

South Portland City Council  
***Position Paper of the City Manager***

***Subject:***

**ORDER #155-16/17 – Adopting the Second Amendment to the Hannaford Tax Increment Financing (TIF) District Development Program and the Fourth Amendment to the Cummings Road Business Park TIF District Development Program. Passage requires majority vote.**

***Position:***

The City is seeking to amend these two TIF districts. For the Cummings Road Business Park and Hannaford TIF Development Programs, these amendments would add two new eligible uses of funds, including:

- A. Funds for the expansion and construction of facilities at the Portland Street Pier as part of an Aquaculture Development project, and
- B. Costs associated with funding public facilities and improvements as part of the Downtown South Portland TIF Development Program.

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 #155-16/17.



\_\_\_\_\_  
**City Manager**

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

*An Application for a Municipal Development and Tax Increment Financing District*

---

---

**SECOND AMENDMENT TO THE HANNAFORD  
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, 2007)**

**APPLICATION COVER SHEET**  
Hannaford TIF | AMD-2

<b>MUNICIPAL TAX INCREMENT FINANCING</b>
--

**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: <a href="mailto:smorelli@outhportland.org">smorelli@outhportland.org</a>
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> ).
--

N/A

## TABLE OF CONTENTS

	<b>Page</b>
<b>I. Introduction</b>	<b>1</b>
<b>II. Public Project Costs List</b>	<b>1</b>
<b>III. Municipal Approvals</b>	<b>6</b>
<b>A. Notice of Public Hearing</b>	<b>6</b>
<b>B. Minutes of Public Hearing</b>	<b>7</b>
<b>C. City Council Approval</b>	<b>7</b>
<b>IV. Other Development Program Updates and Confirmations</b>	<b>7</b>
<b>A. Relocation of Displaced Persons</b>	<b>7</b>
<b>B. Municipal Indebtedness</b>	<b>7</b>

## EXHIBIT LIST

<b>Exhibit A</b>	<b>Statutory Requirements and Thresholds</b>
<b>Exhibit B</b>	<b>Notice of Public Hearing</b>
<b>Exhibit C</b>	<b>Minutes of Public Hearing</b>
<b>Exhibit D</b>	<b>City Council Order of Approval</b>
<b>Exhibit E</b>	<b>Original Development Program Material</b>

**I. Introduction**

The City of South Portland, Maine (the “City”) created the Hannaford Municipal Development Tax Increment Financing District (the “District”) and approved a development program (the “Development Program”) for the District on February 21, 2007, which was approved by the Maine Department of Economic and Community Development (“DECD”), in a letter dated March 30, 2007. In 2016, the City approved a first amendment to the Development Program to add a public project cost. DECD approved the amendment by letter dated July 13, 2016. The City now desires to amend the Development Program to add additional project costs.

For future reference, original Development Program materials, and prior amendments, are attached as Exhibit E. To the extent there is a discrepancy between this Amendment, or prior amendments, and the original Development Program, this Amendment controls. Please see Exhibit A for an updated Statutory Requirements and Thresholds form for the District.

The District and Development Program are hereby amended to include “Project 4A,” the Portland Street Pier Aquaculture Development project pursuant to 30-A M.R.S.A. § 5225(1)(C)(8), and “Project 4B,” a portage funding project for the Downtown South Portland Development Program pursuant to 30-A M.R.S.A. § 5225(1)(B)(3).

**II. Public Project Costs List**

**Table 1: Municipal Project Costs List**

Project	Cost Estimate	Statutory Citation	Status
<b>I. TRANSPORTATION IMPROVEMENTS</b>			
<b>A. Pedestrian and Other Non-Vehicular Transportation</b>			
<p><b>Location:</b> Inside Downtown District (primarily at the following intersections: Broadway/Rte. 77; Broadway/Cottage; Cottage near Armory; Mahoney School/Mill Creek Park; and Waterman Drive/Greenbelt entrance).</p> <p><b>Projects:*</b></p> <ul style="list-style-type: none"> <li>▪ Improve crosswalks;</li> <li>▪ Replace/add transit buses and shelters; and</li> <li>▪ Repair sidewalks.</li> </ul>	\$1,400,000	30-A M.R.S.A. § 5225(1)(A), (1)(B)(3)	Ongoing
<b>B. Vehicular Transportation</b>			
<p><b>Location:</b> Citywide; not within any proposed TIF District.</p> <p><b>Project:</b> Make Exit 4 a full two-way interchange, including two-way entrance and exit, and sound barrier along I-295, enabling Hannaford Distribution Center truck traffic to more safely access I-295.</p>	\$5,300,000	30-A M.R.S.A. § 5225(1)(B)(1) & (1)(C)	Design study in process with Federal & State Partial Funding

Project	Cost Estimate	Statutory Citation	Status
<p><b>Location:</b>* Inside and outside Downtown District.  <b>Project:</b> Improvements to Broadway and Main Street cross-town corridors, including:</p> <ul style="list-style-type: none"> <li>▪ Road and traffic improvements on Broadway to the Casco Bay Bridge;</li> <li>▪ Creating designated truck route through the City;</li> <li>▪ Realign streets at Cash Corner; Streetscape improvements from Cash Corner to Scarborough on Rte. 1;</li> <li>▪ Streetscape and other corridor improvements on Broadway from its eastern terminus to the Scarborough boundary;</li> <li>▪ Improvements to intersection of Lincoln and Broadway; and</li> <li>▪ Synchronize traffic signals.</li> </ul>	\$3,500,000	30-A M.R.S.A. § 5225 (1)(A), (1)(B)(3), (1)(B)(1), (1)(C)	Ongoing improvements including the Thornton Heights Main Street completed in 2016. Significant other projects envisioned along the Broadway corridor
<p><b>Location:</b>* Inside Downtown TIF District.  <b>Projects:</b> Improvements to intersection of Highland Ave. and Cottage for increased downtown accessibility.</p>	\$1,750,000	30-A M.R.S.A. § 5225(1)(A), (1)(B)(3)	Not yet conducted design work
<p><b>Location:</b> Hannaford area not within any TIF District.  <b>Projects:</b> Creation of Highland Ave. connector, including:</p> <ul style="list-style-type: none"> <li>▪ Conduct a feasibility study for a Highland Ave. connector which would link Rte. 1/Main St. and the Hannaford Distribution Center across the RR tracks; and</li> <li>▪ Build the connector road that will enable Hannaford trucks to access the highways without passing through the congested intersection of Broadway and Main St./Rte. 1</li> </ul>	\$1,500,000	30-A M.R.S.A. § 5225(1)(B)(1)	Feasibility study conducted with Federal/State funding needed
<b>II. OTHER INFRASTRUCTURE IMPROVEMENTS</b>			
<b>A. Improvements to Downtown Parking, Paving, Lighting, and Curbing</b>			
<p><b>Location:</b> Inside Downtown District.  <b>Projects:</b>*</p> <ul style="list-style-type: none"> <li>▪ Make investments in parking facilities including potentially a parking structure;</li> <li>▪ Replace street lights;</li> <li>▪ Repair concrete historic bridge over Mill Creek outlet; and</li> <li>▪ Repair street infrastructure.</li> </ul>	\$5,500,000	30-A M.R.S.A. § 5225(1)(A), (1)(B)(3)	Ongoing as part of Capital Improvement Program
<b>B. Consider and Implement Commercial Use of Downtown Public Buildings</b>			
<p><b>Location:</b> Inside Downtown TIF District.  <b>Projects:</b></p>		30-A M.R.S.A. §	Will be considered in

<b>Project</b>	<b>Cost Estimate</b>	<b>Statutory Citation</b>	<b>Status</b>
<ul style="list-style-type: none"> <li>▪ Study best commercial use for municipal buildings; and</li> <li>▪ Redesign/reconfigure municipal buildings to accommodate commercial use.</li> </ul>	\$50,000	5225(1)(A), (1)(B)(3)	future years as part of City Hall relocation plans
<b>C. Improvements to the Downtown Green Space and Trails</b>			
<p><b>Location:</b> Inside Downtown District.</p> <p><b>Projects:</b></p> <ul style="list-style-type: none"> <li>▪ Build outdoor structure/amphitheater for destination-driven events in the downtown area;</li> <li>▪ Update parks and trails so they can be effectively utilized by businesses in downtown area and more easily attract pedestrian traffic from neighboring residential areas (e.g., elderly housing near downtown).</li> </ul>	\$2,200,000	30-A M.R.S.A. § 5225(1)(A), (1)(B)(3)	Millcreek park improvements completed. Additional projects to be considered.
<b>D. Improvements to the Maine Mall Area Green Space and Trails</b>			
<p><b>Location:</b> Maine Mall area outside Jared TIF District.</p> <p><b>Projects:</b> Update parks and trails so they can be effectively utilized by businesses in Maine Mall area and more easily attract pedestrian traffic from neighboring residential areas (e.g., affordable housing near Maine Mall).</p>	\$1,500,000	30-A M.R.S.A. § 5225 (1)(C)	Will be considered as part of 2018 Master Planning process
<b>E. Stormwater Improvements</b>			
<p><b>Location:</b> Maine Mall area outside of Jared TIF District.</p> <p><b>Projects:</b> Construct stormwater improvements to comply with Maine DEP-mandated requirements for development in the area of the Jackson Brook/Long Creek urban impaired stream in the following locations:</p> <ul style="list-style-type: none"> <li>▪ Maine Mall;</li> <li>▪ Corner Brook Plaza;</li> <li>▪ Service Brook Plaza;</li> <li>▪ The CMP right-of-way;</li> <li>▪ The Parking lot northeast of the cinema;</li> <li>▪ Mall Plaza Shopping Center;</li> <li>▪ Mall Plaza; and</li> <li>▪ Service Merchandise.</li> </ul>	\$1,500,000	30-A M.R.S.A. § 5225(1)(C)(2)	City participates in the Long Creek Management Plan, which has and continues to fund these projects.
<b>III. GENERAL ECONOMIC DEVELOPMENT</b>			
<b>A. Support for Economic Development Office</b>			
<p><b>Location:</b> Citywide &amp; Inside Downtown District.</p> <p><b>Projects:*</b></p> <ul style="list-style-type: none"> <li>▪ Fund full-time position of Economic Developer</li> </ul>	\$450,000	30-A M.R.S.A. § 5225(1)(A),	Ongoing contributions from the other

Project	Cost Estimate	Statutory Citation	Status
Director; <ul style="list-style-type: none"> <li>▪ Establish a program of historic renovation and façade improvement in the downtown;</li> <li>▪ Support programs that encourage more effective use of the waterfront; and</li> <li>▪ Support economic and environmental studies of waterfront properties to determine its most effective use for economic development.</li> </ul>		(1)(C), (1)(B)(3)	TIF funds in support of City Economic Development Office- No contributions presently from Hannaford TIF but anticipate expansion of this program.
<b>B. Improvements to GIS</b>			
<b>Location:</b> Citywide. <b>Projects:*</b> Improve City’s GIS system to: <ul style="list-style-type: none"> <li>▪ Enhance City staff’s capacity to identify development potential; and</li> <li>▪ Market the City using GIS with potential investors.</li> </ul>	\$350,000	30-A M.R.S.A. § 5225(1)(C)	Ongoing, contributions from the other TIF funds - No contributions presently by Hannaford TIF.
<b>C. Make Signage Improvements Throughout City</b>			
<b>Location:</b> Citywide. <b>Projects:*</b> Improve signage throughout City to: <ul style="list-style-type: none"> <li>▪ Ease traffic flow; and</li> <li>▪ Increase identity and “brand” of downtown.</li> </ul>	\$120,000	30-A M.R.S.A. § 5225(1)(C)	Planned Wayfinding project anticipated to be completed in next two years
<b>D. Make Marketing Investments for Downtown</b>			
<b>Location:</b> Inside Downtown District. <b>Projects:*</b> Develop method to increase identity and “brand” of downtown to attract investors and businesses.	\$50,000	30-A M.R.S.A. § 5225 (1)(C), (1)(B)(3)	Ongoing marketing and branding initiative, website planned
<b>E. Join the “Main Street Downtown” Program</b>			
<b>Location:</b> Inside Downtown District. <b>Projects:</b> Join the “Main Street Maine” program through the Maine Development Foundation, which is a statewide competitive training and technical assistance program designed to build local capacity to revitalize downtown districts. (See <a href="http://www.mdf.org/downtown/msmprogram.html">http://www.mdf.org/downtown/msmprogram.html</a> )	\$50,000	30-A M.R.S.A. § 5225(1)(C), (1)(B)(3)	Not being considered at this time
<b>F. Investment in a Downtown Mixed-Use Commercial/Cultural Center</b>			
<b>Location:</b> Inside Downtown District.		30-A	Being Considered as



<b>Project</b>	<b>Cost Estimate</b>	<b>Statutory Citation</b>	<b>Status</b>
<b>Projects:</b> * Create a mixed-use commercial/cultural center located in the Downtown District.	\$7,000,000	M.R.S.A. § 5225(1)(A), (1)(B)(3), (1)(C)	part of downtown redevelopment project
<b>G. Create Revolving Loan Fund for Downtown Area (Re-)Investment</b>			
<b>Location:</b> Inside Downtown District. <b>Projects:</b> * Create funding to establish permanent economic development revolving loan funds, investment funds, or gap financing for, among other things: <ul style="list-style-type: none"> <li>▪ Capital purchases;</li> <li>▪ Façade improvements; and</li> <li>▪ Parking creation.</li> </ul>	\$1,000,000	30-A M.R.S.A. § 5225(1)(C)	Program in place however no Hannaford TIF Funds used to date; anticipate program expansion
<b>H. Professional Services &amp; Administrative Costs</b>			
<b>Location:</b> Citywide. <b>Projects:</b> <ul style="list-style-type: none"> <li>▪ Professional service costs, including, but not limited to, licensing, architectural, planning, engineering and legal expenses;</li> <li>▪ Administrative costs, including, but not limited to, reasonable charges for the time spent by municipal employees in connection with the implementation of a development program; and</li> <li>▪ Organizational costs relating to the establishment of the district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public about the creation of development districts and the implementation of project plans.</li> </ul>	\$100,000	30-A M.R.S.A. § 5225(1)(A)	Ongoing

\*Projects are jointly funded with the Jared and Downtown TIF Districts. For such projects, the City will determine on a case-by-case basis which TIF district(s) will fund each project approved in the development programs, when and if those projects are undertaken.

<b>Project</b>	<b>Cost Estimate</b>	<b>Statutory Citation</b>	<b>Status</b>
<b>PROJECT COSTS ADDED IN FIRST AMENDMENT 2016</b>			
<ul style="list-style-type: none"> <li>▪ <b>High Speed “Open-Access” Fiber Backbone Projects:**</b></li> <li>▪ 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 connected several of the City’s building to the “3-Ring Binder” and will allow</li> </ul>	\$300,000	30-A M.R.S.A. § 5225(1)(C)(1)	Phase 2 presently being implemented with future phases

Project	Cost Estimate	Statutory Citation	Status
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 aide 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 the expansion of cable will serve residence and TIF revenue cannot be used for such purposes.			possible.

\*\*This project will be jointly funded by several TIF districts including Fairchild Semiconductor TIF, Texas Instruments TIF, Long Creek TIF, and Hannaford TIF, as well as potentially other sources of revenue. For such projects, the City will determine on a case-by-case basis which TIF district(s) will fund each project approved in the Development Programs when those projects are actually undertaken.

Project	Cost Estimate	Statutory Citation	Status
<b>PROJECT COSTS ADDED IN THIS SECOND AMENDMENT 2017</b>			
<b>Location:</b> Portland Street Pier <ul style="list-style-type: none"> <li>▪ <b>Portland Street Pier Aquaculture Development:***</b></li> <li>▪ Construct six to eight additional floating berths to better facilitate use of the pier by commercial vessels and help grow the emerging aquaculture industry.</li> </ul>	\$1,000,000	30-A M.R.S.A. § 5225(1)(C) (8)	
<b>Location:</b> Inside Downtown District <ul style="list-style-type: none"> <li>▪ <b>Portland Street Pier Aquaculture Development:</b></li> <li>▪ Costs of funding public facilities and improvements in the City’s Downtown Tax Increment Financing District.</li> </ul>	See Downtown Development Program	30-A M.R.S.A. § 5225(1)(B) (3)	

\*\*\* Project is jointly funded with the Cummings Road Business Park TIF District. For such projects, the City will determine on a case-by-case basis which TIF district(s) will fund each project approved in the development programs, when and if those projects are undertaken.

### III. Municipal Approvals

#### A. Notice of Public Hearing

Attached as Exhibit B, 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 C, 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 D, 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.

**II. 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.

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**Hannaford TIF | AMD-2**

<b>SECTION A.   Acreage Caps</b>		
1. Total <b>municipal</b> acreage;	8,880 acres	
2. Acreage of <b>proposed</b> Municipal TIF District;	6 acres	
3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF District;	N/A	
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF District;	N/A	
5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	100%	
6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	0.07%	
7. <b>Total acreage</b> of all <u>existing/proposed</u> Municipal TIF districts in municipality <b>including</b> Municipal Affordable Housing Development districts: <sup>3</sup>  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	622.01
	Proposed	6
	Total:	628.01
<b>30-A § 5223(3) EXEMPTIONS<sup>4</sup></b>		
8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	260 acres	
9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: Transit Oriented TIF/93 acres	93 acres	
10. Acreage of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	0 acres	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>5</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above:	0 acres	
12. <b>Total acreage</b> [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	275.01 acres	
13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.1%	
14. <b>Real property</b> 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.	6 acres	100%
<b>TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)</b>		100%

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

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

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

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

<sup>5</sup> PTZ districts approved through December 31, 2008.

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**Hannaford TIF | AMD-2**

<b>SECTION B.   Valuation Cap</b>	
1. <b>Total TAXABLE</b> municipal valuation—use most recent April 1;	\$3,610,630,400
2. <b>Taxable Original Assessed Value (OAV)</b> of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;	\$343,000
3. <b>Taxable OAV of all existing/proposed</b> Municipal TIF districts in municipality <b>excluding</b> 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    \$266,255,970
	Proposed    \$343,000
	Total:        \$266,598,970
<b>30-A § 5223(3) EXEMPTIONS</b>	
4. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	\$139,691,570
5. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: Transit Oriented TIF/\$18,373,100	\$18,373,100
6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	\$0
7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation</b> <sup>6</sup> Municipal TIF districts:	\$0
8. <b>Taxable OAV</b> in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such OAV also factored in Exemptions 4-7 above:	\$0
9. <b>Total taxable OAV [=B3-B4-B5-B6-B7-B8]</b> of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$108,534,300
10. <b>Percentage of total taxable OAV [=B9÷B1]</b> of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3%

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

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

**Portland Press Herald**  
EST. 1862  
**Maine Sunday Telegram**  
 pressherald.com

**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 Cummings 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 Cummings 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 C**  
Minutes of Public Hearing

CITY COUNCIL ORDER NO. \_\_\_\_\_

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

“Cummings Road Business Park Municipal Development and Tax Increment Financing District”  
&  
“Hannaford 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 these new amendments to the development programs for the above-listed tax increment financing districts (the “Development Program Amendments”) will help continue the pursuit of these goals in the City and the region; and

**WHEREAS**, the City desires to add to the development programs’ lists of approved project costs for the above-listed tax increment financing districts (the “Districts”); and

**WHEREAS**, it is expected that approval will be obtained from the Maine Department of Economic and Community Development (the "Department"), approving the Development Program Amendments for the Districts; and

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

**Section 1.** The City of South Portland hereby adopts the Fourth Amendment to the Cummings Road Business Park TIF District and Development Program, and the Second Amendment to the Hannaford 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 amendments, these Development Program Amendments do not result in either District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which pertain to the percentage of area within each of the Districts that is suitable for commercial use, the TIF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.



b. The adoption of the Development Program Amendments 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 relevant development programs, as amended. To the extent the Development Program Amendments conflict with anything contained within the corresponding original relevant development programs (or anything contained within any of the corresponding previous amendments to original development programs), the Development Program Amendments shall govern. All other provisions of the original development programs shall remain in effect.

**Section 4.** The City Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Development Program Amendments for the Districts 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 Development Program Amendments for the Districts 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 programs for the Districts 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 Development Program Amendments 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 Development Program Amendments.

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

**Exhibit E**  
Original Development  
Program Material

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

*An Application for a Municipal Development and Tax Increment Financing District*

---

---

**FOURTH AMENDMENT TO THE CUMMINGS ROAD BUSINESS PARK  
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 January 22, 1997)**

**APPLICATION COVER SHEET**  
Cummings Road TIF | AMD-2

<b>MUNICIPAL TAX INCREMENT FINANCING</b>
--

**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: <a href="mailto:smorelli@southportland.org">smorelli@southportland.org</a>
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> .
---

## TABLE OF CONTENTS

	<b>Page</b>
<b>I. Introduction</b>	<b>1</b>
<b>II. Public Project Costs List</b>	<b>2</b>
<b>III. Municipal Approvals</b>	<b>6</b>
<b>A. Notice of Public Hearing</b>	<b>6</b>
<b>B. Minutes of Public Hearing</b>	<b>6</b>
<b>C. City Council Approval</b>	<b>6</b>
<b>IV. Other Development Program Updates and Confirmations</b>	<b>6</b>
<b>A. Relocation of Displaced Persons</b>	<b>6</b>
<b>B. Municipal Indebtedness</b>	<b>6</b>

## EXHIBIT LIST

<b>Exhibit A</b>	<b>Statutory Requirements and Thresholds</b>
<b>Exhibit B</b>	<b>Notice of Public Hearing</b>
<b>Exhibit C</b>	<b>Minutes of Public Hearing</b>
<b>Exhibit D</b>	<b>City Council Order of Approval</b>
<b>Exhibit E</b>	<b>Original Development Program Material</b>

## **I. Introduction**

The City of South Portland, Maine (the “City”) created the Cummings Road Business Park Municipal Development Tax Increment Financing District (the “District”) and approved a development program (the “Development Program”) for the District on January 22, 1997, which was then approved by the Maine Department of Economic and Community Development (“DECD”).

The First amendment to the Development Program in 2009 extended the term of the district. DECD approved the amendment on March 26, 2009. The Second Amendment to the Development Program in 2009 added approved project costs and captured and retained an increased percentage of the increased assessed value in the district. DECD approved the Second Amendment on August 10, 2009. The Development Program was most recently amended by City Council order on June 18, 2012 to add approved project costs. DECD approved the Third Amendment on August 13, 2012.

The City now desires to amend the Development Program 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 E. To the extent there is a discrepancy between this Amendment, the original Development Program, or prior amendments, this Amendment controls. Please see Exhibit A for an updated Statutory Requirements and Thresholds form for the District.

The District and Development Program are hereby amended to include “Project O” the Portland Street Pier Aquaculture Development project pursuant to 30-A M.R.S.A. § 5225(1)(c)(8), and “Project P” to enable funding the project costs identified in the Downtown South Portland Development Program pursuant to 30-A M.R.S.A. § 5225(1)(B)(3).

**II. Public Project Costs List**

The public improvements which were already approved in the original Cummings Road Business Park TIF Development Program and Section 1.01(d) remain approved projects to be paid for with TIF revenues.

**Table 1: Municipal Project Costs List**

PROJECT	STATUTORY AUTHORITY	COST ESTIMATE	STATUS
<p><b>PROJECT COSTS ADDED IN SECOND AMENDMENT 2009</b></p> <p>*Projects are jointly funded by several TIF districts including Fairchild Semiconductor TIF, National Semiconductor/Texas Instruments TIF, Long Creek TIF, Jared TIF, Hannaford TIF and Downtown TIF. For such projects, the City will determine on a case-by-case basis which TIF district(s) will fund each project approved in the Development Programs when and if those projects are actually undertaken.</p> <p>** Projects are jointly funded by several TIF districts including the Fairchild Semiconductor TIF and the 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 the Development Programs when and if those projects are actually undertaken.</p>			
<p><b>A. Support for Economic Development Office</b>  <b>Location*:</b> Citywide.</p> <p><b>Projects:</b></p> <ul style="list-style-type: none"> <li>▪ Fund full-time position of Economic Development Director;</li> <li>▪ Establish a program of historic renovation and façade improvement in the downtown, through the establishment of a municipal revolving loan fund</li> <li>▪ Support programs that encourage more effective use of the waterfront; and</li> <li>▪ Support economic, environmental, <i>and market</i> studies of waterfront properties to determine its most effective use for economic development.</li> </ul>	<p>30-A M.R.S.A. §§ 5225(1)(A) &amp; 5225(1)(C)</p>	<p>\$450,000</p>	<p>Ongoing contributions from the Cummings TIF in support of City Economic Development Office</p>
<p><b>B. Improvements to GIS</b>  <b>Location*:</b> Citywide.</p> <p><b>Projects:</b> Improve City’s GIS system to:</p> <ul style="list-style-type: none"> <li>▪ Enhance City staff’s capacity to identify development potential; and</li> <li>▪ Market the City using GIS with potential investors.</li> </ul>	<p>30-A M.R.S.A. § 5225(1)(C)</p>	<p>\$350,000</p>	<p>Ongoing Annual Budget for GIS</p>

<p><b>C. Make Signage and Streetscape Improvements Throughout City</b>  <b>Location:</b> Citywide.</p> <p><b>Projects:</b> Improve signage, streetscapes and community gateways throughout City to increase identity and “brand” of the City as an economic center and a business location, and to facilitate access to the commercial centers of the City (specific emphasis from Veteran’s Bridge to Cash Corner for marketing the municipality to businesses).</p>	<p>30-A M.R.S.A. § 5225(1)(C)</p>	<p>\$520,000</p>	<p>Planned Wayfinding project anticipated to be completed in next two years</p>
<p><b>D. Make Marketing Investments for Downtown</b>  <b>Location*:</b> Inside Downtown TIF District.</p> <p><b>Projects:</b> Develop marketing materials to increase identity and “brand” of downtown to attract investors and businesses.</p>	<p>30-A M.R.S.A. §§ 5225(1)(B)(3) &amp; 5225(1)(C)</p>	<p>\$50,000</p>	<p>Ongoing marketing and branding initiative; website planned</p>
<p><b>E. Join the “Main Street Downtown” Program</b>  <b>Location*:</b> Inside Downtown TIF District.</p> <p><b>Projects:</b> Join the “Main Street Maine” program through the Maine Development Foundation, which is a statewide competitive training and technical assistance program designed to build local capacity to revitalize downtown districts. (See <a href="http://www.mdf.org/downtown/msmprogram.html">http://www.mdf.org/downtown/msmprogram.html</a>)</p>	<p>30-A M.R.S.A. §§ 5225(1)(B)(3) &amp; 5225(1)(C)</p>	<p>\$50,000</p>	<p>Not being considered at this time</p>
<p><b>F. Investment in a Downtown Mixed-Use Commercial/Cultural Center</b>  <b>Location*:</b> Inside Downtown TIF District.</p> <p><b>Projects:</b> Create a mixed-use commercial/cultural center located in the Downtown TIF District.</p>	<p>30-A M.R.S.A. § 5225(1)(B)(3)</p>	<p>\$7,000,000</p>	<p>Being Considered as part of downtown redevelopment project</p>
<p><b>G. Create Revolving Loan Fund for Downtown Area (Re-)Investment</b>  <b>Location*:</b> Citywide.</p> <p><b>Projects:</b> Create funding to establish permanent economic development revolving loan funds, investment funds, or gap financing for, among other things:</p> <ul style="list-style-type: none"> <li>○ Capital purchases;</li> <li>○ Façade improvements;</li> <li>○ Parking creation; and</li> <li>○ Business development.</li> </ul>	<p>30-A M.R.S.A. § 5225(1)(C)</p>	<p>\$1,000,000</p>	<p>Program in place however no Cummings TIF Funds used to date; anticipate program expansion</p>



<p><b>H. Professional Services &amp; Administrative Costs</b>  <b>Location*:</b></p> <p><b>Projects:</b></p> <ul style="list-style-type: none"> <li>▪ Professional service costs, including, but not limited to, licensing, architectural, planning, engineering and legal expenses;</li> <li>▪ Administrative costs, including, but not limited to, reasonable charges for the time spent by municipal employees in connection with the implementation of a development program; and</li> <li>▪ Organizational costs relating to the establishment of the district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public about the creation of development districts and the implementation of project plans.</li> </ul>	<p>30-A M.R.S.A. § 5225(1)(A)</p>	<p>\$100,000</p>	<p>Ongoing</p>
<p><b>I. Long Creek Watershed Management Plan</b>  <b>Location**:</b> Specific Citywide locations.</p> <p><b>Projects:</b> As described in the Development Program Amendment, the Long Creek Watershed Management Plan is a required component of the City’s compliance with stormwater and urban impaired stream regulations and will reduce the costs to private parties looking to expand or develop new businesses in the commercial areas of the City.</p>	<p>30-A M.R.S.A. § 5225(1)(C)(2)</p>	<p>\$6,757,300</p>	<p>Ongoing with funds budgeted annually</p>
<p><b>J. Municipal Communications Network</b>  <b>Location*:</b> Specific locations citywide to establish a wireless Mesh network.</p> <p><b>Projects:</b> The Mesh network will cover all or specific areas of the City to provide public Internet access to citizens, businesses or visitors within the coverage area. Project will permit access to the Internet, e-mail, messaging services, etc. The Mesh network is part of the City’s marketing efforts to show South Portland is a business location.</p>	<p>30-A M.R.S.A. § 5225(1)(C)</p>	<p>\$2,000,000</p>	<p>Wireless Pilot project for Millcreek area put in place – No Cummings TIF funds used to date; anticipate expansion of the pilot.</p>
<p><b>K. Emerging Technology Business Incubator:</b>  <b>Location*:</b> Inside Downtown TIF District.</p> <p><b>Projects:</b></p> <ul style="list-style-type: none"> <li>▪ Purchase, fit-up, and provide for either the renovation or construction of a small business, emerging technologies transfer incubator. Incubator will focus on information technology based start-ups.</li> <li>▪ Training for residents to provide pipeline of employees for incubator businesses.</li> </ul>	<p>30-A M.R.S.A. § 5225(1)(C)</p>	<p>\$5,500,000</p>	<p>Being Considered as part of downtown redevelopment project.</p>

<p><b>L. Prorated Portion of Snow Removal Contract Location**:</b> In the area of the TIF District.</p> <p><b>Projects:</b> Portion of the snow removal contract in the area of the TIF District that is attributable to the capital equipment necessary to remove snow from the multiple-lane roads.</p>	<p>30-A M.R.S.A. § 5225(1)(B)(2)</p>	<p>\$2,000 to \$10,000 per year</p>	<p>Ongoing with funds budgeted annually</p>
<p><b>PROJECT COSTS ADDED IN THIRD AMENDMENT 2012:</b></p>			
<p><b>M. Traffic Signal:</b> Directly adjacent to TIF District.</p> <p><b>Project:</b> At the intersection of Gannett Drive and Cummings Road, a traffic signal is required in order to facilitate traffic entering and exiting the business park.</p>	<p>30-A M.R.S.A. § 5225(1)(B)(1) and (B)(2)</p>	<p>\$100,000</p>	<p>Under Consideration</p>
<p><b>N. Business Park Internal Path System:</b> In TIF District.</p> <p><b>Project:</b> The City plans to create a path within the Business Park that would connect the lots together as an alternative to sidewalks along the street. It would offer an amenity to businesses within the Business Park and facilitate moving people among the businesses. The project includes obtaining easement rights as needed and other costs of constructing the path.</p>	<p>30-A M.R.S.A. § 5225(1)(A) &amp; (C)(6)</p>	<p>\$400,000</p>	<p>Easement issues encountered but still under consideration</p>
<p><b>PROJECT COSTS ADDED IN FOURTH AMENDMENT 2017:</b>  ***Project is jointly funded with the Hannaford TIF. The City will determine which TIF district will fund the project.</p>			
<p><b>O. Portland Street Pier Aquaculture Development:</b> Portland Street Pier***</p> <p><b>Project:</b> The City plans to construct six to eight additional floating berths to better facilitate use of the pier by commercial vessels and help grow the emerging aquaculture industry.</p>	<p>30-A M.R.S.A. § 5225(1)(C)(8)</p>	<p>\$1,000,000</p>	
<p><b>P. Fund the Downtown South Portland Development Program:</b> Outside the TIF District.</p> <p><b>Project:</b> Costs of funding public facilities and improvements in the City's Downtown South Portland Municipal Tax Increment Financing District.</p>	<p>30-A M.R.S.A. § 5225(1)(B)(3)</p>	<p>See Downtown TIF Development Program</p>	

### **III. Municipal Approvals**

#### **A. Notice of Public Hearing**

Attached as Exhibit B, 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 C, 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 D, 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.

### **IV. 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.

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**Cummings Road TIF | AMD-4**

<b>SECTION A.   Acreage Caps</b>		
1. Total <b>municipal</b> acreage;	8,880 acres	
2. Acreage of <b>proposed</b> Municipal TIF District;	46.88 acres	
3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF District;	N/A	
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF District;	N/A	
5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	100%	
6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	0.53%	
7. <b>Total acreage</b> of all <u>existing/proposed</u> Municipal TIF districts in municipality <b>including</b> Municipal Affordable Housing Development districts: <sup>3</sup>  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	581.13
	Proposed	46.88
	Total:	628.01
<b>30-A § 5223(3) EXEMPTIONS<sup>4</sup></b>		
8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	260 acres	
9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: Transit Oriented TIF/93 acres	93 acres	
10. Acreage of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	0 acres	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>5</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above:	0 acres	
12. <b>Total acreage</b> [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	275.01 acres	
13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.1%	
14. <b>Real property</b> 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.	46.88 acres	100%
<b>TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)</b>		100%

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

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

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

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

<sup>5</sup> PTZ districts approved through December 31, 2008.

**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**Cummings Road TIF | AMD-4**

<b>SECTION B.   Valuation Cap</b>	
1. <b>Total TAXABLE</b> municipal valuation—use most recent April 1;	\$3,610,630,400
2. <b>Taxable Original Assessed Value (OAV)</b> of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;	\$1,697,200
3. <b>Taxable OAV of all existing/proposed</b> Municipal TIF districts in municipality <b>excluding</b> 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      \$264,901,770
	Proposed      \$1,697,200
	Total:      \$266,598,970
<b>30-A § 5223(3) EXEMPTIONS</b>	
4. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	\$139,691,570
5. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: Transit Oriented TIF/\$18,373,100	\$18,373,100
6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	\$0
7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation</b> <sup>6</sup> Municipal TIF districts:	\$0
8. <b>Taxable OAV</b> in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such OAV also factored in Exemptions 4-7 above:	\$0
9. <b>Total taxable OAV</b> [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$108,534,300
10. <b>Percentage of total taxable OAV</b> [=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

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

**Portland Press Herald**  
EST. 1862  
**Maine Sunday Telegram**  
 pressherald.com

**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 C**  
Minutes of Public Hearing

CITY COUNCIL ORDER NO. \_\_\_\_\_

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

“Cummings Road Business Park Municipal Development and Tax Increment Financing District”  
&  
“Hannaford 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 these new amendments to the development programs for the above-listed tax increment financing districts (the “Development Program Amendments”) will help continue the pursuit of these goals in the City and the region; and

**WHEREAS**, the City desires to add to the development programs’ lists of approved project costs for the above-listed tax increment financing districts (the “Districts”); and

**WHEREAS**, it is expected that approval will be obtained from the Maine Department of Economic and Community Development (the "Department"), approving the Development Program Amendments for the Districts; and

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

**Section 1.** The City of South Portland hereby adopts the Fourth Amendment to the Cummings Road Business Park TIF District and Development Program, and the Second Amendment to the Hannaford 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 amendments, these Development Program Amendments do not result in either District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which pertain to the percentage of area within each of the Districts that is suitable for commercial use, the TIF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.



b. The adoption of the Development Program Amendments 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 relevant development programs, as amended. To the extent the Development Program Amendments conflict with anything contained within the corresponding original relevant development programs (or anything contained within any of the corresponding previous amendments to original development programs), the Development Program Amendments shall govern. All other provisions of the original development programs shall remain in effect.

**Section 4.** The City Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Development Program Amendments for the Districts 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 Development Program Amendments for the Districts 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 programs for the Districts 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 Development Program Amendments 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 Development Program Amendments.

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

**Exhibit E**  
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 #155-16/17

ADOPTION OF TAX INCREMENT FINANCING (TIF) DEVELOPMENT PROGRAM AMENDMENTS RELATING TO THE

“Cummings Road Business Park Municipal Development and Tax Increment Financing District”

&

“Hannaford 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 these new amendments to the development programs for the above-listed tax increment financing districts (the “Development Program Amendments”) will help continue the pursuit of these goals in the City and the region; and

**WHEREAS**, the City desires to add to the development programs’ lists of approved project costs for the above-listed tax increment financing districts (the “Districts”); and

**WHEREAS**, it is expected that approval will be obtained from the Maine Department of Economic and Community Development (the "Department"), approving the Development Program Amendments for the Districts; and

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

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

**Section 1.** The City of South Portland hereby adopts the Fourth Amendment to the Cummings Road Business Park TIF District and Development Program, and the Second Amendment to the Hannaford 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 amendments, these Development Program Amendments do not result in either District being out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) which pertain to the percentage of area within each of the Districts that is suitable for commercial use, the TIF acreage caps for single TIF districts and for all TIF districts in the City, and the total TIF district valuation cap.

b. The adoption of the Development Program Amendments 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 relevant development programs, as amended. To the extent the Development Program Amendments conflict with anything contained within the corresponding original relevant development programs (or anything contained within any of the corresponding previous amendments to original development programs), the Development Program Amendments shall govern. All other provisions of the original development programs shall remain in effect.

**Section 4.** The City Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed Development Program Amendments for the Districts 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 Development Program Amendments for the Districts 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 programs for the Districts 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 Development Program Amendments 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 Development Program Amendments.

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