

**LEWISTON CITY COUNCIL AGENDA  
CITY COUNCIL CHAMBERS  
MARCH 3, 2020**

**6:00 p.m. Executive Sessions**

- ES-1. Executive Session pursuant to MRSA Title 1, section 405 (6) (c) to discuss an Economic Development issue of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.
- ES-2. Executive Session to discuss Disposition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.
- ES-3. Executive Session pursuant to MRSA Title 1, section 405 (6)(A) to discuss a personnel matter.

**7:00 p.m. Regular Meeting**

Pledge of Allegiance to the Flag

Public Comment period – Any member of the public may make comments regarding issues pertaining to Lewiston City Government (3 minutes per speaker; maximum time for all comments is 15 minutes)

ALL ROLL CALL VOTES FOR THIS MEETING WILL BEGIN WITH THE COUNCILOR OF WARD 5.

**REGULAR BUSINESS:**

1. Public Hearing on an application for a new liquor license Station Grill Inc., 103 Lincoln Street.
2. Order, Approving the Establishment of the 197/199 Lisbon Street – Scruton Block Tax Increment Financing District and Program, and Approval of a Designation of a Tax Increment Financing District and Credit Enhancement Agreement.
3. Order, Approving the Establishment of the Valley Beverage Tax Increment Financing District and Program, and Approval of a Designation of a Tax Increment Financing District and Credit Enhancement Agreement.
4. Order, Authorizing the City Administrator to Execute an Amendment to the Option Agreement between the City of Lewiston and Bates Mill, LLC.
5. Reports and Updates
6. Any other City Business Councilors or others may have relating to Lewiston City Government.
7. Executive Session regarding a Legal Matter.

# LEWISTON CITY COUNCIL

## MEETING OF MARCH 3, 2020

**AGENDA INFORMATION SHEET:**

**AGENDA ITEM NO. ES-1**

**SUBJECT:**

Executive Session pursuant to MRSA Title 1, section 405 (6) (c) to discuss an Economic Development issue of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

**INFORMATION:**

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

State statutes define the purposes for entering into an executive session.

*ETB/kmm*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405 (6) (c) to discuss an Economic Development issue of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

**LEWISTON CITY COUNCIL**  
**MEETING OF MARCH 3, 2020**

**AGENDA INFORMATION SHEET:                      AGENDA ITEM NO.    ES-2**

**SUBJECT:**

Executive Session to discuss Disposition of Property of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

**INFORMATION:**

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

The City Administrator recommends approval of the requested action.

*EARLYKMM*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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To enter into an Executive Session, pursuant to MRSA Title 1, section 405(6) (c), to discuss Disposition of Property, of which the premature disclosure of the information would prejudice the competitive bargaining position of the City.

**LEWISTON CITY COUNCIL**  
**MEETING OF MARCH 3, 2020**

**AGENDA INFORMATION SHEET:                      AGENDA ITEM NO.    ES-3**

**SUBJECT:**

Executive Session pursuant to MRSA Title 1, section 405(6)(A) to discuss a personnel matter.

**INFORMATION:**

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

Entering into executive session is permitted and defined under Maine State Statutes.

*GAB/wwm*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405(6)(A) to discuss a personnel matter.

# LEWISTON CITY COUNCIL

## MEETING OF MARCH 3, 2020

**AGENDA INFORMATION SHEET:**

**AGENDA ITEM NO. 1**

**SUBJECT:**

Public Hearing on a new application for a new liquor license for Station Grill, 103 Lincoln Street.

**INFORMATION:**

We have received an application for a new liquor license from Station Grill, 103 Lincoln Street. This is the former location of Rails.

This application is for malt, vinous & spirituous.

The Police Department has reviewed and approved the application.

The business owner has been notified of the public hearing and requested to attend.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

The City Administrator recommends approval of the requested action.

*EAB/Kmm*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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To authorize the City Clerk's Office to approve a new liquor license application for Station Grill, 103 Lincoln Street.



STATE OF MAINE  
 DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES  
 BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS  
 DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

**Application for an On-Premises License**

*All Questions Must Be Answered Completely. Please print legibly.*

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS:    Yes <input type="checkbox"/> No <input type="checkbox"/>	

**Section I:    Licensee/Applicant(s) Information;  
 Type of License and Status**

Legal Business Entity Applicant Name (corporation, LLC): <i>Station Grill Inc.</i>	Business Name (D/B/A): <i>Station Grill</i>
Individual or Sole Proprietor Applicant Name(s):	Physical Location: <i>103 Lincoln St Lewiston</i>
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different: <i>04240</i> <i>272 Pond Rd Lewiston Me</i>
Mailing address, if different from DBA address: <i>272 Pond Rd Lewiston Me</i> <sup><i>04240</i></sup>	Email Address: <i>Stationgrillfood@yahoo.com</i>
Telephone #                      Fax #: <i>207-402-0916                      207-782-7665</i>	Business Telephone #                      Fax #: <i>207-333-5062</i>
Federal Tax Identification Number: <i>84-4206550</i>	Maine Seller Certificate # or Sales Tax #:
Retail Beverage Alcohol Dealers Permit:	Website address: <i>www.stationgrillfood.com</i>

1. New license or renewal of existing license?     New     Renewal

If a renewal, please provide the following information:

Your current license expiration date: \_\_\_\_\_

The dollar amount of gross income for the licensure period that will end on the expiration date above:

Food: \_\_\_\_\_    Beer, Wine or Spirits: \_\_\_\_\_    Guest Rooms: \_\_\_\_\_

2. Please indicate the type of alcoholic beverage to be sold: (check all that apply)

Malt Liquor (beer)     Wine     Spirits

3. Indicate the type of license applying for: (choose only one)

- Restaurant (Class I, II, III, IV)       Class A Restaurant/Lounge (Class XI)       Class A Lounge (Class X)
- Hotel (Class I, II, III, IV)       Hotel – Food Optional (Class I-A)       Bed & Breakfast (Class V)
- Golf Course with auxiliary and mobile cart options (Class I, II, III, IV)       Tavern (Class IV)
- Qualified Caterer       Self-Sponsored Events (Qualified Caterers Only)
- Other: \_\_\_\_\_

*Refer to Section V for the License Fee Schedule*

4. If application is for a new license or the business is under new ownership, indicate starting date:

April 2 2020

5. Business records are located at the following address:

Ouellette + Associates 1111 Lisbon St Lewiston Me

6. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

Yes     No    If Yes, complete Section VII at the end of this application

7. Do you own or have any interest in any another Maine Liquor License?     Yes     No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address
Schemengess	5197	551 Lincoln St Lewiston Me 04240

8. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
Kathy Lebel Thibeault	12-22-71	Vanburn Me
<del>David Lebel</del>	<del>10-23-66</del>	
Residence address on all the above for previous 5 years		
Name	Address:	
Kathy Lebel	272 Pond Rd Lewiston Me 04240	
Name	Address:	
Name	Address:	
Name	Address:	

9. Is the licensee/applicant(s) citizens of the United States?  Yes  No

10. Is the licensee/applicant(s) a resident of the State of Maine?  Yes  No

11. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

- Yes  No  
 Not applicable – licensee/applicant(s) is a sole proprietor

12. Is the licensee/applicant(s) directly or indirectly giving aid or assistance in the form of money, property, credit, or financial assistance of any sort, to any person or business entity holding a liquor license granted by the State of Maine?  Yes  No

13. Will any law enforcement officer directly benefit financially from this license, if issued?

- Yes  No

If Yes, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States?  Yes  No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: \_\_\_\_\_ Date of Conviction: \_\_\_\_\_

Offense: \_\_\_\_\_ Location: \_\_\_\_\_

Disposition: \_\_\_\_\_

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States?  Yes  No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: \_\_\_\_\_ Date of Conviction: \_\_\_\_\_

Offense: \_\_\_\_\_ Location: \_\_\_\_\_

Disposition: \_\_\_\_\_

16. Has the licensee/applicant(s) formerly held a Maine liquor license?  Yes  No

17. Does the licensee/applicant(s) own the premises?  Yes  No

If No, please provide the name and address of the owner:

\_\_\_\_\_

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: \_\_\_\_\_

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

20. What is the distance from the premises to the nearest school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Peter Chapel

Distance: 1.3 Miles

**Section II: Signature; Fee; Delivery of application**

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

*Please sign and date in blue ink.*

Dated: 2-11-20 2-11-20

Kathy Lebel  
Signature of Duly Authorized Person\*

\_\_\_\_\_  
Signature of Duly Authorized Person\*

Kathy Lebel President  
Printed Name Duly Authorized Person

\_\_\_\_\_  
Printed Name of Duly Authorized Person

\*The person signing this application must appear in Section VII on this application.

**Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities**

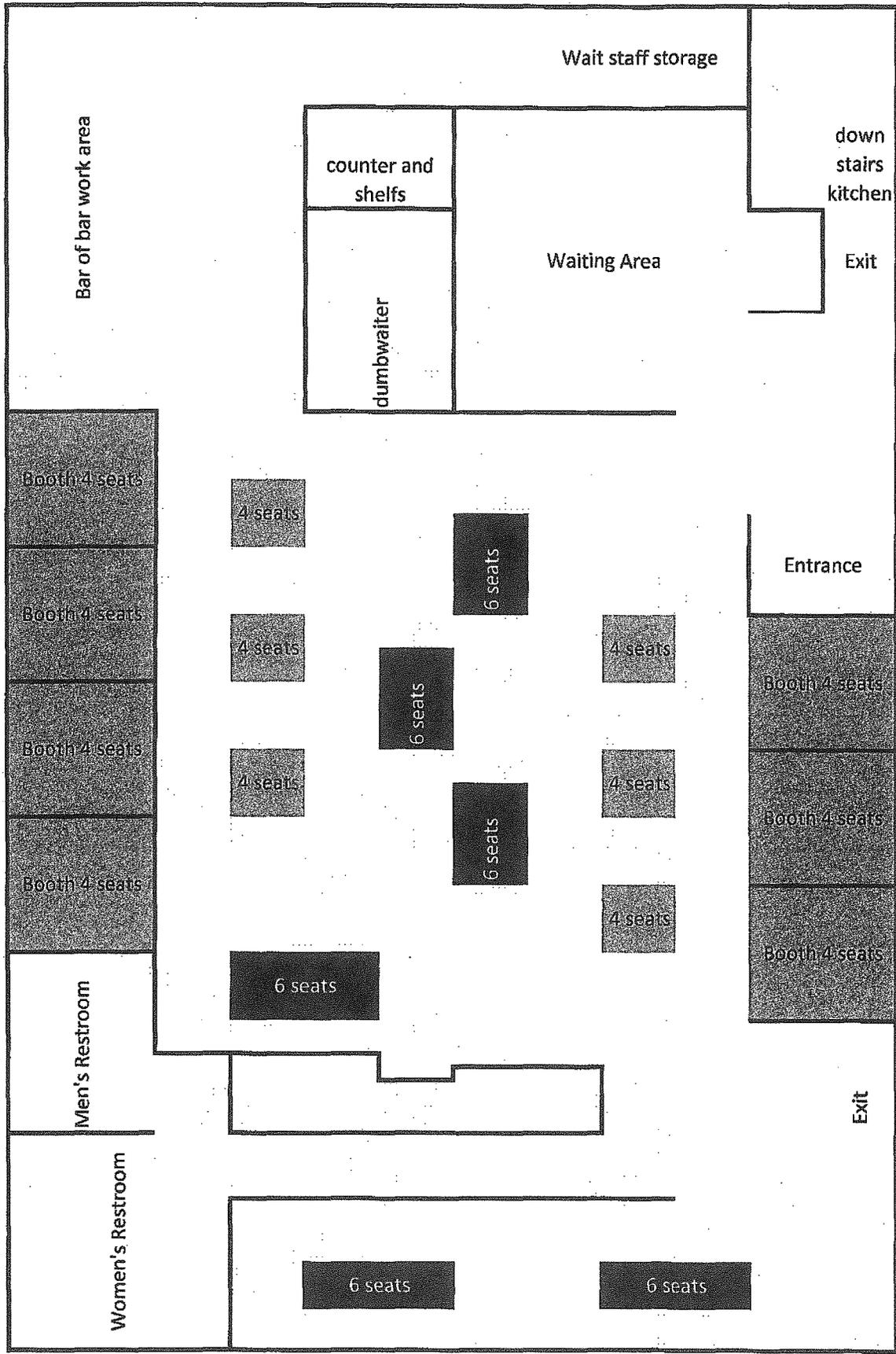
Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

*All Questions Must Be Answered Completely. Please print legibly.*

1. Exact legal name: Station Grill Inc
2. Doing Business As, if any: Station Grill
3. Date of filing with Secretary of State: 1-3-20 State in which you are formed: Maine
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:  
\_\_\_\_\_
5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
Kathy Hebel	272 Pond Rd Lewiston	12-22-71	President	100%

(Ownership in non-publicly traded companies must add up to 100%.)

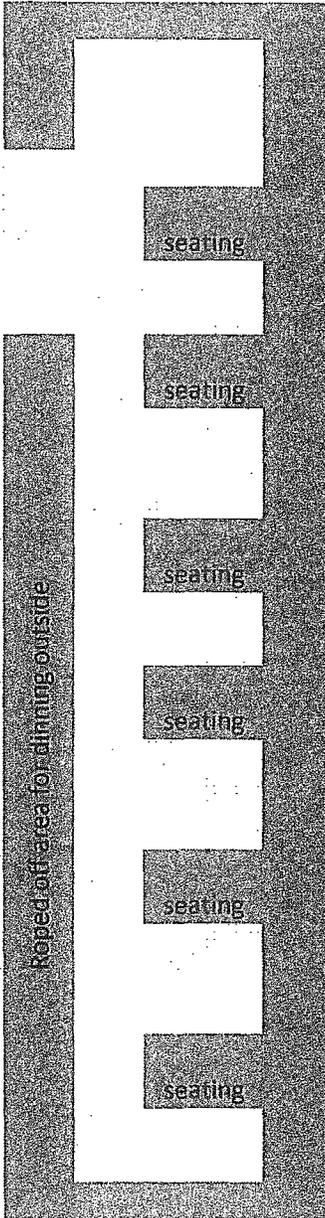


Parking

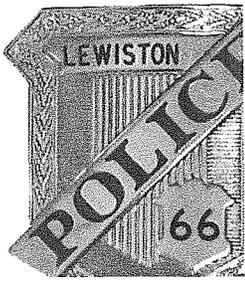
Entrance

Side walk

Entrance

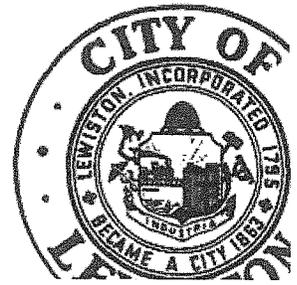


Lincoln Street



## *POLICE DEPARTMENT*

Brian O'Malley  
Chief of Police



TO: Kelly Brooks, Deputy City Clerk

FR: Lt. David St.Pierre, Support Services

DT: February 20, 2020

RE: On premise alcohol license – Kathy Lebel d/b/a: **Station Grill**

We have reviewed the application of a Liquor License and have no objections to the following establishment;

**Station Grill (Kathy Lebel)**  
**103 Lincoln St., Lewiston, Maine**



171 Park St • Lewiston, Maine • 04240 • Phone 207-513-3137 • Fax 207-795-9007  
[www.lewistonpd.org](http://www.lewistonpd.org)



*Professionalism*

*Integrity*

*Compassion*

*Dedication*

*Pride*

*Dependability*

**CITY OF LEWISTON  
PUBLIC NOTICE**

A hearing on the following liquor license application will be held by the Lewiston City Council in the Council Chambers, City Hall on ***Tuesday, March 3, 2020, at 7:00 p.m.***, or as soon thereafter as it may be heard. Any interested person may appear and will be given the opportunity to be heard before final action on said application.

Station Grill  
103 Lincoln Street  
Station Grill, Inc., owner

The City of Lewiston is an EOE. For more information, please visit our website @ [www.lewistonmaine.gov](http://www.lewistonmaine.gov) and click on the Non-Discrimination Policy.

***PUBLISH ON: February 26, 27, & 28, 2020***

Please bill the City Clerk's Dept. account. Thank you.

# LEWISTON CITY COUNCIL

## MEETING OF MACH 3, 2020

AGENDA INFORMATION SHEET:

AGENDA ITEM NO. 2

**SUBJECT:** Order, Approving the Establishment of the 197/199 Lisbon Street – Scruton Block Tax Increment Financing District and Program, and Approval of a Designation of a Tax Increment Financing District and Credit Enhancement Agreement

**INFORMATION:**

Jules Patry purchased 197 Lisbon Street in 2017. Since then, he has been working on a plan to redevelop the vacant building into 12 market rate apartments and street level commercial space. He has secured a commercial tenant for the first floor and plans to begin work on the apartments this year. The total project cost is about \$2.3 million. Patry is requesting the establishment of a TIF District with a credit enhancement of 40% over 15 years to support extraordinary site costs related to sidewalk improvements on Pine Street required to meet the life safety code second means of egress requirements as well as required roof drainage modifications for storm water separation.

In years 1-2 of the TIF district, the captured assessed value will be 0%. During years 3-17 of the district, the captured assessed value will be 100% of the increased assessed value from the development. Annually, the developer will receive 40% of the increased assessed value during years 3-17. The additional 60% of the increased assessed value during this term will be captured by the City for economic development programs related to downtown and other uses. Over the term of the TIF, the developer will receive no more than \$100,000 and the City will receive approximately \$148,766 in TIF revenues and benefit from an estimated \$84,948 in additional state shared revenues (Revenue Sharing/education aid) and reduced county taxes due to the sheltering aspect of a TIF.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

The City Administrator recommends approval of the requested action.

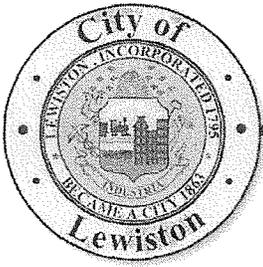
*Exhibit*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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First, to open and hold a public hearing on the Proposed Scruton Block Tax Increment Financing District and Program; and

Second, to approve the Establishment of the 197/199 Lisbon Street – Scruton Block Tax Increment Financing District and Program and Approve a *Designation of a Tax Increment Financing District and Credit Enhancement Agreement*



CITY OF LEWISTON, MAINE

March 3, 2020

COUNCIL ORDER

**Order,** Approving the Establishment of the 197/199 Lisbon Street – Scruton Block Tax Increment Financing District and Program, and Approval of a *Designation of a Tax Increment Financing District and Credit Enhancement Agreement*

Whereas, in order receive the required statutory approval and to give legislative force to the approval of the 197/199 Lisbon Street – Scruton Block Tax Increment Financing District and Development Program, a public hearing must be held to solicit public comment regarding the establishment of the TIF District and Development Program at which citizens are given the opportunity to comment on whether the district and development program will contribute to removal of blight, expansion of the tax base, betterment of the health, safety and welfare of city residents; and to provide an opportunity for any claim by a party that the district or program will be detrimental to that party's property interests and for which substantial evidence of that detriment is produced; and

Whereas, If such claim is made, the City Council shall determine whether any claimed adverse impact is outweighed by the provision of blight removal, tax base expansion, and the creation of 12 units of new market rate housing and one commercial unit, and the improvement of sidewalks in the vicinity of the project as specified in the development program; and

Whereas, the required 10 day public notice for the March 3, 2020 City Council Public hearing was published in the Sun Journal on February 21, 2020; and

Whereas, maps of the proposed district are attached and were presented at the public meeting; and

Whereas, the TIF District will be for a term of 17 Years beginning in Fiscal Year 2020 but the Development Program reimbursement of a portion of the new tax revenues generated for approved project costs will be for a term of 15 years starting when the project has been completed; and

Whereas, the TIF Program will return 40% of the new taxes generated within the district for a term of 15 years to the developer to be used to assist with financing and operational costs; and, in addition, 60% of the new taxes generated in the district during the last 15 years of the Development Program will be used by the City for economic development programs related to

[Type text]

downtown and other uses as permissible per 30-A M.R.S.A. Chapter 206 §5225. The proforma attached and presented estimates that, over the 15 year term of the Development Program, the developer will receive an estimated \$100,000 in TIF revenues and the City will receive an estimated \$148,766 of TIF revenues; and

Whereas, creation of the 197/199 Lisbon Street – Scruton Block TIF District and Program is estimated to result in the City receiving \$5,663 annually in Tax sheltering benefits by reducing the amount of County Taxes that the City would have paid and preserving the level of State Aid for Education and Revenue Sharing the City would have lost if the 197/199- Scruton Block project is developed without an approved TIF District or Program in place; and

Whereas, a draft of the Maine Department of Economic and Community Development (DECD) Tax Increment Financing Application is attached and was included in the Council Agenda Packet which was available to the public four days before the Public Hearing. The application more thoroughly details the TIF District and Program and included all of the required attachments, but for those that can only be created after the Public Hearing;

**Now, therefore, be it Ordered by the City Council of the City of Lewiston that**

197/199 Lisbon Street – Scruton Block Development District and Program is hereby approved in a form substantially similar to the attached, City staff is directed to finish the application reflecting comments received at the Public Hearing, and the City Administrator is hereby authorized to execute the *Designation of a Tax Increment Financing District and Credit Enhancement Agreement* in form and substance similar to that included in the council agenda packet and to submit the complete application and supporting documentation to DECD for approval. Furthermore, the City Administrator and/or Economic and Community Development Director are authorized to make technical revisions to each in order to facilitate DECD approval, so long as the basic structure and intent of the development program are maintained.

# Economic and Community Development

Misty Parker

Economic Development Manager



**To:** Honorable Mayor and Members of the City Council  
**From:** Misty Parker  
**RE:** TIF Request 197 Lisbon St.  
**Date:** February 12, 2020

Jules Patry purchased 197 Lisbon Street in January 2017. Since then, Patry has been working on a redevelopment plan to rehab the vacant building into 12 market rate apartments and street level commercial space. He has secured a commercial tenant for the first floor and plans to begin work on the apartments this year. The total project cost is approximately \$2.3 million. Patry is requesting the establishment of a TIF District with a credit enhancement of 40% over 15 years to support extraordinary site costs related to sidewalk improvements on Pine Street required to meet the life safety code second means of egress requirements as well as required roof drainage modifications for storm water separation.

Included in your packet is the TIF application to DECD, including the TIF agreement with Bradford and Conant, LLC, Patry's limited liability company in ownership of the property. The agreement establishes a TIF district beginning in the current fiscal year, Tax Year 2020, and ending at the completion of FY 2036, Tax Year 2036. The District term is 17 years, but reimbursements will not start until the project is complete and assessed at full value which will occur in the third year of the TIF District term. Additionally, the amount returned to the developer will be capped at \$100,000 or 15 years, whichever comes first.

In years 1-2 of the TIF district, the captured assessed value will be 0%. During years 3-17 of the district, the captured assessed value will be 100% of the increased assessed value from the development. Annually, the developer will receive 40% of the increased assessed value during years 3-17. The additional 60% of the increased assessed value during this term will be captured by the City for economic development programs related to downtown and other uses as permissible per 30-A M.R.S.A. Chapter 206 §5225. Over the term of the TIF, it is anticipated the developer will receive no more than \$100,000 and the City will receive approximately \$148,766 in TIF revenues and benefit from an estimated \$84,948 in additional state shared revenues (Revenue Sharing/education aid) and reduced county taxes due to the sheltering aspect of a TIF.

Adoption of the proposed 197/199 Lisbon St -- Scuton Block TIF District and TIF agreement is recommended by staff.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Table of Contents \*\***

SECTION 1 - COVER LETTER AND APPLICATION COVER SHEET.....	2
SECTION 2 - PURPOSE/BASIS ORIGINAL/AMENDED APPLICATION.....	3
SECTION 3 - COMPANY/DEVELOPER INFORMATION.....	4
SECTION 4 - EMPLOYMENT GOALS/DATA.....	5
SECTION 5 - DEVELOPMENT PROGRAM.....	6
<i>Public Project(s)</i> .....	6
<i>Private Project(s)</i> .....	6
<i>Program Duration</i> .....	6
<i>Original Assessed Value</i> .....	7
SECTION 6 - FINANCIAL PLAN.....	8
<i>Increased Assessed Value Information</i> .....	8
<i>Public Indebtedness</i> .....	8
<i>Anticipated Revenues</i> .....	8
<i>Credit Enhancement Agreement (CEA)</i> .....	8
<i>Development Program Fund and Tax Increment Revenues</i> .....	9
<i>Relocation of Person(s)/Business(es)</i> .....	10
<i>Transportation Improvements</i> .....	10
<i>Environmental Controls</i> .....	10
<i>District Operation</i> .....	10
SECTION 7 - NOTICE AND HEARING.....	11
EXHIBIT A - STATUTORY REQUIREMENTS & THRESHOLDS.....	12
EXHIBIT B - ASSESSOR'S CERTIFICATE.....	16
EXHIBIT C - MAP OF DISTRICT LOCATION WITHIN MUNICIPALITY.....	17
EXHIBIT D - MAP OF DISTRICT BOUNDARIES.....	18
EXHIBIT E - ANNUAL REVENUE SPREADSHEET.....	19
EXHIBIT F - ANNUAL TAX SHIFT SPREADSHEET.....	20
EXHIBIT G - 10-DAY NOTICE OF PUBLIC HEARING.....	21
EXHIBIT H - MINUTES OF PUBLIC HEARING.....	22
EXHIBIT I - RECORD OF DISTRICT DESIGNATION AND DEVELOPMENT PLAN ADOPTION.....	23
EXHIBIT J - PUBLIC PROJECT COSTS.....	24
EXHIBIT K - COMPREHENSIVE DOWNTOWN REDEVELOPMENT PLAN.....	25
EXHIBIT L - TRANSIT-ORIENTED DEVELOPMENT DISTRICT MAP.....	26
EXHIBIT M - CREDIT ENHANCEMENT AGREEMENT(S).....	27
EXHIBIT N - MUNICIPALITY TIF POLICY.....	28

\*\*see "Checklist for Municipal Tax Increment Financing (MTIF) Application" for instructions [to automatically update the Table of Contents](#).



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Section 1- Cover Letter and Application Cover Sheet**

1. **Name of municipal tax increment financing (TIF) district and development program:** 197/199 Lisbon - Scruton Block
2. **This is an original application. If an amendment, what amendment number?** Choose a number.
3. **Is this a Downtown designated TIF?** No.

**If yes, provide the following information regarding the *Downtown Redevelopment Plan*:**

- a. **Name:** Click here to enter text
- b. **Date approved by municipal legislative body:** Click to enter a date. (Include verification of this approval with Exhibit I)

**The Downtown Redevelopment Plan must contain the components outlined in the DECD "Downtown Redevelopment Plan Criteria Checklist"**

4. **Is this development district considered a/an [check the appropriate box(es)]?**

Industrial     Commercial     Transit-oriented     Arts

**If this is a transit-oriented development designation, a map is required identifying transit facilities plus areas and corridors pursuant to MRS 30-A §5222(20), (22) & (23). (Exhibit L)**

5. **Municipality name:** Lewiston
6. **Municipality address:** 27 Pine St Lewiston ME 04240
7. **Municipality county:** Androscoggin
8. **Municipal telephone number:** 207-513-3000
9. **Municipal official's name:** Edward A Barrett
10. **Municipal official's title:** City Administrator
11. **Municipal official's e-mail address:** ebarrett@lewistonmaine.gov
12. **If different from #9 above, contact person/consultant:** Lincoln Jeffers
13. **Municipal contact/consultant phone number:** 207-513-3014
14. **Municipality contact/consultant e-mail address:** ljeffers@lewistonmaine.gov
15. **Municipality's assessor's name:** William Healey
16. **Municipality's assessor's e-mail address:** bhealey@lewistonmaine.gov

The municipal official named below, certifies he/she has the authority to submit this Application to DECD and further certifies all the information contained in this Application, and its attachments, are true and correct to the best of his/her knowledge.

\_\_\_\_\_  
Signature

Click to enter a date  
Date

\_\_\_\_\_  
Print municipal official's name & title



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 2 - Purpose/Basis Original/Amended Application

1. **Provide a brief, “headline” sentence explaining purpose/basis of this application. This district is being established to help offset cost restraints due to the infrastructure improvements. The vacant building will be rehabilitated into twelve market rate apartments and commercial space with a confirmed tenant.**
2. **If needed, provide additional information related to the purpose/basis of this application. If this is an amendment, provide a brief, concise overview of the purpose of the original application and each amendment submitted to date.**  
Presently, the building’s primary entrance is located on Lisbon Street with an additional basement level entrance on Pine Street. Due to the slope of Pine Street and the existing sidewalk, the height of that doorway does not meet code as a means of egress. Due to the existing door jamb location in proximity to the first floor, increasing the entrance height requires reducing the elevation of the area which is currently the sidewalk. In September 2018, the City Council approved a memorandum of understanding for the developer to make the necessary sidewalk improvements from Lisbon Street to Canal Street Alley. These infrastructure costs will be paid by the developer.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



### Section 3 - Company/Developer Information

**A. Business General Information**

[include whenever a company/developer is part of a TIF district proposal (regardless of whether a CEA is offered)]:

1. **Business name:** Bradford and Conant LLC
2. **Business address:** 15 Bonnaille Ave, Lewiston ME 04240
3. **Business phone number:** (207) 754-3926
4. **Business contact person:** Jules Patry
5. **Business contact person e-mail address:** jules@davinciseatery.com
6. **Principal place of business:** Lewiston, Maine
7. **Company structure (e.g. corporation, sub-chapter S, etc.):** Bradford and Conant is a limited liability corporation
8. **Place of incorporation:** Lewiston
9. **Name of Officer(s):** Jules Patry and Suzanne Patry
10. **Name of principal owner(s) name:** Jules Patry and Suzanne Patry
11. **Address:** 15 Bonnaille Ave, Lewiston ME 04240
12. **Brief project description:** The project will create 12 market rate residential units and two floors of commercial space.
13. **Total amount of project new investment by company/ developer:** \$ 2,350,600
14. **Will there be a credit enhancement agreement with this business?** Yes. If so, complete the rest of this section and Section 4.

**B. Disclosure, only in cases where a CEA is offered to the above business:**

**1. Check the public purpose(s) that will be met by the business using this incentive:**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> job creation                                   | <input type="checkbox"/> job retention                   | <input type="checkbox"/> capital investment            |
| <input type="checkbox"/> training investment                            | <input checked="" type="checkbox"/> tax base improvement | <input type="checkbox"/> public facilities improvement |
| <input type="checkbox"/> other (list): <u>Click here to enter text.</u> |  |  |

**2. Check the specific item(s) for which TIF revenues will be used by the business:**

- |  |   |   |
|--|---|---|
| <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): <u>extraordinary cost restraints due to required infrastructure improvements</u> |   |   |



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Section 4 - Employment Goals/Data**

Company Goals for Job Creation and Job Retention. (If a developer, check box , and skip to Section 5)

A. Job Creation Goals			
Occupational Cluster*	# of Full-time Positions	# of Part-time Positions	Annual Wage Level
1. Executive, Professional & Technical			
2. Administrative/Clerical Support			
3. Sales & Service			
4. Agriculture, Forestry & Fishing			
5. Maintenance, Construction, Production & Transportation			
Total			
B. Job Retention Goals			
Occupational Cluster*	# of Full-time Positions	# of Part-time Positions	Annual Wage Level
1. Executive, Professional & Technical			
2. Administrative/Clerical Support			
3. Sales & Service			
4. Agriculture, Forestry & Fishing			
5. Maintenance, Construction, Production & Transportation			
Total			
*See <u>Occupational Cluster Descriptions</u> for more information.			

**INSTRUCTIONS**

**A. Job Creation Goals.** Please list the number, type and wage level of jobs created as a result of the economic development incentive. NOTE: For this form, “full-time” employment means 30 hours or more; “part-time” employment means less than 30 hours. “Wage level” means the average annual wage paid for jobs created within an occupational cluster, e.g. either their annual salary, or their hourly wage times their annual hours. Also, “type” means “occupational cluster” which refers to the 12 categories listed in the “Occupational Cluster Descriptions.” Please include the number of your employees (both full-time and part-time) working within the category that most closely reflects their job duties.

**B. Job Retention Goals.** Please list the number, type and wage level of jobs retained as a result of the economic development incentive. Part B should be completed using same definitions in Part A.



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 5 - Development Program

### Public Project(s)

1. Will there be any public facilities, improvements, or programs financed in whole or in part by the development program?  
No.

If yes, as Exhibit J, include a spreadsheet containing the following information:

- a. Authorized Project/Activity as defined by Title 30-A §5225 (1-2),
  - b. Cost estimate for each project/activity with sum-total,
  - c. Statutory citation for each project/activity,
  - d. Identification of common project costs/activities to other municipal TIF districts/program.
  - e. If this is a downtown designated district, include a column identifying the page number from Downtown Redevelopment Plan that corresponds to recommendations and action items.
  - f. If this is an amended application,
    - i. Include a column to report the status of each project.
    - ii. If applicable, clearly identify prior approved projects from new projects.
- Do not include any unauthorized project costs as defined by Title 30-A §5225 (2).  
→ Sort list of projects/activities, by inside district, outside district and throughout municipality.

### Private Project(s)

2. Will there be any commercial facilities, arts districts, improvements or projects to be financed in whole or in part by the development program: Yes. If yes, provide a brief, clear description: The basement and first floor will be converted to commercial space for a confirmed tenant.

### Program Duration

3. Duration of development district (may not exceed 30 years):
- a. District term: Original application: 17.  
If an amendment, adding how many years? Choose a number totaling how many years? Choose a number.
  - b. Start date of April 1, 2019 with fiscal year 2020.  
[Must begin with tax year in which development district designation is effective pursuant to MRS 30-A §5226, or the subsequent tax year (MRS Title 30-A §5224 (2)(H))]
  - c. End date of March 31, 2036 with fiscal year 2036.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Original Assessed Value**

4. Provide the taxable assessed value of the development district as of the March 31<sup>st</sup> of the tax year preceding the property tax year in which the district was designated by the legislative body.

		OAV of Real Property	OAV of Personal Property	As of (complete year)	Total acres	
Original district		\$228,240.00		3/31/2019		.115
Amendment: (If applicable, with any property added/removed)	#1	-			-	
		+		3/31/____	+	
	#2	-			-	
		+		3/31/____	+	
	#3	-			-	
		+		3/31/____	+	
	#4	-			-	
		+		3/31/____	+	
	#5	-			-	
		+		3/31/____	+	
	#6	-			-	
		+		3/31/____	+	
	#7	-			-	
		+		3/31/____	+	
	#8	-			-	
		+		3/31/____	+	
	#9	-			-	
		+		3/31/____	+	
	#10	-			-	
		+		3/31/____	+	
<b>Total</b>						

\*\*\*Municipal Assessor must certify above original assessed value(s) (Exhibit B).



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 6 - Financial Plan

### Increased Assessed Value Information

1. **Total estimated cost for the development program: \$ 100,000** (Should match "total" from Exhibit J)
2. **Municipality will capture 100% of real property only increased assessed value for each year of the district term, to apply to the development program. The development district will capture 0% for years 1 and 2. For years 3-17, 40% will be returned to the developer capped at a total of \$100,000. For years 3-17, 60% will be captured by the municipality for economic development, recreational trails, and other uses per 30-A M.R.S.A. Chapter 206 §5225 (1).**
3. **If #2 above's captured assessed value is less than 100%, besides the district's original assessed value, what percentage of increased assessed value will be deposited into the General Fund, or if an unorganized territory, to Education and Services fund? Not applicable**

### Public Indebtedness

4. **Will there be public indebtedness? No. No public indebtedness will be incurred without formal amendment.**
  - a. **If yes, what is the projected amount of public indebtedness to be incurred? Click here to enter text.**
  - b. **If an amendment, have any bonds been issued to date pertaining to the approved projects of this district? Choose an item. If yes, provide the status, such as years left on bond and amount of outstanding debt. Click here to enter text.**

### Anticipated Revenues

5. **Describe sources of anticipated revenues for public projects (clearly and briefly stated): none**
6. **Describe sources of anticipated revenues for private projects (clearly and briefly stated): Historic Tax Credits, investor equity, developer contribution**

### Credit Enhancement Agreement (CEA)

7. **Describe terms and conditions of any agreements, contracts or other obligations related to the development program (e.g. CEAs). Ensure to clearly state the reimbursement percentage, along with, if applicable, any local triggers/caps.**
  - a. **Will CEAs be offered as part of this development program? Yes.**
  - b. **List name(s) of company/developer to be offered a CEA: Bradford and Conant, LLC**
    - i. **Provide the CEA reimbursement percentage, term, conditions for each listed company/developer: 40% for 15 years. TIF District term is 17 years, but reimbursements will not start until the project is complete and assessed at full value, which will occur in the third year of the TIF District term. Additionally, the amount returned to Bradford and Conant will be capped at \$100,000 or 15 years, whichever comes first.**
  - c. **Is this an omnibus application? No.**  
**If an omnibus, provide clear reimbursement percentage(s) and term(s)/condition(s): Click here to enter text.**
  - d. **Does the municipality have a TIF policy? Yes. Include a copy in Exhibit N.**

If this is an amendment, and if applicable, include a copy of all executed CEAs as Exhibit M.



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Development Program Fund and Tax Increment Revenues**

Read below. Authorized municipal official must initial in provided spaces, acknowledging understanding of the below information:

If a municipality/plantation has designated captured assessed value, the municipality/plantation shall:

A. Establish a development program fund that consists of the following:

1. A project cost account that is pledged to and charged with the payment of project costs that are outlined in the financial plan and are paid in a manner other than as described in subparagraph (2); and
2. In instances of municipal/plantation indebtedness, a development sinking fund account that is pledged to and charged with the payment of the interest and principal as the interest and principal fall due and the necessary charges of paying interest and principal on any notes, bonds or other evidences of indebtedness that were issued to fund or refund the cost of the development program fund;

B. Annually set aside all tax increment revenues on captured assessed values and deposit all such revenues to the appropriate development program fund account established under paragraph A in the following order of priority:

1. To the development sinking fund account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual debt service on bonds and notes issued under section 5231 and the financial plan; and
2. To the project cost account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual project costs to be paid from the account;

C. Make transfers between development program fund accounts established under paragraph A as required, provided that the transfers do not result in a balance in the development sinking fund account that is insufficient to cover the annual obligations of that account; and

D. Annually return to the municipal or plantation general fund any tax increment revenues remaining in the development sinking fund account established under paragraph A in excess of those estimated to be required to satisfy the obligations of the development sinking fund account after taking into account any transfers made under paragraph C. The municipality/plantation, at any time during the term of the district, by vote of the municipal or plantation officers, may return to the municipal/plantation general fund any tax increment revenues remaining in the project cost account established under paragraph A in excess of those estimated to be required to satisfy the obligations of the development project cost account after taking into account any transfer made under paragraph C. In either case, the corresponding amount of local valuation may not be included as part of the captured assessed value as specified by the municipality or plantation.

initials

At the end of the district TIF term, all taxable real and/or personal property value captured in the district will be added to the general tax rolls. initials



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Relocation of Person(s)/Business(es)**

8. The building is currently vacant with no residential or commercial tenants.

**Transportation Improvements**

9. The project will be reconstructing a sidewalk to allow building egress while ensuring safe and accessible passage to pedestrians.

**Environmental Controls**

10. The project is committed to following all state and local laws/regulations.

**District Operation**

11. **After the planned capital improvements are completed, provide a brief statement of the proposed operation of the development district pertaining to:**
- a. **Public capital improvements:** none
  - b. **Private capital improvements:** Bradford and Conant will employ a management firm to recruit residents and manage day-to-day maintenance.



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 7 - Notice and Hearing

- Date of public notice (must be minimally 10 days before the public hearing):** February 7, 2020  
For Exhibit G, provide a legible copy of the newspaper page showing the public hearing , newspaper name and date of publication.
- Date of public hearing:** February 18, 2020  
For Exhibit H, provide a copy of the public hearing minutes, attested to with dated signature.
- Date municipal or plantation legislative body approved original district designation:** February 18, 2020  
**Date municipal or plantation legislative body adopted original development program:** February 18, 2020  
If an amendment, is it to the:
  - district. Provide date municipal or plantation legislative body approved:** Click to enter a date.
  - development program. Provide date municipal or plantation legislative body approved:** Click to enter a date.
  - district and development program. Provide date municipal or plantation legislative body approved:** Click to enter a date.For Exhibit I, provide verification of district designation and adoption of development program by municipal legislative body including vote tally.
- Is a municipal official authorized to make technical revisions to this District application/development program to facilitate the process for review and approval by DECD, as long as such revisions are not inconsistent with the basic structure and intent of the development program?** Yes. The City Council Order approving the establishment of the TIF District and Program included language authorizing the City Administrator or Director of Economic and Community Development to make technical revisions to each in order to facilitate DECD approval, so long as the basic structure and intent of the development program are maintained.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



## Exhibit A - Statutory Requirements & Thresholds

\*\*round to second decimal place

SECTION A.   Acreage Caps		
1. Total municipal acreage		22,283
2. Acreage of <b>proposed</b> Municipal TIF District (if amendment, proposed updated total acreage)		.115
3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF district		0
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF district		0
5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF district counted toward 2% limit		.115
6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF district (CANNOT EXCEED 2%)		.000516%
7. <b>Total acreage</b> of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: <sup>3</sup> (List <u>each</u> district name/acreage)	Existing	717.42
Wal-mart 130	Proposed	30.435
CMP - 1.74		
Franklin Prop. - 1.88		
CCI Bates St - 1.05		
Birch Hill Housing - .45		
Gendron Business Park II - 144.94		
Intown Manor - 1.02		
The Lofts at Bates Mill - 1.41		
Riverfront Hotel - 1.03		
Larrabee Station - 15		
McCrary - .36		
Exit 80 Omnibus - 418.11		
Hartley Block - .43		
Blake + Pine (proposed) - 0.33		
Saxon (proposed) - 7.58		
143 Blake St - Sophia's House (proposed) - 0.23		
197/199 Lisbon St - Scruton Block (proposed) - .115		
Valley Beverage (proposed) - 22.18		
	Total	747.855
<b>30-A § 5223(3) EXEMPTIONS<sup>4</sup></b>		
8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district		0
9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: (List <u>each</u> district name/acreage)		0

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

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

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

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



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



10. Acreage of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts: (List <u>each</u> district name/acreage)	0	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>5</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above: (List <u>each</u> 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	747.855	
13. <b>Percentage of total acreage</b> [=A12+A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%)	3.356%	
14. <b>Real property</b> in proposed Municipal TIF District that is:	ACRES	% [=Acres+A2]
a. A blighted area		
b. In need of rehabilitation, redevelopment or conservation		100%
c. Suitable for commercial or arts district uses		
<b>TOTAL (except for § 5223 (3) exemptions a., b. <u>OR</u> c. must be at least 25%)</b>		100%

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



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



SECTION B.   Valuation Cap		
1. <b>Total TAXABLE</b> municipal valuation—use most recent April 1	\$1,938,456,120	
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	\$228,240	
3. <b>Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: (List <u>each</u> district name/acreage)</b> Wal-Mart - \$1,333,700 CMP - \$16,950 Franklin P.T. - \$443,800 Gendron Business Park II - \$300,000 Riverfront Hotel - \$0 Larrabee Substation - \$474,500 McCroly - \$268,750 Exit 80 Omnibus - \$7,938,932 Saxon (proposed) - \$552,890 143 Blake St - Sophia's House (proposed) - \$0 197/199 Lisbon - Scruton Block (proposed) - \$228,240 Valley Beverage (proposed) - \$3,363,180	Existing	\$10,776,632
	Proposed	\$4,144,310
	Total	\$14,920,942
<b>30-A § 5223(3) EXEMPTIONS</b>		
4. <b>Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district</b>	0	
5. <b>Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts (List <u>each</u> district name/acreage)</b>	0	
6. <b>Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts (List <u>each</u> district name/acreage)</b>	0	
7. <b>Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation<sup>6</sup> Municipal TIF districts (List <u>each</u> district name/acreage)</b>	0	
8. <b>Taxable OAV in all <u>existing/proposed</u> Municipal TIF districts common to Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such OAV also factored in Exemptions 4-7 above: (List each district name/OAV)</b>	0	
9. <b>Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit</b>	\$14,920,942	
10. <b>Percentage of total taxable OAV [=B9+B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%)</b>	0.77%	

COMPLETED BY \_\_\_\_\_

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



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



PRINT NAME			
SIGNATURE		DATE	
If this form has <b>not be completed by the municipal or plantation assessor</b> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME			
SIGNATURE		DATE	



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit B - Assessor's Certificate**



Department of Assessing

Bill Healey  
Chief Assessor



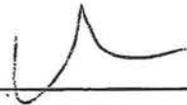
CITY OF LEWISTON, MAINE

CITY ASSESSOR

The undersigned Chief Assessor of the Assessment Department for the City of Lewiston, Maine, does hereby certify that the tax maps showing the boundaries and location of the proposed **197/199 Lisbon – Scruton Block Tax Increment Financing District** as shown in Exhibit A are an accurate depiction of the proposed District. The Original Assessed Value of the taxable real property in the proposed TIF District as of March 31, 2019 (Assessment date of April 1, 2018) was two hundred twenty-eight thousand two hundred forty dollars (\$228,240).

IN WITNESS THEREOF, this Certificate has been executed as of this 31<sup>st</sup> day of January 2020.

CITY OF LEWISTON

  
\_\_\_\_\_  
Bill Healey, Chief Assessor

STATE OF MAINE

ANDROSCOGGIN, SS.

January 31, 2020

Personally appeared before me the above-named Bill Healey, Chief Assessor of the City of Lewiston and acknowledged the foregoing instrument to be his free act and deed in his said capacity.

  
\_\_\_\_\_  
Notary Public/Attorney-at-Law

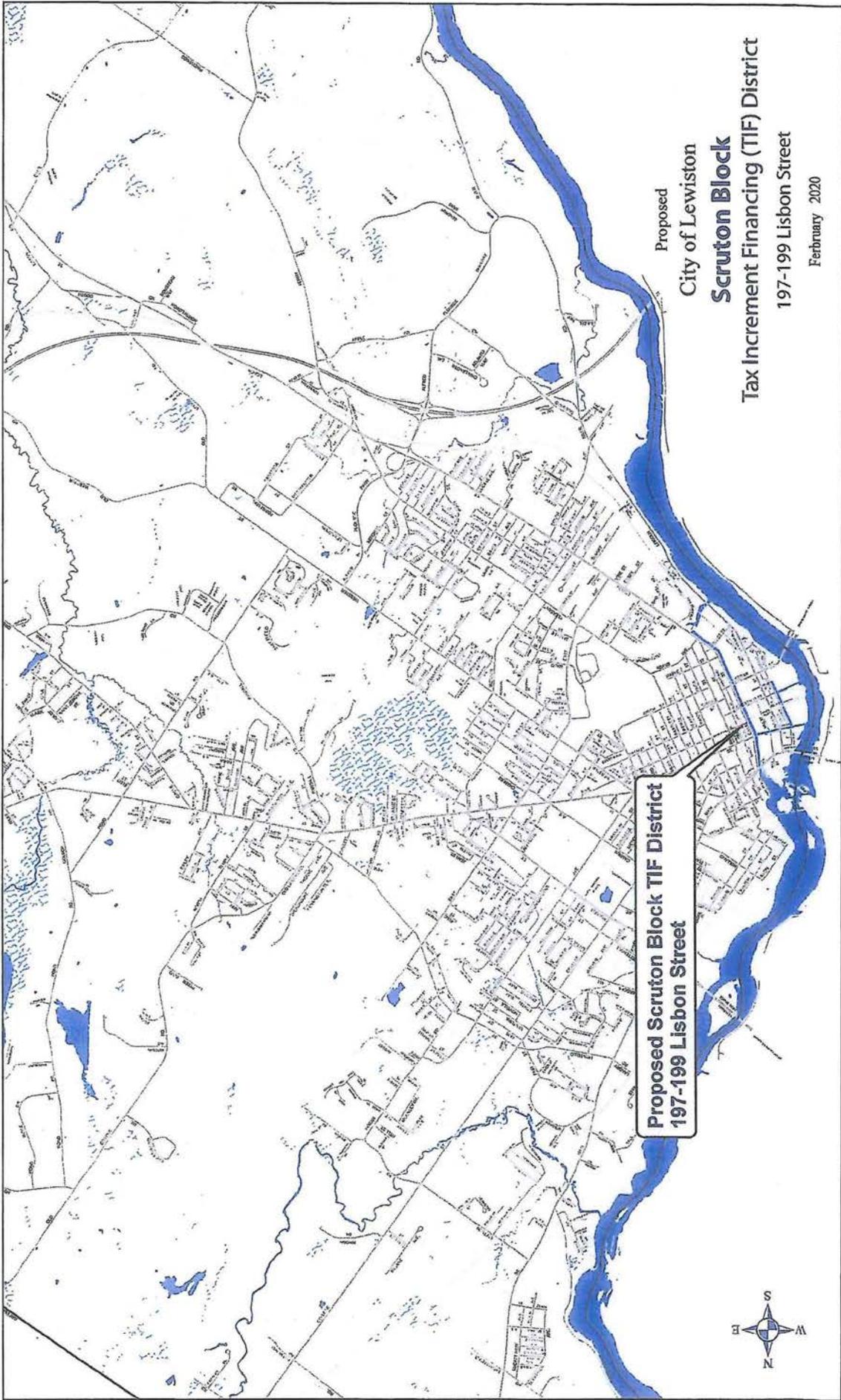
**CATHERINE L. LEKBERG**  
Notary Public, State of Maine  
My Commission Expires February 5, 2025



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit C - Map of District Location within Municipality**



Proposed

City of Lewiston

**Scruton Block**

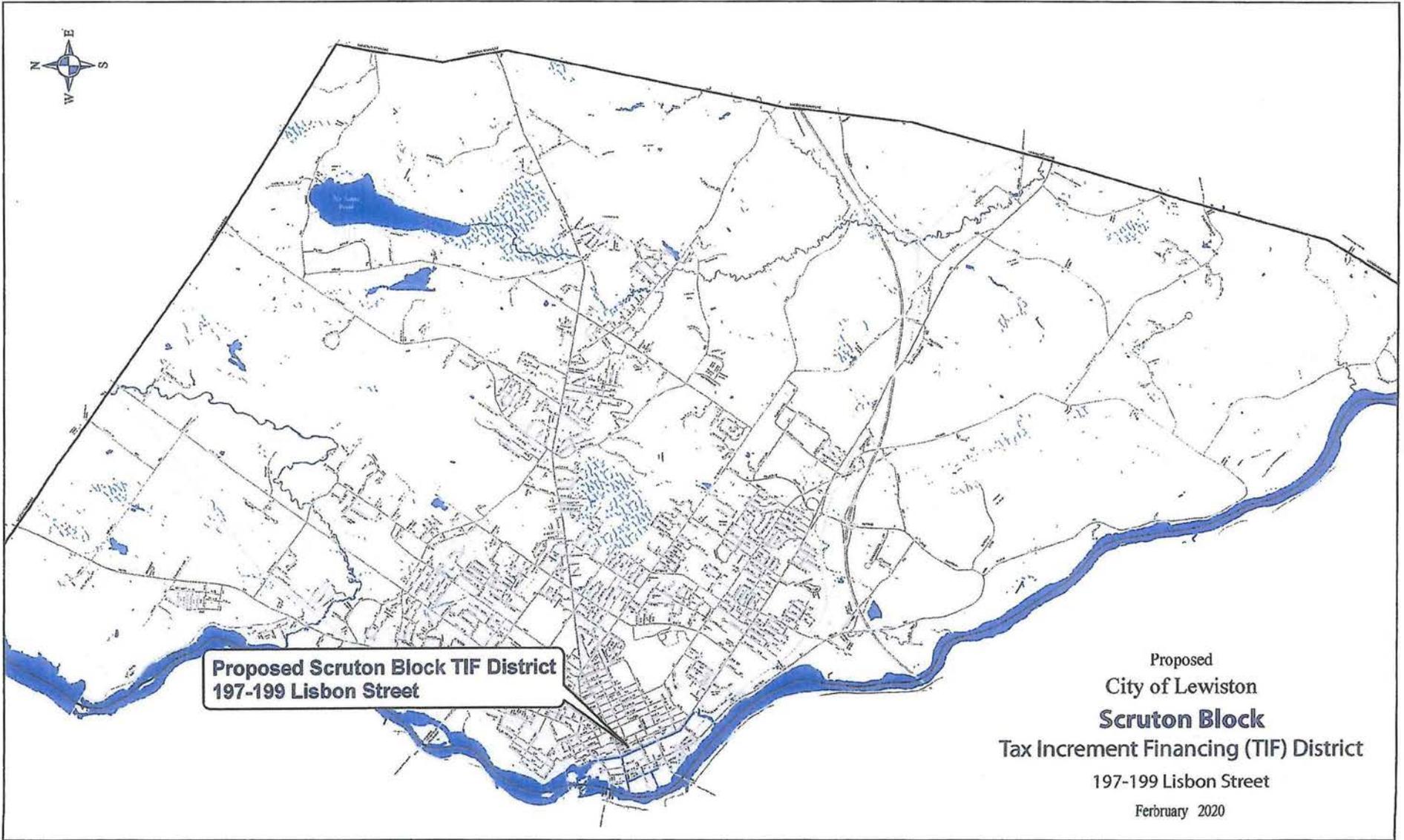
**Tax Increment Financing (TIF) District**

197-199 Lisbon Street

February 2020

**Proposed Scruton Block TIF District**  
**197-199 Lisbon Street**





**Proposed Scruton Block TIF District  
197-199 Lisbon Street**

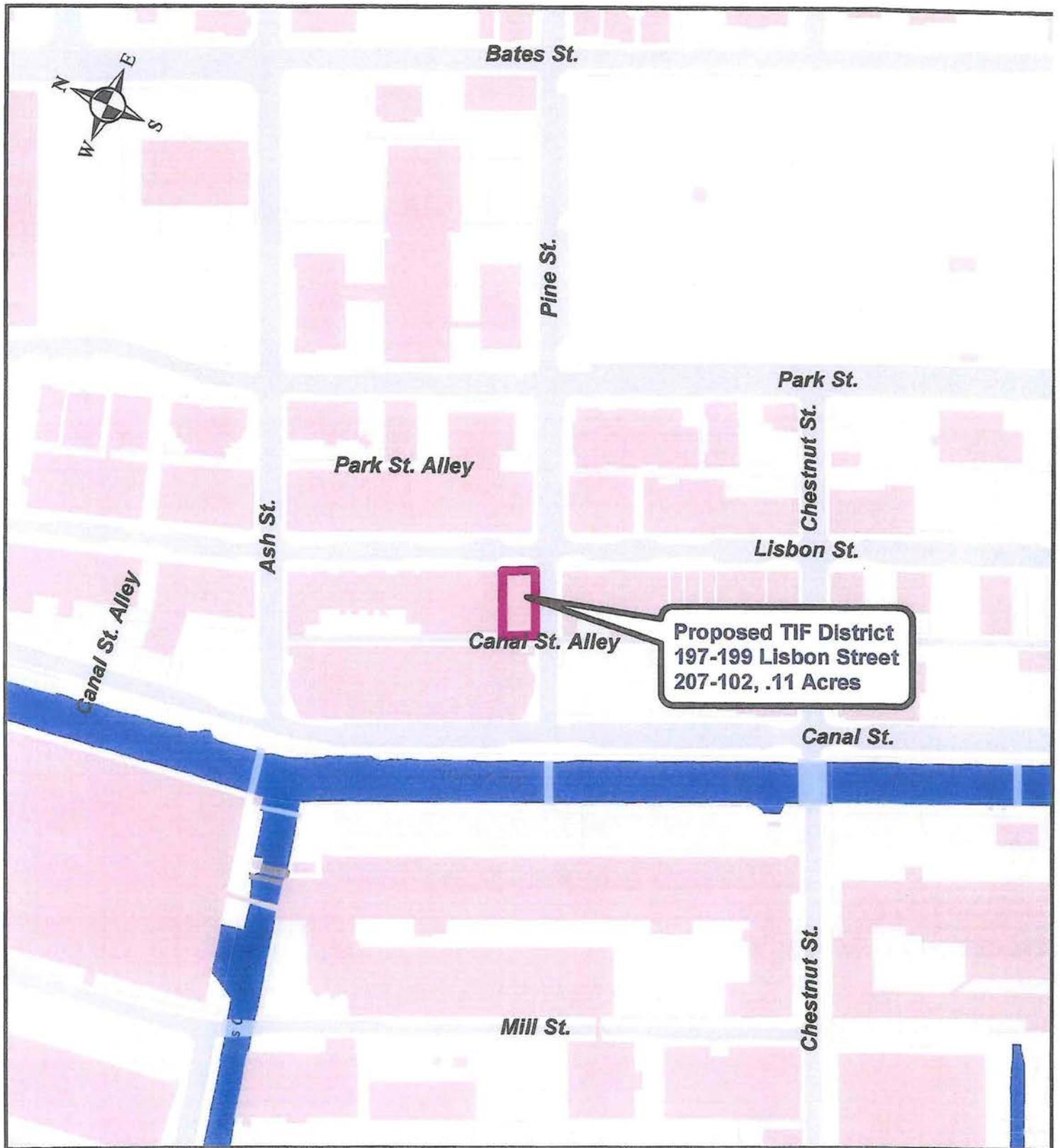
Proposed  
City of Lewiston  
**Scruton Block**  
Tax Increment Financing (TIF) District  
197-199 Lisbon Street  
February 2020



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit D - Map of District Boundaries**



Proposed  
**Scruton Block**  
Tax Increment Financing (TIF) District  
197-199 Lisbon Street  
January 2020



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit E - Annual Revenue Spreadsheet**

**Annual Revenue Projections  
197/199 Lisbon St - Scruton Block**

12 Market Rate Apartments, 2 Floors of Commercial Space

Year	Tax Year** (April 1 - March 31)	Original Assessed Value	Total Assessed Value	Increased Assessed Value	Captured Assessed Value (100%)	Mill Rate	Total TIF Revenue	TIF Revenue to Developer (40%)	% of TIF Revenue to Developer	TIF Revenue to City (60%)	% of TIF Revenue to City
1	2020	\$ 228,240	\$ 228,240	\$ -	\$ -	0.02891	\$ -	\$ -	0%	\$ -	0%
2	2021	\$ 228,240	\$ 228,240	\$ -	\$ -	0.02891	\$ -	\$ -	0%	\$ -	0%
3	2022	\$ 228,240	\$ 228,240	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
4	2023	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
5	2024	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
6	2025	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
7	2026	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
8	2027	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
9	2028	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
10	2029	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
11	2030	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
12	2031	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
13	2032	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
14	2033	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
15	2034	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
16	2035	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
17	2036	\$ 228,240	\$ 800,000	\$ 571,760	\$ 571,760	0.02891	\$ 16,530	\$ 6,612	40%	\$ 9,918	60%
<b>Total</b>								<b>\$ 99,177</b>		<b>\$ 148,766</b>	

### Best Practice for Revenue Projections - 197/199 Lisbon – Scruton Block

1. The mil rate of 29.81 and Increased Assessed Value are assumed to remain constant from the first year of the taxes captured from the increased assessed value and returned to the developer. The Original Assessed Value is assumed for years where no increased value is captured.
2. Increased Assessed Value is based on developer projections of investments and forward-looking statements that are subject to a number of risks and uncertainties, most beyond the developer's control, that could cause variation in the actual assessment of the project. The financial information presented here has not been audited and is not intended to be an appraisal or guarantee of assessed value.
3. The project estimates \$2,350,600 to renovate all floors of the building and implement infrastructure improvements to allow code-compliant egress.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit F - Annual Tax Shift Spreadsheet**

**197/199 Lisbon St - Scruton Block  
Tax Shifts**

Year	Tax Year	Captured Assessed Value (100%)	County	Revenue Sharing	Education	Total
1	2020	\$ -	\$ -	\$ -	\$ -	\$ -
2	2021	\$ -	\$ -	\$ -	\$ -	\$ -
3	2022	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
4	2023	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
5	2024	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
6	2025	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
7	2026	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
8	2027	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
9	2028	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
10	2029	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
11	2030	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
12	2031	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
13	2032	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
14	2033	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
15	2034	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
16	2035	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
17	2036	\$ 571,760	\$ 179	\$ 750	\$ 4,734	\$ 5,663
<b>Total</b>			\$ 2,691	\$ 11,244	\$ 71,013	\$ 84,948

Best Practice for Tax Shift Estimates – 197/199 Lisbon – Scruton Block

1. Data sources include the most recent available documents at the time of calculation. Calculations for this project were based on a mil rate of 29.81, the State Treasurer's Office Municipal Revenue Sharing projections for FY 2019 published March 29, 2018, the Maine Department of Education ED 279 form for FY 20 dated February 15, 2019 for Lewiston School Department, and the Androscoggin County budget for Budget Year 2019.
2. These projections assume that formulas and general inputs for state subsidies and county taxes do not change over time and that all other values are static relative to one another except for the new value assessed.
3. All projections are less likely to be accurate for years further in the future.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit G - 10-Day Notice of Public Hearing**

# Sun Journal

Connecting you with your community

02/07/2020

City of Lewiston  
Catherine Lekberg  
Economic & Community Development  
27 Pine St  
Lewiston, ME 04240

TO WHOM IT MAY CONCERN:

We hereby certify that the following:

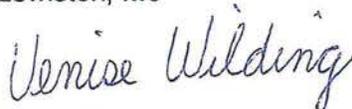
**LEGAL AD:** Notice – 197/199 Lisbon – Scruton Block

was published in the DAILY Sun-Journal a newspaper having its principal place of business in the County of Androscoggin. With general circulation in the Counties of Androscoggin, Franklin and Oxford.

**Date(s) Published:** 02/07/2020

**Tearsheet (s):** ENCLOSED

Sun-Journal/SUNDAY  
Lewiston, Me



Venise Wilding  
Customer Service Rep

Subscribed and sworn to before me this 7th Day of February, 2020 at Lewiston, in the County of Androscoggin, in the State of Maine.



NOTARY PUBLIC

Nancy Castonguay, Notary Public  
State of Maine  
My Commission Expires 4/19/2022

104 PARK STREET • P.O. BOX 4400 • LEWISTON, MAINE • 04243-4400

(207) 784-5411 • toll free 1 800 482-0753 • advertising fax (207) 784-5955 • news fax (207) 777-3436

**EDDIES**

Continued from Page C1

**BASKETBALL**

Continued from Page C1

"Thank you (at) Wizards for giving me a opportunity to show the world I'm healthy and I can still play at a high level," Thomas wrote on Twitter. "I appreciate my coaches, teammates & everybody from top to bottom in the organization you truly made a impact on & off the court for me"

Three-time champion Andre Iguodala is ending his exile after not playing for Memphis at all this season and is going to join the Heat along with Jae Crowder and Solomon Hill, with Miami sending three players - Justise Winslow, Dion Waiters and James Johnson - who've combined to score a mere 254 points this season out in the deal. Johnson was flipped by the Grizzlies to Minnesota for Gorgui Dieng.

"Today is a very good day because we think the acquisition of Andre, Jae and Solomon will help us with our versatility and create a more balanced roster," Heat President Pat Riley said. "Today is also a sad day because we lose three very good players who have been part of our family. We wish Justise, James and Dion nothing but the best in the future."

"It's a new game," Adams said. "As good as we played at the start, and

NBA rebounding leader Andre Drummond got moved by Detroit to Cleveland, then took to Twitter to express his dismay with the trade process.

"If there's one thing I learned about the NBA, there's no friends or loyalty," Drummond wrote. "I've given my heart and soul to the Pistons, and to be have this happen with no heads up makes me realize even more that this is just a business! I love you Detroit..."

The Warriors decided to make the Russell-for-Wiggins move, giving Wiggins a fresh start that he likely needs - the former No. 1 overall pick will get to reap the benefits of playing alongside a healthy and rejuvenated Stephen Curry. Klay Thompson and Draymond Green starting next season. And by throwing in a couple extra players, the Warriors also will likely escape the luxury tax this season. That's not an insignificant point for a team that will go from five straight NBA Finals to the bottom of the Western Conference this season and, if hopes, back to title contention starting next year.

Miami's trade with Memphis also lowered the Heat potential tax bill, and Portland made a minor

our energy is just on the defensive end, and I tell them all the time. When

trade with Atlanta with a lower tax in mind as well.

Most of the trades were finalized Thursday. The only one from this week that got NBA approval before the deadline was a four-team, 12-player, three-pick swapping between Atlanta, Houston (which notably sent Clint Capela to the Hawks), Denver and Minnesota.

Meanwhile, the three

little a 49-39 lead heading into the fourth.

The Blue Devils got a

top teams in the East - Milwaukee, Toronto and Boston - as well as the West-leading Los Angeles Lakers all remained out of the trade mix. It remains possible, and probably even likely, that at least some of those teams could look to bolster their rosters by adding free agents or when players become available through buyouts in the coming weeks.

**Community sports**

**Friday Night Mixed**

Men's Scratch Game - 237 Sean Driggers, 222 Noah Flanigan, 242 Jacob Spencer, 207 Joseph Burg, Scratch Series - 646 Sean Drig

Marcia Harvey, 90 Wanda Brown,

**PUBLIC NOTICE CITY OF LEWISTON ESTABLISHMENT OF A TAX INCREMENT FINANCING (TIF) DISTRICT AND PROGRAM**

The Lewiston City Council will hold a public hearing to be held in the City Council Chambers, First Floor, City Building, 27 Pine Street, Lewiston, Maine on Tuesday, February 18, 2020 at 7:00 PM, or as soon thereafter as it may be heard, regarding the establishment of the following proposed Tax Increment Financing (TIF) District and Development Program:

**197/199 Lisbon - Scruton Block**  
The proposed TIF District is being established to help offset cost restraints due to extraordinary infrastructure costs associated with redevelopment. The Scruton Block building, a 0.115 acre parcel located at 197/199 Lisbon Street in Lewiston, Maine, will be converted into two floors of commercial space and twelve market rate residential units. The post-rehabilitation assessment is estimated to be \$800,000. Any interested person may appear and will be given the opportunity to be heard before the final action is taken. The proposed development program is available for review at the Economic and Community Development Department on the third floor at City Hall, 27 Pine St, Lewiston ME.

The City of Lewiston is an EOE. For more information, please visit our website at [www.lewistonmaine.gov](http://www.lewistonmaine.gov) and click on the Non-Discrimination Policy.

**REQUEST FOR PRICING COMPACT TRACTOR**

The Auburn Lewiston Airport is requesting pricing for a 2019 or newer compact tractor. Full specifications are available from [www.flytomaine.com](http://www.flytomaine.com) or 207-786-0631.

**PUBLIC NOTICE CITY OF LEWISTON ESTABLISHMENT OF A TAX INCREMENT FINANCING (TIF) DISTRICT AND PROGRAM**

The Lewiston City Council will hold a public hearing to be held in the City Council Chambers, First Floor, City Building, 27 Pine Street, Lewiston, Maine on Tuesday, February 18, 2020 at 7:00 PM, or as soon thereafter as it may be heard, regarding the establishment of the following proposed Tax Increment Financing (TIF) District and Development Program:

**Valley Beverage**  
The proposed TIF District is being established to help offset cost restraints associated with a 33,000 square foot expansion at 2019 Lisbon Street, a 22.18 acre parcel in Lewiston, ME. The post-rehabilitation assessment is estimated to be \$5,647,900. Any interested person may appear and will be given the opportunity to be heard before the final action is taken. The proposed development program is available for review at the Economic and Community Development Department on the third floor at City Hall, 27 Pine St, Lewiston ME.

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**129TH MAINE LEGISLATURE LEGISLATIVE NOTICES**  
**Hearings on Governor's Nominations**  
Legislative committees will hold public hearings as listed below for the purpose of considering nominations by the Governor for appointment to positions that require review by joint standing committees and to confirmation by the Legislature. You may testify at the public hearing or submit written testimony. Written testimony must be received by 9 am the day of the hearing and should be sent to: Legislative Information Office, 100 SHS, Augusta, Maine 04333-0100. Persons with special needs who wish to attend a legislative hearing and require accommodations should notify the Legislative Information Office as soon as possible: 207-287-1692, TTY 207-287-6826, FAX 207-287-1580, [webmaster flo@legislature.maine.gov](mailto:webmaster flo@legislature.maine.gov)  
**CORRECTION: JOINT STANDING COMMITTEE ON EDUCATION AND CULTURAL AFFAIRS**  
Senator Rebecca Millett, Senate Chair, Representative Victoria P. Kornfield, House Chair  
**Public Hearing:** Thursday, February 13, 2020, 1:00 PM, Cross Building, Room 208  
**Nominee:** Peter DelGreco of North Yarmouth to the Maine Community College System, Board of Trustees  
The Board is the policy-making authority for the Community College System and is comprised of 13 voting members. They represent the fields of business and industry, labor, education, the general public, and the student body. The Board is responsible for developing and adopting policies for the operation and the administration of the System. A more detailed description of the Board can be found at <http://www.mainelegislature.org/legis/statutes/20-A/tit1e20-Ach43Tsec0.html>  
**CONTACT:** Jayne Deneen, 287-3125

**Public Notices** are a permanent and independent record of government and court actions. These include state and local government meetings, rule making, available contracts, zoning changes, and many more, as required by law. In addition, parties to some court proceedings, such as foreclosures, probate, and estate actions are required to publish notices to ensure notification of affected parties, as well as the general public. These notices also alert business owners, large and small, to potential government contractual jobs, helping to ensure economic activity across a level playing field. Public notices have existed to ensure transparency in all levels of government since the founding of the United States. State and local notices are published in Maine newspapers and are also recorded at [mainenotices.com](http://mainenotices.com), where anyone can browse or search notices, and sign up to receive email alerts when relevant notices appear.

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**PUBLIC NOTICE  
CITY OF LEWISTON  
ESTABLISHMENT OF A  
TAX INCREMENT FINANCING (TIF)  
DISTRICT AND PROGRAM**

The Lewiston City Council will hold a public hearing to be held in the City Council Chambers, First Floor, City Building, 27 Pine Street, Lewiston Maine on **Tuesday, February 18, 2020 at 7:00 PM**, or as soon thereafter as it may be heard, regarding the establishment of the following proposed Tax Increment Financing (TIF) District and Development Program:

**197/199 Lisbon – Scruton Block**

The proposed TIF District is being established to help offset cost restraints due to extraordinary infrastructure costs associated with redevelopment. The Scruton Block building, a 0.115 acre parcel located at 197/199 Lisbon Street in Lewiston, Maine, will be converted into two floors of commercial space and twelve market rate residential units. The post-rehabilitation assessment is estimated to be \$800,000. Any interested person may appear and will be given the opportunity to be heard before the final action is taken. The proposed development program is available for review at the Economic and Community Development Department on the third floor at City Hall, 27 Pine St, Lewiston ME.

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Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit H - Minutes of Public Hearing**



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit I - Record of District Designation and Development Plan Adoption**



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit M - Credit Enhancement Agreement(s)**

## **Designation of a Tax Increment Financing District and Credit Enhancement Agreement**

THIS AGREEMENT made as of this \_\_\_\_ day of February 2020 by and between **THE CITY OF LEWISTON**, a body politic and corporate situated in Androscoggin County, Maine (hereinafter sometimes referred to as “City,” which expression shall include its successors and assigns), and **BRADFORD AND CONANT, LLC**, a Maine limited liability company with a place of business in Lewiston, Maine (hereinafter sometimes referred to as “BRADFORD,” which expression shall include its successors and assigns).

I. WHEREAS,

A. BRADFORD is in the business of developing, owning and operating commercial and residential real estate;

B. The City and BRADFORD have identified a need for rehabilitation and redevelopment of a district consisting of the real estate located at 197 Lisbon Street in Lewiston Maine (the “Project”), and its redevelopment for commercial use by BRADFORD as a mixed use building with 12 market rate apartments;

C. Development of Project will eliminate blight and improve the well-being of City residents and better the health, safety and welfare of City residents;

D. BRADFORD has requested the City’s assistance in connection with the development of the Project to establish a Municipal Development District and provide assistance with development costs utilizing Tax Increment Financing, as permitted by 30-A M.R.S.A. § 5223;

E. At least 25% of the area within the proposed development district is in need of rehabilitation, redevelopment, and is suitable for commercial uses; and

F. Development of the project and expansion of BRADFORD will result in new job creation and expansion of Lewiston’s tax base; and

G. The provision of such assistance by the City has been determined to be consistent with the development program, pursuant to authority granted by 30-A M.R.S.A. § 5223 *et. seq.* Without limitation, this includes: financing the expansion, improvement, and redevelopment of commercial facilities; financing economic development programs; capitalization of City managed commercial loan and grant programs; and funding for public infrastructure and other costs related to the Project.

II. THE CITY AND BRADFORD AGREE AS FOLLOWS:

A. Definitions. The terms defined in this Section II(A) shall, for all purposes of this Agreement, have the meanings herein specified.

1. Agreement - shall mean this Agreement for Development Assistance and Tax Increment Financing between the City and BRADFORD.

2. BRADFORD - shall mean Bradford and Conant, LLC, with a mailing address of 15 Bonnaille Ave, Lewiston, ME 04240; Attention: Jules Patry, Manager. Copies of notices required under this Agreement shall be sent to Gosselin & Dubord, PA, 86 Lisbon Street, Lewiston, ME 04243 ; Attention: Paul R. Gosselin.

3. Captured Assessed Value - For the first two years of the District, commencing July 1, 2019 and ending June 30, 2021, the Captured Assessed Value shall mean 0% of the Increased Assessed Value as certified by the Tax Assessor. For the remainder of the District, commencing July 1, 2021 and ending June 30, 2036, the Captured Assessed Value shall mean a percentage of the Increased Assessed Value, as certified by the Tax Assessor, that is utilized from year to year to finance the Project Costs as follows:

- a. BRADFORD shall be reimbursed 40% of the Tax Increment Revenues generated by the Project as a credit enhancement Tax Increment Financing payment from the Development Program Fund for a period of fifteen (15) years commencing with the tax year beginning July 1, 2021 and ending with the tax year ending on June 30, 2036 or until the aggregate of reimbursements made to Bradford total a maximum of \$100,000, whichever comes first. This payment shall be used to help offset costs of improvements made within and outside the Development District necessary to the establishment of the Project incurred by BRADFORD as set forth below:
  - i. To make necessary improvements to the City Sidewalk in accordance with engineered plans accepted by Lewiston Public Works in order to provide required egress to the development, and;

- ii. To make required stormwater separation improvements.
  - b. The balance of the Tax Increment Revenues may be allocated to the City to fund costs related to economic development, capitalization of City-managed commercial and residential land and grant programs, and other costs related to improving Downtown portions of the City.
4. City - shall mean the City of Lewiston, Maine, with a mailing address of 27 Pine Street, Lewiston, Maine 04240 Attention: Director of Finance. Copies of notices required under this Agreement shall be sent to Martin I. Eisenstein, Esq., Brann & Isaacson, 184 Main Street, P.O. Box 3070, Lewiston, Maine 04243-3070.
5. City Council – shall mean the legislative body of the City.
6. Claims - shall have the meaning stated in Section II(G).
7. Current Assessed Value - shall have the meaning set forth in 30-A M.R.S.A. Section 5222(4), and for the purposes of this Agreement shall mean the assessed value of all real property in the District as of April 1 of each year that the Development District remains in effect.
8. Development District or District - shall mean the Municipal Development District to be established by resolution of the City Council and pursuant to 30-A M.R.S.A. Section 5223, *et seq.*, relating to and encompassing the Property at Map 207, Lot 102 in Lewiston, Maine as set forth in Exhibit A and consisting of approximately 0.11 acres as further set forth in this Agreement.
9. Development Program - shall mean the Development Program set forth in this Agreement and adopted by the City Council for the District pursuant to Title 30-A, Section 5224, *et seq.*
10. Development Program Fund - shall mean the fund established by the City for the District pursuant to 30-A M.R.S.A. § 5227 and shall consist of the (1) Development Sinking Fund Account, if any, which shall be an account pledged to and charged with the payment of any interest and principal on any Bond, if issued, or any other costs permitted by law as the same shall fall due; and (2) the Project Cost Account which shall be pledged to and charged with the payment of the Project Costs as permitted by Statute.
11. Event of Default - shall have the meaning stated in Section II(F).

12. Increased Assessed Value - shall mean the difference between the Current Assessed Value and the Original Assessed Value of the Development District for each of the 17 Tax Years beginning in Tax Year 2020 and concluding in Tax Year 2036.

13. Losses – shall have the meaning stated in Section II(G).

14. Optimal Assessed Value - shall mean a real property Current Assessed Value of Eight Hundred Thousand Dollars (\$800,000).

15. Original Assessed Value – shall mean the assessed value of all real property in the District as of March 31, 2019 which is equal to \$228,240.

16. Project Costs - shall mean any costs that are eligible for reimbursement pursuant to 30-A M.R.S.A § 5225 *et seq.* or in regulations promulgated thereunder and set forth in the development plan, as that term is defined for purposes of this Agreement but in any event not to exceed the Tax Increment Revenues under this Agreement.

17. Property – shall have the meaning stated in Section II(A)(9).

18. Tax Increment Revenues - shall mean those real property tax revenues attributable to Increased Assessed Value in each Tax Year of the District.

19. Tax Increment Revenues (Developer’s Share) – shall mean that portion of the Tax Increment Revenues actually paid by Developer to the City that is allocated by the City to the Developer pursuant to this Agreement. The Developer’s Share shall consist of 40% of the Tax Increment Revenues in each Tax Year during the term of the Development District (July 1, 2021 – June 30, 2036).

20. Tax Year - shall mean the municipal tax year which begins on July 1<sup>st</sup> after the preceding April 1<sup>st</sup> assessment date in that same calendar year, and which ends on the following June 30<sup>th</sup>. By way of illustration, Tax Year 2023 begins on July 1, 2022.

B. City’s Obligations.

1. Establishment of Development District. The City hereby establishes the TIF District as a municipal Tax Increment Financing District for a term of seventeen (17) years to be effective July 1, 2019 – June 30, 2036, for the purpose of facilitating the terms of this Agreement.

2. Disbursement of funds to BRADFORD. The City will disburse Tax Increment Revenues (Developer's Share) to BRADFORD twice annually in equal disbursements beginning in Tax Year 2022 and continuing through Tax Year 2036 as described in Section II(D)(4), which obligation to disburse is subject to: (1) completion of BRADFORD's obligations under this Agreement and ongoing compliance with its obligations under this Agreement and any other contractual obligations to the City; and (2) designation of the Development District and approval of the Development Program and this Agreement by the City Council and Maine Department of Economic and Community Development.

C. BRADFORD's Obligations.

1. BRADFORD's Obligation to Construct. BRADFORD agrees to construct the Project as specified in its submissions to the City and in accordance with all planning board approvals and code requirements. This Agreement does not constitute a waiver of any state, federal, or local statute, regulation or ordinance, including without limitation any zoning, land use or environmental legal requirements. BRADFORD's total initial investment in the Project is estimated to be Two Million, Three Hundred Thousand dollars (\$2,300,000). Construction shall commence within 6 months hereof, and be completed on or before April 1, 2021. BRADFORD agrees to redevelop 197/199 Lisbon Street with 12 market rate apartment units as well as first floor commercial space.

2. BRADFORD OBLIGATION TO IMPROVE CITY INFRASTRUCTURE. As part of the redevelopment project, BRADFORD agrees to reconstruct the Pine Street portion of sidewalk adjacent to the building in accordance with engineered plans approved by Lewiston Public Works.

3. State Reporting Requirements. To the extent required by statute and regulations, BRADFORD shall comply with all reporting requirements relating to this tax increment financing project.

4. BRADFORD Obligation to Achieve and Maintain Optimal Assessed Value. On or before April 1, 2021, BRADFORD agrees that the Optimal Assessed Value shall be achieved, and that as of April 1<sup>st</sup> of each succeeding year thereafter, during the term of this Agreement, such Optimal Assessed Value shall be maintained.

5. BRADFORD Contingencies. If any of the following conditions are not satisfied, BRADFORD shall have the sole and exclusive right to terminate this Agreement by delivering written notice of such termination to the City, and in the event of such termination, City shall have no further obligations hereunder:

- a. BRADFORD, or a limited liability company affiliated with BRADFORD, fails to secure the financing necessary for construction of the Project by April 1, 2020.

BRADFORD shall have 21 days from the date specified in the foregoing subsection to deliver such termination notices in writing to the City.

D. Administrative Provisions.

1. Taxable Status of District Property: Tax Base Conservation Payment. The parties agree that, other than public ways, water pipes or conduits, industrial inventories or stock in trade, there is no real property located within the boundaries of the Development District which is entitled to exemption from municipal taxation by reason of the status or other qualification of its owner, or the use to which it is put, and that in the event that any part of such real property now or hereafter located, constructed or delivered into the Development District should be determined to be entitled to such exemption from municipal taxation, the owner of such real property shall annually be liable to City in an amount equal to the amount of tax which, but for the exemption, would be due to the City with respect to such real property (hereinafter the "Tax Base Conservation Payment"). Payment of the Tax Base Conservation Payment shall be made on or before September 30th of each year in which it is due. BRADFORD shall promptly pay the Tax Base Conservation Payment. This Agreement shall be recorded in the Androscoggin County Registry of Deeds and shall be binding upon the parties and upon all Lessees and/or successors-in-title to BRADFORD with respect to property located within the District, for so long as this Agreement shall remain in effect. The Agreement to make Tax Base Conservation Payments with respect to property which is subject to tax exemptions (i) shall be a covenant running with the land, made in consideration of the assistance by the City of Lewiston's Development Costs; (ii) is a

voluntary contractual arrangement; and (iii) is not and shall not be construed to create a service charge pursuant to 36 M.R.S.A. Section 652(1)(L).

2. Deposits into Development Program Fund. The term of the Development District shall be seventeen (17) years. During the term of the Development District, the City shall annually deposit into the Development Program Fund, or other fund established pursuant to 30-A MRSA § 5227, that portion of each property tax payment by BRADFORD or its successors or assigns during the term of this Agreement constituting Tax Increment Revenues from within the Development District. The City shall make such deposit promptly upon receipt of Tax Increment Revenues. The remaining proceeds of the Development Program Fund after payment of the Tax Increment Revenues (Developer's Share), shall be allocated to the City for expenditure on permitted economic development activities within or outside of the District, pursuant to 30-A MRSA § 5225(1)(B), (C). In addition:

(A) Any interest earned upon the Project Cost Account shall inure to the benefit of the City;

(B) The first payment into the Development Program Fund shall be made from revenues arising out of the Tax Year 2022 municipal tax bill and shall continue until the last such deposit shall be made from revenues arising out of the Tax Year 2036, municipal tax bill.

3. BRADFORD Payment. BRADFORD shall pay to the City when due the taxes on the Optimal Assessed Value or Current Assessed Value, whichever is higher. The City shall withhold from any payment to be made by the City pursuant to this Agreement any amount due from BRADFORD that is due and unpaid.

4. Payments from the Development Program Fund for Project Costs. Beginning with the 2022 tax year and continuing through Tax Year 2036, within fifteen (15) days after the last payment by BRADFORD of taxes for the Tax Year, and provided that BRADFORD has made full payment of taxes on the Optimal Assessed Value and is otherwise in compliance with all of the terms of this Agreement, the City shall pay BRADFORD the Captured Assessed Value for that Tax Year, as identified in Section II(A)(3)(a). BRADFORD agrees that all payments made to it will be used and applied to Project Costs or to reimburse BRADFORD for indebtedness incurred in redevelopment

of the Project. The remaining Tax Increment Revenues will be applied in accordance with Section II(D)(2).

E. BRADFORD Guaranty of Optimal Assessed Value to the City.

1. Undertaking to Guaranty and Determination of Amounts Guaranteed. In order to induce the City to enter into this Agreement, BRADFORD covenants that by April 1, 2021, the Optimal Assessed Value shall be achieved. To give effect to that covenant, BRADFORD agrees that in the event that as of April 1, 2021, or as of the like day of each subsequent year while this Agreement remains in effect, the Current Assessed Value is less than the Optimal Assessed Value, BRADFORD promises to pay to the City a sum equal to the difference between the actual tax revenues (being those computed upon the basis of the then Current Assessed Value arising out of real estate property) and the tax revenues which would have been realized had the Optimal Assessed Value been achieved.

2. Due Date of Payment, Etc., of Guaranteed Payments. Such payments shall be made on the due date(s) of tax payments to the City following the April 1 assessment date to which the guaranteed payments correspond) and shall, in the event that they are not timely paid, be subject to the same rate of interest as that assessed upon late taxes. These Guaranty obligations shall remain in effect during the term of this Agreement.

F. Default and Remedies.

1. Events of Default. Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

a. Failure to Honor Guaranties. BRADFORD shall fail to timely make payments to City arising out of its Guaranty of Optimal Assessed Value under Subsection II(E)(1) above;

b. Abandonment of Project. BRADFORD shall abandon the project;

c. Failure to Pay Taxes. BRADFORD shall fail to make any payment of municipal taxes assessed upon real or personal property of BRADFORD's within the District within Forty-Five (45) days after the due date of such taxes;

d. Other Failures to Perform. Any other failure by a party hereto to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the party to be observed or performed,

provided that it shall not be a default under this Agreement for BRADFORD to fail to achieve the Optimal Assessed Value earlier than April 1, 2021, as long as it continues to make payments as set forth at Section D(3) above;

f. Events of Insolvency. If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of a party's affairs shall have been entered against the party or the party shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the party or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the party or the failure by the party to have a petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the party.

2. Remedies on Default. Whenever any Event of Default referred to in Section II (F)(1) hereof shall have occurred and be continuing for a period of five (5) days in the case of a payment obligation, and fifteen (15) days after a party's receipt from the other party of written notice of an Event of Default by the party, the other party may, in its discretion, (a) specifically enforce the performance or observance of any obligations, agreements or covenants of the defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; (b) suspend its performance under this Agreement for so long as the Event of Default continues or remains uncured; and/or (c) declare an Event of Default to exist, terminate this Agreement and its obligations under this Agreement. BRADFORD agrees to pay the City's expenses, including reasonable attorneys' fees, incurred in connection with enforcing this Agreement or as a result of an Event of Default.

3. Remedies Cumulative. No remedy herein conferred upon or reserved to a party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by

statute. Delay or omission to exercise any right or power accruing upon any Event of Default, to insist upon the strict performance of any covenant or agreement herein set forth or to exercise any right or remedy upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the party with all of the covenants and conditions hereof, or of the rights to exercise any such right or remedy, if such Events of Default be continued or repeated.

G. Indemnification.

BRADFORD shall indemnify, defend and hold harmless the City and its agents, servants, officers, directors, employees and affiliates from and against any loss, cost, liability, claim, damage, expense (including, without limitation, all out-of-pocket expenses, reasonable attorneys' fees, disbursements and costs), penalty or fine incurred in connection with any claim or cause of action arising from or in connection with BRADFORD's activities under this Agreement or to the extent caused by the negligence, misrepresentation, fraud, fault or misconduct of BRADFORD.

H. Miscellaneous.

1. Invalidity. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

2. Integration. Except as otherwise expressly provided herein, this Agreement contains the entire agreement between the parties hereto, and no modification, amendments, change or discharge of any term or provision of this Agreement shall be valid or binding unless the same is in writing, signed by all parties hereto. No waiver of any of the terms of this Agreement shall be valid unless signed by the party against who such waiver is asserted. The parties agree that they will not assert in any action arising under this Agreement that an amendment or waiver of this Agreement has occurred unless made in writing.

3. Notices. Any notice, demand, offer, or other written instrument required or permitted to be given, made, or sent hereunder shall be in writing, signed by the party giving or making the same, and shall be sent by certified mail to the other at its respective address stated in Section II. Any party hereto shall have the right to change the place to which any such notice, offer, demand, or writing shall be sent to it by similar notice sent in like manner to the other party. The date of mailing of any offer, demand, notice, or instrument shall be deemed to be the date of such offer, demand, notice, or instrument and shall be effective from such date.

4. Choice of Law; Jurisdiction. It is the intention of the parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and under and pursuant to the laws of the State of Maine and that, in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Maine shall be applicable and shall govern to the exclusion of law of any other forum. The parties agree to the jurisdiction of the courts of the State of Maine or of the United States of America located in the State of Maine, and agree that any action relating to this Agreement shall be brought in either such court.

5. Effective Date and Term. This Agreement shall remain in full force from the date of execution of this Agreement and shall expire upon the payment of all amounts due to BRADFORD and the performance by the City and BRADFORD of their respective obligations under this Agreement unless sooner terminated as provided in this Agreement. The obligations of the City to deposit Tax Increment Revenues into the Development Program Fund and to make payments from the Development Program Fund to BRADFORD shall terminate with regard to Tax Year 2036 unless this Agreement shall be terminated earlier. For Tax Years 2037 and thereafter, all property within the Development District shall be taxable by the City to the extent provided by law.

6. Waiver. The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but the same shall

continue and remain in full force and effect as if no such forbearance or waiver had occurred.

7. Non-Assignability. BRADFORD shall not have the right to transfer or assign all or any portion of its rights in, to and under this Agreement, or the Development Program, at any time, unless the City, by its City Administrator consents to the same.

8. Parties in Interest. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the City and BRADFORD any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and BRADFORD.

9. No Personal Liability of Officials of the City. No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation, or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity, and no such person shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

10. Section Headings. The title to the Sections of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

11. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

**(Remainder of page intentionally left blank)**

IN WITNESS WHEREOF, the said City of Lewiston and Bradford and Conant, LLC have caused this Agreement to be executed on their behalf by their officials and officers, as set forth below, thereunto duly authorized, as of the day and year first above written.

CITY OF LEWISTON

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
By: Edward Barrett  
Its: City Administrator

BRADFORD AND CONANT, LLC:

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
By: Jules Patry  
Its: Manager

STATE OF MAINE  
ANDROSCOGGIN, SS.

February \_\_\_, 2020

Personally appeared before me the above-named Edward Barrett, City Administrator of the City of Lewiston and acknowledged the foregoing instrument to be his free act and deed in his said capacity, and the free act and deed of said City of Lewiston.

\_\_\_\_\_  
Notary Public/Attorney-at-Law

STATE OF MAINE  
ANDROSCOGGIN, SS

February \_\_\_, 2020

Personally appeared before me the above-named \_\_\_\_\_, Manager of BRADFORD AND CONANT, LLC and acknowledged the foregoing instrument to be his free act and deed in his said capacity, and the free act and deed of said BRADFORD AND CONANT, LLC

\_\_\_\_\_  
Notary Public/Attorney-at-Law

Exhibit A  
Property Description

(See Attached)

## EXHIBIT A

A certain lot or parcel of land with the buildings thereon situated in Lewiston, Androscoggin County, Maine, bounded and described as follows:

Beginning at the intersection of the northerly line of Pine Street with the westerly line of Lisbon Street; thence the line runs in a northerly direction along said line of Lisbon Street a distance of fifty (50) feet to land formerly of Alex Leveille; thence the line runs in a westerly direction along said Leveille land a distance of one hundred and ten (110) feet to an alley way; thence the line runs in a southerly direction along said alley way a distance of fifty (50) feet to a point in said line of Pine Street; thence the line runs in an easterly direction along said line of Pine Street one hundred and ten (110) feet to the point of beginning.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit N - Municipality TIF Policy**

## JOINT TAX INCREMENT FINANCING POLICY

The *Cities of Auburn and Lewiston Tax Increment Financing (TIF) Policy* includes the following:

- Purpose
- Eligibility Requirements
- General Guidelines
- Terms
- Performance Standards
- Applicant and Fees Information
- Annual Review
- Definitions

The Cities of Auburn and Lewiston are referred to as "the City" or "Cities" in this policy.

### PURPOSE

The four (4) primary reasons and public benefits for the Cities tax increment financing policy are, as follows:

1. To establish a collaborative and joint approach to economic development in the Cities when tax increment financing is involved;
2. To stimulate expansion of the City commercial/industrial tax base;
3. To retain and create employment; and
4. To establish standards upon which the City Councils will authorize a TIF.

### ELIGIBILITY REQUIREMENTS

Any current or potential owner of taxable property in the City may request the creation of a TIF district subject to this policy.

The establishment of a TIF district is an action by the City Council. A TIF is not a right under Maine law, and meeting these guidelines does not create a right or entitlement to any applicant.

For a TIF application to be considered by the Cities, the project must meet or exceed the following requirements:

*Types of Businesses.* The business expansion or establishment must be one (1) of the following business types:

- research facility;
- high-technology facility;
- manufacturing/assembly;
- regional distribution;
- financial services;
- telecommunication intensive;
- back office operations;
- a business which is significantly involved in the exporting of goods or services outside of Maine; or
- other similar businesses.

# JOINT TAX INCREMENT FINANCING POLICY

## *Real Property Improvements and Job Creation.*

- **Minimum Investment.** There must be real property improvements of a minimum of \$2 million or the creation of a minimum of twenty-six (26) full-time equivalent jobs which meet or exceed "livable wage"\*. Companies assisted shall provide employees access to benefits to include health insurance, vacation and sick leave, and a retirement plan.
- **Exceptional Investment.** A project may qualify as "exceptional investment" if initial total improvements are at least \$5 million or at least 100 new full-time livable wage jobs are created. It should be noted that the "minimum investment" level of \$2 million must be met. Companies assisted shall provide employees access to benefits to include health insurance, vacation and sick leave, and a retirement plan. Exceptional investment enables the Cities to consider a higher level of financial participation or provide for a longer time period for a TIF.

**Job Retention.** There must be real property improvements of a minimum of \$2 million and the retention of the existing workforce.

## GENERAL GUIDELINES

This policy recognizes tax increment financing will be provided by a credit enhancement agreement. The applicant must provide any and all other documentation that will protect the City's economic and financial position, and/or that confirm both the letter and spirit of the underlying agreement between the applicant and the City.

A TIF may be granted only for the additional value of eligible real property improvements, subject to limitations by the City. The City will not allow TIF's for improvements begun before the application is filed or begun without notification of the construction, expansion, or modernization date.

If a leased facility is a TIF, the agreement may be executed by the lessor and lessee. In such cases, the lessor must demonstrate binding contracts with the lessee to guarantee job retention or creation. The TIF agreement should include the lease.

In all instances, applicants requesting tax increment financing must demonstrate:

**Economic Necessity.** The City's participation is economically necessary, and involvement by the City is needed in order for the project to be undertaken. Justification for economic need and the City involvement must be demonstrated by:

- A need to offset public/private infrastructure costs unique to the site;
- A need to offset economic advantages available to the corporate entity if it should build or expand outside of the Cities; or
- The unavailability of sufficient private or other public funding sources to meet the full capital investment needs of the corporate entity seeking assistance.

---

\*Livable wage as defined by the Maine Economic Growth Council as adjusted annually. Please refer to the Definition Section of this policy.

## JOINT TAX INCREMENT FINANCING POLICY

*Financial Capability.* Financial capability to undertake the project must be evidenced prior to review.

*Location Considerations.* The project improves a blighted area or building in need of redevelopment or an area identified as a priority by the City such as the downtown area.

*Regulatory Compliance.* Compliance with all statutory and regulatory guidelines of the City and the State of Maine.

### TERMS

*Effective Date.* TIFs are granted, effective with the April 1<sup>st</sup> valuation date immediately preceding the date of execution of the April 1<sup>st</sup> valuation date(s) as agreed to by the City. If a modernization project includes facility replacement, the TIF value shall be the value of the new investment minus the value of the existing real property.

*Amount of Value.* The TIF is based upon capital cost for each year that the TIF is in effect. In general the amount of value the City will share with the business is directly related to the extent to which the project meets the guidelines set forth in this policy.

- **Minimum Investment.** A maximum tax benefit of up to 40% is available for projects with real property improvements of a minimum of \$2,000,000. The determination of municipal participation will be based upon the amount of business investment, type of business, number and quality of jobs retained/created and other considerations outlined in this policy.
- **Exceptional Investment.** A tax benefit exceeding 40% may be available based upon real property improvements which meet the exception level of investment.

### *Time Period.*

- **Minimum Investment.** The TIF time period ranges from five, but not to exceed fifteen years. The length of the time period for a TIF will be based upon the amount of business investment, type of business, number and quality of jobs retained/created and other considerations outlined in this policy.
- **Exceptional Investment.** The TIF time period may extend beyond fifteen years for projects which meet the exception level of investment.

### PERFORMANCE STANDARDS

It is the policy of the City that a TIF is a business partnership and that the recipient of the TIF must meet the standards that led to the City approving the TIF. Any company or business that is granted a TIF, or its tenants if they are part of the incentive program, must meet the following standards:

*Capital Improvements.* Within one (1) year of the TIF agreement being signed, a minimum of 40% of the capital funds for the designated project must be spent.

## JOINT TAX INCREMENT FINANCING POLICY

Within two (2) years of the TIF agreement being signed, a minimum of 80% of the capital funds for the designated project must be spent.

Within three (3) years of the TIF agreement being signed, 100% of the capital funds for the designated project must be spent.

*Employment Retention/Creation.* Within two (2) years of the TIF agreement being signed, when new jobs are designed as part of the TIF agreement, a minimum of 50% of the new jobs must be filled.

Within three (3) years of the TIF agreement being signed, when new jobs are designated as part of the TIF agreement, a minimum of 100% of the new jobs must be filled.

If the project involves job retention, then at least 95% of the jobs must remain filled for a minimum of three (3) years.

The City Administrator's/Manager's office will determine, in cooperation with the TIF recipient prior to the execution of the TIF, the methodology of reporting job retention/creation.

*Penalty.* If any of the above standards are not met, the TIF benefits may be voided.

*Use of Local Contractors.* Any business that is granted a TIF will agree to use local contractors where possible.

### APPLICATION AND FEES

*Application Information and Contact.* The City's Administrator's/Manager's office will act as a clearinghouse and coordinate all activity regarding tax increment financing proposals. Working with potential applications, the office will:

- Maintain a tax increment financing application;
- Provide information on tax increment financing;
- Discuss project proposals and accept preliminary application from the applicant;
- Review preliminary application based upon City TIF Policy with the City Administrator/Manager;
- Advise the applicant on findings of City Staff and preliminary result of City Council review;
- Schedule a City Council meeting for action on a TIF application and provide assistance to the City Administrator/Manager in the formulation of a recommendation to the City Council.

## JOINT TAX INCREMENT FINANCING POLICY

- Submit application to the State Department of Economic and Community Development (DECD) based on the direction of the City Council; and
- Monitor on-going public and private investment in the development project.

*Administration Fees.* If tax increment financing is approved, an annual administrative fee equal to 1% of the incremental taxes reallocated back to the project may be charged.

*Extraordinary Expenses.* In addition, any extraordinary out-of-pocket expenses incurred by the City in connection with the tax increment financing proposal will be reimbursed by the applicant whether or not tax increment financing is approved.

### PERIODIC REVIEW

This policy shall be reviewed periodically by the Auburn and Lewiston City Councils and revised as necessary.

### DEFINITIONS

*Livable Wage.* The reference to livable wage shall be defined by the Maine Economic Growth Council.

*Full-Time Equivalent Job.* Combining jobs to equal full-time (approximately 40-hours per week) employment.

### EXCEPTIONS FROM TIF POLICY

Exceptions to the TIF Policy may be granted in accordance with the Joint Economic Development Protocol.

Adopted by the City Council on March 2, 1999.

# LEWISTON CITY COUNCIL

## MEETING OF MARCH 3, 2020

**AGENDA INFORMATION SHEET:**

**AGENDA ITEM NO. 3**

**SUBJECT:** Order, Approving the Establishment of the Valley Beverage Tax Increment Financing District and Program, and Approval of a Designation of a Tax Increment Financing District and Credit Enhancement Agreement

**INFORMATION:** In 2017, Valley Beverage purchased Federal Distributors located at 2019 Lisbon St. Shortly after they acquired the business and warehouse, Valley added a 23,600 s.f. expansion resulting in close to \$1 million in new assessed value. Valley Beverage continues to grow and has found an additional need to expand one of its locations. Valley is requesting a TIF District with a credit enhancement of 40% over 15 years to support extraordinary site costs related to expanding the existing facility. The proposed Valley Beverage TIF District and Agreement would include the proposed expansion as well as their 2018 expansion. Over the term of the TIF, it is anticipated Valley will receive approximately \$396,308 and the City will receive approximately \$594,461 in additional revenues to the general fund and benefit from an estimated \$135,768 in additional state shared revenues (Revenue Sharing/education aid) and reduced county taxes due to the sheltering aspect of a TIF.

Additionally, the agreement identifies two conditions for the assistance: 1) Addition of 24 positions to their current facility within two years of the completion of the expansion; and, 2) the addition of 31 new cars and 10 trucks to be added to the Lewiston facility and registered locally. Presently, Valley has registered with the City 23 cars and 20 trucks. In 2019 the excise tax for these vehicles was approximately \$11,000. The addition of the proposed 41 new vehicles may yield an additional \$8,000 annually in excise tax.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

The City Administrator recommends approval of the requested action.

*ETB/kmm*

**REQUESTED ACTION:**

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First, to open and hold a public hearing on the Proposed Scruton Block Tax Increment Financing District and Program; and

Second, to approve the Establishment of the Valley Beverage Tax Increment Financing District and Program and Approve Designation of a Tax Increment Financing District and Credit Enhancement Agreement

# Economic and Community Development

Misty Parker

Economic Development Manager



**To:** Honorable Mayor and Members of the City Council  
**From:** Misty Parker  
**RE:** TIF Request Valley Beverage Expansion  
**Date:** February 27, 2020

Founded in 1974, Valley Beverage is a Maine-based distribution company based out of Oakland serving central Maine. In 2017, Valley purchased Federal Distributors located at 2019 Lisbon St. This acquisition roughly doubled their service territory. Shortly after they acquired the business and warehouse Valley added a 23,600 s.f. expansion in 2018 to the existing warehouse resulting in close to \$1 million in new assessed value added to the facility.

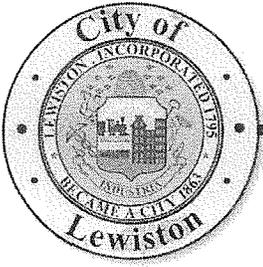
Valley Beverage continues to grow and has found an additional need to expand one of its locations. Valley is requesting the establishment of a TIF District with a credit enhancement of 40% over 15 years to support extraordinary site costs related to expanding its existing facility. The proposed Valley Beverage TIF District and Agreement would include the proposed expansion as well as their 2018 expansion in order to reimburse the company for the identified site constraints.

The final agreement establishes a TIF district beginning in the current fiscal year, Tax Year 2020, and ending at the completion of FY 2037, Tax Year 2037. The District term is 18 years, but reimbursements will not start until the project is complete and assessed at full value, which will occur in the fourth year of the TIF District term.

In years 1-3 of the TIF district, the captured assessed value will be 0%. During years 4-18 of the district, the captured assessed value will be 40% of the increased assessed value from the development. Annually, the developer will receive 40% of the taxes generated by the increased assessed value during years 4-18. The additional 60% of the taxes resulting from the increased assessed value will not be captured and will go to the general fund. Over the term of the TIF, Valley will receive approximately \$396,308 and the City will receive approximately \$594,461 in additional revenues to the general fund and also benefit from an estimated \$135,768 in additional state shared revenues (Revenue Sharing/education aid) and reduced county taxes due to the sheltering aspect of a TIF.

The agreement identifies two conditions for the assistance: 1) Addition of 24 positions to their current facility within two years of the completion of the expansion and 2) the addition of 31 new cars and 10 trucks to the Lewiston facility and registered locally. Presently, Valley has registered 23 cars and 20 trucks with the City. In 2019, the excise tax for these vehicles was approximately \$11,000. The addition of the proposed 41 new vehicles may yield an additional \$8,000 annually in excise tax. The agreement allows Valley to count any positions or vehicles added to the Lewiston facility related to the proposed expansion starting January 1, 2020.

Valley did not support the provision including an optimal assessed value of \$5,647,900 for the property post completion. The optimal assessed value proposed included the original assessed value of the property at \$3,363,180, the assessed value of the 2018 expansion of \$984,720, and the assessor's estimate of the proposed expansion, expected to result in an increased assessment of \$1,300,000. In the past with TIF agreements, the City has utilized optimal assessed value as a backstop to ensure the proposed project achieves a guaranteed amount. Valley has agreed to a minimum investment in the project of \$3,500,000 with specific benchmarks for investment over the next three years during construction. This level of investment should insure that the resulting value of the property will meet the anticipated optimal value we project.



COUNCIL ORDER

**Order,** Approving the Establishment of the Valley Beverage Tax Increment Financing District and Program, and Approval of a *Designation of a Tax Increment Financing District and Credit Enhancement Agreement*

Whereas, in order receive the required statutory approval and to give legislative force to the approval of the Valley Beverage Tax Increment Financing District and Development Program, a public hearing must be held to solicit public comment regarding the establishment of the TIF District and Development Program at which citizens are given the opportunity to comment on whether the district and development program will contribute to removal of blight, expansion of the tax base, betterment of the health, safety and welfare of city residents, and to provide an opportunity for any claim by a party that the district or program will be detrimental to that party's property interests and for which substantial evidence of that detriment is produced; and

Whereas, If such claim is made, the City Council shall determine whether any claimed adverse impact is outweighed by the provision of blight removal, tax base expansion, and the addition of 24 jobs to the community; and

Whereas, the required 10 day public notice for the March 3, 2020 City Council Public hearing was published in the Sun Journal on February 21, 2020; and

Whereas, maps of the proposed district are attached and were presented at the public meeting; and

Whereas, the TIF District will be for a term of 18 Years beginning in Fiscal Year 2020 but the Development Program reimbursement of a portion of the new tax revenues generated for approved project costs will be for a term of 15 years starting when the project has been completed; and

Whereas, the TIF Program will return 40% of the new taxes generated within the district for a term of 15 years to the developer to be used to assist with financing and operational costs; and, in addition, 60% of the new taxes generated in the district during the the Development Program will be paid into Lewiston's General Fund. The proforma attached and presented estimates that, over the 15 year term of the Development Program, the developer will receive an estimated \$396,308 in TIF revenues and the City's General Fund will receive an estimated \$594,461; and

[Type text]

Whereas, creation of the Valley Beverage TIF District and Program is estimated to result in the City receiving \$9,051 annually in Tax sheltering benefits by reducing the amount of County Taxes that the City would have paid and preserving the level of State Aid for Education and Revenue Sharing the City would have lost if the Valley Beverage project is developed without an approved TIF District or Program in place; and

Whereas, a draft of the Maine Department of Economic and Community Development (DECD) Tax Increment Financing Application is attached and was included in the Council Agenda Packet which was available to the public four days before the Public Hearing. The application more thoroughly details the TIF District and Program and included all of the required attachments, but for those that can only be created after the Public Hearing;

**Now, therefore, be it Ordered by the City Council of the City of Lewiston that**

The Valley Beverage Development District and Program is hereby approved in a form substantially similar to the attached, City staff is directed to finish the application reflecting comments received at the Public Hearing, and the City Administrator is hereby authorized to execute the *Designation of a Tax Increment Financing District and Credit Enhancement Agreement* in form and substance similar to that included in the council agenda packet and to submit the complete application and supporting documentation to DECD for approval. Furthermore, the City Administrator and/or Economic and Community Development Director are authorized to make technical revisions to each in order to facilitate DECD approval, so long as the basic structure and intent of the development program are maintained.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Table of Contents \*\***

SECTION 1-	COVER LETTER AND APPLICATION COVER SHEET.....	2
SECTION 2-	PURPOSE/BASIS ORIGINAL/AMENDED APPLICATION.....	3
SECTION 3-	COMPANY/DEVELOPER INFORMATION.....	4
SECTION 4-	EMPLOYMENT GOALS/DATA.....	5
SECTION 5-	DEVELOPMENT PROGRAM.....	6
	<i>Public Project(s)</i> .....	6
	<i>Private Project(s)</i> .....	6
	<i>Program Duration</i> .....	6
	<i>Original Assessed Value</i> .....	7
SECTION 6-	FINANCIAL PLAN.....	8
	<i>Increased Assessed Value Information</i> .....	8
	<i>Public Indebtedness</i> .....	8
	<i>Anticipated Revenues</i> .....	8
	<i>Credit Enhancement Agreement (CEA)</i> .....	8
	<i>Development Program Fund and Tax Increment Revenues</i> .....	9
	<i>Relocation of Person(s)/Business(es)</i> .....	10
	<i>Transportation Improvements</i> .....	10
	<i>Environmental Controls</i> .....	10
	<i>District Operation</i> .....	10
SECTION 7 -	NOTICE AND HEARING.....	11
EXHIBIT A -	STATUTORY REQUIREMENTS & THRESHOLDS.....	12
EXHIBIT B -	ASSESSOR’S CERTIFICATE.....	16
EXHIBIT C -	MAP OF DISTRICT LOCATION WITHIN MUNICIPALITY.....	17
EXHIBIT D -	MAP OF DISTRICT BOUNDARIES.....	18
EXHIBIT E -	ANNUAL REVENUE SPREADSHEET.....	19
EXHIBIT F -	ANNUAL TAX SHIFT SPREADSHEET.....	20
EXHIBIT G -	10-DAY NOTICE OF PUBLIC HEARING.....	21
EXHIBIT H -	MINUTES OF PUBLIC HEARING.....	22
EXHIBIT I -	RECORD OF DISTRICT DESIGNATION AND DEVELOPMENT PLAN ADOPTION.....	23
EXHIBIT J -	PUBLIC PROJECT COSTS.....	24
EXHIBIT K -	COMPREHENSIVE DOWNTOWN REDEVELOPMENT PLAN.....	25
EXHIBIT L -	TRANSIT-ORIENTED DEVELOPMENT DISTRICT MAP.....	26
EXHIBIT M -	CREDIT ENHANCEMENT AGREEMENT(S).....	27
EXHIBIT N -	MUNICIPALITY TIF POLICY.....	28

\*\*see “Checklist for Municipal Tax Increment Financing (MTIF) Application” for instructions [to automatically update the Table of Contents](#).



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Section 1- Cover Letter and Application Cover Sheet**

1. Name of municipal tax increment financing (TIF) district and development program: Valley Beverage
2. This is an original application. If an amendment, what amendment number? Choose a number.
3. Is this a Downtown designated TIF? No.  
If yes, provide the following information regarding the *Downtown Redevelopment Plan*:
  - a. Name: Click here to enter text
  - b. Date approved by municipal legislative body: Click to enter a date. (Include verification of this approval with Exhibit I)

The Downtown Redevelopment Plan must contain the components outlined in the DECD "Downtown Redevelopment Plan Criteria Checklist"
4. Is this development district considered a/an [check the appropriate box(es)]?
 

Industrial     Commercial     Transit-oriented     Arts

If this is a transit-oriented development designation, a map is required identifying transit facilities plus areas and corridors pursuant to MRS 30-A §5222(20), (22) & (23). (Exhibit L)
5. Municipality name: Lewiston
6. Municipality address: 27 Pine St Lewiston ME 04240
7. Municipality county: Androscoggin
8. Municipal telephone number: (207) 513-3000
9. Municipal official's name: Edward A Barrett
10. Municipal official's title: City Administrator
11. Municipal official's e-mail address: ebarrett@lewistonmaine.gov
12. If different from #9 above, contact person/consultant: Lincoln Jeffers
13. Municipal contact/consultant phone number: 207-513-3014
14. Municipality contact/consultant e-mail address: ljeffers@lewistonmaine.gov
15. Municipality's assessor's name: Bill Healey
16. Municipality's assessor's e-mail address: bhealey@lewistonmaine.gov

The municipal official named below, certifies he/she has the authority to submit this Application to DECD and further certifies all the information contained in this Application, and its attachments, are true and correct to the best of his/her knowledge.

\_\_\_\_\_  
Signature

Click to enter a date  
Date

\_\_\_\_\_  
Print municipal official's name & title



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 2 - Purpose/Basis Original/Amended Application

1. Provide a **brief, "headline" sentence explaining purpose/basis of this application.** This district is being established to offset cost restraints associated with site development.
2. **If needed, provide additional information related to the purpose/basis of this application. If this is an amendment, provide a brief, concise overview of the purpose of the original application and each amendment submitted to date.** Valley Beverage is a Maine-based distribution company. In 2017, Valley Beverage purchased Federal Distributors located at 2019 Lisbon St. In 2018, Valley Beverage added a 23,600 sf expansion and now wish to add an additional 33,000 sf expansion. The expansion would cost \$3.7 million to construct and would result in an increased assessed value of \$1.3 million, add 24 jobs, add 41 vehicles to be registered in Lewiston, and solidify Valley's commitment to Lewiston. They have identified existing wetlands and other site conditions as cost constraints to expanding in Lewiston.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



### Section 3 - Company/Developer Information

**A. Business General Information**

[include whenever a company/ developer is part of a TIF district proposal (regardless of whether a CEA is offered):

1. **Business name:** Valley Beverage
2. **Business address:** 2075 Lisbon Road, PO Box 2007 Lewiston ME 04241
3. **Business phone number:** 207-783-1777
4. **Business contact person:** Michael Runser
5. **Business contact person e-mail address:** Mrunser@valley-beverage.com
6. **Principal place of business:** Lewiston
7. **Company structure (e.g. corporation, sub-chapter S, etc.):** Sub S
8. **Place of incorporation:** Maine
9. **Name of Officer(s):** Michael Runser
10. **Name of principal owner(s) name:** Michael Runser
11. **Address:** 2075 Lisbon Rd Lewiston ME 04241
12. **Brief project description:** Valley Beverage will add an additional 33,000 sf of warehouse space.
13. **Total amount of project new investment by company/ developer:** \$ 3.7 million
14. **Will there be a credit enhancement agreement with this business?** Yes. If so, complete the rest of this section and Section 4.

**B. Disclosure, only in cases where a CEA is offered to the above business:**

**1. Check the public purpose(s) that will be met by the business using this incentive:**

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> job creation                                   | <input checked="" type="checkbox"/> job retention        | <input type="checkbox"/> capital investment            |
| <input type="checkbox"/> training investment                            | <input checked="" type="checkbox"/> tax base improvement | <input type="checkbox"/> public facilities improvement |
| <input type="checkbox"/> other (list): <u>Click here to enter text.</u> |  |  |

**2. Check the specific item(s) for which TIF revenues will be used by the business:**

- |  |   |   |
|--|---|---|
| <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): <u>extraordinary cost restraints due to site development</u> |   |   |



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Section 4 - Employment Goals/Data**

Company Goals for Job Creation and Job Retention. (If a developer, check box , and skip to Section 5)

A. Job Creation Goals			
Occupational Cluster*	# of Full-time Positions	# of Part-time Positions	Annual Wage Level
1. Executive, Professional & Technical			
2. Administrative/Clerical Support			
3. Sales & Service			
4. Agriculture, Forestry & Fishing			
5. Maintenance, Construction, Production & Transportation			
Total			
B. Job Retention Goals			
Occupational Cluster*	# of Full-time Positions	# of Part-time Positions	Annual Wage Level
1. Executive, Professional & Technical	2		\$59,500
2. Administrative/Clerical Support	3		\$38,000
3. Sales & Service			
4. Agriculture, Forestry & Fishing			
5. Maintenance, Construction, Production & Transportation	19		varies
Total	24		
*See <a href="#">Occupational Cluster Descriptions</a> for more information.			

**INSTRUCTIONS**

**A. Job Creation Goals.** Please list the number, type and wage level of jobs created as a result of the economic development incentive. NOTE: For this form, “full-time” employment means 30 hours or more; “part-time” employment means less than 30 hours. “Wage level” means the average annual wage paid for jobs created within an occupational cluster, e.g. either their annual salary, or their hourly wage times their annual hours. Also, “type” means “occupational cluster” which refers to the 12 categories listed in the “Occupational Cluster Descriptions.” Please include the number of your employees (both full-time and part-time) working within the category that most closely reflects their job duties.

**B. Job Retention Goals.** Please list the number, type and wage level of jobs retained as a result of the economic development incentive. Part B should be completed using same definitions in Part A.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



## Section 5 - Development Program

### Public Project(s)

1. Will there be any public facilities, improvements, or programs financed in whole or in part by the development program?  
No.

If yes, as Exhibit J, include a spreadsheet containing the following information:

- a. Authorized Project/Activity as defined by Title 30-A §5225 (1-2),
- b. Cost estimate for each project/activity with sum-total,
- c. Statutory citation for each project/activity,
- d. Identification of common project costs/activities to other municipal TIF districts/program.
- e. If this is a downtown designated district, include a column identifying the page number from Downtown Redevelopment Plan that corresponds to recommendations and action items.
- f. If this is an amended application,
  - i. Include a column to report the status of each project.
  - ii. If applicable, clearly identify prior approved projects from new projects.

→ Do not include any unauthorized project costs as defined by Title 30-A §5225 (2).

→ Sort list of projects/activities, by inside district, outside district and throughout municipality.

### Private Project(s)

2. Will there be any commercial facilities, arts districts, improvements or projects to be financed in whole or in part by the development program: Yes. If yes, provide a brief, clear description: Valley Beverage will construct a 33,000 sf facility and fund all required remediation of existing wetlands on the property.

### Program Duration

3. Duration of development district (may not exceed 30 years):

- a. District term: Original application: 18.

If an amendment, adding how many years? Choose a number totaling how many years? Choose a number.

- b. Start date of April 1, 2019 with fiscal year 2020.

[Must begin with tax year in which development district designation is effective pursuant to MRS 30-A §5226, or the subsequent tax year (MRS Title 30-A §5224 (2)(H))]

- c. End date of March 31, 2037 with fiscal year 2037.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Original Assessed Value**

4. Provide the taxable assessed value of the development district as of the March 31<sup>st</sup> of the tax year preceding the property tax year in which the district was designated by the legislative body.

		OAV of Real Property	OAV of Personal Property	As of (complete year)	Total acres	
Original district		\$3,363,180.00		3/31/2019		22
Amendment: (If applicable, with any property added/removed)	#1	-			-	
		+		3/31/____	+	
	#2	-			-	
		+		3/31/____	+	
	#3	-			-	
		+		3/31/____	+	
	#4	-			-	
		+		3/31/____	+	
	#5	-			-	
		+		3/31/____	+	
	#6	-			-	
		+		3/31/____	+	
	#7	-			-	
		+		3/31/____	+	
	#8	-			-	
		+		3/31/____	+	
	#9	-			-	
		+		3/31/____	+	
	#10	-			-	
		+		3/31/____	+	
<b>Total</b>						

\*\*\*Municipal Assessor must certify above original assessed value(s) (Exhibit B).



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 6 - Financial Plan

### Increased Assessed Value Information

1. **Total estimated cost for the development program: \$ \$369,308** (Should match "total" from Exhibit J)
2. **Municipality will capture 40% of real property only increased assessed value for each year of the district term, to apply to the development program. During Years 1 - 3, no value will be returned to the developer. In years 4-18, 40% of the value will be returned to the developer.**
3. **If #2 above's captured assessed value is less than 100%, besides the district's original assessed value, what percentage of increased assessed value will be deposited into the General Fund, or if an unorganized territory, to Education and Services fund? During Year 1 -3, no value will be captured by the municipality. During Years 4-18, 60% will be deposited into the General Fund.**

### Public Indebtedness

4. **Will there be public indebtedness? No. No public indebtedness will be incurred without formal amendment.**
  - a. **If yes, what is the projected amount of public indebtedness to be incurred? Click here to enter text.**
  - b. **If an amendment, have any bonds been issued to date pertaining to the approved projects of this district? Choose an item. If yes, provide the status, such as years left on bond and amount of outstanding debt. Click here to enter text.**

### Anticipated Revenues

5. **Describe sources of anticipated revenues for public projects (clearly and briefly stated): none**
6. **Describe sources of anticipated revenues for private projects (clearly and briefly stated): corporate investment**

### Credit Enhancement Agreement (CEA)

7. **Describe terms and conditions of any agreements, contracts or other obligations related to the development program (e.g. CEAs). Ensure to clearly state the reimbursement percentage, along with, if applicable, any local triggers/caps.**
  - a. **Will CEAs be offered as part of this development program? Yes.**
  - b. **List name(s) of company/developer to be offered a CEA: Valley Beverage**
    - i. **Provide the CEA reimbursement percentage, term, conditions for each listed company/developer: 40% for 15 years. TIF District term is 18 years, but reimbursements will not start until the project is complete and assessed at full value, which will occur in the fourth year of the TIF District term. Required benchmarks will be set by the municipality for Valley Beverage including, but not limited to, positions added and vehicles registered.**
  - c. **Is this an omnibus application? No.**  
**If an omnibus, provide clear reimbursement percentage(s) and term(s)/condition(s): Click here to enter text.**
  - d. **Does the municipality have a TIF policy? Yes. Include a copy in Exhibit N.**

If this is an amendment, and if applicable, include a copy of all executed CEAs as Exhibit M.



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Development Program Fund and Tax Increment Revenues**

Read below. Authorized municipal official must initial in provided spaces, acknowledging understanding of the below information:

If a municipality/plantation has designated captured assessed value, the municipality/plantation shall:

A. Establish a development program fund that consists of the following:

1. A project cost account that is pledged to and charged with the payment of project costs that are outlined in the financial plan and are paid in a manner other than as described in subparagraph (2); and
2. In instances of municipal/plantation indebtedness, a development sinking fund account that is pledged to and charged with the payment of the interest and principal as the interest and principal fall due and the necessary charges of paying interest and principal on any notes, bonds or other evidences of indebtedness that were issued to fund or refund the cost of the development program fund;

B. Annually set aside all tax increment revenues on captured assessed values and deposit all such revenues to the appropriate development program fund account established under paragraph A in the following order of priority:

1. To the development sinking fund account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual debt service on bonds and notes issued under section 5231 and the financial plan; and
2. To the project cost account, an amount sufficient, together with estimated future revenues to be deposited to the account and earnings on the amount, to satisfy all annual project costs to be paid from the account;

C. Make transfers between development program fund accounts established under paragraph A as required, provided that the transfers do not result in a balance in the development sinking fund account that is insufficient to cover the annual obligations of that account; and

D. Annually return to the municipal or plantation general fund any tax increment revenues remaining in the development sinking fund account established under paragraph A in excess of those estimated to be required to satisfy the obligations of the development sinking fund account after taking into account any transfers made under paragraph C. The municipality/plantation, at any time during the term of the district, by vote of the municipal or plantation officers, may return to the municipal/plantation general fund any tax increment revenues remaining in the project cost account established under paragraph A in excess of those estimated to be required to satisfy the obligations of the development project cost account after taking into account any transfer made under paragraph C. In either case, the corresponding amount of local valuation may not be included as part of the captured assessed value as specified by the municipality or plantation.

initial here

At the end of the district TIF term, all taxable real and/or personal property value captured in the district will be added to the general tax rolls. initial here



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Relocation of Person(s)/Business(es)**

8. No business or persons will be displaced by development.

**Transportation Improvements**

9. There are no transportation improvements associated with this development.

**Environmental Controls**

10. The project is committed to following all federal, state, and local laws and regulations. Permitting and protection of wetlands would be required. Valley Beverage has completed and submitted an Application for a Natural Resources Protection Act Permit By Rule to the Maine Department of Environmental Protection.

**District Operation**

11. **After the planned capital improvements are completed, provide a brief statement of the proposed operation of the development district pertaining to:**
- a. **Public capital improvements:** none
  - b. **Private capital improvements:** Valley Beverage will continue to own and operate at the expanded facility at 2019 Lisbon St.



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



## Section 7 - Notice and Hearing

- Date of public notice (must be minimally 10 days before the public hearing):** February 7, 2020  
For Exhibit G, provide a legible copy of the newspaper page showing the public hearing , newspaper name and date of publication.
- Date of public hearing:** February 18, 2020  
For Exhibit H, provide a copy of the public hearing minutes, attested to with dated signature.
- Date municipal or plantation legislative body approved original district designation:** February 18, 2020  
**Date municipal or plantation legislative body adopted original development program:** February 18, 2020  
If an amendment, is it to the:
  - district.** Provide date municipal or plantation legislative body approved: Click to enter a date.
  - development program.** Provide date municipal or plantation legislative body approved: Click to enter a date.
  - district and development program.** Provide date municipal or plantation legislative body approved: Click to enter a date.For Exhibit I, provide verification of district designation and adoption of development program by municipal legislative body including vote tally.
- Is a municipal official authorized to make technical revisions to this District application/development program to facilitate the process for review and approval by DECD, as long as such revisions are not inconsistent with the basic structure and intent of the development program?** Yes. The City Council Order approving the establishment of the TIF District and Program included language authorizing the City Administrator or Director of Economic and Community Development to make technical revisions to each in order to facilitate DECD approval, so long as the basic structure and intent of the development program are maintained.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



## Exhibit A - Statutory Requirements & Thresholds

\*\*round to second decimal place

SECTION A.   Acreage Caps		
1. Total municipal acreage		22,283
2. Acreage of <b>proposed</b> Municipal TIF District (if amendment, proposed updated total acreage)		22.18
3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF district		0
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF district		0
5. Total acreage [=A2-A3-A4] of proposed Municipal TIF district counted toward 2% limit		22.18
6. Percentage [=A5÷A1] of total acreage in proposed Municipal TIF district (CANNOT EXCEED 2%)		0.0995%
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality <b>including</b> Municipal Affordable Housing Development districts: <sup>3</sup> (List <u>each</u> district name/acreage)	Existing	717.42
Wal-mart 130	Proposed	30.435
CMP - 1.74		
Franklin Prop. - 1.88		
CCI Bates St - 1.05		
Birch Hill Housing - .45		
Gendron Business Park II - 144.94		
Intown Manor - 1.02		
The Lofts at Bates Mill - 1.41		
Riverfront Hotel - 1.03		
Larrabee Station - 15		
McCrary - .36		
Exit 80 Omnibus - 418.11		
Hartley Block - .43		
Blake + Pine (proposed) - 0.33		
Saxon (proposed) - 7.58		
143 Blake St - Sophia's House (proposed) - 0.23		
197/199 Lisbon St - Scruton Block (proposed) - .115		
Valley Beverage (proposed) - 22.18		
	Total	747.855
<b>30-A § 5223(3) EXEMPTIONS<sup>4</sup></b>		
8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district		0
9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts: (List <u>each</u> district name/acreage)		0

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

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

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

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



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: (List <u>each</u> district name/acreage)	0	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>5</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above: (List <u>each</u> 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	747.855	
13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%)	3.356%	
14. <b>Real property</b> in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area		
b. In need of rehabilitation, redevelopment or conservation		
c. Suitable for commercial or arts district uses		100%
<b>TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)</b>		100%

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



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



SECTION B.   Valuation Cap		
1. <b>Total TAXABLE</b> municipal valuation—use most recent April 1		\$1,938,456,120
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		\$3,363,180
3. <b>Taxable OAV of all existing/proposed</b> Municipal TIF districts in municipality <b>excluding</b> Municipal Affordable Housing Development districts: (List <u>each</u> district name/acreage) Wal-Mart - \$1,333,700 CMP - \$16,950 Franklin P.T. - \$443,800 Gendron Business Park II - \$300,000 Riverfront Hotel - \$0 Larrabee Substation - \$474,500 McCrary - \$268,750 Exit 80 Omnibus - \$7,938,932 Saxon (proposed) - \$552,890 143 Blake St - Sophia's House (proposed) - \$0 197/199 Lisbon - Scruton Block (proposed) - \$228,240 Valley Beverage (proposed) - \$3,363,180	Existing	\$10,776,632
	Proposed	\$4,144,310
	Total	\$14,920,942
<b>30-A § 5223(3) EXEMPTIONS</b>		
4. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district		0
5. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts (List <u>each</u> district name/acreage)		0
6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts (List <u>each</u> district name/acreage)		0
7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation<sup>6</sup></b> Municipal TIF districts (List <u>each</u> district name/acreage)		0
8. <b>Taxable OAV</b> in all <u>existing/proposed</u> Municipal TIF districts <b>common to Pine Tree Development Zones</b> per 30-A § 5250-I (14)(A) <b>excluding</b> any such OAV also factored in Exemptions 4-7 above: (List each district name/OAV)		0
9. <b>Total taxable OAV</b> [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit		\$14,920,942
10. <b>Percentage of total taxable OAV</b> [=B9+B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%)		0.77%

COMPLETED BY \_\_\_\_\_

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

**Refer to "CHECKLIST FOR MTIF APPLICATION" to ensure application completeness.**



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



PRINT NAME			
SIGNATURE		DATE	
If this form has <b>not be completed by the municipal or plantation assessor</b> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME			
SIGNATURE		DATE	



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit B - Assessor's Certificate**



Department of Assessing

Bill Healey  
Chief Assessor



CITY OF LEWISTON, MAINE

CITY ASSESSOR

The undersigned Chief Assessor of the Assessment Department for the City of Lewiston, Maine, does hereby certify that the tax maps showing the boundaries and location of the proposed Valley Beverage Tax Increment Financing District as shown in Exhibit A are an accurate depiction of the proposed District. The Original Assessed Value of the taxable real property in the proposed TIF District as of March 31, 2019 (Assessment date of April 1, 2018) was three million three hundred sixty-three thousand one hundred eighty dollars (\$3,363,180).

IN WITNESS THEREOF, this Certificate has been executed as of this 31<sup>st</sup> day of January 2020.

CITY OF LEWISTON

A handwritten signature in blue ink, appearing to be "Bill Healey".

Bill Healey, Chief Assessor

STATE OF MAINE

ANDROSCOGGIN, SS.

January 31, 2020

Personally appeared before me the above-named Bill Healey, Chief Assessor of the City of Lewiston and acknowledged the foregoing instrument to be his free act and deed in his said capacity.

A handwritten signature in blue ink, appearing to be "Catherine L. Lekberg".  
Notary Public/Attorney-at-Law

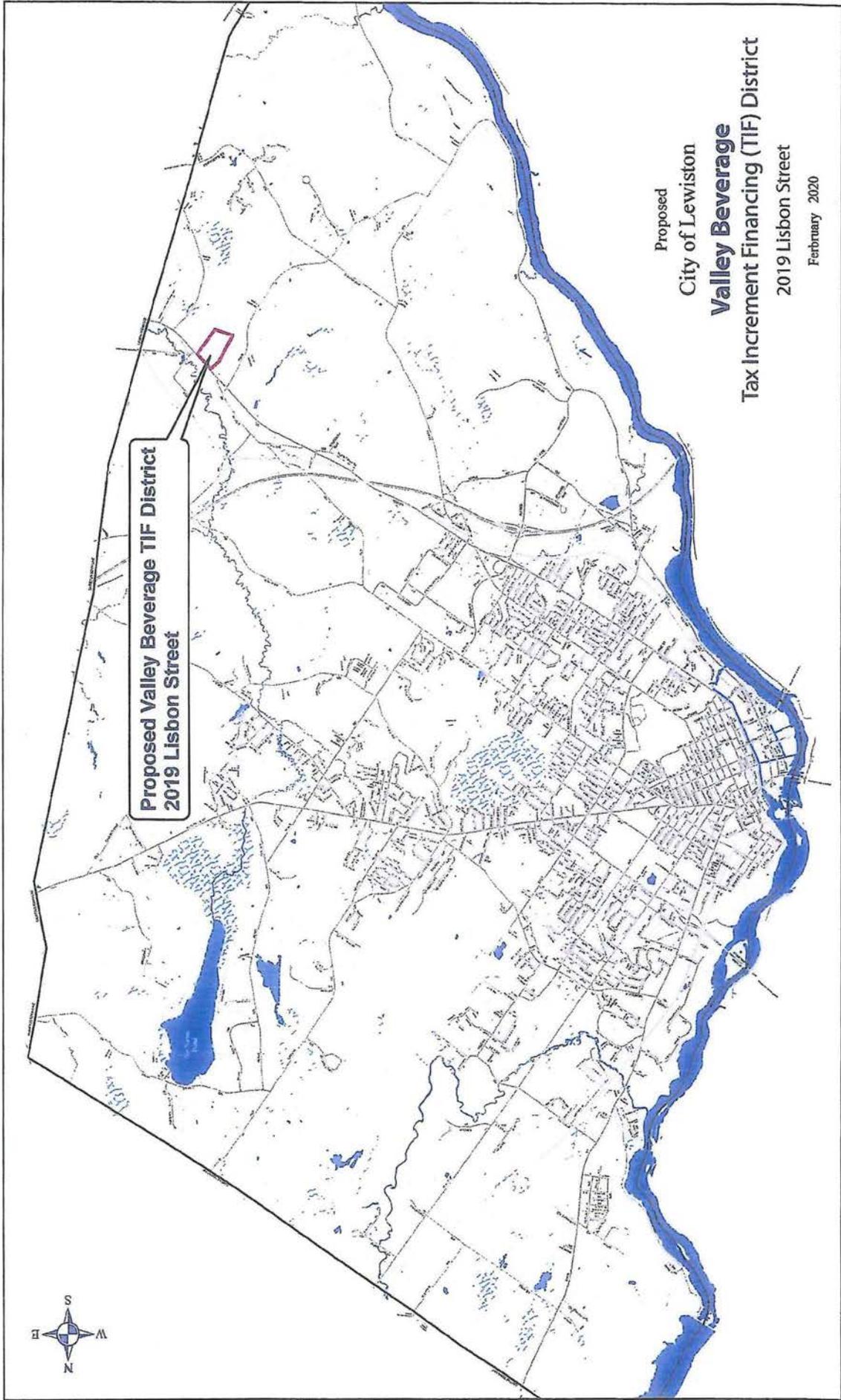
CATHERINE L. LEKBERG  
Notary Public, State of Maine  
My Commission Expires February 5, 2025

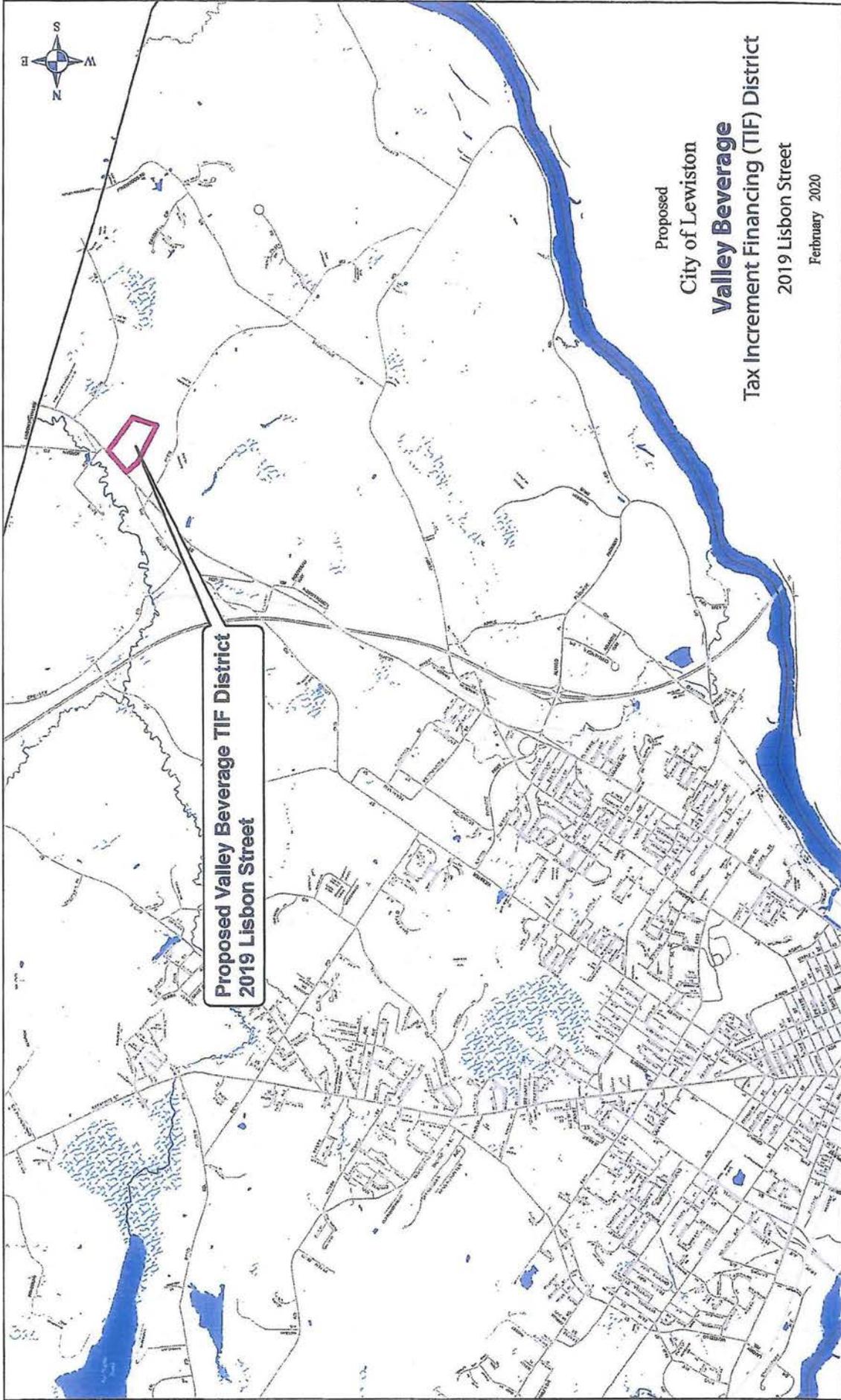


Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit C - Map of District Location within Municipality**



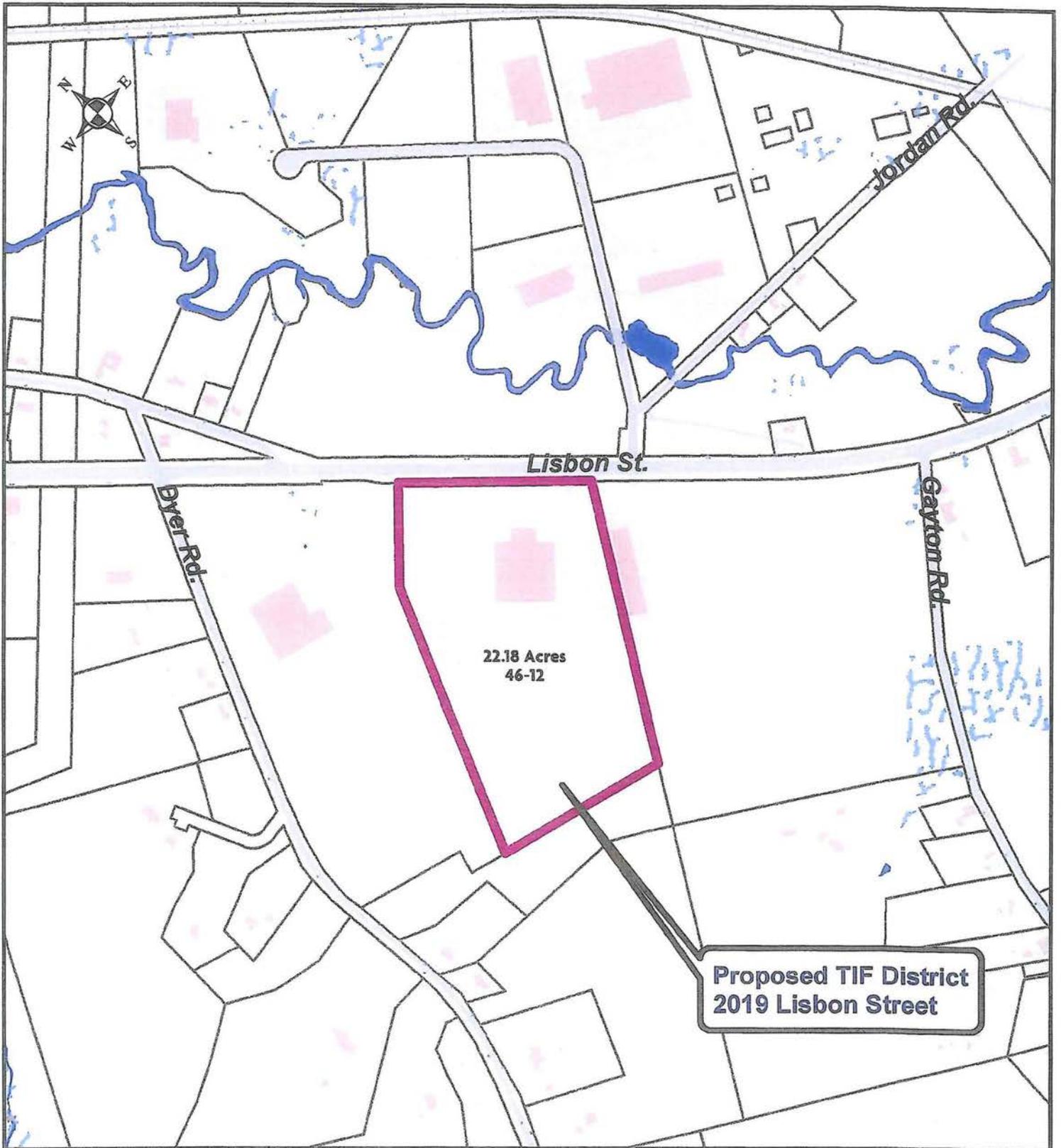




Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit D - Map of District Boundaries**



Proposed  
**Valley Beverage**  
Tax Increment Financing (TIF) District  
2019 Lisbon Street  
January 2020



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit E - Annual Revenue Spreadsheet**

**Valley Beverage TIF District and  
Development Program**

Year	Tax Year	Original Assessed Value (OAV)	Taxes from Original Assessed	New Assessed Value	Increased Assessed Value (IAV)	Captured Assessed Value (CAV)	Mil rate	% of IAV to Valley	TIF Revenue to Valley	% IAV to General	New Revenue to General
1	2020	\$ 3,363,180	\$ 97,230	\$ -	\$ -	\$ -	0.02891	0%	\$ -	0%	\$ -
2	2021	\$ 3,363,180	\$ 97,230	\$ -	\$ -	\$ -	0.02891	0%	\$ -	0%	\$ -
3	2022	\$ 3,363,180	\$ 97,230	\$ -	\$ -	\$ -	0.02891	0%	\$ -	0%	\$ -
4	2023	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
5	2024	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
6	2025	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
7	2026	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
8	2027	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
9	2028	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
10	2029	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
11	2030	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
12	2031	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
13	2032	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
14	2033	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
15	2034	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
16	2035	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
17	2036	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
18	2037	\$ 3,363,180	\$ 97,230	\$5,647,900	\$ 2,284,720	\$ 913,888	0.02891	40%	\$ 26,421	60%	\$ 39,631
									<b>\$396,308</b>		<b>\$594,461.30</b>

### Best Practice for Revenue Projections – Valley Beverage

1. The mil rate of 29.81 and Increased Assessed Value are assumed to remain constant from the first year of the taxes captured from the increased assessed value and returned to the developer. The Original Assessed Value is assumed for years where no increased value is captured.
2. Increased Assessed Value is based on developer projections of investments and forward-looking statements that are subject to a number of risks and uncertainties, most beyond the developer's control, that could cause variation in the actual assessment of the project. The financial information presented here has not been audited and is not intended to be an appraisal or guarantee of assessed value.
3. The projected revenues are based on a developer investment of \$.7 million for site preparation and construction costs.



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit F - Annual Tax Shift Spreadsheet**

**Valley Beverage  
Tax Shifts**

Year	Tax Year	Captured Assessed Value (40%)	County	Revenue Sharing	Education	Total
1	2020	\$0	\$0	\$0	\$0	\$0
2	2021	\$0	\$0	\$0	\$0	\$0
3	2022	\$0	\$0	\$0	\$0	\$0
4	2023	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
5	2024	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
6	2025	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
7	2026	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
8	2027	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
9	2028	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
10	2029	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
11	2030	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
12	2031	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
13	2032	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
14	2033	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
15	2034	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
16	2035	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
17	2036	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
18	2037	\$ 913,888	\$ 287	\$ 1,197	\$ 7,567	\$ 9,051
<b>Total</b>			<b>\$ 4,301</b>	<b>\$ 17,962</b>	<b>\$ 113,505</b>	<b>\$ 135,768</b>

## Best Practice for Tax Shift Estimates – Valley Beverage

1. Data sources include the most recent available documents at the time of calculation. Calculations for this project were based on a mil rate of 29.81, the State Treasurer's Office Municipal Revenue Sharing projections for FY 2019 published March 29, 2018, the Maine Department of Education ED 279 form for FY 20 dated February 15, 2019 for Lewiston School Department, and the Androscoggin County budget for Budget Year 2019.
2. These projections assume that formulas and general inputs for state subsidies and county taxes do not change over time and that all other values are static relative to one another except for the new value assessed.
3. All projections are less likely to be accurate for years further in the future.



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit G - 10-Day Notice of Public Hearing**

# Sun Journal

*Connecting you with your community*

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02/07/2020

City of Lewiston  
Catherine Lekberg  
Economic & Community Development  
27 Pine St  
Lewiston, ME 04240

TO WHOM IT MAY CONCERN:

We hereby certify that the following:

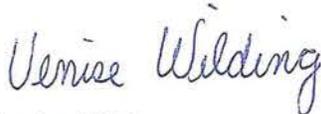
**LEGAL AD:** Notice – Valley Beverage

was published in the DAILY Sun-Journal a newspaper having its principal place of business in the County of Androscoggin. With general circulation in the Counties of Androscoggin, Franklin and Oxford.

**Date(s) Published:** 02/07/2020

**Tearsheet (s):** ENCLOSED

Sun-Journal/SUNDAY  
Lewiston, Me



Venise Wilding  
Customer Service Rep

Subscribed and sworn to before me this 7th Day of February, 2020 at Lewiston, in the County of Androscoggin, in the State of Maine.

---

NOTARY PUBLIC

Nancy Castonguay, Notary Public  
State of Maine  
My Commission Expires 4/19/2022

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**BASKETBALL**  
Continued from Page C1

“Thank you (at) Wash- Wizards for giving me a opportunity to show the world I’m healthy and I can still play at a high level,” Thomas wrote on Twitter. “I appreciate my coaches, teammates & everybody from top to bottom in the organization you truly made a impact on & off the court for me”

Three-time champion Andre Iguodala is ending his exile after not playing for Memphis at all this season and is going to join the Heat along with Jae Crowder and Solomon Hill, with Miami sending three players – Justise Winslow, Dion Waiters and James Johnson – who’ve combined to score a mere 254 points this season out in the deal. Johnson was flipped by the Grizzlies to Minnesota for Gorgui Dieng.

“Today is a very good day because we think the acquisition of Andre, Jae and Solomon will help us with our versatility and create a more balanced roster,” Heat President Pat Riley said. “Today is also a sad day because we lose three very good players who have been part of our family. We wish Justise, James and Dion nothing but the best in the future.”

NBA rebounding leader Andre Drummond got moved by Detroit to Cleveland, then took to Twitter to express his dismay with the trade process.

“If there’s one thing I learned about the NBA, there’s no friends or loyalty,” Drummond wrote. “I’ve given my heart and soul to the Pistons, and to be have this happen with no heads up makes me realize even more that this is just a business! I love you Detroit...”

The Warriors decided to make the Russell for Wiggins move, giving Wiggins a fresh start that he likely needs – the former No. 1 overall pick will get to reap the benefits of playing alongside a healthy and rejuvenated Stephen Curry, Klay Thompson and Draymond Green starting next season. And by throwing in a couple extra players, the Warriors also will likely escape the luxury tax this season. That’s not an insignificant point for a team that will go from five straight NBA Finals to the bottom of the Western Conference this season and, if hopes, back to title contention starting next year.

Miami’s trade with Memphis also lowered the Heat potential tax bill, and Portland made a minor

trade with Atlanta with a lower tax in mind as well.

Most of the trades were finalized Thursday. The only one from this week that got NBA approval before the deadline was a four-team, 12-player, three-pick swapping between Atlanta, Houston (which notably sent Clint Capela to the Hawks), Denver and Minnesota.

Meanwhile, the three

top teams in the East – Milwaukee, Toronto and Boston – as well as the West-leading Los Angeles Lakers all remained out of the trade mix. It remains possible, and probably even likely, that at least some of those teams could look to bolster their rosters by adding free agents or when players become available through buyouts in the coming weeks.

**129TH MAINE LEGISLATURE**  
**LEGISLATIVE NOTICES**  
**Hearings on Governor’s Nominations**

Legislative committees will hold public hearings as listed below for the purpose of considering nominations by the Governor for appointment to positions that require review by joint standing committees and to confirmation by the Legislature. You may testify at the public hearing or submit written testimony. Written testimony must be received by 9 am the day of the hearing and should be sent to: Legislative Information Office, 100 SHS, Augusta, Maine 04333-0100; Persons with special needs who wish to attend a Legislative hearing and require accommodations should notify the Legislative Information Office as soon as possible: 207-287-1692; TTY: 207-287-6826; FAX: 207-287-1580, [webmaster\\_1lo@legislature.maine.gov](mailto:webmaster_1lo@legislature.maine.gov).

**CORRECTION: JOINT STANDING COMMITTEE ON EDUCATION AND CULTURAL AFFAIRS**

Senator Rebecca Millett, Senate Chair, Representative Victoria P. Kornfield, House Chair.

**Public Hearing:** Thursday, February 13, 2020, 1:00 PM, Cross Building, Room 208.

**Nominee:** Peter DelGreco of North Yarmouth to the Maine Community College System; Board of Trustees

The Board is the policy-making authority for the Community College System and is comprised of 13 voting members. They represent the fields of business and industry, labor, education, the general public, and the student body. The Board is responsible for developing and adopting policies for the operation and the administration of the System. A more detailed description of the Board can be found at: <http://www.mainelegislature.org/legis/statutes/20-A/title20-Ach431sec0.html>

**CONTACT:** Jayne Deneen, 287-3125

**Friday Night Mixed**

Men: Scratch Game – 237 Sean Driggers, 222 Noah Flanigan, 212 Jacob Spencer, 207 Joseph Burg, Scratch Series – 646 Sean Dlig-

**PUBLIC NOTICE**  
**CITY OF LEWISTON**  
**ESTABLISHMENT OF A**  
**TAX INCREMENT FINANCING (TIF)**  
**DISTRICT AND PROGRAM**

The Lewiston City Council will hold a public hearing to be held in the City Council Chambers, First Floor, City Building, 27 Pine Street, Lewiston Maine on **Tuesday, February 18, 2020 at 7:00 PM**, or as soon thereafter as it may be heard, regarding the establishment of the following proposed Tax Increment Financing (TIF) District and Development Program:

**197/199 Lisbon – Scruton Block**

The proposed TIF District is being established to help offset cost restraints due to extraordinary infrastructure costs associated with redevelopment. The Scruton Block building, a 0.115 acre parcel located at 197/199 Lisbon Street in Lewiston, Maine, will be converted into two floors of commercial space and twelve market rate residential units. The post-rehabilitation assessment is estimated to be \$800,000. Any interested person may appear and will be given the opportunity to be heard before the final action is taken. The proposed development program is available for review at the Economic and Community Development Department on the third floor at City Hall, 27 Pine St, Lewiston ME.

The City of Lewiston is an EOE. For more information, please visit our website at [www.lewistonmaine.gov](http://www.lewistonmaine.gov) and click on the Non-Discrimination Policy.

**REQUEST FOR PRICING**  
**COMPACT TRACTOR**  
The Auburn Lewiston Airport is requesting pricing for a 2019 or newer compact tractor. Full specifications are available from [www.flytomaine.com](http://www.flytomaine.com) or 207-786-0631.

**PUBLIC NOTICE**  
**CITY OF LEWISTON**  
**ESTABLISHMENT OF A**  
**TAX INCREMENT FINANCING (TIF)**  
**DISTRICT AND PROGRAM**

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**Valley Beverage**

The proposed TIF District is being established to help offset cost restraints associated with a 33,000 square foot expansion at 2019 Lisbon Street, a 22.18 acre parcel in Lewiston, ME. The post-expansion assessment is estimated to be \$5,647,900. Any interested person may appear and will be given the opportunity to be heard before the final action is taken. The proposed development program is available for review at the Economic and Community Development Department on the third floor at City Hall, 27 Pine St, Lewiston ME.

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**Public Notices** are a permanent and independent record of government and court actions. These include state and local government meetings, rule making, available contracts, zoning changes, and many more, as required by law. In addition, parties to some court proceedings, such as foreclosures, probate, and estate actions are required to publish notices to ensure notification of affected parties, as well as the general public. These notices also alert business owners, large and small, to potential government contractual jobs, helping to ensure economic activity across a level playing field. Public notices have existed to ensure transparency in all levels of government since the founding of the United States. State and local notices are published in Maine newspapers and are also recorded at [mainenotices.com](http://mainenotices.com), where anyone can browse or search notices, and sign up to receive email alerts when relevant notices appear.

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**PUBLIC NOTICE  
CITY OF LEWISTON  
ESTABLISHMENT OF A  
TAX INCREMENT FINANCING (TIF)  
DISTRICT AND PROGRAM**

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**Valley Beverage**

The proposed TIF District is being established to help offset cost restraints associated with a 33,000 square foot expansion at 2019 Lisbon Street, a 22.18 acre parcel in Lewiston, ME. The post expansion assessment is estimated to be \$5,647,900. Any interested person may appear and will be given the opportunity to be heard before the final action is taken. The proposed development program is available for review at the Economic and Community Development Department on the third floor at City Hall, 27 Pine St, Lewiston ME.

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Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit H - Minutes of Public Hearing**



**Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application**



**Exhibit I - Record of District Designation and Development Plan Adoption**



Department of Economic and Community Development  
Municipal Tax Increment Financing  
Application



**Exhibit M - Credit Enhancement Agreement(s)**

***Designation of a Tax Increment Financing District and  
Credit Enhancement Agreement***

THIS AGREEMENT made as of this \_\_\_\_ day of March 2020 by and between **THE CITY OF LEWISTON**, a body politic and corporate situated in Androscoggin County, Maine (hereinafter sometimes referred to as “City”, which expression shall include its successors and assigns), and **VALLEY DISTRIBUTORS, INC.** d/b/a Valley Beverage d/b/a Valley Beverages, a Maine corporation with a place of business at 2075 Lisbon Street, Lewiston, Maine 04240 (hereinafter sometimes referred to as “VALLEY”, which expression shall include its successors and assigns).

I. WHEREAS,

A. VALLEY is a Maine-based distribution company based in Oakland, Maine with a facility located on the Property at 2075 Lisbon Street, Lewiston, Maine 04240 (the “Lewiston Facility”); and

B. In 2018, VALLEY expanded its Lewiston Facility by adding 23,600 s.f. to the facility (the “Prior Project”); and

C. VALLEY has a need to expand the Lewiston Facility by an additional 33,000 s.f. (the “Project”) and has identified cost constraints to expanding at its current location;

D. Development of the Project will add jobs to the Lewiston facility, increase vehicles registered in the City, and grow VALLEY’s presence in Lewiston;

E. VALLEY has requested that the City establish a Municipal Development District and provide assistance to VALLEY in connection with the development of the Project by utilizing Tax Increment Financing, as permitted by Chapter 206 of Title 30-A of the Maine Revised Statutes;

F. At least 25% of the area within the proposed development district is in need of rehabilitation, redevelopment, and is suitable for commercial uses; and

G. Development of the Project will result in new job creation and expansion of Lewiston’s tax base, as well as improvement of the general economy of the State and City; and

H. The provision of such assistance by the City has been determined to be consistent with the Development Program established by this Agreement, pursuant to authority granted by 30-A M.R.S.A. § 5224 *et. seq.* Without limitation, this includes: financing the expansion, improvement, and redevelopment of commercial facilities; financing economic development

programs; capitalization of City managed commercial loan and grant programs; and funding for public infrastructure and other costs related to the Project.

I. By its authorization of this Agreement, the City intends to designate the Valley Beverage Tax Increment Financing District (the “District”) and the terms of this Agreement shall be incorporated into and a part of the Development Program for the District.

II. THE CITY AND VALLEY AGREE AS FOLLOWS:

A. Definitions. The terms defined in this Section II(A) shall, for all purposes of this Agreement, have the meanings herein specified.

1. Agreement - shall mean this Agreement for Development Assistance and Tax Increment Financing, as set forth in the preamble, between the City and VALLEY.

2. Assessed Value – the term “assessed value” on its own or as part of another defined term herein shall mean the value of real property established by the City for purposes of taxation that is apportioned and assessed equally according to the just value thereof pursuant to Article IX, Section 8 of the Constitution of the State of Maine and the provisions of Chapter 105 of Title 36 of the Maine Revised Statutes.

3. Captured Assessed Value – shall mean the portion of the Increased Assessed Value captured by the District in a given Tax Year. For the first three (3) Tax Years of the District, commencing July 1, 2019 and ending June 30, 2022, the “Captured Assessed Value” shall mean 0% of the Increased Assessed Value as certified by the Tax Assessor. For the remainder of the term of the District, commencing July 1, 2022 and ending June 30, 2037, the “Captured Assessed Value” shall mean 40% of the Increased Assessed Value, as certified by the Tax Assessor, that is utilized from year to year to finance the Project Costs as follows:

a. VALLEY shall be reimbursed 100% of Tax Increment Revenues attributable to the Captured Assessed Value in Tax Years 4-18 (also known herein as the as the Tax Increment Revenues (Developer’s Share)) as a credit enhancement Tax Increment Financing payment from the Development Program Fund. This payment shall be used to help offset the Project Costs of the Project incurred by VALLEY.

4. City - shall mean the City of Lewiston, Maine, as set forth in the preamble, with a mailing address of 27 Pine Street, Lewiston, Maine 04240, Attention: Director of Finance. Copies of notices required under this Agreement shall be sent to Martin I. Eisenstein, Esq., Brann & Isaacson, 184 Main Street, P.O. Box 3070, Lewiston, Maine 04243-3070.

5. City Council – shall mean the legislative body of the City.

6. Claims - shall have the meaning stated in Section II(F).

7. Current Assessed Value - shall have the meaning set forth in 30-A M.R.S.A. Section 5222(4), and for the purposes of this Agreement shall mean the assessed value of all real property in the District as of April 1 of each year that the Development District remains in effect.

8. Credit Enhancement Period – shall mean the period beginning July 1, 2022 and continuing through June 30, 2037.

9. DECD – shall mean the Maine Department of Economic and Community Development.

10. Development District or District - shall mean the Municipal Tax Increment Financing District hereby established by the City Council pursuant to 30-A M.R.S.A. Section 5223, *et seq.*, as defined in Section I(I), for a term of eighteen (18) years to be effective July 1, 2019 – June 30, 2037, relating to and encompassing the property at Map 46, Lot 12 in Lewiston, Maine, as set forth in Exhibit A and consisting of approximately 22.18 acres.

11. Development Program - shall mean the program described in the application to the Department of Economic and Community Development for Municipal Tax Increment Financing, including the Development Program included therein, to which this Agreement will be an exhibited, and which will be authorized and/or adopted by the City Council for the District pursuant to Title 30-A, Section 5224, *et seq.*

12. Development Program Fund - shall mean the fund established by the City for the District pursuant to 30-A M.R.S.A. § 5227 and shall consist of the (1) Development Sinking Fund Account, if any, which shall be an account pledged to and charged with the payment of any interest and principal on any Bond, if issued, or any other costs permitted by law as the same shall fall due; and (2) the Project Cost Account which

shall be pledged to and charged with the payment of VALLEY's Project Costs as permitted by 30-A M.R.S.A. § 5225.

13. Development Sinking Fund Account – shall have the meaning set forth in 30-A M.R.S.A. § 5227.

14. Effective Date – shall have the meaning stated in Section II(G)(5).

15. Event of Default - shall have the meaning stated in Section II(E).

16. Increased Assessed Value - shall mean the difference between the Current Assessed Value and the Original Assessed Value of the Development District for each of the Tax Years beginning in Tax Year 2020 (July 1, 2019 – June 30, 2020) and concluding in Tax Year 2037 (July 1, 2036 – June 30, 2037).

17. Lewiston Facility – shall have the meaning stated in Section I(A).

18. Minimum Investment – shall mean \$3,500,000.00.

19. Original Assessed Value – shall mean the taxable assessed value of all Property located within the District as of March 31 of the Tax Year preceding the Tax Year in which the District is designated by the City. The Original Assessed Value of the District as of March 31, 2019 is equal to \$3,363,180.

20. Prior Project – shall have the meaning stated in Section I(B).

21. Project – shall have the meaning stated in Section I(C).

22. Project Costs - shall mean any costs that are eligible pursuant to 30-A M.R.S.A § 5225 and set forth in this Agreement incurred by VALLEY, but in any event not to exceed the Tax Increment Revenues.

23. Project Cost Account – shall have the meaning set forth in 30-A M.R.S.A. § 5227 and shall be pledged to and charged with the payment of VALLEY's Project Costs as permitted by 30-A M.R.S.A. § 5225.

24. Property – shall mean all real property within the District as described in Exhibit A attached hereto.

25. Tax Assessor – shall mean the City of Lewiston's tax assessor's office.

26. Tax Base Conservation Payment – shall have the meaning stated in Section II(D)(1).

27. Tax Increment Financing– shall mean the financing tool authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes.

28. Tax Increment Revenues (Developer’s Share) – shall mean that portion of the Tax Increment Revenues actually paid by VALLEY to the City that is allocated by the City to VALLEY pursuant to this Agreement by deposit into the Project Cost Account. The Tax Increment Revenues (Developer’s Share) shall consist of 40% of the Tax Increment Revenues in each Tax Year during the term of the Credit Enhancement Period (July 1, 2022 – June 30, 2037).

29. Tax Increment Revenues - shall mean those real property tax revenues attributable to the Increased Assessed Value in each Tax Year of the District.

30. Tax Year - shall mean the municipal tax year which begins on July 1<sup>st</sup> after the preceding April 1<sup>st</sup> assessment date in that same calendar year, and which ends on the following June 30<sup>th</sup>. By way of illustration, Tax Year 2023 runs July 1, 2022 – June 30, 2023, and Tax Year 2037 runs July 1, 2036 – June 30, 2037.

31. VALLEY - shall mean Valley Distributors, Inc., as set forth in the preamble, with a mailing address of:

Valley Distributors, Inc.  
c/o Michael Runser, President  
2075 Lisbon Street  
P.O. Box 2007  
Lewiston, Maine 04241

and its successors and assigns as permitted under this Agreement.

B. City’s Obligations.

1. Establishment of Development District. The City hereby establishes the District as a municipal Tax Increment Financing District for a term of eighteen (18) years to be effective July 1, 2019 – June 30, 2037, for the purpose of facilitating the terms of this Agreement.

2. Deposit of Tax Increment Revenues. Within fifteen (15) days of receipt of the City’s receipt of the Tax Increment Revenues actually paid by VALLEY, the City shall deposit the Tax Increment Revenues into the Development Program Fund and shall allocate no less than (1) 100% of the Tax Increment Revenues (Developer’s Share)

into the Project Cost Account; and (2) the remainder of the Tax Increment Revenues, if any, to the Development Sinking Fund Account, if any.

3. Disbursement of funds to VALLEY. The City will disburse the Tax Increment Revenues (Developer's Share) as set forth under Section II(A)(19) to VALLEY twice per Tax Year in equal disbursements beginning in Tax Year 2023 and continuing through Tax Year 2037 as described in Section II(D)(4), which obligation to disburse is subject to VALLEY's then compliance with its obligations under this Agreement.

C. VALLEY's Obligations.

1. VALLEY's Obligation to Invest. VALLEY anticipates investing an estimated Three Million Seven Hundred Thousand dollars (\$3,700,000) into the Project, and guarantees that it shall make at least the Minimum Investment in the Project. As a part thereof, VALLEY agrees that:

i. within one (1) year of the Effective Date, at least forty percent (40%) of the Minimum Investment shall be spent on the Project;

ii. within two (2) year of the Effective Date, at least eighty percent (80%) of the Minimum Investment shall be spent on the Project; and

iii. within three (3) year of the Effective Date, at least one hundred percent (100%) of the Minimum Investment shall be spent on the Project.

2. Make Good Faith Efforts. With respect to the Project, VALLEY agrees make good faith and reasonable efforts to do each of the following:

i. construct the Project substantially in accordance with the final Site Plan as submitted to the City and in accordance with all planning board approvals and code requirements;

ii. expand their existing warehouse at the Lewiston Facility by approximately 33,000 square feet;

iii. add approximately twenty-four (24) additional jobs to their Lewiston Facility between January 1, 2020 and two (2) years after the issuance date of the certificate of occupancy for the Project; and

iv. add approximately thirty-one (31) cars and ten (10) trucks and register locally to their Lewiston Facility between January 1, 2020 and two (2) years after the issuance date of the certificate of occupancy for the Project.

3. VALLEY's Obligation to Report. In order for both parties to be apprised of the ongoing status of the Project and VALLEY's standing with respect to each of the efforts discussed in Section II(C)(1), VALLEY shall:

i. provide to the City, within 30-days of the Effective Date of this Agreement, a report that includes: (a) the current number of job positions, available and filled, at the Lewiston Facility, specifically noting those positions that have been created since January 1, 2020 and specifically in anticipation of the Project, such jobs shall be included in the additional job count in Section II(C)(1)(iv); and (b) the current number of cars and trucks located at the Lewiston Facility, specifically noting those vehicles that have been added since January 1, 2020 specifically in anticipation of the Project, such vehicles shall be included in the additional vehicle count in Section II(C)(1)(v).

ii. beginning in Tax Year 2025 (July 1, 2024) through the earlier of (x) of Tax Year 2037 (July 1, 2036) and (y) the date a report under this Section II(C)(2)(ii) is provided to City that shows each of the efforts discussed in Section II(C)(1)(i) – (v) being met, VALLEY shall provide annually to the City a report that shall include the following information as of the end of the immediately preceding Tax Year: (a) the finalized construction plan of the Project, (b) the total investment in the Project, (c) the square feet of the expansion constructed under the Project, (d) the number of job positions, available and filled, at the Lewiston Facility, and (e) the number of cars and trucks located at the Lewiston Facility and locally registered. The report shall identify the job positions and vehicles added as part of the Project. The report shall be provided to the City no later than one hundred – eighty (180) days after the end of the Tax Year in question.

4. State Reporting Requirements. To the extent required by statute and regulations, VALLEY shall comply with all reporting requirements relating to the District.

D. Administrative Provisions.

i. Taxable Status of District Property: Tax Base Conservation Payment. The parties agree that, other than public ways, water pipes or conduits, industrial inventories or stock in trade, there is no real property located within the boundaries of the Development District which is entitled to exemption from municipal taxation by reason of the status or other qualification of its owner, or the use to which it is put. In the event that any part of such real property now or hereafter located, constructed or delivered into the Development District should be determined to be entitled to such exemption from

municipal taxation, the owner of such real property shall annually be liable to City in an amount equal to the amount of tax which, but for the exemption, would be due to the City with respect to such real property (hereinafter the “Tax Base Conservation Payment”). Payment of the Tax Base Conservation Payment shall be made on or before September 30th of each Tax Year in which it is due. A memorandum of this Agreement shall be recorded in the Androscoggin County Registry of Deeds and shall be binding upon the parties and upon all lessees and/or successors-in-title to VALLEY with respect to any portion of the Property, for so long as this Agreement shall remain in effect. The Agreement to make Tax Base Conservation Payments with respect to property which is subject to tax exemptions (i) shall be a covenant running with the land, made in consideration of the assistance by the City of Lewiston’s Development Costs; (ii) is a voluntary contractual arrangement; and (iii) is not and shall not be construed to create a service charge pursuant to 36 M.R.S.A. Section 652(l)(L).

ii. Deposits into Development Program Fund. During the term of the Development District, the City shall annually deposit into the Development Program Fund, or other fund established pursuant to 30-A MRSA § 5227, that portion of each property tax payment by VALLEY or its successors or assigns constituting Tax Increment Revenues. The City shall make such deposit promptly upon receipt of Tax Increment Revenues and shall then allocate the proceeds of the Tax Increment Revenues pursuant to the terms of this Agreement as set forth in Section II(B). In addition:

- (A) Any interest earned shall inure to the benefit of the City;
- (B) The first deposit into the Development Program Fund shall be made from Tax Increment Revenues arising out of the first Tax Year of the Credit Enhancement Period and shall continue until the last such deposit shall be made from Tax Increment Revenues accrued during the final Tax Year of the Credit Enhancement Period.

iii. VALLEY Payment. VALLEY shall pay to the City when due the taxes on the Current Assessed Value. The City shall withhold from any payment to be made by the City pursuant to this Agreement any amount of property taxes previously assessed and then overdue from VALLEY that are then unpaid and shall credit such amount against the amount due. At such time and to the extent such amount is subsequently paid,

the City shall make whole the payment previously withheld pursuant to the preceding sentence.

iv. Payments from the Development Program Fund for Project Costs.

Beginning with the 2023 Tax Year (July 1, 2022) and continuing through Tax Year 2037 (June 30, 2037), within fifteen (15) days after the last payment by VALLEY of taxes for the Tax Year the City shall pay VALLEY in accordance with, and subject to the restrictions of, Section II(B) above. VALLEY agrees that all payments made to it will be used and applied to directly pay or reimburse Project Costs incurred in development of the Project.

E. Default and Remedies.

1. Events of Default. Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

i. Failure to Pay Taxes. Any failure by VALLEY to make any payment of municipal taxes assessed upon Valley's Property or other property owned by Valley within the City of Lewiston within Forty-Five (45) days after the due date of such taxes;

ii. Failure to Meet Obligations. Any failure by VALLEY to meet the obligations in Section II(C) within one (1) year of such obligations becoming due;

iii. Other Failures to Perform. Any other failure by a party hereto to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the party to be observed or performed;

iv. Events of Insolvency. If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of a party's affairs shall have been entered against the party or the party shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the party or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the party or the failure by the party to have a petition in bankruptcy dismissed within a period of ninety (90)

consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the party.

2. Remedies on Default. Whenever any Event of Default referred to in Section II (E)(1) hereof shall have occurred and be continuing for a period of fourteen (14) days in the case of a payment obligation, and in all other cases within thirty (30) days after a party's receipt from the other party of written notice per Section II(G)(3) of an Event of Default by the party, the other party may, in its discretion, (a) specifically enforce by court order the performance or observance of any obligations, agreements or covenants of the defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and/or (b) suspend its performance under this Agreement for so long as the Event of Default continues or remains uncured and such suspension of performance shall not constitute an Event of Default. Each of Valley and the City agree that the defaulting party shall pay the other party's expenses, including reasonable attorneys' fees, incurred in connection with enforcing this Agreement or as a result of an Event of Default.

3. Remedies Cumulative. No remedy herein conferred upon or reserved to a party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Event of Default, to insist upon the strict performance of any covenant or agreement herein set forth or to exercise any right or remedy upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the party with all of the covenants and conditions hereof, or of the rights to exercise any such right or remedy, if such Events of Default be continued or repeated.

F. Indemnification.

VALLEY shall indemnify, defend and hold harmless the City and its agents, servants, officers, directors, employees and affiliates from and against any loss, cost, liability, claim, damage, expense (including, without limitation, all out-of-pocket expenses,

reasonable attorneys' fees, disbursements and costs), penalty or fine incurred in connection with any claim or cause of action made by a third party and arising directly from VALLEY's activities under this Agreement to the extent caused by the gross negligence, intentional misrepresentation, fraud or willful misconduct of VALLEY.

G. Miscellaneous.

1. Invalidity. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

2. Integration. Except as otherwise expressly provided herein, this Agreement contains the entire agreement between the parties hereto, and no modification, amendments, change or discharge of any term or provision of this Agreement shall be valid or binding unless the same is in writing, signed by all parties hereto. No waiver of any of the terms of this Agreement shall be valid unless signed by the party against who such waiver is asserted. The parties agree that they will not assert in any action arising under this Agreement that an amendment or waiver of this Agreement has occurred unless made in writing.

3. Notices. Any notice, demand, offer, or other written instrument required or permitted to be given, made, or sent hereunder shall be in writing, signed by the party giving or making the same, and shall be sent by certified mail to the other at its respective address stated in Section II. Any party hereto shall have the right to change the place to which any such notice, offer, demand, or writing shall be sent to it by similar notice sent in like manner to the other party. The date of mailing of any offer, demand, notice, or instrument shall be deemed to be the date of such offer, demand, notice, or instrument and shall be effective from such date.

4. Choice of Law; Jurisdiction. It is the intention of the parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and under and pursuant to the laws of the State of Maine and that, in any action, special proceeding or other proceeding that may be brought arising out of, in connection with, or by reason of this Agreement, the laws of the State of Maine shall be applicable and shall govern to the

exclusion of law of any other forum. The parties agree to the jurisdiction of the courts of the State of Maine or of the United States of America located in the State of Maine, and that the venue for any such proceeding shall be in Androscoggin County, and agree that any action relating to this Agreement shall be brought in either such court.

5. Effective Date and Term. This Agreement shall only be effective upon, and on such date, as the Development Program and this Agreement are approved by the DECD (the “Effective Date”) and shall remain in full force and effect from the Effective Date and shall expire upon the termination of the District or the payment of all amounts due to VALLEY, whichever is later, and the performance by the City and VALLEY of their respective obligations under this Agreement, unless sooner terminated as provided in this Agreement. Notwithstanding any other provision of this Agreement, the parties acknowledge and agree that this Agreement, and the rights and obligations of each party hereunder, shall be ineffective and unenforceable unless and until the Development Program and this Agreement are approved by the DECD.

6. Waiver. The failure of either party to this Agreement to insist upon the performance of any of the terms and conditions of this Agreement, or the waiver of any breach of any of the terms and conditions of this Agreement, shall not be construed as thereafter waiving any such terms and conditions, but the same shall continue and remain in full force and effect as if no such forbearance or waiver had occurred. Further, nothing contained in this Agreement shall be deemed to constitute a waiver of either party’s rights with respect to the assessment, collection, or abatement of property taxes related to the Property.

7. Non-Assignability. Except as provided in this Section, VALLEY shall not have the right to transfer or assign all or any portion of its rights in, to and under this Agreement, or the Development Program, at any time, unless the City, by its City Administrator consents to the same, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, the City hereby acknowledges that VALLEY may assign its right, title and interest in, to and under this Agreement to a successor entity or an affiliate entity. For purposes of this provision, a “successor entity” shall mean an entity that acquires all or substantially all of the assets of VALLEY and an “affiliate entity” shall mean a parent corporation or subsidiary corporation. Notwithstanding the foregoing, the entity that

assumes VALLEY's obligations under this Agreement must be the owner of the 2019 Lisbon Street real estate. The City further acknowledges that VALLEY may pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing improvements by or on behalf of VALLEY within the District, although no obligation is hereby imposed on VALLEY to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all VALLEY's right, title and interest in, to and under this Agreement and in, and to the payments to be made to VALLEY and by VALLEY hereunder, to third parties as collateral or security for financing such development, on one or more occasions during the term hereof. The City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by such prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder.

8. Successors. In the event of the dissolution, merger or consolidation of the City or VALLEY, or the sale of all or a portion of the assets or equity of VALLEY, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

9. Parties in Interest. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person other than the City and VALLEY any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and VALLEY.

10. No Personal Liability of Officials of the City. No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation, or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity, and no such person shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

11. Section Headings. The title to the Sections of this Agreement are solely for the convenience of the parties and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this Agreement.

12. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

**(Remainder of page intentionally left blank)**

IN WITNESS WHEREOF, the said City of Lewiston and the VALLEY DISTRIBUTORS, INC. have caused this Agreement to be executed on their behalf by their officials and officers, as set forth below, thereunto duly authorized, as of the day and year first above written.

CITY OF LEWISTON

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
By: Edward Barrett  
Its: City Administrator

VALLEY DISTRIBUTORS, INC.:

\_\_\_\_\_  
WITNESS

\_\_\_\_\_  
By: Michael Runser  
Its: President

STATE OF MAINE  
ANDROSCOGGIN, SS.

February \_\_\_, 2020

Personally appeared before me the above-named Edward Barrett, City Manager of the City of Lewiston and acknowledged the foregoing instrument to be his free act and deed in his said capacity, and the free act and deed of said City of Lewiston.

\_\_\_\_\_  
Notary Public/Attorney-at-Law

STATE OF MAINE  
ANDROSCOGGIN, SS.

February \_\_\_, 2020

Personally appeared before me the above-named Michael Runser, in his capacity as a President of VALLEY DISTRIBUTORS, INC. and acknowledged the foregoing instrument to be his free act and deed in his said capacity, and the free act and deed of said DISTRIBUTORS, INC.

\_\_\_\_\_  
Notary Public/Attorney-at-Law

Exhibit A  
Property Description

(See Attached)

Exhibit B  
Annual Revenue Distribution

## JOINT TAX INCREMENT FINANCING POLICY

The *Cities of Auburn and Lewiston Tax Increment Financing (TIF) Policy* includes the following:

- Purpose
- Eligibility Requirements
- General Guidelines
- Terms
- Performance Standards
- Applicant and Fees Information
- Annual Review
- Definitions

The Cities of Auburn and Lewiston are referred to as "the City" or "Cities" in this policy.

### PURPOSE

The four (4) primary reasons and public benefits for the Cities tax increment financing policy are, as follows:

1. To establish a collaborative and joint approach to economic development in the Cities when tax increment financing is involved;
2. To stimulate expansion of the City commercial/industrial tax base;
3. To retain and create employment; and
4. To establish standards upon which the City Councils will authorize a TIF.

### ELIGIBILITY REQUIREMENTS

Any current or potential owner of taxable property in the City may request the creation of a TIF district subject to this policy.

The establishment of a TIF district is an action by the City Council. A TIF is not a right under Maine law, and meeting these guidelines does not create a right or entitlement to any applicant.

For a TIF application to be considered by the Cities, the project must meet or exceed the following requirements:

*Types of Businesses.* The business expansion or establishment must be one (1) of the following business types:

- research facility;
- high-technology facility;
- manufacturing/assembly;
- regional distribution;
- financial services;
- telecommunication intensive;
- back office operations;
- a business which is significantly involved in the exporting of goods or services outside of Maine; or
- other similar businesses.

# JOINT TAX INCREMENT FINANCING POLICY

## *Real Property Improvements and Job Creation.*

- **Minimum Investment.** There must be real property improvements of a minimum of \$2 million or the creation of a minimum of twenty-six (26) full-time equivalent jobs which meet or exceed "livable wage"<sup>\*</sup>. Companies assisted shall provide employees access to benefits to include health insurance, vacation and sick leave, and a retirement plan.
- **Exceptional Investment.** A project may qualify as "exceptional investment" if initial total improvements are at least \$5 million or at least 100 new full-time livable wage jobs are created. It should be noted that the "minimum investment" level of \$2 million must be met. Companies assisted shall provide employees access to benefits to include health insurance, vacation and sick leave, and a retirement plan. Exceptional investment enables the Cities to consider a higher level of financial participation or provide for a longer time period for a TIF.

*Job Retention.* There must be real property improvements of a minimum of \$2 million and the retention of the existing workforce.

## GENERAL GUIDELINES

This policy recognizes tax increment financing will be provided by a credit enhancement agreement. The applicant must provide any and all other documentation that will protect the City's economic and financial position, and/or that confirm both the letter and spirit of the underlying agreement between the applicant and the City.

A TIF may be granted only for the additional value of eligible real property improvements, subject to limitations by the City. The City will not allow TIF's for improvements begun before the application is filed or begun without notification of the construction, expansion, or modernization date.

If a leased facility is a TIF, the agreement may be executed by the lessor and lessee. In such cases, the lessor must demonstrate binding contracts with the lessee to guarantee job retention or creation. The TIF agreement should include the lease.

In all instances, applicants requesting tax increment financing must demonstrate:

*Economic Necessity.* The City's participation is economically necessary, and involvement by the City is needed in order for the project to be undertaken. Justification for economic need and the City involvement must be demonstrated by:

- A need to offset public/private infrastructure costs unique to the site;
- A need to offset economic advantages available to the corporate entity if it should build or expand outside of the Cities; or
- The unavailability of sufficient private or other public funding sources to meet the full capital investment needs of the corporate entity seeking assistance.

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<sup>\*</sup>Livable wage as defined by the Maine Economic Growth Council as adjusted annually. Please refer to the Definition Section of this policy.

## JOINT TAX INCREMENT FINANCING POLICY

*Financial Capability.* Financial capability to undertake the project must be evidenced prior to review.

*Location Considerations.* The project improves a blighted area or building in need of redevelopment or an area identified as a priority by the City such as the downtown area.

*Regulatory Compliance.* Compliance with all statutory and regulatory guidelines of the City and the State of Maine.

### TERMS

*Effective Date.* TIFs are granted, effective with the April 1<sup>st</sup> valuation date immediately preceding the date of execution of the April 1<sup>st</sup> valuation date(s) as agreed to by the City. If a modernization project includes facility replacement, the TIF value shall be the value of the new investment minus the value of the existing real property.

*Amount of Value.* The TIF is based upon capital cost for each year that the TIF is in effect. In general the amount of value the City will share with the business is directly related to the extent to which the project meets the guidelines set forth in this policy.

- **Minimum Investment.** A maximum tax benefit of up to 40% is available for projects with real property improvements of a minimum of \$2,000,000. The determination of municipal participation will be based upon the amount of business investment, type of business, number and quality of jobs retained/created and other considerations outlined in this policy.
- **Exceptional Investment.** A tax benefit exceeding 40% may be available based upon real property improvements which meet the exception level of investment.

### *Time Period.*

- **Minimum Investment.** The TIF time period ranges from five, but not to exceed fifteen years. The length of the time period for a TIF will be based upon the amount of business investment, type of business, number and quality of jobs retained/created and other considerations outlined in this policy.
- **Exceptional Investment.** The TIF time period may extend beyond fifteen years for projects which meet the exception level of investment.

### PERFORMANCE STANDARDS

It is the policy of the City that a TIF is a business partnership and that the recipient of the TIF must meet the standards that led to the City approving the TIF. Any company or business that is granted a TIF, or its tenants if they are part of the incentive program, must meet the following standards:

*Capital Improvements.* Within one (1) year of the TIF agreement being signed, a minimum of 40% of the capital funds for the designated project must be spent.

## JOINT TAX INCREMENT FINANCING POLICY

Within two (2) years of the TIF agreement being signed, a minimum of 80% of the capital funds for the designated project must be spent.

Within three (3) years of the TIF agreement being signed, 100% of the capital funds for the designated project must be spent.

*Employment Retention/Creation.* Within two (2) years of the TIF agreement being signed, when new jobs are designed as part of the TIF agreement, a minimum of 50% of the new jobs must be filled.

Within three (3) years of the TIF agreement being signed, when new jobs are designated as part of the TIF agreement, a minimum of 100% of the new jobs must be filled.

If the project involves job retention, then at least 95% of the jobs must remain filled for a minimum of three (3) years.

The City Administrator's/Manager's office will determine, in cooperation with the TIF recipient prior to the execution of the TIF, the methodology of reporting job retention/creation.

*Penalty.* If any of the above standards are not met, the TIF benefits may be voided.

*Use of Local Contractors.* Any business that is granted a TIF will agree to use local contractors where possible.

### APPLICATION AND FEES

*Application Information and Contact.* The City's Administrator's/Manager's office will act as a clearinghouse and coordinate all activity regarding tax increment financing proposals. Working with potential applications, the office will:

- Maintain a tax increment financing application;
- Provide information on tax increment financing;
- Discuss project proposals and accept preliminary application from the applicant;
- Review preliminary application based upon City TIF Policy with the City Administrator/Manager;
- Advise the applicant on findings of City Staff and preliminary result of City Council review;
- Schedule a City Council meeting for action on a TIF application and provide assistance to the City Administrator/Manager in the formulation of a recommendation to the City Council;

## JOINT TAX INCREMENT FINANCING POLICY

- Submit application to the State Department of Economic and Community Development (DECD) based on the direction of the City Council; and
- Monitor on-going public and private investment in the development project.

*Administration Fees.* If tax increment financing is approved, an annual administrative fee equal to 1% of the incremental taxes reallocated back to the project may be charged.

*Extraordinary Expenses.* In addition, any extraordinary out-of-pocket expenses incurred by the City in connection with the tax increment financing proposal will be reimbursed by the applicant whether or not tax increment financing is approved.

### PERIODIC REVIEW

This policy shall be reviewed periodically by the Auburn and Lewiston City Councils and revised as necessary.

### DEFINITIONS

*Livable Wage.* The reference to livable wage shall be defined by the Maine Economic Growth Council.

*Full-Time Equivalent Job.* Combining jobs to equal full-time (approximately 40-hours per week) employment.

### EXCEPTIONS FROM TIF POLICY

Exceptions to the TIF Policy may be granted in accordance with the Joint Economic Development Protocol.

Adopted by the City Council on March 2, 1999.

# LEWISTON CITY COUNCIL

## MEETING OF MARCH 3, 2020

**AGENDA INFORMATION SHEET:**

**AGENDA ITEM NO. 4**

**SUBJECT:** Order, Authorizing the City Administrator to Execute an Amendment to the Option Agreement between the City of Lewiston and Bates Mill, LLC.

**INFORMATION:** On February 21, 2018, the City entered into a three-year option agreement to sell Bates Mill 5 to Bates Mill, LLC. Since then, Bates Mill, LLC has been devoting time and energy and expending funds toward bringing this project to reality. One of the issues that must be dealt with prior to the project moving forward is environmental remediation, for which the City has recently received a significant federal grant. Bates Mill, LLC has also recently indicated an interest in exercising its option to purchase the mill. However, should the option be exercised, the Agreement requires the sale to close within 60 days. This is incompatible with the federal grant that requires the City to own the property on which grant funds are expended. At the same time, if the option is not exercised after the initial two years of the Agreement, the City is allowed to enter into a Development Agreement with a potential third party so long as that party provides evidence of financing, tenant commitments, and a level of investment that are reasonably acceptable to the City and that the project proposed is not based in any part on the participation of tenants in negotiation to be a part of the Bates Mill, LLC project. The proposed Option Agreement Amendment would address these issues by allowing Bates Mill, LLC to exercise its option but delay the closing until after the cleanup is completed.

A second amendment involves the Joint Development Agreement contemplated in the Option. The current agreement specifies that the parties will negotiate a Joint Development Agreement that would become effective when the option is exercised. While negotiations on an agreement are underway, they have not been finalized, impacting the ability of the option to be exercised. Staff believes that it is in the interest of both parties to modify the agreement to require that the Joint Development Agreement be in effect prior to the closing of the sale.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

The City Administrator recommends approval of the requested action.

*EAB/Kmm*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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To approve the Order, Authorizing the City Administrator to Execute an Amendment to the Option Agreement between the City of Lewiston and Bates Mill, LLC



March 3, 2020

COUNCIL ORDER

**Order,** Authorizing the City Administrator to Execute an Amendment to the Option Agreement between the City of Lewiston and Bates Mill, LLC.

Whereas, the City of Lewiston entered into a three-year option agreement to sell Bates Mill 5 to Bates Mill, LLC on February 21, 2018; and

Whereas, Bates Mill, LLC has expressed an interest in exercising its option; and

Whereas, should the option be exercised, the sale of the property must close within 60 days; and

Whereas, the City has received a significant federal grant to assist in the necessary environmental remediation of the Mill; however, that grant can only be used if the City remains the owner of the property; and

Whereas, if the option is not exercised, the option agreement allows for the City to enter into a Development Agreement with a third party that provides evidence of financing, tenant commitments, and a level of investment that are reasonably acceptable to the City, so long as the project proposed is not based in any part on the participation of the tenants in negotiations to be a part of the Bates Mill, LLC project; and

Whereas, the current agreement also specifies that the parties will negotiate a Joint Development Agreement that would become effective in the event Bates Mill, LLC exercises its option; and

Whereas, while negotiations toward such a Development Agreement are underway, it has not yet been finalized, impacting the ability of the option to be exercised; and

Whereas, given these considerations, the City and Bates Mill, LLC have concluded that it is in the interest of both parties that the Option Agreement be modified to delay the required closing date to the later of the 60<sup>th</sup> day following the day on which the notice of exercise of option is received or the 30<sup>th</sup> day following the City's receipt of a Certificate of Completion from the Maine Department of Environmental Protection indicating the environmental remediation of the property has been completed; and

[Type text]

Whereas, given that the parties have not yet finalized a Development Agreement for the project, the parties have also agreed to amend the Option Agreement to require that such Development Agreement be effective prior to the closing on the transfer of the property;

**Now, therefore, be it ordered by the City Council of the City of Lewiston** that

Section 6 of the Option Agreement between the City of Lewiston and Bates Mill, LLC: Closing, is hereby amended as follows:

**Section 6: Closing.** The Closing, whether on a Lot or on all or the remainder of the Real Estate, shall take place at Buyer's election but not later than the later of five o'clock (5:00) p.m., prevailing time, ~~at 10:00 am~~ on the 60<sup>th</sup> day following the day upon which the notice of exercise of the option is received or on the 30<sup>th</sup> day following the City satisfying the requirements of the Brownfield grant as documented by a Certificate of Completion issued by the Maine Department of Environmental Protection upon its final approval of the Site Closure Report, such closing to occur at the offices of Brann & Isaacson, 184 Main Street, Lewiston, Maine. If the specified closing ~~60<sup>th</sup>~~ day is not a business day, then the closing shall take place on the next business day thereafter.

Section 10.1. Joint Development Agreement: is hereby amended as follows:

**10.1. Joint Development Agreement:** ~~During the term of this Option~~ Prior to the closing, the parties will use good faith efforts to negotiate a Joint Development Agreement that defines the rights and obligations of each party and which would be effective ~~prior to in the event~~ the Buyer and City closing on the transfer of the property ~~exercises its Option.~~

Note: Additions are underlined; Deletions are ~~struck through~~.

# Economic and Community Development

Lincoln Jeffers

Director

Lewiston



2007



**To:** Honorable Mayor and Members of the City Council

**From:** Lincoln Jeffers

**RE: Bates Mill #5 Option Amendment**

**Date: February 25, 2020**

## Background

The City tax acquired the Bates Mill in 1992 and has been involved in the redevelopment of the complex, to varying degrees, since then. The Lewiston Mill Redevelopment Corporation (LMRC) was formed shortly after city took ownership of the Bates Mill Complex for the express purpose of overseeing and supporting its redevelopment. The LMRC board was comprised of 15 members, 8 of whom were from the private sector; the other 7 were elected and appointed city officials and staff.

In the fall of 1994, the LMRC issued a Request for Proposals seeking an experienced development partner to assist in the redevelopment of the Bates Mill. In the spring of 1996, LMRC and the City of Lewiston entered into an Agreement with the Bates Mill Limited Liability Company to partner in the redevelopment. Tom Platz, architect and owner of Platz Associates architectural firm, was the key principal for Bates Mill LLC.

Redevelopment of the complex began. Master planning, engineering, and feasibility studies were conducted. Marketing plans were developed and implemented. Tenants came. Tenants went. Those that stayed include Peoples Heritage Bank (now TD Bank), which took tenancy of all 48,000 s.f. in Mill 7 in 1998. The bank expanded three times in Mill 3, fully occupying that building in 2006, resulting in total tenancy of more than 200,000 s.f. Davinci's was an early tenant. In 2007, they relocated within the complex, tripling in size. Fishbones opened in Mill #6 in 2005. Androscoggin Bank established an operations center on the second floor of Mill #6 in 2006. In 2010, Baxter Brewing began production in Mill 1. They have expanded several time times and are now the 3<sup>rd</sup> largest brewer in Maine. The first housing in the complex, the 48-unit Lofts at Bates Mill, opened in a portion of Mill 2 in 2012. Insurance company Community Health Options took tenancy of 20,000 s.f. in 2013. Grand Rounds took 22,000 s.f. on the top floor of Mill 6 in 2016. In 2019, Baxter renovated 5,000 s.f. of Mill 1 into The Pub at Baxter. Most recently, Grand Rounds relocated to 45,000 s.f. in Mill 1, with an option to take another 45,000 s.f. within the mill. Other tenants include physicians, insurance companies, a technology company, and Museum LA. Employment in the complex has increased from fewer than 100 at its nadir to more than 1,200 today.

Through it all, Tom Platz has been the city's partner in the redevelopment of the Bates Mill. The city has invested in land acquisition, environmental mitigation (using EPA grants), parking garages, and other public infrastructure improvements. Bates Mill LLC purchased Bates Mills 3, 6 and 7 in 2001 for \$2 million. As part of the sale, the city was reimbursed the \$3 million it had spent redeveloping Mill 3. Bates Mill LLC committed to investing an additional \$10 million to complete redevelopment of Mill 3 and to redevelop Mill 6. Their investment in the complex has far exceeded that and continues to grow.

### **Requested Action**

Bates Mill 5 was not part of the Bates Mill Sales Agreement. The City entered into a 3 year Option Agreement with Bates Mill, LLC in February 2018 to sell the building for \$1. Mr. Platz has been working for the last several years to attract the critical mass of tenants needed to make the project financially viable. He has invested more than \$600,000 in soft costs toward moving development of the building forward, including architectural design work specific to tenant articulated needs, a structural engineering analysis, and historic preservation consultant fees.

The Option includes a clause that would allow the City, in the last year of the Option, to go forward with a different developer if that developer came forward with a redevelopment plan with tenant commitments and financing in place, but with tenants different from those Mr. Platz has been working with. While it is unlikely a fully developed alternative development proposal will be presented, it remains a possibility Mr. Platz would prefer not to exist given a potential negative impact on the clients he is dealing with.

Mr. Platz has built enough momentum with the project that he would like to exercise the Option. However, the Option requires that a Joint Development Agreement be negotiated between the parties before the Option can be exercised. That agreement has not yet been negotiated.

The City recently received a \$500,000 EPA Brownfield Grant to be used to mitigate environmental issues in the building, including removal of asbestos, lead paint, and the encapsulation of PCB's spilled on a concrete floor in a small area of the electrical generating and supply area of the mill. Ransom Environmental was recently hired to oversee the development and execution of a clean-up plan. However, under the terms of the EPA grant, the City needs to maintain ownership of the building while these funds are being spent.

An Amendment to the Option Agreement has been crafted that will allow Mr. Platz to exercise the Option but not require closing on the real estate until the later of 60 days after exercising the Option or 30 days after the City receives a Certificate of Completion from the Maine Department of Environmental Protection for the clean-up. The amendment would also change the time frame for adopting a Joint Development

Agreement from before the Option is exercised to before closing on the transfer of the real estate.

The proposed amendment allows the City to maintain ownership of the building during clean-up, as required by the EPA, and requires that a Joint Development Agreement, which will detail the rights, obligations and responsibilities of both the City and of Bates Mill, LLC, be approved by both parties, which will require City Council approval, before conveyance of the real estate.

Staff recommends approval of the Amendment to the Option Agreement.

## OPTION AGREEMENT

THIS AGREEMENT made as of this 21<sup>st</sup> day of February, 2018 BETWEEN the CITY OF LEWISTON with a mailing address of 27 Pine Street, Lewiston, ME 04240, City of Lewiston, hereinafter referred to as Seller, AND BATES MILL, LLC, with a mailing address of 2 Great Fall Plaza, Auburn, ME 04210, hereinafter referred to as Buyer.

### RECITALS

- A. Seller is the owner of the land and buildings and improvements thereon known as Bates Mill # 5 and which is described in Exhibit A (hereinafter referred to as the "Real Estate").
- B. Seller and Buyer have been parties to an option agreement pursuant to which Buyer has had an option to purchase the Real Estate, which has been twice amended and extended and which is set to expire on February 28, 2018
- C. Seller is desirous of granting to Buyer a further option to purchase the Real Estate with some additional provisions and conditions not included in the previous option agreement.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and undertakings hereinafter expressed, the parties agree as follows:

**Section 1: Option.** Seller hereby grants to Buyer the exclusive option of purchasing the Real Estate under the terms and conditions set forth herein, but also subject to the conditions and restrictions set forth herein.

**Section 2: Term.** This Option will remain in effect until five o'clock (5:00) p.m., prevailing time, February 28, 2021 ("Term").

**Section 3: Option Price.** The option price is One Dollar (\$1.00), receipt of which is hereby acknowledged. All monies paid on account of the option price are not refundable except in the case of a failure of title as set forth below.

**Section 4: Exercise.** This option shall be exercised for the Real Estate by giving written notice thereof, at any time during the Term, to Seller at the following address:

Edward Barrett  
City Administrator  
City of Lewiston  
27 Pine Street  
Lewiston, Maine 04240

Such notice may be sent first class mail, postage prepaid, or delivered by hand.

**Section 5: Purchase Price.** The purchase price for the acquisition of the Real Estate shall be One Dollar (\$1.00).

**Section 6: Closing.** The Closing, whether on a Lot or on all or the remainder of the Real Estate, shall take place at Buyer's election but not later than five o'clock (5:00) p.m., prevailing time, at 10:00 am on the 60<sup>th</sup> day following the day upon which the notice of exercise of the option is received, at the offices of Brann & Isaacson, 184 Main Street, Lewiston, Maine. If the 60<sup>th</sup> day is not a business day, then the closing shall take place on the next business day thereafter.

**Section 7: Conveyance and Payment.**

**7.1. Warranties and Title.** Conveyance shall be made by quitclaim deed with covenants conveying good marketable title to said Real Estate, as defined by the standards adopted by the Maine Bar Association, free and clear of encumbrances, except for conventional utility easements and such restrictions as would not make the title unmarketable. The title shall also be insurable by any reputable title insurance company licensed to do business in the State of Maine. Seller will execute such affidavits as may appropriately be required by the applicable title insurance company to cause the deletion of the standard mechanics lien exception from the to-be-issued title insurance policy.

**7.2.** The Maine real estate transfer tax shall be paid by Seller and Buyer in accordance with 36 M.R.S.A. § 4641-A.

**Section 8: Taxes.**

**8.1.** Real estate taxes due the City of Lewiston, Maine, during the term of this Option on all of the Real Estate shall not be paid by Buyer.

**8.2.** Real estate taxes and costs of utilities shall be prorated as of the closing date.

**Section 9: Succession.** This Agreement and the provisions herein shall be binding on the respective heirs, personal representatives, successors and assigns of Seller and Buyer.

**Section 10: Miscellaneous.**

**10.1. Joint Development Agreement:** During the term of this Option the parties will use good faith efforts to negotiate a Joint Development Agreement that defines the rights and obligations of each party and which would be effective in the event the Buyer exercises its Option.

**10.2. Third Party Proposal:** If during months 25 through 36 of the term of this Option a bona fide proposal for redevelopment of the Real Estate is received by the Seller by a third party who provides evidence of financing, tenant commitments, and

a level of investment that are reasonably acceptable to the City in its discretion, then this Option may be terminated as follows: :

a. If the third party proposal is received prior to the approval and execution by the parties of a Joint Development Agreement between the Seller and Buyer, then the Seller may terminate this Option provided that the Seller is reasonably satisfied with the level of private investment, tax base expansion, municipal investment required to support the proposal, and the number of jobs created by the third party proposal.

b. If the third party proposal is received after the approval and execution by the parties of a Joint Development Agreement between the Seller and Buyer, but before the exercise of this Option Agreement for the Real Estate by the Buyer, then the Seller may terminate this Option if, in its reasonable discretion, the Seller determines that the third party proposal is more likely to result in a completed project which is in similar to or greater in scope than the project proposed by the Buyer.

c. The third party proposal may not be a project that in any part is based upon the participation of the tenants being negotiated with by the Buyer. It is acknowledged by both the Buyer and the Seller that the Buyer has expended considerable cost and time procuring tenants and executing programming and architectural plans for them. This requirement shall survive the execution of this Section for a period of one (1) year.

**d. Termination:** Under the conditions set forth above, the Seller, upon sixty (60) days prior written notice to Buyer, shall have the right to terminate this Option and to record the termination of the Option in the land records. Any dispute arising out of the exercise or attempted exercise of this termination right shall be submitted to binding arbitration, before a single arbitrator, in the City of Lewiston, Maine. Notice of any such dispute must be provided prior to the effective date of the termination, and the arbitration shall be held within thirty (30) days thereafter.

**10.3. Legal Fees.** All reasonable legal fees including without limitation, the preparation of documents, review of documents and attendance at closing, incurred by Seller in connection with the sale of the Real Estate or any one or more of the Lots shall be paid by Buyer at Closing.

**10.4. Entry.** Buyer shall have the right to enter upon the Real Estate at reasonable times for the purpose of making studies for Buyer's development of the Real Estate. All of said studies shall be done in a good and workmanlike manner, done in accordance with all applicable laws, regulations, ordinances, governmental permits and approvals, and done at the sole expense of Buyer.

**10.5. Possession.** At the time of each Closing, Seller will deliver over exclusive possession of the Real Estate to Buyer.

**10.6. Brokers.** Neither party has retained a real estate broker in this transaction.

**10.7. Eminent Domain.** In the event that the Real Estate or any portion of it is taken by condemnation after exercise of the option on the Real Estate or on one of the Lots affected by said taking prior to the Closing, Seller will, at the Closing, deliver to Buyer all condemnation awards stemming from such loss or condemnation received by Seller pertaining to said Real Estate or Lot, as the case may be, and will assign to Buyer Seller's rights to receive all of same, whichever is pertinent, and, to that end, Seller will cooperate with Buyer in the preparation of all statements of loss, provisions of loss, and such other documents as may be required by the condemning authority.

**10.8. Time.** Time is of the essence in all matters relating to this Agreement.

**10.9. "As Is" Condition.** The Real Estate will be sold in "as is" physical condition, and Seller makes no representations to Buyer whatsoever as to the physical state of same. This limitation shall prevail through the Closing, and no further writing shall be necessary with respect thereto. Seller represents to Buyer, which representation shall remain in effect through the Closing, that Seller has not been advised by any governmental agency or authority that the Real Estate is in violation of any law, statute or regulation.

**10.10. Title Exceptions.** Buyer shall examine the title to the Real Estate and report in writing any valid objections (hereafter "exceptions") thereto based on the Standards adopted by the Maine State Bar Association within sixty (60) days of the date of this Option Agreement. If Buyer objects to any exceptions to the title, Seller shall use all due diligence to remove such exceptions at Seller's own expense within thirty (30) days thereafter. But if, notwithstanding Seller's due diligence, exceptions cannot be removed within the said thirty (30) day time period, or such additional period as Buyer, in Buyer's sole discretion, may allow, Buyer may elect to terminate the exercise of the option on the Real Estate. Buyer shall notify Seller of such election, in which case the option price shall be returned to Buyer and the obligations of all parties under this Agreement shall thereupon terminate. Alternatively, Buyer may elect to purchase the Real Estate or any of the Lots as provided under the provisions of this Agreement subject to any such title exceptions which cannot be removed.

**10.11. Governing Law.** This Agreement and the transaction contemplated by it shall be governed by the laws of the State of Maine.

**10.12. Notices.** Any notices required by or useful under the terms of this Agreement shall be given, in the case of Seller, to:

Edward Barrett  
City Administrator  
City of Lewiston  
27 Pine Street  
Lewiston, Maine 04240

and, in the case of Buyer, to:

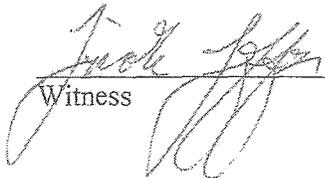
Bates Mill, LLC  
2 Great Falls Plaza  
Auburn, ME 04210

or such other persons and addresses as the appropriate party may hereafter designate. All such notices shall be sent first class mail, prepaid, or delivered in hand.

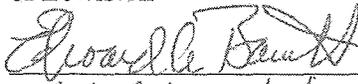
**10.12<sup>2</sup> Entire Agreement.** This Agreement contains the entire and only agreement between the parties and no oral statements or representations or prior written matter not contained in this Agreement shall have any force and effect.

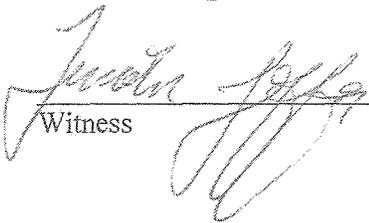
**Section 11: Short Form for Recording.** Buyer may wish to give notice of this Option through a recordation in the Androscoggin County Registry of Deeds. Seller and Buyer agree that the entire contents of this Option need not be made public through such recording. Accordingly, a reduced version of this Option may be executed simultaneously with the execution of this Option, and Seller agrees that only the reduced version shall be so recorded. The reduced version of this Option when recorded shall serve as notice to all of the contents of the complete version of this Option Agreement.

**IN WITNESS WHEREOF**, the parties hereto have hereunto set their hands and seals on the day and year first above written.

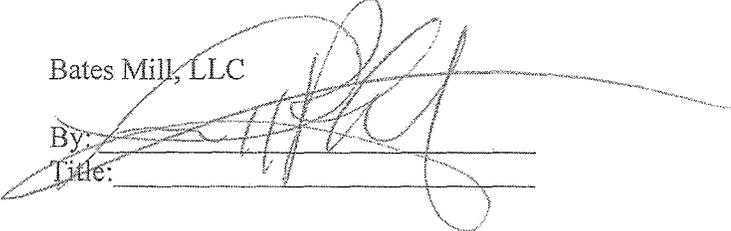
  
\_\_\_\_\_  
Witness

City of Lewiston

By:   
\_\_\_\_\_  
Title: City Administrator

  
\_\_\_\_\_  
Witness

Bates Mill, LLC

By:   
\_\_\_\_\_  
Title: \_\_\_\_\_

**LEWISTON CITY COUNCIL**  
**MEETING OF MARCH 3, 2020**

**AGENDA INFORMATION SHEET:**                      **AGENDA ITEM NO. 7**

**SUBJECT:**

Executive Session regarding a Legal Matter.

**INFORMATION:**

The Maine State Statutes, Title 1, section 405, define the permissible grounds and subject matters of executive sessions for public meetings.

**APPROVAL AND/OR COMMENTS OF CITY ADMINISTRATOR:**

The state statutes outline the issues that will be discussed in executive session.

*EAB/kmm*

**REQUESTED ACTION:**

1	2	3	4	5	6	7	M
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To enter into an Executive Session pursuant to MRSA Title 1, section 405(6)(E) to discuss a legal matter.