



**CAPE ELIZABETH, MAINE**  
**Town Center Infrastructure Improvement – Tax**  
**Increment Financing (TIF)**

*An application for a Municipal Development and Tax Increment  
Financing District Development Program*

---

---

**FIRST AMENDMENT TO**  
**TOWN CENTER INFRASTRUCTURE IMPROVEMENT**  
**TAX INCREMENT FINANCING DEVELOPMENT PROGRAM**

---

---

*Approved by:*

**Cape Elizabeth, Town Council**

**DATED: \_\_\_\_\_, 2019**

## TABLE OF CONTENTS

|  |       |
|--|-------|
| COVER .....  | COVER |
| TABLE OF CONTENTS .....  | 1     |
| I. INTRODUCTION .....  | 2     |
| II. FIRST AMENDMENT TO THE TOWN CENTER INFRASTRUCTURE IMPROVEMENT (TIF)..... | 2     |
| III. FIRST AMENDMENT MUNICIPAL APPROVALS .....                               | 2     |
| A. NOTICE OF PUBLIC HEARING .....  | 2     |
| B. AUTHORIZED VOTES .....  | 2     |
| C. MINUTES OF PUBLIC HEARING HELD BY TOWN COUNCIL .....                      | 2     |
| D. STATUATORY REQUIREMENTS AND THRESHOLDS FORM .....                         | 2     |

### EXHIBITS:

|  |       |
|--|-------|
| EXHIBIT A. TOWN CENTER TIF DISTRICT REVISION MAP .....                               | 3     |
| EXHIBIT B. AMENDED TOWN OF CAPE ELIZABETH CERTIFICATE OF ORIGINAL VALUE.....         | 4     |
| EXHIBIT C. NOTICE OF PUBLIC HEARING .....  | 5     |
| EXHIBIT D. TOWN COUNCIL AUTHORIZES VOTES .....                                       | 6     |
| EXHIBIT E. MINUTES OF PUBLIC HEARING AND COUNCIL MEETING .....                       | 7     |
| EXHIBIT F. STATUATORY REQUIREMENTS AND THRESHOLDS FORM .....                         | 8-9   |
| EXHIBIT G. APPLICATION COVER SHEET .....   | 10-11 |
| EXHIBIT H. SURVEY PLAN OF MAP U22 LOT 74 ACREAGE CHANGE (REFERENCE EXHIBIT A) .....  | 12    |
| EXHIBIT I. TOWN CENTER PROFORMA – ESTIMATED ANNUAL INVESTMENT & VALUE RETAINED ..... | 13    |
| EXHIBIT J. TOWN CENTER PROFORMA – STATE & COUNTY PROJECTED TAX SHIFT .....           | 14    |
| EXHIBIT K. TOWN CENTER PROFORMA – PUBLIC PROJECTS TABLE .....                        | 15    |
| EXHIBIT L. TOWN CENTER TIF CAPTURED VALUES 2016 TO 2020 (CURRENT).....               | 16    |
| EXHIBIT M. ORIGINAL TIF APPROVAL LETTER FROM FEBRUARY 26, 2015 .....                 | 17-26 |

## I. Introduction

The Town Center Infrastructure Improvement Tax Increment Financing District (the “District”) was first approved by the Maine Department of Economic and Community Development (“DECD”) on February 26, 2015. The District plan was designed for the purposes of completing the sidewalk network and potentially expanding the sidewalk network to adjacent neighborhoods, create a vibrant town center that includes mixed retail uses for residents and visitors, a safe and inviting pedestrian and bicycle environment, a common meeting place, visual vitality, and linkages to the town’s open space and nearby residential neighborhoods, as well as improving stormwater infrastructure.

## II. First Amendment to the District

The first amendment seeks to make three technical revisions to the original TIF application; acreage correction, the removal of an EXEMPT property from the Original Assessed Value (“OAV”), and to correctly choose the accurate April 1<sup>st</sup> OAV at the start of the TIF calculation.

A. Removal of **Map R02, Lot 04, Sub 5, Cape Elizabeth Land Trust (“CELT”), 0.92 acres** with a valuation of \$286,500. The Land Trust is an EXEMPT property and should not have been included in the OAV.

B. The acreage correction is a result of the removal of the Cape Elizabeth Land Trust parcel and the recalculation of a parcel via a survey. Parcel **Map 22, Lot 74, located at 12 Hill Way**, was split into 3 parcels and the resulting survey changed the acreage from 2.10 acres to 2.13 acres. The removal of the CELT property and survey correction changed the acreage from the original 27.93 acres to 27.04 acres. Please find an amended map attached hereto as Exhibit A. **The new ACRES is 27.04.**

C. The OAV date that was approved by the DECD was April 1, 2013, for a program that was approved on February 26, 2015. The original OAV was \$11,729,600 and the corrected OAV is \$11,225,200 (coupled with the removal of the EXEMPT property).

The original OAV number was incorrectly selected from the 4/1/2014 assessments and NOT the 4/1/2013; thus the OAV was over-stated, this has to be corrected. Please find an amended Assessor’s Certification of Original Assessed Value attached hereto as Exhibit B. The new **OAV is \$11,225,200.**

## III. First Amendment Municipal Approvals

**A. Notice of Public Hearing** – Attached as Exhibit C hereto is a copy of the Notice of Public Hearing regarding adoption of the First Amendment to the Town Center TIF District, published in the local newspaper of general circulation in the Town, on a date at least ten (10) days prior to the public hearing. The public hearing on the First Amendment to the Town Center TIF District was held on xxxxxx n, 2019, in accordance with the requirements of 30-A M.R.S.A. §5226(1).

**B. Authorized Votes** – Attached as Exhibit D hereto is a copy of the Cape Elizabeth Town Council Order approving this First Amendment to the Town Center TIF District, which Resolution was adopted by The Council at a meeting of the Council duly called and held on xxxxxx nn, 2019.

**C. Minutes of Public Hearing Held by Town Council** – Attached as Exhibit E hereto is a certified copy of the minutes of the public hearing held on xxxxxxx nn, 2019, at which time this First Amendment to the Town Center TIF District was discussed by the public.

**D. Statutory Requirements and Thresholds Form** – Attached as Exhibit F hereto is a completed Statutory Requirements and Thresholds Form demonstrating the District’s statutory compliance.

EXHIBIT A

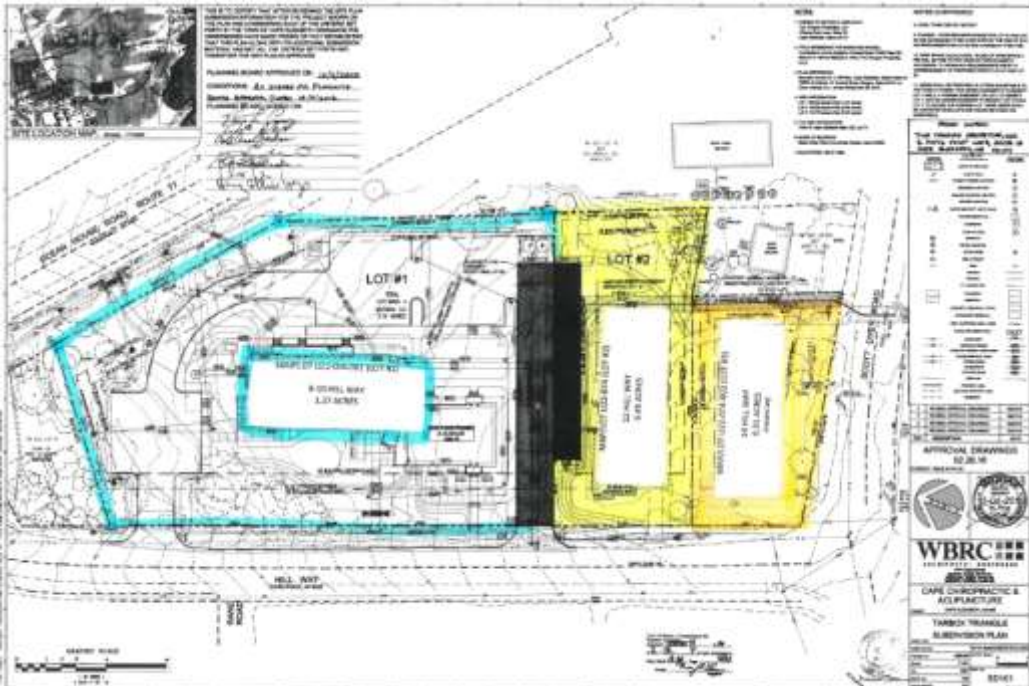
TOWN CENTER TIF DISTRICT REVISION MAP

The following map shows the two map changes, the removal of *Map R02, Lot 04, Sub 5, Cape Elizabeth Land Trust, 0.92 acres* and the survey/recalculation of *Map 22, Lot 74, located at 12 Hill Way*.



*Map R02 Lot 04 Sub 05  
Cape Elizabeth Land Trust  
0.92 acres removed from TIF District  
because it is an EXEMPT property*

*Map U22 Lot 74 was split into 3 parcels,  
acreage increased 0.03 based on  
certified survey (see below)*



**EXHIBIT B**

**AMENDED TOWN OF CAPE ELIZABETH CERTIFICATION OR ORIGINAL ASSESSED VALUE**

The undersigned Assessor of the Assessing Department for the Town of Cape Elizabeth, Maine, does hereby certify that the attached tax maps showing the location and boundaries of the proposed Town Center TIF District, with properties further referenced on Page 66 of the Town Center Plan, are an accurate depiction of the proposed District, see Exhibit A. The Original Assessed Value (OAV) of the taxable real property in the proposed TIF District as of March 31, 2015 (April 1, 2013) was Eleven Million Two Hundred and Twenty-Five Thousand Two Hundred Dollars (\$11,225,200)<sup>1</sup>.

The proposed TIF District is comprised of approximately 27.04 acres, as depicted in the Town Center District in the Town of Cape Elizabeth, Maine.

IN WITNESS WHEREOF this Certificate has been executed this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Clinton Swett, Assessor, Town of Cape Elizabeth

| Map/Lot      | Acres     | 2014 value OAV (4/1/13)      |
|--------------|-----------|------------------------------|
| U22-82       | 0.48      | \$ 409,900                   |
| U22-80       | 0.36      | \$ 425,400                   |
| U22-79       | 0.15      | \$ 397,100                   |
| U22-78       | 0.61      | \$ 670,000                   |
| U22-76       | 0.91      | \$ 439,000                   |
| U22-76C      | 0.60      | \$ 488,100                   |
| U22-76B      | 1.96      | \$ 592,600                   |
| U22-75       | 0.14      | \$ 83,200                    |
| U22-74       | 0.45      | \$ 453,600                   |
| U21-11       | 0.30      | \$ 257,000                   |
| U21-9        | 0.31      | \$ 268,800                   |
| U21-8        | 0.14      | \$ 170,100                   |
| U21-7        | 0.29      | \$ 347,000                   |
| U21-6        | 0.38      | \$ 85,300                    |
| U21-5        | 1.10      | \$ 263,100                   |
| U21-5A       | 0.80      | \$ 382,500                   |
| U21-3B       | 2.50      | \$ 1,533,700                 |
| U21-1        | 0.76      | \$ 337,500                   |
| U20-17       | 2.00      | \$ 378,000                   |
| U20-16       | 0.49      | \$ 84,000                    |
| U20-16A      | 1.00      | \$ 16,300                    |
| U20-15       | 0.50      | \$ 202,000                   |
| U11-16D      | 0.28      | \$ 281,100                   |
| U11-16-1     | 0.12      | \$ 184,400                   |
| U11-16C      | 0.46      | \$ -                         |
| U11-16B      | 0.44      | \$ 398,000                   |
| U11-16-4     | 0.12      | \$ 201,300                   |
| U11-16-2     | 0.12      | \$ 170,200                   |
| U11-16-3     | 0.12      | \$ 135,800                   |
| U11-16A      | 0.85      | \$ 217,000                   |
| U11-15       | 1.00      | \$ 298,100                   |
| U11-14       | 1.50      | \$ 847,600                   |
| R2-4-6       | 4.10      | \$ 207,500                   |
| U22-74-1     | 1.37      | Created by lot split in 2017 |
| U22-74-2     | 0.31      | Created by lot split in 2017 |
| <b>27.04</b> | <b>\$</b> | <b>11,225,200</b>            |

<sup>1</sup> The original OAV was \$11,729,600, this was incorrectly stated from the wrong fiscal year, 2014, instead of 2013.

**EXHIBIT C**

**NOTICE OF PUBLIC HEARING**

This is an attested copy of the Public Hearing Notice as published in the local newspaper

---

Debra Lane, Town Clerk  
Dated:

**EXHIBIT D**

**TOWN COUNCIL AUTHORIZED VOTES**

This is a true attested copy of the original document on file in the Town Clerk's Office at 320 Old Ocean House Road, Cape Elizabeth, Maine. Attached as Exhibit D hereto is a copy of the Cape Elizabeth Town Council Order approving this First Amendment to the Town Center TIF District, which Resolution was adopted by The Council at a meeting of the Council duly called and held on xxxxxx nn, 2019.

---

Debra Lane, Town Clerk  
Dated:

**EXHIBIT E**

**MINUTES OF PUBLIC HEARING AND COUNCIL MEETING**



**EXHIBIT F**

**STATUTORY REQUIREMENTS AND THRESHOLDS FORM**

Attached as Exhibit F hereto is a completed Statutory Requirements and Thresholds Form demonstrating the District's statutory compliance.

**Cape Elizabeth Town Center TIF District – 1<sup>st</sup> Amendment**

| SECTION A.   Acreage Caps   |          |        |
|---|----------|--------|
| 1. Total <b>municipal</b> acreage;  |          | 9048   |
| 2. Acreage of <b>proposed</b> Municipal TIF District;   |          | 27.04  |
| 3. <b>Downtown-designation</b> <sup>2</sup> acres in proposed Municipal TIF District;   |          | 27.04  |
| 4. <b>Transit-Oriented Development</b> <sup>3</sup> acres in proposed Municipal TIF District;   |          | -      |
| 5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF District counted toward 2%  |          | 27.04  |
| 6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT   |          | 0.30   |
| 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>4</sup><br><br>District Name/Acreage    District Name/Acreage    District Name/Acreage<br><br>District Name/Acreage    District Name/Acreage    District Name/Acreage | Existing | 27.04  |
|   | Proposed | 0      |
|   | Total:   | 27.04  |
| <b>30-A § 5223(3) EXEMPTIONS<sup>5</sup></b>  |          |        |
| 8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;   |          |        |
| 9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts:<br>District Name/Acreage    District Name/Acreage   |          |        |
| 10. Acreage of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:<br>District Name/Acreage    District Name/Acreage  |          |        |
| 11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>6</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:<br>District Name/Acreage    District Name/Acreage    District Name/Acreage                                    |          | 0      |
| 12. <b>Total acreage</b> [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;   |          | 0      |
| 13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).  |          | Exempt |
| 14. <b>Real property</b> in proposed Municipal TIF District that is:  | ACRES    | %      |
| a. A blighted area;   |          | Exempt |
| b. In need of rehabilitation, redevelopment or conservation;  |          | Exempt |
| c. Suitable for commercial or arts district uses.   |          | Exempt |
| <b>TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)</b>   |          | 0      |

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

<sup>3</sup> For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

<sup>4</sup> For AH-TIF acreage requirement see 30-A § 5247(3)(B). Alternatively, Section B. must exclude AH-TIF valuation.

<sup>5</sup> Downtown/TOD overlap nets single acreage/valuation caps exemption.

<sup>6</sup> PTDZ districts approved through December 31, 2008.

| SECTION B.   Valuation Cap  |                           |
|---|---------------------------|
| 1. <b>Total TAXABLE</b> municipal valuation—use most recent <b>April 1, 2013</b>  | \$ 1,659,033,000          |
| 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;   | \$ 11,225,200             |
| 3. <b>Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts:</b>   | Existing    \$ 11,225,200 |
| 4.<br>District Name/OAV    District Name/OAV    District Name/OAV   | Proposed    \$ 11,225,200 |
|   | Total:    \$ 0            |
| 30-A § 5223(3) EXEMPTIONS   |                           |
| 5. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;  | \$ 11,225,200             |
| 6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts:<br>District Name/OAV    District Name/OAV  | 0                         |
| 7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:<br>District Name/OAV    District Name/OAV  | 0                         |
| 8. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation</b> <sup>7</sup> Municipal TIF districts:<br>District Name/OAV    District Name/OAV   | 0                         |
| 9. <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:<br>District Name/OAV    District Name/OAV    District Name/OAV<br>District Name/OAV    District Name/OAV    District Name/OAV | 0                         |
| 10. <b>Total taxable OAV [=B3-B4-B5-B6-B7-B8]</b> of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;  | 0                         |
| 11. <b>Percentage of total taxable OAV [=B9÷B1]</b> of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).   | Exempt                    |

| COMPLETED BY |                 |
|--------------|-----------------|
| NAME:        | Clinton Swett   |
| DATE:        | August 21, 2019 |

<sup>7</sup> For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

**EXHIBIT G**

**APPLICATION COVER SHEET**

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

**A. General Information**

|  |          |   |
|--|----------|---|
| 1. Municipality Name: <b>Town of Cape Elizabeth</b>                  |          |   |
| 2. Address: <b>320 Ocean House Road, Cape Elizabeth, Maine 04107</b> |          |   |
| 3. Telephone:<br><b>207-799-1619</b>                                 | 4. Fax:  | 5. Email:<br><b>Clinton.swett@capeelizabeth.org</b> |
| 6. Municipal Contact Person: <b>Clinton J. Swett, Tax Assessor</b>   |          |   |
| 7. Business Name:  |          |   |
| 8. Address:  |          |   |
| 9. Telephone:  | 10. Fax: | 11. Email:  |
| 12. Business Contact Person:   |          |   |
| 13. Principal Place of Business:                                     |          |   |
| 14. Company Structure (e.g. corporation, sub-chapter S, etc.):       |          |   |
| 15. Place of Incorporation:  |          |   |
| 16. Names of Officers:   |          |   |
| 17. Principal Owner(s) Name:   |          |   |
| 18. Address:   |          |   |

**B. Disclosure**

|   |   |   |
|---|---|---|
| 1. Check the public purpose that will be met by the business using this incentive (any that apply): |   |   |
| <input type="checkbox"/> job creation   | <input type="checkbox"/> job retention  | <input type="checkbox"/> capital investment                       |
| <input type="checkbox"/> training investment  | <input type="checkbox"/> tax base improvement   | <input checked="" type="checkbox"/> public facilities improvement |
| <input type="checkbox"/> other (list):  |   |   |
| 2. Check the specific items for which TIF revenues will be used (any that apply):                   |   |   |
| <input type="checkbox"/> real estate purchase   | <input type="checkbox"/> machinery & equipment purchase   | <input type="checkbox"/> training costs                           |
| <input type="checkbox"/> debt reduction   | <input checked="" type="checkbox"/> other (list): <b>Pedestrian (sidewalks) and Stormwater Infrastructure</b> |   |

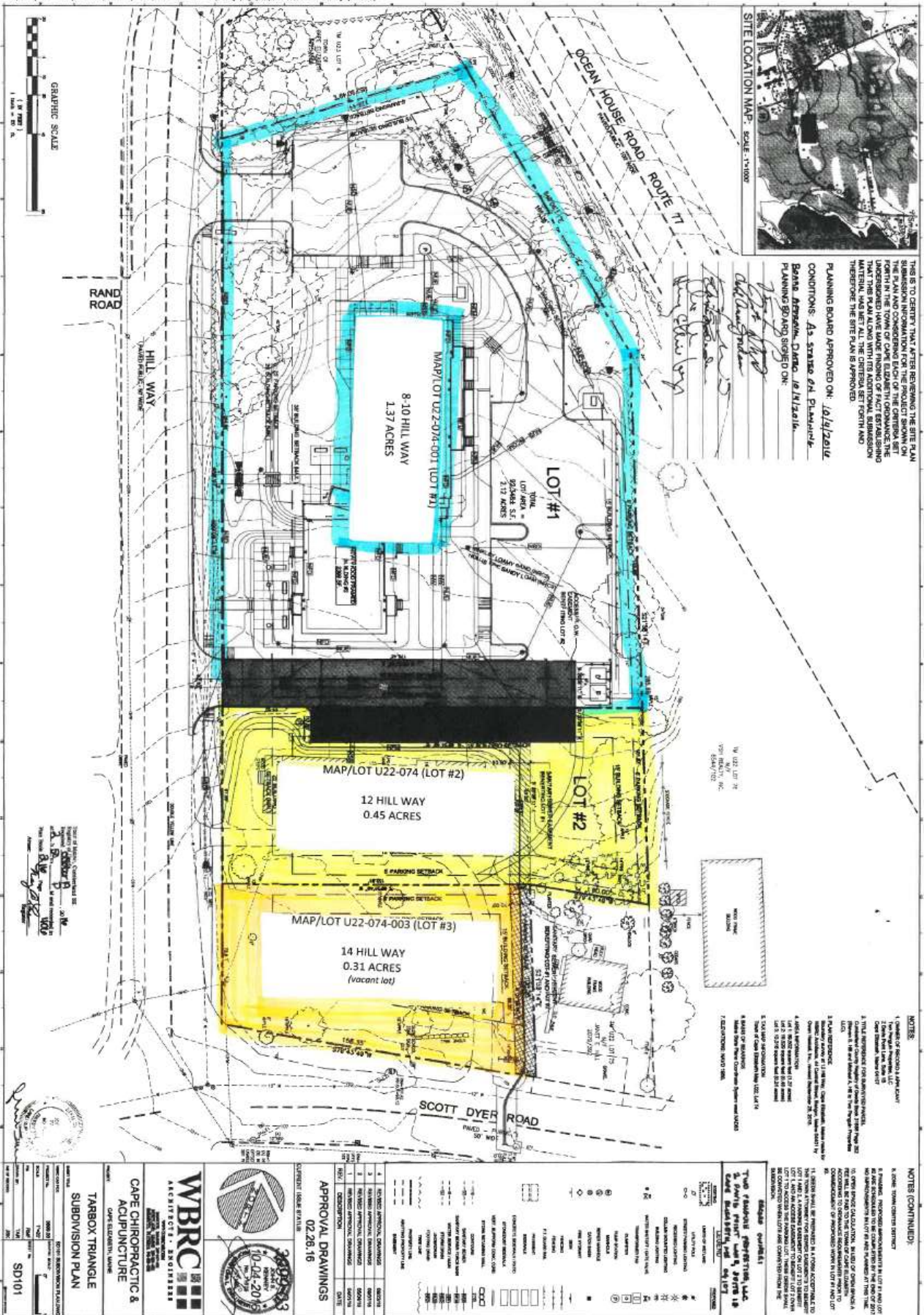
**C. Employment Data**

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 (*please use next page*).

Company's goals for the number, type and wage levels of jobs to be created or retained as part of this TIF development project are as follows:

EXHIBIT H

SURVEY PLAN OF U22-74 ACREAGE CHANGE (see Exhibit A)





**EXHIBIT I**

**Town Center TIF Proforma – Estimated Annual Investment & Value Retained**

| Estimated Annual Investment |                          |              |                                 |             |                                 | Annual Assessed Value Retained (CAV) |                |             |                     |                 |                    |
|-----------------------------|--------------------------|--------------|---------------------------------|-------------|---------------------------------|--------------------------------------|----------------|-------------|---------------------|-----------------|--------------------|
| TIF Year                    | Tax Year                 | Real Estate  | Projected Cumulative Investment | Real Est    | Projected Annual Assessed Value | % Real Estate                        | \$ Real Estate | Total       | Mil Rate at \$16.28 | Gross New Taxes | Total TIF Revenues |
| 1                           | 2015-16                  | \$500,000    | \$500,000                       | \$500,000   | \$500,000                       | 100%                                 | \$500,000      | \$500,000   | 0.01628             | \$8,140         | \$8,140            |
| 2                           | 2016-17                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 3                           | 2017-18                  | \$300,000    | \$300,000                       | \$300,000   | \$300,000                       | 100%                                 | \$300,000      | \$300,000   | 0.01628             | \$4,884         | \$4,884            |
| 4                           | 2018-19                  | \$100,000    | \$100,000                       | \$100,000   | \$100,000                       | 100%                                 | \$100,000      | \$100,000   | 0.01628             | \$1,628         | \$1,628            |
| 5                           | 2019-20                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 6                           | 2020-21                  | \$300,000    | \$300,000                       | \$300,000   | \$300,000                       | 100%                                 | \$300,000      | \$300,000   | 0.01628             | \$4,884         | \$4,884            |
| 7                           | 2021-22                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 8                           | 2022-23                  | \$100,000    | \$100,000                       | \$100,000   | \$100,000                       | 100%                                 | \$100,000      | \$100,000   | 0.01628             | \$1,628         | \$1,628            |
| 9                           | 2023-24                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 10                          | 2024-25                  | \$100,000    | \$100,000                       | \$100,000   | \$100,000                       | 100%                                 | \$100,000      | \$100,000   | 0.01628             | \$1,628         | \$1,628            |
| 11                          | 2025-26                  | \$100,000    | \$100,000                       | \$100,000   | \$100,000                       | 100%                                 | \$100,000      | \$100,000   | 0.01628             | \$1,628         | \$1,628            |
| 12                          | 2026-27                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 13                          | 2027-28                  | \$100,000    | \$100,000                       | \$100,000   | \$100,000                       | 100%                                 | \$100,000      | \$100,000   | 0.01628             | \$1,628         | \$1,628            |
| 14                          | 2028-29                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 15                          | 2029-30                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 16                          | 2030-31                  | \$100,000    | \$100,000                       | \$100,000   | \$100,000                       | 100%                                 | \$100,000      | \$100,000   | 0.01628             | \$1,628         | \$1,628            |
| 17                          | 2031-32                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 18                          | 2032-33                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| 19                          | 2033-34                  | \$300,000    | \$300,000                       | \$300,000   | \$300,000                       | 100%                                 | \$300,000      | \$300,000   | 0.01628             | \$4,884         | \$4,884            |
| 20                          | 2034-35                  | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       | 100%                                 | \$200,000      | \$200,000   | 0.01628             | \$3,256         | \$3,256            |
| <b>total average</b>        | <b>Cumulative Annual</b> | \$ 4,000,000 | \$ 4,000,000                    | \$4,000,000 | \$ 4,000,000                    |                                      |                | \$4,000,000 |                     | \$65,120        | \$ 65,120          |
|                             |                          | \$200,000    | \$200,000                       | \$200,000   | \$200,000                       |                                      |                | \$200,000   |                     | \$3,256         | \$3,256            |

8

<sup>8</sup> Mil rate being used for projections is from fiscal year 2013 and is \$16.28 per thousand dollars of value.

**EXHIBIT J**

**Town Center TIF Proforma – State and County Projected Tax Shift<sup>9101112</sup>**

| State and County Projected Tax Shift |                          |            |                      |                      |                       |                       |                   |                      |
|--------------------------------------|--------------------------|------------|----------------------|----------------------|-----------------------|-----------------------|-------------------|----------------------|
| TIF Year                             | New General Fund         | Town TIF % | Town TIF Revenues    | Total Town Revenues  | Educational Tax Shift | Revenue Sharing Shift | County Tax Shift  | Total Tax Shift      |
| 1                                    |                          | 100%       | \$8,140              | \$8,140              | \$4,500               | \$ 150.69             | \$295             | \$4,945              |
| 2                                    |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 3                                    |                          | 100%       | \$4,884              | \$4,884              | \$2,700               | \$ 54.25              | \$177             | \$2,931              |
| 4                                    |                          | 100%       | \$1,628              | \$1,628              | \$900                 | \$ 6.03               | \$59              | \$965                |
| 5                                    |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 6                                    |                          | 100%       | \$4,884              | \$4,884              | \$2,700               | \$ 54.25              | \$177             | \$2,931              |
| 7                                    |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 8                                    |                          | 100%       | \$1,628              | \$1,628              | \$900                 | \$ 6.03               | \$59              | \$965                |
| 9                                    |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 10                                   |                          | 100%       | \$1,628              | \$1,628              | \$900                 | \$ 6.03               | \$59              | \$965                |
| 11                                   |                          | 100%       | \$1,628              | \$1,628              | \$900                 | \$ 6.03               | \$59              | \$965                |
| 12                                   |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 13                                   |                          | 100%       | \$1,628              | \$1,628              | \$900                 | \$ 6.03               | \$59              | \$965                |
| 14                                   |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 15                                   |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 16                                   |                          | 100%       | \$1,628              | \$1,628              | \$900                 | \$ 6.03               | \$59              | \$965                |
| 17                                   |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 18                                   |                          | 100%       | \$3,256              | \$3,256              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| 19                                   |                          | 100%       | \$3,256              | \$3,256              | \$2,700               | \$ 54.25              | \$177             | \$2,931              |
| 20                                   |                          | 100%       | \$4,884              | \$4,884              | \$1,800               | \$ 24.11              | \$118             | \$1,942              |
| <b>total average</b>                 | <b>Cumulative Annual</b> | 100%       | \$ 65,120<br>\$3,256 | \$ 65,120<br>\$3,256 | \$ 36,000<br>\$1,800  | \$ 591<br>\$30        | \$ 2,357<br>\$118 | \$ 38,948<br>\$1,947 |

<sup>9</sup> Assessed value and state valuation assumed to remain constant during term of District.  
<sup>10</sup> State Aid to Education Benefit determined based on estimated 0.009 constant from DECD  
<sup>11</sup> County Tax Benefit based on average of valuations from 2009 to 2013, per DECD  
<sup>12</sup> State Revenue Sharing Benefit determined based on formulas provided by DECD  
<sup>13</sup> Projected increased assessed values were estimated based on preliminary budget for the Project provided.

**EXHIBIT K**

**Town Center TIF Proforma – Public Projects Table**

**Town of Cape Elizabeth**  
 Town Center TIF Proforma

**Public Projects Table**

*Cost of Improvements made within the tax increment financing district*

| PROJECT  | STATUTORY CITATION | ESTIMATED COST                                      |
|--|--------------------|---|
| Town Center sidewalks as described in the Development Program (Pg 8)   | 5225(1)(A)(1)      | \$ 946,280  |
| Town Center stormwater facilities consistent with future update of 1995 Town Center Stormwater Plan per development program p. 9 and scope of §5225 (1)(A)(1) as amended from time to time | 5225(1)(A)(1)      | To be determined based on TIF revenues as available |

*Costs of improvements that are made outside the tax increment financing district, but are directly related to and are made necessary by the establishment or operation of the district*

| PROJECT   | STATUTORY CITATION | ESTIMATED COST |
|---|--------------------|----------------|
| Sidewalks connecting to the Town Center District per table in Development Plan, P. 9. | 5225(1)(B)(2)      | \$ 1,636,580   |

**TOTAL all projects = \$2,582,860**



EXHIBIT L

Town Center TIF Captured Values 2016 to 2020

TIF# 152016

| Map/Lot  | Address                                     | Owner                  | Acres        | LAND Value          | BLDG Value          | 2014 value (4/1/13)                           | 2015 (4/1/14)        | 2016 (4/1/15)        | 2017 (4/1/16)        | 2018 (4/1/17)        | 2019 (4/1/18)        | 2020 (4/1/19)        |
|----------|---|------------------------|--------------|---------------------|---------------------|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| R2-4-6   | 326 Ocean House Rd/Hatterfield R F IV Trust |                        | 4.10         | \$ 207,500          | -                   | \$ 207,500                                    | \$ 207,500           | \$ 207,500           | \$ 207,500           | \$ 207,500           | \$ 207,500           | \$ 207,500           |
| U11-14   | 1226 Shore Rd.                              | Fordot Properties LLC  | 1.50         | \$ 252,400          | \$ 595,200          | \$ 647,600                                    | \$ 647,600           | \$ 647,600           | \$ 647,600           | \$ 647,600           | \$ 647,600           | \$ 647,600           |
| U11-15   | 1230 Shore Rd.                              | MS LLC                 | 1.00         | \$ 160,000          | \$ 138,100          | \$ 298,100                                    | \$ 298,100           | \$ 298,100           | \$ 298,100           | \$ 298,100           | \$ 298,100           | \$ 298,100           |
| U11-16-1 | 312 Ocean House Rd/Ker, Laura E             |                        | 0.12         | \$ 60,000           | \$ 124,400          | \$ 184,400                                    | \$ 184,400           | \$ 184,400           | \$ 184,400           | \$ 184,400           | \$ 184,400           | \$ 184,400           |
| U11-16-2 | 312 Ocean House Rd/Dill, Cynthia            |                        | 0.12         | \$ 60,000           | \$ 110,200          | \$ 170,200                                    | \$ 170,200           | \$ 170,200           | \$ 170,200           | \$ 170,200           | \$ 170,200           | \$ 170,200           |
| U11-16-3 | 312 Ocean House Rd/Goufrie, Jennifer L      |                        | 0.12         | \$ 60,000           | \$ 75,800           | \$ 135,800                                    | \$ 135,800           | \$ 135,800           | \$ 135,800           | \$ 135,800           | \$ 135,800           | \$ 135,800           |
| U11-16-4 | 312 Ocean House Rd/Corn, Phyllis C          |                        | 0.12         | \$ 60,000           | \$ 141,300          | \$ 201,300                                    | \$ 201,300           | \$ 201,300           | \$ 201,300           | \$ 201,300           | \$ 201,300           | \$ 201,300           |
| U11-16-4 | 316 Ocean House Rd/ISIS Development LLC     |                        | 0.05         | \$ 217,000          | \$ -                | \$ 217,000                                    | \$ 217,000           | \$ 217,000           | \$ 217,000           | \$ 217,000           | \$ 217,000           | \$ 217,000           |
| U11-168  | 1234 Shore Rd.                              | Key Bank of Maine      | 0.44         | \$ 193,800          | \$ 204,200          | \$ 398,000                                    | \$ 398,000           | \$ 398,000           | \$ 398,000           | \$ 398,000           | \$ 398,000           | \$ 398,000           |
| U11-16C  | 312 Ocean House Rd/Ocean House Condominiums |                        | 0.46         | \$ -                | \$ -                | \$ -  | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| U11-16D  | 1232 Shore Rd.                              | Cape Dental Associates | 0.28         | \$ 154,600          | \$ 126,500          | \$ 281,100                                    | \$ 281,100           | \$ 281,100           | \$ 281,100           | \$ 281,100           | \$ 281,100           | \$ 281,100           |
| U10-15   | 359 Ocean House Rd/Jordan, Norman R, Jr     |                        | 0.50         | \$ 84,000           | \$ 117,200          | \$ 202,000                                    | \$ 202,000           | \$ 202,000           | \$ 202,000           | \$ 202,000           | \$ 202,000           | \$ 202,000           |
| U10-16   | Ocean House Rd                              | Jordan, Norman R, Jr   | 0.49         | \$ 84,000           | \$ -                | \$ 84,000                                     | \$ 84,000            | \$ 84,000            | \$ 84,000            | \$ 84,000            | \$ 84,000            | \$ 84,000            |
| U10-16A  | Ocean House Rd                              | Jordan, Norman R, Jr   | 1.00         | \$ 16,300           | \$ -                | \$ 16,300                                     | \$ 16,300            | \$ 16,300            | \$ 16,300            | \$ 16,300            | \$ 16,300            | \$ 16,300            |
| U10-17   | 351 Ocean House Rd/Biale, Radley Y          |                        | 2.00         | \$ 137,400          | \$ 240,600          | \$ 378,000                                    | \$ 378,000           | \$ 378,000           | \$ 378,000           | \$ 378,000           | \$ 378,000           | \$ 378,000           |
| U11-1    | 349 Ocean House Rd/NKC Properties LLC       |                        | 0.76         | \$ 337,500          | \$ -                | \$ 337,500                                    | \$ 337,500           | \$ 1,010,900         | \$ 1,010,900         | \$ 1,010,900         | \$ 1,010,900         | \$ 1,010,900         |
| U11-38   | 327 Ocean House Rd/Lathrop & Lathrop Inc.   |                        | 2.50         | \$ 520,300          | \$ 1,003,400        | \$ 1,533,700                                  | \$ 1,533,700         | \$ 1,533,700         | \$ 1,533,700         | \$ 1,533,700         | \$ 1,533,700         | \$ 1,533,700         |
| U11-5    | 317 Ocean House Rd/Murray, Gerald W.        |                        | 1.10         | \$ 143,100          | \$ 120,000          | \$ 263,100                                    | \$ 263,100           | \$ 263,100           | \$ 263,100           | \$ 263,100           | \$ 263,100           | \$ 263,100           |
| U11-5A   | 323 Ocean House Rd/Murray, Gerald W.        |                        | 0.80         | \$ 118,900          | \$ 263,600          | \$ 382,500                                    | \$ 382,500           | \$ 382,500           | \$ 382,500           | \$ 382,500           | \$ 382,500           | \$ 382,500           |
| U11-6    | 315 Ocean House Rd/Murray, Gerald W.        |                        | 0.38         | \$ 85,300           | \$ -                | \$ 85,300                                     | \$ 85,300            | \$ 85,300            | \$ 85,300            | \$ 85,300            | \$ 85,300            | \$ 85,300            |
| U11-7    | 299 Ocean House Rd/Thompson, Timothy L      |                        | 0.29         | \$ 144,500          | \$ 202,500          | \$ 347,000                                    | \$ 347,000           | \$ 347,000           | \$ 347,000           | \$ 347,000           | \$ 347,000           | \$ 347,000           |
| U11-8    | 295 Ocean House Rd/Balfour, Scott A.        |                        | 0.14         | \$ 100,200          | \$ 69,800           | \$ 170,100                                    | \$ 170,100           | \$ 170,100           | \$ 170,100           | \$ 170,100           | \$ 170,100           | \$ 170,100           |
| U11-9    | 303 Ocean House Rd/Jennifer Desena          |                        | 0.31         | \$ 128,100          | \$ 140,700          | \$ 268,800                                    | \$ 319,900           | \$ 319,900           | \$ 319,900           | \$ 319,900           | \$ 319,900           | \$ 319,900           |
| U11-11   | 2 Scott Dyer Rd.                            | Dickinson, Diane M.    | 0.30         | \$ 146,900          | \$ 110,100          | \$ 257,000                                    | \$ 257,000           | \$ 257,000           | \$ 257,000           | \$ 257,000           | \$ 257,000           | \$ 257,000           |
| U11-14   | 12 Hill Way                                 | Hill, Janet E          | 0.45         | \$ 142,000          | \$ 311,600          | \$ 453,600                                    | \$ 453,600           | \$ 453,600           | \$ 453,600           | \$ 453,600           | \$ 453,600           | \$ 453,600           |
| U11-14-1 | 10 HILL WAY                                 | TWO PENGUIN PROP LLC   | 1.37         | \$ -                | \$ -                | NEW 18  | NEW 18               | NEW 18               | NEW 18               | NEW 18               | NEW 18               | NEW 18               |
| U11-14-3 | 14 HILL WAY                                 | TWO PENGUIN PROP LLC   | 0.31         | \$ -                | \$ -                | NEW 18  | NEW 18               | NEW 18               | NEW 18               | NEW 18               | NEW 18               | NEW 18               |
| U11-15   | 5 Scott Dyer Rd.                            | Hill, Janet E          | 0.14         | \$ 75,100           | \$ 8,100            | \$ 83,200                                     | \$ 83,200            | \$ 83,200            | \$ 83,200            | \$ 83,200            | \$ 83,200            | \$ 83,200            |
| U11-16   | 287 Ocean House Rd/ISH Realty Inc.          |                        | 0.91         | \$ 261,200          | \$ 177,800          | \$ 429,000                                    | \$ 429,000           | \$ 429,000           | \$ 429,000           | \$ 429,000           | \$ 429,000           | \$ 429,000           |
| U11-16B  | 5 Pearl Street                              | Donnelly, Jon Patrick  | 1.96         | \$ 133,700          | \$ 458,900          | \$ 592,600                                    | \$ 592,600           | \$ 592,600           | \$ 592,600           | \$ 592,600           | \$ 592,600           | \$ 592,600           |
| U11-16C  | 1227 Shore Rd.                              | Dill, Cynthia A        | 0.60         | \$ 123,100          | \$ 365,000          | \$ 488,100                                    | \$ 488,100           | \$ 488,100           | \$ 488,100           | \$ 488,100           | \$ 488,100           | \$ 488,100           |
| U11-78   | 298 Ocean House Rd/Cumberland Farms Inc.    |                        | 0.61         | \$ 213,800          | \$ 456,200          | \$ 670,000                                    | \$ 670,000           | \$ 670,000           | \$ 670,000           | \$ 670,000           | \$ 670,000           | \$ 670,000           |
| U11-79   | 1237 Shore Rd                               | Long Eddy Realty Trust | 0.15         | \$ 79,500           | \$ 317,600          | \$ 397,100                                    | \$ 397,100           | \$ 397,100           | \$ 397,100           | \$ 397,100           | \$ 397,100           | \$ 397,100           |
| U11-80   | 1235 Shore Rd.                              | Johnson, Everett Jr.   | 0.36         | \$ 115,800          | \$ 309,600          | \$ 425,400                                    | \$ 425,400           | \$ 425,400           | \$ 425,400           | \$ 425,400           | \$ 425,400           | \$ 425,400           |
| U11-82   | 1231 Shore Rd.                              | Voelker Properties LLC | 0.48         | \$ 189,600          | \$ 220,300          | \$ 409,900                                    | \$ 409,900           | \$ 409,900           | \$ 409,900           | \$ 409,900           | \$ 409,900           | \$ 409,900           |
|          |   |                        | <b>27.04</b> | <b>\$ 4,816,500</b> | <b>\$ 6,408,700</b> | <b>\$ 11,225,200</b>                          | <b>\$ 11,276,300</b> | <b>\$ 11,949,700</b> | <b>\$ 11,949,700</b> | <b>\$ 11,949,700</b> | <b>\$ 14,914,300</b> | <b>\$ 14,976,300</b> |
|          |   |                        |              |                     |                     | CAPTURED VALUE =                              | \$ 51,100            | \$ 724,500           | \$ 724,500           | \$ 724,500           | \$ 3,689,100         | \$ 3,751,100         |
|          |   |                        |              |                     |                     | MIL RATE =                                    | \$ 0.01680           | \$ 0.01688           | \$ 0.01754           | \$ 0.01800           | \$ 0.01902           | \$ 0.01968           |
|          |   |                        |              |                     |                     | CAPTURED REVENUE = (not eligible for capture) | \$ 12,200            | \$ 12,708            | \$ 13,041            | \$ 13,041            | \$ 66,022            | \$ 73,822            |
|          |   |                        |              |                     |                     | AGEFARE =                                     | 27.04                | 27.04                | 27.04                | 27.04                | 27.04                | 27.04                |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | 2016                 |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | 2017                 |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | 2018                 |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | 2019                 |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | 2020                 |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | <b>175,296</b>       |
|          |   |                        |              |                     |                     |   |                      |                      |                      |                      |                      | <b>73,822</b>        |

EXHIBIT M

Original TIF Approval Letter from February 26, 2015



Paul R. LePage  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF ECONOMIC  
AND COMMUNITY DEVELOPMENT



George C. Gervais  
COMMISSIONER

February 26, 2015

Michael McGovern  
Town Manager  
TOWN OF CAPE ELIZABETH  
320 Ocean House Road  
Cape Elizabeth, ME 04107

**RE: Downtown Town Center Infrastructure Improvement Municipal Tax Increment  
Financing (TIF) District; Development Program**

Dear Michael,

The Maine Department of Economic and Community Development (Department) has reviewed and EFFECTIVE TODAY APPROVED the above referenced downtown-designation Municipal TIF District and Development Program. Based on your original designation application, the Department notes:

- a. District term of 20 years starting March 31, 2015 and ending March 30, 2035;
- b. District taxable Original Assessed Value of \$11,729,600 as of April 1, 2014 (March 31, 2015)—acreage 27.93;
- c. Increased Assessed Value (IAV) capture of up to 100% of real property improvements. Please note § 5225(1)(B)(3)(b) allows portage of revenue from other future Cape Elizabeth Municipal TIF districts into this District only while capture remains 100% and such portage is an allowable project cost in Commissioner-approved development program for other districts;
- d. District revenues deposited/held in dedicated Project Cost account and applied ONLY toward approved public activities/projects to be completed BEFORE/BY March 30, 2035,
- e. Town may NOT establish Sinking Fund NOR incur public indebtedness without due public process and future amendment;
- f. Town may NOT negotiate/execute any agreements with reimbursement components without due public process and future amendment;
- g. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with Town equalized assessed value;
- h. Any future amendment MUST comply with 30-A M.R.S. §§ 5221-5235 and Department rules;
- i. When District expires or is terminated TOWN MUST NOTIFY DEPARTMENT IN WRITING.

Town revenue allocation projected at \$757,680 may facilitate funding for an estimated \$2.6 million in public costs **as further described in Development Program**. This funding MUST comply with already established Town appropriation process—with activities/projects COMPLETED BEFORE/BY March 30, 2035:

WITHIN DISTRICT

- j. Sidewalks per Development Program (DP) PG 8 \$946,280; x=0
- k. Storm water facilities consistent w/future update of 1995 Town Center Storm Water Plan and

scope of § 5225 (1)(A)(1) as amended from time to time \$TBD; x=0

OUTSIDE DISTRICT

- l. Sidewalks per DP PG 9 \$1,636,580. x=0

The Department encourages Town to review Maine Department of Agriculture, Conservation and Forestry (MDOACF) and Maine Department of Transportation (MDOT) advisories **ahead of public projects/activities implementation** for this District and prior to any future update of existing downtown redevelopment plan (10-6-2014 Town Center Plan).

**MAINE IS OPEN FOR BUSINESS.** Please contact Municipal Tax Increment Financing Program Director Laura Santini-Smith with questions about this certification letter or Department review. With this certification of designation, the Department extends best wishes for the success of your District.

Sincerely,



George C. Gervais  
Commissioner

cc: Senator Rebecca Millett (SD-29) and Representative Kimberly Monaghan (HD-30),  
127<sup>th</sup> Legislature; David Ledew, MRS Director Property Tax Division; Brian Doyle, Governor's  
Account Executive; Ruta Dzenis, DOACF Senior Planner Municipal Planning Assistance Program;  
Scott Rollins, MDOT Assistant Director Bureau of Planning

encl: MDOACF/MDOT advisories

EXCLUSIVE OF FOLLOWING COSTS/FUNDING:

- ⊕ Public park(s)
- ⊖ Private residential distribution line(s)
- × Items beyond § 5222(1) scope, i.e.: holiday decorations, plant pots/containers and art
- × § 5225(1)(A)(1)(a)(i) Transit-Oriented Development projects



PAUL R. LePAGE  
GOVERNOR

STATE OF MAINE  
DEPARTMENT OF AGRICULTURE, CONSERVATION & FORESTRY

22 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0022

WALTER E. WHITCOMB  
COMMISSIONER

COPY

To: Laura Santini-Smith, Tax Incentives Program Director, DECD  
From: Phil Carey, Senior Planner, Municipal Planning Assistance Program  
Date: 2/20/2015  
Re: Comments on Cape Elizabeth TIF Application

Thank you for providing us with an opportunity to review and comment on the Town of Cape Elizabeth's application for its proposed Town Center Tax Increment Financing District and Municipal Infrastructure Improvement Program dated October 6, 2014. Our comments are limited to those areas of the application that relate to land-use planning. We hope you find them helpful.

**Downtown Plan** In our opinion, Cape Elizabeth's "Town Center Plan", dated 10/6/2014, meets the definition of a "Downtown redevelopment plan" found in section 1(B) of DECD's Municipal TIF Rule.

**District Boundaries** The area described by the proposed TIF district boundaries as depicted on the map that appears on page 11 of the application corresponds to the area addressed in the "Town Center Plan". In our opinion, the area of the proposed Town Center TIF District is consistent with the Town's "Downtown" as defined in 30-A M.R.S.A. Chapter 206, Section 5222.

**Development Program and Project List** The application lists and briefly describes the various projects to which TIF revenues will be applied. We expect that construction of each of the proposed pedestrian, bicycle and stormwater management projects would contribute to the vitality of the Town's downtown, and that the proposed Municipal Infrastructure Improvement Program, taken as a whole, would make a very significant contribution. It is understood that the Program includes bike/ped projects located outside the proposed Town Center TIF District that are directly related to and made necessary by the improvements propose within the district. It is also understood that the scope and cost of stormwater management infrastructure improvements will be identified as part of the pending Town Center Stormwater Plan update, and that the amount expended on those improvements will depend on the availability of TIF revenues.

**Conclusion** From the land-use planning perspective, we expect that implementation of the proposed Town Center Tax Increment Financing District and Municipal Infrastructure Improvement Program would have a significant and positive impact on the vitality of Cape Elizabeth's Town Center for years to come.

Again, thank you for the opportunity to review the application. Please don't hesitate to call or email if you have any questions.

Received

FEB 24 2015

DECD

PHONE: (207) 287-3860

18 ELKINS LANE, HARLOW BUILDING  
www.maine.gov/acf

FAX: (207) 287-7439



Paul R. LePage,  
Governor

Maine Department of  
Transportation  
16 State House Station  
Augusta, Maine 04333-0016

Telephone: 207-624-3252  
Fax: 207-624-3301  
Email: dan.stewart@maine.gov

**COPY**

David Bernhardt,  
Commissioner

---

Date: August 18, 2014  
To: Laura Santini-Smith, Director, Tax Incentive Programs, DECD  
From: Dan Stewart, MaineDOT Region 1 Planner *DS*  
Re: Town of Cape Elizabeth Tax Increment Financing District Plan Review

---

On behalf of the Maine Department of Transportation (MaineDOT), I reviewed the Town of Cape Elizabeth Downtown TIF District Development Program, and have found no adverse transportation issues. Upon municipal request, MaineDOT will work with the City when an improvement within the State of Maine right-of-way is actively planned, designed and scheduled for implementation.

Please feel free to contact Duane Scott at 624-3301 should you have any questions regarding this review and finding.

**Received**  
**AUG 20 2014**  
**DECD**



Town of Cape Elizabeth  
 Town Center Infrastructure Improvement TIF  
 First Amendment

TOWN OF CAPE ELIZABETH  
 TOWN CENTER TIF PROFORMA

STATE / COUNTY PROJECTED TAX SHIFT

| TIF YEAR     | NEW GENERAL FUND | TOWN TIF % | TOWN TIF REVENUES | TOTAL TOWN REVENUES | EPD EDUCATION SHIFTS | REVENUE SHARING SHIFTS | COUNTY TAX SHIFTS | TOTAL TAX SHIFTS |
|--------------|------------------|------------|-------------------|---------------------|----------------------|------------------------|-------------------|------------------|
| 1            |                  | 100%       | \$ 8,400.00       | \$ 8,400.00         | \$ 4,500             | 134                    | \$ 329            | \$ 4,963         |
| 2            |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 3            |                  | 100%       | \$ 5,040.00       | \$ 5,040.00         | \$ 2,700             | 80                     | \$ 197            | \$ 2,978         |
| 4            |                  | 100%       | \$ 1,680.00       | \$ 1,680.00         | \$ 900               | 27                     | \$ 66             | \$ 992           |
| 5            |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 6            |                  | 100%       | \$ 5,040.00       | \$ 5,040.00         | \$ 2,700             | 80                     | \$ 197            | \$ 2,978         |
| 7            |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 8            |                  | 100%       | \$ 1,680.00       | \$ 1,680.00         | \$ 900               | 27                     | \$ 66             | \$ 992           |
| 9            |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 10           |                  | 100%       | \$ 1,680.00       | \$ 1,680.00         | \$ 900               | 27                     | \$ 66             | \$ 992           |
| 11           |                  | 100%       | \$ 1,680.00       | \$ 1,680.00         | \$ 1,800             | 27                     | \$ 66             | \$ 1,892         |
| 12           |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 13           |                  | 100%       | \$ 1,680.00       | \$ 1,680.00         | \$ 900               | 27                     | \$ 66             | \$ 992           |
| 14           |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 15           |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 16           |                  | 100%       | \$ 1,680.00       | \$ 1,680.00         | \$ 900               | 27                     | \$ 66             | \$ 992           |
| 17           |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 18           |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| 19           |                  | 100%       | \$ 5,040.00       | \$ 5,040.00         | \$ 2,700             | 80                     | \$ 197            | \$ 2,978         |
| 20           |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,800             | 54                     | \$ 132            | \$ 1,985         |
| <b>TOTAL</b> |                  |            | \$ 67,200.00      | \$ 67,200.00        | \$ 36,900            | 1,073                  | \$ 2,632          | \$ 40,805        |
| <b>AVG</b>   |                  | 100%       | \$ 3,360.00       | \$ 3,360.00         | \$ 1,845             | 54                     | \$ 132            | \$ 2,030         |

Town of Cape Elizabeth  
Town Center Infrastructure Improvement TIF  
First Amendment

ESTIMATED ANNUAL INVESTMENT

Town of Cape Elizabeth  
Town Center TIF Program

ANNUAL ASSESSED VALUE RETAINED (CAVI)

| TIF YEAR       | TAX YEAR          | REAL ESTATE INVESTMENT | PROJECTED              |                       | REAL ESTATE ASSESSED VALUE | PROJECTED ANNUAL ASSESSED VALUE | % REAL ESTATE | 1 REAL ESTATE       | TOTAL               | MIL RATE     | GROSS NEW TAXES  | TOTAL TIF REVENUES |
|----------------|-------------------|------------------------|------------------------|-----------------------|----------------------------|---------------------------------|---------------|---------------------|---------------------|--------------|------------------|--------------------|
|                |                   |                        | REAL ESTATE INVESTMENT | ANNUAL ASSESSED VALUE |                            |                                 |               |                     |                     |              |                  |                    |
| 1              | 2015-16           | \$ 500,000             | \$ 500,000             | \$ 500,000            | \$ 500,000                 | \$ 500,000                      | 100%          | \$ 500,000          | \$ 500,000          | 18.80        | \$ 8,420         | \$ 8,400           |
| 2              | 2016-17           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 3              | 2017-18           | \$ 300,000             | \$ 300,000             | \$ 300,000            | \$ 300,000                 | \$ 300,000                      | 100%          | \$ 300,000          | \$ 300,000          | 18.80        | \$ 5,040         | \$ 5,040           |
| 4              | 2018-19           | \$ 100,000             | \$ 100,000             | \$ 100,000            | \$ 100,000                 | \$ 100,000                      | 100%          | \$ 100,000          | \$ 100,000          | 18.80        | \$ 1,680         | \$ 1,680           |
| 5              | 2019-20           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 6              | 2020-21           | \$ 300,000             | \$ 300,000             | \$ 300,000            | \$ 300,000                 | \$ 300,000                      | 100%          | \$ 300,000          | \$ 300,000          | 18.80        | \$ 5,040         | \$ 5,040           |
| 7              | 2021-22           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 8              | 2022-23           | \$ 100,000             | \$ 100,000             | \$ 100,000            | \$ 100,000                 | \$ 100,000                      | 100%          | \$ 100,000          | \$ 100,000          | 18.80        | \$ 1,680         | \$ 1,680           |
| 9              | 2023-24           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 10             | 2024-25           | \$ 100,000             | \$ 100,000             | \$ 100,000            | \$ 100,000                 | \$ 100,000                      | 100%          | \$ 100,000          | \$ 100,000          | 18.80        | \$ 1,680         | \$ 1,680           |
| 11             | 2025-26           | \$ 100,000             | \$ 100,000             | \$ 100,000            | \$ 100,000                 | \$ 100,000                      | 100%          | \$ 100,000          | \$ 100,000          | 18.80        | \$ 1,680         | \$ 1,680           |
| 12             | 2026-27           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 13             | 2027-28           | \$ 100,000             | \$ 100,000             | \$ 100,000            | \$ 100,000                 | \$ 100,000                      | 100%          | \$ 100,000          | \$ 100,000          | 18.80        | \$ 1,680         | \$ 1,680           |
| 14             | 2028-29           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 15             | 2029-30           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 16             | 2030-31           | \$ 100,000             | \$ 100,000             | \$ 100,000            | \$ 100,000                 | \$ 100,000                      | 100%          | \$ 100,000          | \$ 100,000          | 18.80        | \$ 1,680         | \$ 1,680           |
| 17             | 2031-32           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 18             | 2032-33           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| 19             | 2033-34           | \$ 300,000             | \$ 300,000             | \$ 300,000            | \$ 300,000                 | \$ 300,000                      | 100%          | \$ 300,000          | \$ 300,000          | 18.80        | \$ 5,040         | \$ 5,040           |
| 20             | 2034-35           | \$ 200,000             | \$ 200,000             | \$ 200,000            | \$ 200,000                 | \$ 200,000                      | 100%          | \$ 200,000          | \$ 200,000          | 18.80        | \$ 3,360         | \$ 3,360           |
| <b>Total</b>   | <b>Cumulative</b> | <b>\$ 4,000,000</b>    | <b>\$ 4,000,000</b>    | <b>\$ 4,000,000</b>   | <b>\$ 4,000,000</b>        | <b>\$ 4,000,000</b>             | <b>100%</b>   | <b>\$ 4,000,000</b> | <b>\$ 4,000,000</b> | <b>18.80</b> | <b>\$ 77,280</b> | <b>\$ 77,280</b>   |
| <b>Average</b> | <b>Annual</b>     | <b>\$ 200,000</b>      | <b>\$ 200,000</b>      | <b>\$ 200,000</b>     | <b>\$ 200,000</b>          | <b>\$ 200,000</b>               | <b>100%</b>   | <b>\$ 200,000</b>   | <b>\$ 200,000</b>   | <b>18.80</b> | <b>\$ 3,760</b>  | <b>\$ 3,760</b>    |

### STATUTORY REQUIREMENTS & THRESHOLDS

| <b>A. ACRE LIMITATION</b>  |               |       |
|--|---------------|-------|
| 1. Total Acreage of Municipality   |               | 9048. |
| 2. Total Acreage of Proposed Municipal TIF District  |               | 27.93 |
| 3. Total <b>Downtown</b> acres contained in the Proposed Municipal TIF District  |               |       |
| 4. Total <b>Transit</b> acres contained in the Proposed Municipal TIF District   |               |       |
| 5. Total acreage of Proposed Municipal TIF District counted towards 2% cap (A2-A3-A4)  |               | 27.93 |
| 6. Percentage of total acreage in proposed municipal TIF District (cannot exceed 2%) Divide A5 by A1   |               | 0.3%  |
| 7. Total acreage of all existing and proposed municipal TIF districts in the municipality. Add A2 to sum of all existing TIF district acreage.               |               | 27.93 |
| 8. Total acreage of an existing or Proposed <b>Downtown</b> TIF District in the municipality.  |               |       |
| 9. Total acreage of all <u>existing</u> <b>Pine Tree Development Zone</b> TIF Districts in the municipality.   |               |       |
| 10. Total acreage of all existing or Proposed <b>Transit</b> TIF Districts in the municipality.  |               |       |
| 11. Total acreage of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap. Subtract A8+A9+A10 from A7.                |               | 27.93 |
| 12. Percentage of total acreage in all existing and proposed Municipal TIF Districts (cannot exceed 5%) Divide A11 by A1.                                    |               | 0.3%  |
| 13. Total Acreage of all real property in the Proposed Municipal TIF District that is:   |               |       |
| (Note: a, b, or c must be at least 25%)  | Acres         | %     |
| a. Blighted (Divide acres by A2)   |               |       |
| b. In need of rehabilitation/conservation (Divide acres by A2)   |               |       |
| c. Suitable for industrial/commercial site (Divide acres by A2)  |               |       |
| <b>TOTAL</b>   |               |       |
| <b>B. VALUATION LIMITATION</b>   |               |       |
| 1. Total Aggregate Value of Municipality (TAV)<br><i>Use most recent April 1<sup>st</sup></i>  | 1,668,734.900 |       |
| 2. Original Assessed Value (OAV) of Proposed Municipal TIF District.<br><i>Use March 31<sup>st</sup> of tax year preceding date of municipal designation</i> | 11,729,600    | ←     |
| 3. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality.<br><i>Add b2 to sum of all existing TIF district OAVs</i>             | 11,729,600    |       |
| 4. OAV of an existing or proposed <b>Downtown</b> TIF District in the municipality.  | —             |       |
| 5. OAV of all <u>existing</u> <b>Pine Tree Development Zone</b> TIF Districts in the municipality.   | —             |       |
| 6. OAV of all existing or Proposed <b>Transit</b> TIF Districts in the municipality.   | —             |       |
| 7. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap<br><i>Subtract B4+B5+B6 from B3</i>              | 11,729,600    |       |
| 8. Percentage of total OAV to TAV in all existing and Proposed Municipal TIF Districts (cannot exceed 5%)<br><i>Divide B7 by B1</i>                          | 0.7%          |       |

Updated 01/20/2011

TAV does not include exempt properties ∴ do not include in TIF Dist. value that would be an error.



**TAX SHIFT FORMULAS**

It is required during any application for designation as a tax increment financing district to calculate tax shifts that result from the creation of the District. These tax shifts are noted in the following basic formulae that use local property tax valuation as a basis for calculations. These formulae provided by DECD are:

- Municipal Share of County Taxes
- Revenue Sharing
- Education Costs

The following is the process used to derive these tax shifts.

**County Tax Shift**

In order to produce this result, information must be obtained from the Maine Revenue Services and the County government of which the District will reside in. First, the most recent County State Valuation should be obtained. The averaged Captured Assessed Value for the District for the life of the project will then be determined. The averaged Captured Assessed Value is then divided by the Current County State Valuation. To find the estimated average county tax over the life of the District, you must obtain the County Tax for the Town for the last five years. The average change is then determined and projected to the middle of the districts life. This projected tax was multiplied by the factor developed above to arrive at the County Tax Shift.

$$\frac{\text{(Captured Assessed Value)}}{\text{(Captured Assessed Value + Current County State Valuation)}} \times \text{Estimated Average Annual County Tax}$$

$\frac{1,685,300,000}{1,685,300,000} \times 1,108,992$

**Revenue Sharing Shift**

The total Municipal Revenue Sharing amount was obtained fro the State Treasurer in order to complete the following formula:

Step 1:  $\frac{9015 \times 16.80}{1,685,300,000} = \text{Current Factor } 149.96$

Step 2:  $\frac{9015 \times 16.8}{1,685,300,000 + 1,685,300,000} = \text{Adjusted Factor } 149.92$

Step 3:  $\frac{\text{Current Factor}}{\text{Adjusted Factor}} = 1.X \quad 1.0011$

Step 4:  $1.X - 1.0 = .X \quad .0011$

Step 5:  $.X (\text{Total Municipal Revenue Sharing Amount}) = \text{Revenue Sharing Shift}$

$.00027 \times 451,764 = 122 (121.97)$

**Education Tax Shift**

State law requires that an estimate be made of how much of a loss in State aid to education a community would experience had the TIF District not been created. The premise for this requirement is that if the TIF did not exist and the development still occurred, other taxing jurisdictions would benefit by the (TIF) Town paying more *and receiving less*.

Historically, the methodology used to determine the fiscal impact from the establishment of a TIF District was to multiply the Captured Assessed Value by the constant .009. The result would be an annual and cumulative "Education Tax Shift" for the proposed district. Changes in the distribution of State funding for education have required TIF applicants to develop other methodologies that more accurately reflect the "Education Shift".

$$C.A.V \times .009$$



*Smitty*  
**Laura Santini-Smith**  
Tax Incentives Program Director

DECD | Business and Community Development  
111 Sewall Street, 3rd Floor, Augusta ME 04330  
59 State House Station, Augusta ME 04333-0059  
laura.santini-smith@maine.gov

207-624-9804 ADM  
207-624-7487 DIR  
207-287-5701 FAX