

Working Draft

Proposed Waldoboro TIF Document

The working draft of the proposed Waldoboro TIF document is not a complete application.

Table: Draft TIF Properties

(EX)= exempt

<u>Industrial Park Properties</u>			
Address	Map/ Lot	Acres	Value
5 Cross Street	U13/ 8	0.52	0 (EX)
41 Cross Street	U13/ 7	0.27	75,000
42 Cross Street	U13/ 16	1.64	324,000
44 Cross Street	U13/ 18	1.08	200
61 Cross Street	U13/ 6	0.39	9,000
114 Cross Street	U13/ 19	0.13	24,000
116 Cross Street	U13/ 22	5.64	117,000
40 North Nobleboro Road	U14/ 10A	3.72	131,000
26 One Pie Road	U14/ 10-1	6.74	244,000
110 One Pie Road	U14/ 10-2	50	569,000
141 One Pie Road	U14/ 10-3	10.75	874,000
181 One Pie Road	U14/ 10-4	7.93	539,000
931 Winslows Mills Road	U13/ 10	0.73	64,000
951 Winslows Mills Road	U13/ 9A	3.03	90,000
971 Winslows Mills Road	U13/ 9	1.34	123,000
1001 Winslows Mills Road	U13/ 14	1.64	87,000
1060 Winslows Mills Road	U14/ 12	21.19	11,000
Subtotal	N/A	116.74	3,381,200
<u>Route 1/ Village Properties</u>			
Address	Map/ Lot	Acres	Value
1200 Atlantic Highway	U/12 4	34.04	86,000
1201 Atlantic Highway	U12/ 3	21.27	77,000
1301 Atlantic Highway	U12/ 2	6.6	143,000

1325 Atlantic Highway	U12/ 1A	1.12	708,000
1340 Atlantic Highway	U12/ 5	119.51	531,000
1341 Atlantic Highway	U12/ 1	1.49	1,071,000
1376 Atlantic Highway	U12/ 7	0.84	111,000
1400 Atlantic Highway	U9/ 8	0.5	344,000
1401 Atlantic Highway	U9/ 7	0.8	545,000
1411 Atlantic Highway	U9/ 6	0.78	115,000
1471 Atlantic Highway	U9/ 4A	1.22	917,000
1495 Atlantic Highway	U9/ 4B	0.43	169,000
1504 Atlantic Highway	U9/ 12	10.28	43,000
1519 Atlantic Highway	U9/ 4	0.44	371,000
1555 Atlantic Highway	U9/ 2	1.71	861,000
1837 Atlantic Highway	U6/ 2	1.26	107,000
1840 Atlantic Highway	U7/ 1	144.2	1,309,000
1860 Atlantic Highway	U7/ 1A	1.75	256,000
2393 Atlantic Highway	R6/ 14	69.23	103,000
2500 Atlantic Highway	R13/ 1	14.5	76,000
2600 Atlantic Highway	R13/ 1B	14.06	277,000
2640 Atlantic Highway	R13/ 1A	7.66	48,000
3100 Atlantic Highway	R13/ 6	94	112,000
4 Bremen Road	U11/ 40-4	1.4	326,000
126 Depot Street	U9/ 29	13.5	201,000
165 Depot Street	U9/ 35	1.31	75,000
37 Friendship Road	U4/ 6	3.41	297,000
81 Friendship Road	U3/ 18	2.37	212,000
126 Friendship Road	U3/ 20	31	0 (EX)
129 Friendship Road	U3/ 13	1.82	0 (EX)
190 Friendship Road	U3/ 26	32	157,000

405 Friendship Road	U2/ 2	39	328,000
467 Friendship Road	U2/ 2A	9.3	227,000
17 Kalers Corner Street	U9/ 5	1.98	3,333,000
110 Kalers Corner Street	U10/ 27	0.65	272,000
777 Main Street	U11/ 40	20.2	132,000
877 Main Street	U4/ 17	0.75	52,000
1216 Main Street	U6/ 1B	3.28	90,000
1230 Main Street	U6/ 1	0.74	22,000
50 Medomak Terrace Street	U11/ 40-3	1.85	23,000
99 Old Route One	U6/ 19	20.92	299,000
17 Philbrook Lane	U4/ 62	2.23	0 (EX)
56 School Street	U4/ 63	2.42	0 (EX)
14 Washington Road	U7/ 2	1.77	169,000
40 Washington Road	U7/ 3B	1.37	97,000
41 Washington Road	U7/ 16	1.94	320,000
65 Washington Road	U7/ 11	1.32	267,000
76 Winslows Mills Road	U12/ 9	1.31	285,000
108 Winslows Mills Road	U12/ 11	2.25	114,000
Subtotal	N/A	747.78	15,678,000
<u>Water-dependent Properties</u>			
Address	Map/ Lot	Acres	Value
1460 Dutch Neck Road	R1/ 79	20	0 (EX)
50 Pine Street	U11/ 18	1.25	182,000
56 Pine Street	U11/ 19	1.88	0 (EX)
Subtotal	N/A	23.13	182,000
Grand Total	N/A	887.65	19,241,200

Notes:

- Waldoboro's total land area: 71.50 square miles (45,760 square acres)
- Proposed total land area: ~1.39 square miles (887.65 square acres)
- **TIF limit is 2% (915.2 square acres):** Proposed list contains ~1.94% of total land area
- Town of Waldoboro Properties do not have a valuation because they are tax exempt properties
- Properties that are not listed above can still receive TIF funding for economic development

TIF Application Outline

Cover submittal letter

Application Cover Sheet To-be Added

Disclosure Section To-be-added

Employment Data Section To be-added

Employment Goal Section to-be-added

Statutory Requirements: Acre limitation Section To-be-added

Valuation limitation Section To-be-added

Introduction:

The Maine legislature established tax increment financing as an economic development tool to be used by municipalities to:

- Provide new employment opportunities;
- Improve and broaden its tax base, and;
- Improve the general economy of the State.

The Legislature recognizes that the State and its municipalities benefit from a municipality's economic development partnership with local businesses to promote responsible new development that:

- Enhances local efforts for economic, industrial or commercial development, and;
- Retains and expands the local tax base and employment opportunities.

The Town's municipal government (hereafter referred to as" the Town") desires to affect economic development in the community in order to create additional employment opportunities and maintain a healthy and diverse tax base and local economy. To this end, the Town seeks to leverage the tax increase within the district through the designation of a Tax increment Financing District and the adoption of a Development program to meet its economic development objectives.

Description of Waldoboro

Waldoboro was incorporated in 1773 and developed a reputation as a ship building and port facility from the banks of the Medomak River. With a population of 5,035 (2014 American Community Survey) and a total land area of 71.5 square miles, Waldoboro is one of the largest towns in Maine's Midcoast region. The town's strong agricultural and fishing legacy is readily visible today with 11% of the Town's workforce involved in farming or fishing occupations. Waldoboro is home to a vibrant fiber industry consisting mostly of alpaca and wool production, which includes weaving and other fine fabric products.

The Medomak River extends through the middle of the town, which has miles of scenic coastline, many working farms, and ample forest and open spaces. Route 1 extends through the town connecting Rockland

to the east, and Bath and Brunswick to the west. Located on the Maine Summer Tourist Corridor, Waldoboro businesses benefit from the increased traffic on Route 1 from May to October.

Waldoboro has become home to many artists, small professional businesses, and a growing number of innovative manufacturing activities. The beauty and benefits of living in a creative community along the Midcoast, which still retains its original charm, attracts many new residents who both live and work in the community.

Economic Overview

Income levels in Midcoast Maine generally exceed the State average; Waldoboro falls well below the State and National average, with per capita income of \$20,077 in 2014 compared to the statewide average of \$27,332 and the national average of \$28,555. The percent of Waldoboro residents living in poverty is over 30% higher than the state average.

Waldoboro is the largest town, in Lincoln County, in terms of population and size – and it is also among the poorest. The median household income is approximately 93% of the County's and residents living in Waldoboro's downtown have a median household income that is only 54% of the County's. Poverty levels in the downtown are significantly higher than the Town and County (20% of families and 35% of individuals are below the poverty level, compared to 8.2% and 18.8% for the Town, and 7.3% and 11.5% in the County). At the nearby Miller Elementary School, the percentage of students eligible for free and reduced lunch is 68% compared to a County-wide rate of 45.4%.

Despite the poverty experienced by many Waldoboro residents, 18.5% of households have incomes exceeding \$75,000 and another 23.2% have an income between \$50,000 and \$74,999.

Since the early 2000's, Waldoboro has seen the closing of major employers (Sylvania Osram, Taction, Fieldcrest, Science Source, etc.) resulting in the loss of several hundred jobs. In 2012 Waldoboro received a HUD/ Community Development Block Program Slum and Blight designation for a portion of its downtown in anticipation of future applications for CDBG downtown funds.

Workforce

Waldoboro is home to a trained and educated workforce, with over 22.5% having a bachelor or graduate degree, and 28.7% have an associate degree. An additional 16.5% of the workforce is in process of completing a degree programs. A total of 1,529 workers (45.2 % of the workforce) have either a post-secondary degree or are in process of finishing their degree.

Occupations, Industries, and Employment Characteristics

As of 2017, 29.5% of Waldoboro's workforce is involved in management, professional, and related occupations.

A variety of home occupations provide both full and part-time employment opportunities to many Waldoboro residents. Self-employed people account for nearly 17% of Waldoboro's workforce and span a variety of industries and occupations. Home-based businesses include authors, artist, craftsmen, carpenters, professionals, and internet-based activities. High speed internet, good access to delivery

services, and reasonable ordinance standards for home-based occupations all contribute to making Waldoboro a popular place to work from home.

Waldoboro has a stable and growing agricultural base, which includes produce, hay, livestock, horse stables, blueberry fields, Christmas trees, and nursery operations. Our farms are on the forefront of the rebirth and revitalization of local agriculture including organic and value-added products.

Development Program

Description of public facilities, improvements or programs to be financed in whole or in part by the development program.

The Town intends to use its share of the TIF revenues from the District to finance some or all the costs of the public improvements, such as costs being authorized as project costs as defined under Section 5225 of Chapter 206. The specific public improvements to be financed will be approved by action of the Town of Waldoboro Select Board. The town finds that the public improvements either will directly or indirectly provide, induce or encourage new employment opportunities within the Town, provide economic development to the benefit of the residents of the Town and will improve the general economy of the town. These projects either are related to this development program or are otherwise qualifying projects under Chapter 206.

Table 1

Cost of Improvements Made Within the District

Note: The Estimated costs for each of the projects are currently being developed and are subject to further refinement. The costs as shown in this draft are rough drafts.

Costs of improvements made Within the District	Eligibility Under Title 30 A	Estimated Costs
Cost of funding capital improvements, TIF revenues may be applied to the construction of public water , municipal sewer and natural gas service to areas along the Route One corridor including, engineering, construction, pump facilities , and easements and other components applicable to the installation of pipes..	ss. 5225 (1) (A) (1) (a-d)	\$1,200,000 Estimate
Cost of Funding Capital improvements: TIF revenues may be applied to the installation of High Speed Fiber to serve the route One Corridor and the, Business Park including engineering, feasibility studies, fiber lines and associated equipment.	ss 5225 (1) (A) (1) (a-d).	\$1,000,000 Estimate
Cost of Funding Capital Improvements, TIF revenues may be applied to the construction of new roads, parking areas, and associated improvements such as	ss.5225 (1) (A) (1) (a-d)	\$2,500,000 Estimate

drainage structures, sewer and water lines, electrical and other utilities. This will include, engineering, easements, purchasing right-of-way, and construction.		
Cost of Funding Capital Improvements, TIF revenues may be applied to the development of new industrial and/or commercial development parks to accommodate new development and provide jobs. This will include, engineering, purchasing land, easements, and construction of infrastructure such as roads, water, sewer and utilities, stormwater features, site development and spec buildings.	ss.5225 (1) (A0 (1) (a-d)	\$4,000,000 Estimate
Costs of funding capital improvement projects for marine water dependent activities including but not limited to ship building, fishing, aquaculture and other marine related activities.		\$500,000 Estimate

Costs of Improvements made Outside, but related to District	Eligibility Under Title 30-A	Estimated Costs
Municipal Sewer Extension to serve the Waldoboro Industrial Park and adjacent properties located off of State Route 32 North. The project to include engineering, design and construction of the sewer infrastructure including necessary pump stations and related equipment		\$3,500,000 Estimate
Costs for funding capital improvements for pedestrian trails, river trail and pocket parks to enhance tourism and to connect to the Waldoboro Trail system.		\$250,000 Estimate

Community Wide Municipal Investments	Eligibility Under Title 30-A	Estimated Costs
Cost of funding economic development events developed by the Municipality.	5225 (1) (c) (1)	\$45,000 (\$1,500 per year for 30 years)
Cost of services and equipment to provide skills development and training for jobs created and/or retained within the municipality.	5225 (1) (c) (4)	\$ 500,000
Costs associated with the development and/or maintenance of new or existing recreational trails with significant potential to promote economic development.	5225 (1) (c) (6)	\$600,000 Estimate

The TIF revenues may be applies to the design, construction and ongoing maintenance of the Waldoboro Trail System		
Costs associated with providing local match to federal, State, regional, and foundation grants that support any of the purposes on Title30-A Chapter 206, Subchapter 1 (Development Districts for Municipalities and Plantations). TIF revenues may be applied as local match to grants deemed by the municipality to have significant potential for economic development, including but not limited to , public infrastructure.....	30-A 5230	2,000,000 Estimate
Cost of Funding capital improvements: TIF revenues may be applied to locate areas for marine water dependent commercial activities for such things as aquaculture, fishing, ship/boat building/repair and other marine related industries. Activities include site /engineering, land purchase and development. This to include using municipal-owned parcels if feasible.		\$1,000,000 Estimate
Costa of planning and implementing a Waldoboro Tourist Development Strategy		\$15,000 Estimate

Total TIF Investment Plan Costs:

Description of commercial facilities, arts districts, improvements or projects to be financed in whole or in part by the Development program:

No commercial facilities, arts districts, improvements or projects will be financed in whole or in part by this development program. The projects envisioned by this development program are municipally-based.

Duration of the Program:

The District shall be a for a term of thirty (30) years commencing tax year 2019-2020 through tax year 2048-2049, provided the District is approved by DECD. The District shall become effective upon DECD approval.

Certificate of original assessed value of the taxable property in the TIF District:

The original assessed value of taxable property (Land & Buildings) within the District boundaries is as of March 31, 2019. TIF revenues associated with this proposed District and Development program will be generated by real property improvements made within the District boundaries. A certification by the municipal assessor of the Town of Waldoboro that the original assessed value established represents the taxable property within the District’s physical description, as delineated on the attached maps, is attached as Exhibit A.

Physical Description of the District:

The proposed district will encompass three distinct land –tracts in the Town of Waldoboro. These tracts contain Waldoboro’s key commercial and industrial areas which are appropriately zoned for economic investment and positioned for development and job creation. Each of the three areas are expected to enhance one or more of Waldoboro’s unique economic assets, which are the future of the Town’s economic and community growth.

The Industrial Park Tract:

The existing industrial park has two new businesses planned to construct facilities and land is available within the park and in the adjacent area for future development. This is Waldoboro’s primary industrial site and opportunities are positive for future economic development in the park.

The Route One Corridor and Village Tract:

The village and the key land parcel along the Route One Corridor area currently zoned for a variety of commercial activities. The Route One corridor is a prime area for many types of businesses including retail, manufacturing service, and recreational/tourism. This area will be enhanced with sewer, water, and high-speed fiber services.

The Water-Dependent Marine Tact

Three parcels are included in this tract, including two municipal water access areas and one adjoining parcel. Improvements for commercial fishing access in these areas are envisioned to assist our existing marine sector. Future aquaculture activities are also envisioned to uses these area.

Maps showing the properties in each of these tracts and a town-wide map showing all the tracts is attached as Exhibit B.

Financial Plan:

Cost estimates for the development program:

As illustrated by Table 1 Municipal Investment program above, the Town estimates the costs of the public improvements to be financed in whole or in part by this Development program to be \$_____.

Amount of public indebtedness to be incurred:

The Town reserves the right to issue municipal bonds in order to pay for capital improvements described in the Development program. Any municipal bond issues for such project would require the Town approval process as normally required for municipal indebtedness.

Sources of anticipated revenues:

Approximately \$_____ in TIF revenues is expected to be generated over the proposed 30-year term by \$_____ (projected assessed value) in private investment associated with new property improvements within the proposed District.

Description of the terms and conditions of any agreements, contracts or other obligations related to the development program:

There will be no credit enhancements agreements, contracted or other obligations associated with the Developer’s private investment within the proposed District.

The Development program requires establishment of a Development program fund pledged to, and charged with, the payment of the project costs in the manner outlined in 30-A M.R.S.A. section 5227 (3) (A) (Supp. 2008)

The Development Program Fund is established consisting of a project cost account (Project Cost Account) pledged to and charged with payment of project costs outlined in the financial plan. The Project Cost Account shall consist of one or more Town cost subaccounts (the Town project Cost Subaccount) pledged to and charged with the payment of costs of the Town's project costs. TIF revenues allocated to the Town will be to the Town project Cost Subaccount to finance such costs directly.

Estimates of increased assessed values of the district for each year of the program.

Estimates of increased values of the District for each year of the program are attached as Exhibit C.

Portion of the increased values to be applied to the development program as captured values and resulting tax increments in each year of the program

One hundred percent (100%) of increased assessed value will be captured as captured assessed values and the TIF Revenues on the captured assessed values will be applied to this Development Program over the 30-year term of the District. Although the Town expects to expend all TIF Revenues retained within the District on the Public Improvements detailed in this Development Program, to the extent that the Town elects not to expend such TIF Revenues on public improvements, then such monies will be deposited unsheltered into the general fund.

Estimates if increased values to be applied to the development program as captured assessed values and resulting tax increments in each year of the program are attached as EXHIBIT C.

Tax shift calculations of each year of the program

Together with the advantages associated with stimulation of economic development within the District, the Town gains the additional advantage of "Sheltering" the increase in value due to private sector investment in the District from the calculation of : State aid to education; The Town's share of State Municipal Revenue Sharing; and the Town's share of county tax. The Town will receive a proportionately larger share of education aid and municipal sharing and pay a smaller portion of the county tax than would otherwise have been the case had the increase in value of the District's private sector investment been included in the Town's equalized value.

Exhibit C: identifies tax shifts which may result from the project during the term of the District, using information provided by the Town of Waldoboro, Lincoln County, the State Maine Department of Education, and the Office of the Maine State Treasurer.

Plans for relocation of persons displaced by development activities

No persons or businesses will be displaced or relocated as a result of the development activities proposed in the District.

Proposed regulations and facilities to improve transportation

No proposed regulations and/or facilities to improve transportation are required by the development activities proposed in the District.

Environmental controls to be applied

The improvements contemplated by this Development program will comply with all Federal, State, and Local environmental and land development laws, rules, regulations, and ordinances.

Proposed operation of the development district after planned capital improvements are completed

All of the real and personal property improvements made by the developer and located within the District will at all times be owned by the Developer or a related entity.

During the term of the District, the Select Board and /or their designee (s) will be responsible for all administrative matters required of the Town concerning the implementation and operation of the District.