s) will fund each project approved in Development Programs when those projects are actually undertaken.

V. Municipal Approvals

A. Notice of Public Hearing

Attached as Exhibit D, is a certified copy of the Notice of Public Hearing held on March 20, 2017, in accordance with the requirements of 30-A M.R.S.A. §§ 5226(1), 5226(5), with respect to this Amendment. The notice was published in a newspaper of general circulation in the City on a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing

Attached as Exhibit E, is a certified copy of the minutes of the public hearing held on March 20, 2017, at which time this Amendment was discussed.

C. City Council Approval

Attached as Exhibit F, is a copy of the Order relating to this Amendment approved by the City Council at a City Council meeting duly called and held on March 20, 2017.

VI. Other Development Program Updates and Confirmations

A. Relocation of Displaced Persons

No relocation will result.

B. Municipal Indebtedness

Though it is not anticipated at this time, the City reserves the right to issue municipal bonds in order to pay for capital improvements described in the original Development Program. Any municipal bond issued for such project would require the City approval process as normally required for municipal indebtedness.

Exhibit A - Future Years Estimated Captured Assessed Values - 2017 Amendment
Third Amended Long Creek Municipal Development TIF

Year	TIF Year	Projected Increased Assessed Value	Percent of Value Captured	TIF District Captured Assessed Value	Projected Mil Rate	TIF Revenue	% to Company	Company TIF Revenue	Town TIF Revenue
2016-2017	15	\$12,044,000	100%	\$12,044,000	\$17.70	213,179	calculated based on tax shifts	121,298	91,881
Expansion Years									
2017-2018	16	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2018-2019	17	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2019-2020	18	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2020-2021	19	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2021-2022	20	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2022-2023	21	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2023-2024	22	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2024-2025	23	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2025-2026	24	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2026-2027	25	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2027-2028	26	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2028-2029	27	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2029-2030	28	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2030-2031	29	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
2031-2032	30	\$12,044,000	100%	\$12,044,000	17.70	213,179	0%	0	213,179
Years 16-30 total						\$3,197,682		\$0	\$3,197,682
Years 16-30 avg.						\$213,179		\$0	\$213,179

Assumptions:

1. This projection shows the final year of the existing credit enhancement agreement with the company in the district and then shows all of the extension years in the district, assuming no future credit enhancement agreements are executed for the district. The City Council will have discretion to enter into future credit enhancement agreements if it chooses to do so.
2. Assumes current \$12,044,000 increased assessed value in the District continues for the duration of the District.
2. Assumes mil rate of 17.70 (mil rate for 2016-2017) remains constant for the duration of the District.
3. Assumes the Town will capture 100% of the increased assessed value as captured assessed value for the duration of the District.
4. Projections are much less likely to be accurate farther into the future.

Exhibit B
Future Years Estimated Captured Assessed Values - 2017 Amendment
Third Amended Long Creek Municipal Development TIF

Year	TIF Year	State Aid to Education Benefit	County Tax Benefit	State Revenue Sharing Benefit	Total Tax Shift Benefits
2017-2018	16	\$0	\$0	\$0	\$0
2018-2019	17	\$0	\$0	\$0	\$0
2019-2020	18	\$0	\$7,625	\$5,581	\$13,205
2020-2021	19	\$99,965	\$7,625	\$5,581	\$113,170
2021-2022	20	\$99,965	\$7,625	\$5,581	\$113,170
2022-2023	21	\$99,965	\$7,625	\$5,581	\$113,170
2023-2024	22	\$99,965	\$7,625	\$5,581	\$113,170
2024-2025	23	\$99,965	\$7,625	\$5,581	\$113,170
2025-2026	24	\$99,965	\$7,625	\$5,581	\$113,170
2026-2027	25	\$99,965	\$7,625	\$5,581	\$113,170
2027-2028	26	\$99,965	\$7,625	\$5,581	\$113,170
2028-2029	27	\$99,965	\$7,625	\$5,581	\$113,170
2029-2030	28	\$99,965	\$7,625	\$5,581	\$113,170
2030-2031	29	\$99,965	\$7,625	\$5,581	\$113,170
2031-2032	30	\$99,965	\$7,625	\$5,581	\$113,170
2032-2033	31	\$99,965	\$7,625	\$5,581	\$113,170
2033-2034	32	\$99,965	\$7,625	\$5,581	\$113,170
2034-2035	33	\$99,965	\$0	\$0	\$99,965
Totals		\$1,499,478	\$114,370	\$83,708	\$1,697,556
Averages		\$83,304	\$6,354	\$4,650	\$94,309

Assumptions:

1. Projections assume the Town's captured percentage of the increased assessed value in the District as described in Exhibit A.
2. Data sources include the reported 17.70 mil rate for 2016, the State Treasurer's Office Revenue Forecasting Committee Revenue Sharing projections published 03/10/17 for FY 2018, the Maine Department of Education 2016-2017 Preliminary ED 279 form for South Portland Public Schools and Cumberland County's FY 2017 Tax Assessment.
3. Tax shift impacts are lagged in time because the formulas calculating these figures utilize older State Valuations. These tax shift projections relate to the extension years of the District.
4. These projections assume that the formulas and general inputs for State Subsidies and County Taxes do not change over time and they assume that all other values in other communities are static relative to one another except for the new value captured in the TIF District. The projections are less likely to be accurate farther into the future.

STATUTORY REQUIREMENTS AND THRESHOLDS
Long Creek TIF | AMD-3

SECTION A. Acreage Caps		
1. Total municipal acreage;	8,880 acres	
2. Acreage of proposed Municipal TIF District;	19.97 acres	
3. Downtown-designation ¹ acres in proposed Municipal TIF District;	N/A	
4. Transit-Oriented Development ² acres in proposed Municipal TIF District;	N/A	
5. Total acreage [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	100%	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	0.23%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ Cummings Road TIF/46.88 acres Durastone TIF/21.85 acres Hannaford TIF/6 acres Growth Area TIF/89.45 acres Downtown TIF/260 acres Fairchild Semiconductor TIF/20.33 acres Jared TIF/0.7 acres Texas Instruments TIF/20.61 acres Transit Oriented TIF/93 acres Long Creek/19.97 acres Brickhill AHTIF/49.22 acres	Existing	608.04
	Proposed	19.97
	Total:	628.01
30-A § 5223(3) EXEMPTIONS⁴		
8. Acreage of an <u>existing/proposed</u> Downtown Municipal TIF district;	260 acres	
9. Acreage of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: Transit Oriented TIF/93 acres	93 acres	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts:	0 acres	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts common to ⁵ Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such acreage also factored in Exemptions 8-10 above:	0 acres	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	275.01 acres	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.1%	
14. Real property in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area;		
b. In need of rehabilitation, redevelopment or conservation;		
c. Suitable for commercial or arts district uses.	19.97 acres	100%
TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)		100%

¹ Before final designation, the Commissioner will seek advice from MDOACF and MDOT per 30-A § 5226(2).

² For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

³ For AH-TIF acreage requirement see 30-A § 5247(3)(B). Alternatively, Section B. must exclude AH-TIF valuation.

⁴ Downtown/TOD overlap nets single acreage/valuation caps exemption.

⁵ PTZ districts approved through December 31, 2008.

STATUTORY REQUIREMENTS AND THRESHOLDS
Long Creek TIF | AMD-3

SECTION B. Valuation Cap	
1. Total TAXABLE municipal valuation—use most recent April 1;	\$3,610,630,400
2. Taxable Original Assessed Value (OAV) of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;	\$1,066,300
3. Taxable OAV of all existing/proposed Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: Cummings Road TIF/\$1,697,200 Durastone TIF/\$2,178,200 Hannaford TIF/\$343,000 Downtown TIF/\$139,691,570 Fairchild Semiconductor TIF/\$33,512,500 Jared TIF/\$957,500 Texas Instruments TIF/\$20,509,000 Transit Oriented TIF/\$18,373,100 Growth Area TIF/\$48,270,600 Long Creek TIF/\$1,066,300	Existing \$265,532,670
	Proposed \$1,066,300
	Total: \$266,598,970
30-A § 5223(3) EXEMPTIONS	
4. Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;	\$139,691,570
5. Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: Transit Oriented TIF/\$18,373,100	\$18,373,100
6. Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts:	\$0
7. Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts:	\$0
8. Taxable OAV in all <u>existing/proposed</u> Municipal TIF districts common to Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such OAV also factored in Exemptions 4-7 above:	\$0
9. Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$108,534,300
10. Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3%

COMPLETED BY	
NAME :	Shana Cook Mueller
DATE :	March 6, 2017

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Classified Advertising Proof

Legal Advertisement

**CITY OF
SOUTH PORTLAND
NOTICE OF
PUBLIC HEARINGS**
Regarding

Amendments to Three
Municipal Development
and Tax Increment Financing
(TIF) District Development
Programs Known as
"Cummins Road Business
Park Municipal Development
and TIF District" (Fourth
Amendment)

&

"Hannaford Municipal
Development and TIF District"
(Second Amendment)

&

"Long Creek Municipal
Development and TIF District"
(Third Amendment). Notice
is hereby given that the City
Council of South Portland
will hold public hearings on

March 20, 2017

at the

**South Portland City Hall,
26 Cottage Road, South
Portland, Maine.**

**The Public Hearings will
begin at 7:00 P.M.**

The purpose of the public
hearings is to receive public
comments on the proposed
adoption of development
program amendments for
the municipal development
and TIF districts pursuant
to the provisions of
Chapter 206 of Title 30-A
of the Maine Revised
Statutes, as amended. The
proposed amendments
to the Cummins Road
Business Park and Hannaford
TIF Districts will include
expanding the lists of
municipal projects permitted
to be undertaken with TIF
revenues. The proposed
amendment to the Long
Creek TIF District will include
extending the term and
allow Council authority to
negotiate and approve
future credit enhancement
agreements. The Cummins
Road Business Park TIF
District consists of certain
property located to the
west of Interstate 95 in the
Maine Mall area of the City.
The Hannaford TIF District
consists of certain property
located at the corner of
Hemco Road and Pleasant
Avenue. The Long Creek TIF
District consists of certain
property between Gorham
Road and Foden Road.

Copies of relevant materials
will be on file at the
City Hall during normal
business hours in advance
of the public hearings.
All interested persons are
invited to attend the public
hearings and will be given
an opportunity to be heard
at that time.

Exhibit E
Minutes of Public Hearing

CITY COUNCIL ORDER NO. _____

**ADOPTION OF TAX INCREMENT FINANCING DEVELOPMENT PROGRAM
AMENDMENTS RELATING TO THE**

“Long Creek Municipal Development and Tax Increment Financing District”

WHEREAS, the City of South Portland (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to amend previously established tax increment financing (“TIF”) districts and development programs within the City; and

WHEREAS, there is a need for economic development in the City of South Portland and the surrounding region; and

WHEREAS, there is a need to provide additional employment opportunities for the citizens of the City of South Portland and the surrounding region; to improve and broaden the tax base of the City of South Portland; and to improve the general economy of the City of South Portland and the surrounding region; and

WHEREAS, implementation of this amendment will help continue the pursuit of these goals in the City and the region; and

WHEREAS, in this Third Amendment, the City desires to extend the term of the Long Creek TIF District and allow the City Council to enter into or amend credit enhancement agreements without future Maine Department of Economic and Community Development (the “Department”) review and approval; and

WHEREAS, it is expected that approval will be obtained from the Department, approving the Third Amendment to the Long Creek TIF District.

BE IT ORDERED BY THE SOUTH PORTLAND CITY COUNCIL AS FOLLOWS:

Section 1. The City of South Portland hereby amends the Long Creek TIF District and Development Program pursuant to the following findings, terms, and provisions:

Section 2. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which pertains to the percentage of area within the District that is suitable for commercial use, the TIF acreage caps for the District and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Amendment will make a contribution to the economic growth and well-being of the City of South Portland and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of South Portland, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of increased assessed value to be retained as captured assessed value is hereby established as set forth in the development program, as amended. To the extent the Amendment conflicts with anything contained within the corresponding original relevant development program (or anything contained within any of the corresponding previous amendments to the original development program), the Amendment shall govern. All other provisions of the original development program shall remain in effect.

Section 4. The City Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Amendment to the Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226.

Section 5. The foregoing adoption of the Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval by the Department, without requirements of further action by the City, the City Council, or any other party.

Section 6. The City Manager, or his/her duly appointed representative, is hereby authorized and empowered, at his/her discretion, from time to time, to make such revisions to the development program for the District as the City Manager, or his/her duly appointed representative, deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Amendment by the Department or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Amendment.

Approved March 20, 2017, by the City Council, at a meeting duly convened and conducted at South Portland, Maine.

CITY COUNCIL:

Exhibit G
Original Development
Program Material



CITY OF SOUTH PORTLAND

PATRICIA A. SMITH
Mayor

SCOTT T. MORELLI
City Manager

EMILY F. SCULLY
City Clerk

SALLY J. DAGGETT
Jensen Baird Gardner & Henry

IN CITY COUNCIL

ORDER #156-16/17

ADOPTION OF TAX INCREMENT FINANCING DEVELOPMENT PROGRAM AMENDMENTS RELATING TO THE

“Long Creek Municipal Development and Tax Increment Financing District”

WHEREAS, the City of South Portland (the "City") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to amend previously established tax increment financing (“TIF”) districts and development programs within the City; and

WHEREAS, there is a need for economic development in the City of South Portland and the surrounding region; and

WHEREAS, there is a need to provide additional employment opportunities for the citizens of the City of South Portland and the surrounding region; to improve and broaden the tax base of the City of South Portland; and to improve the general economy of the City of South Portland and the surrounding region; and

WHEREAS, implementation of this amendment will help continue the pursuit of these goals in the City and the region; and

WHEREAS, in this Third Amendment, the City desires to extend the term of the Long Creek TIF District and allow the City Council to enter into or amend credit enhancement agreements without future Maine Department of Economic and Community Development (the “Department”) review and approval; and

WHEREAS, it is expected that approval will be obtained from the Department, approving the Third Amendment to the Long Creek TIF District.

BE IT ORDERED BY THE SOUTH PORTLAND CITY COUNCIL AS FOLLOWS:

Section 1. The City of South Portland hereby amends the Long Creek TIF District and Development Program pursuant to the following findings, terms, and provisions:

District One
CLAUDE V. Z. MORGAN

District Two
PATRICIA A. SMITH

District Three
EBEN C. ROSE

District Four
LINDA C. COHEN

District Five
BRAD FOX

At Large
MAXINE R. BEECHER

At Large
SUSAN J. HENDERSON

Section 2. The City Council hereby finds and determines that:

a. Pursuant to Title 30-A M.R.S.A. Section 5226(5) pertaining to TIF district and development program amendment, this Amendment does not result in the District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which pertains to the percentage of area within the District that is suitable for commercial use, the TIF acreage caps for the District and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Amendment will make a contribution to the economic growth and well-being of the City of South Portland and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the City of South Portland, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the percentage of increased assessed value to be retained as captured assessed value is hereby established as set forth in the development program, as amended. To the extent the Amendment conflicts with anything contained within the corresponding original relevant development program (or anything contained within any of the corresponding previous amendments to the original development program), the Amendment shall govern. All other provisions of the original development program shall remain in effect.

Section 4. The City Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Amendment to the Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226.

Section 5. The foregoing adoption of the Amendment shall automatically become final and shall take full force and effect upon receipt by the City of approval by the Department, without requirements of further action by the City, the City Council, or any other party.

Section 6. The City Manager, or his/her duly appointed representative, is hereby authorized and empowered, at his/her discretion, from time to time, to make such revisions to the development program for the District as the City Manager, or his/her duly appointed representative, deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Amendment by the Department or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Amendment.

Approved March 20, 2017, by the City Council, at a meeting duly convened and conducted at South Portland, Maine.

Fiscal Note: Less than \$1,000