

## **Bridgton Economic Development Tax Increment Financing District**

### **DEVELOPMENT PROGRAM NARRATIVE**

#### Section 1.01. Introduction.

The Town of Bridgton (the “Town”) has designated a defined area of land depicted on the attached map as the Bridgton Tax Increment Financing (TIF) District (the “District”).

The Bridgton TIF Development Program (the “Development Program”) described herein is proposed for the purpose of administering the District as a tax increment financing district pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. Upon a referendum vote designating the District and adopting this Development Program, the designation of the District and adoption of the Development Program will immediately become final, subject only to final approval by the Maine Department of Economic and Community Development.

The purpose of the District is to provide funds to the Town of Bridgton to spur economic development in the Downtown and along Portland Road (Route 302) through improved planning, public facilities and programs to promote Bridgton as a preferable location for business creation and expansion. The development strategy set forth in the Development Program is based on the economic development needs of the community as expressed in the Town’s Comprehensive Plan and Economic Development Report. Under the Development Program, the Town will redirect 100% of the tax incremental revenue on the captured assessed value from the District for a period of twenty-five (25) years. The base value from which the incremental value will be measured will be the assessed value of the District as of April 1, 2007.

The Bridgton Economic Development TIF is one element of a larger economic development strategy that the Town has been engaged in for the last five years. Bridgton is currently involved in a revitalization of its downtown using Community Development (CDBG) funds provided by the State of Maine and is the recipient of an annual set-aside through the Cumberland County CDBG Entitlement Program. Bridgton’s downtown is a vital part of the Town’s economic vitality and the Town believes that the creation of a TIF and the funneling of money to provide for planning, public facilities, and business attraction and retention programs will help assure the downtown’s continued vitality.

The Portland Road (Route 302) corridor entering the central village is an important gateway to the business center of Bridgton. This area has been the location of significant commercial development in the past several years, namely a Hannaford Supermarket and a Hancock retail center. Additional development is ongoing and planned for the near future. This development and expected future development is likely to put significant strain on the limited public facilities. Improving current facilities and building new as needed will allow the Town to attract additional development and support the business that currently exists. In addition, the Town is interested in reducing the sprawl of business along Portland Road. The Town believes that by providing enhanced public facilities closer to the central village it will be able to encourage new

development to locate closer to the village, which will help maintain the character of the community.

#### Section 1.02. Statement of Means and Objectives.

The objective of the District is to fund improvements to the public facilities and economic development initiatives within the downtown and along Portland Road entering Downtown Bridgton. It is the belief of the Town that improvements to public facilities will assist in attracting business, create jobs, expand the tax base of the community, and provide a general benefit to the people of Bridgton. In addition, it is the intention of this development program to promote economic development that shall not disrupt the character of the community or depress the quality of life of resident, visitors and taxpayers. Also it is the objective to fund projects and programs that have the greatest positive effect on the larger community and is not intended to benefit a single business or individual.

#### Section 1.03. Brief Description of Financial Plan

The financial plan for the District is set forth in greater detail in Article II below. The following is a brief summary of the plan.

The Town plans to invest the entire value of the fund in three principle ways that will support economic development: planning, public facilities, and programs to encourage business development and retention in Town. The initial captured incremental value of the district for Assessment Year 2007-2008 will be \$298,570. The Town expects an average yearly growth of 4.5% for the first ten years of the TIF and 5% during years 11-25. In addition, to the revenue generated by the district the Town expects to leverage private commercial contributions from land owners. The Town will consider using the revenue generated from the District as matching funds for possible private grant money.

#### Section 1.04. Description of Public Facilities to be Constructed.

The Town of Bridgton will be basing its public improvements on the needs described in its Comprehensive Plan, which was approved by the State in 2004, as well as the Economic Development Report from 2004. The Town recognizes the difficulty in projecting the economic development needs of the community ten, twenty or even twenty-five years into the future. The programs and facilities improvements listed below reflect current economic development needs as expressed by the Town's Economic Development Committee, Board of Selectmen, and Comprehensive Plan. The Town of Bridgton plans to review this development program at several points during the life of the TIF in order to be sure that the program continues to reflect the economic development needs of Bridgton.

- Repair the Walker Shop Bridge on Depot Street.
- Improve public parking lots in the downtown
- Improvements to Depot St including:
  1. Additional sidewalks
  2. Lighting
- Extension of facilities along Portland Road (Route 302) including:
  1. Sidewalks
  2. Ornamental lighting

3. Landscaping

- Support the expansion of the municipal sewer lines and leach fields including the possible expansion of sewer service to the intersection of Route 302 and Route 117 (North);
- Traffic Studies and Engineering in order to improve flow of traffic and improve access management along Route 302;
- Study and execute needed improvements in order to mitigate flooding in the central business district;
- Work with consultants to generate a program to promote business expansion in Bridgton as well as to attract additional business.

Section 1.05. Relocation of Displaced Persons.

Not applicable. The Town is planning no public infrastructure improvements that will result in the displacement of the districts residents or commercial property owners. When necessary the Town will secure the appropriate easements and rights of way from any property owner whose property is traversed by the Town.

Section 1.06. Proposed Regulation and Facilities to Improve Transportation.

The Town expects to commission engineering and planning services to explore alternatives to improve traffic flow and access management. At this point staff is not ready to propose alterations to the road without extensive planning. In the future the Town of Bridgton, in specific situations working with MDOT, may be willing to assist with road modification in order to assist businesses development. The Town recognizes the importance of Route 302 a Primary Artery and will work together with MDOT during consideration of road modifications.

Section 1.07. Environmental Controls.

All improvements, including the installation and operation of all equipment, will comply with all environmental requirements of the Town of Bridgton as well as the applicable regulations and statutes of the State of Maine.

Section 1.08. Plan of Operation Upon Completion.

The Town of Bridgton will maintain any publicly owned projects constructed using TIF dollars. These maintenance and operational costs will be paid for by the Town's general fund.

**FINANCIAL PLAN**

Section 2.01. Cost Estimates for Development Program.

YR. #	PROPERTY TAX YEAR	ORIGINAL VALUE W/ COLA	INCREMENTAL VALUE ADDED IN	TAX RATE PROJECTED	RETAINED TAX VALUE
1	<b>2007.</b>	\$298,570	\$298,570	\$11.56	\$3,450
2	<b>2008</b>	\$312,005	\$13,435	\$11.90	\$3,712
3	<b>2009</b>	\$326,045	\$14,040	\$12.25	\$3,993
4	<b>2010</b>	\$340,717	\$14,672	\$12.62	\$4,299
5	<b>2011</b>	\$356,050	\$15,333	\$13.00	\$4,628

6	2012	\$372,072	\$16,022	\$13.39	\$4,981
7	2013	\$388,815	\$16,743	\$13.79	\$5,361
8	2014	\$406,312	\$17,497	\$14.21	\$5,773
9	2015	\$424,596	\$18,284	\$14.63	\$6,210
10	2016	\$443,703	\$19,107	\$15.07	\$6,686
11	2017	\$465,888	\$22,185	\$15.52	\$7,229
12	2018	\$489,182	\$23,294	\$15.99	\$7,820
13	2019	\$513,613	\$24,431	\$16.47	\$8,458
14	2020	\$539,323	\$25,710	\$16.96	\$9,146
15	2021	\$566,289	\$26,966	\$17.47	\$9,891
16	2022	\$594,603	\$28,314	\$18.00	\$10,702
17	2023	\$624,333	\$29,730	\$18.54	\$11,574
18	2024	\$655,550	\$31,217	\$19.09	\$12,513
19	2025	\$688,328	\$32,778	\$19.67	\$13,538
20	2026	\$722,744	\$34,416	\$20.26	\$14,641
21	2027	\$758,881	\$36,137	\$20.86	\$15,828
22	2028	\$796,825	\$37,944	\$21.49	\$17,123
23	2029	\$836,667	\$39,842	\$22.14	\$18,522
24	2030	\$878,500	\$41,833	\$22.80	\$20,029
25	2031	\$922,425	\$43,925	\$23.48	\$21,657
<b>TOTALS:</b>		\$13,722,036	\$922,425		\$247,764

ASSUMPTIONS USED:

PROPERTY VALUE INCREASE ANNUALLY:	0.045 (years 1-10);
TAX RATE INCREASE ANNUALLY:	0.05 (years 11-25)
	0.03

**Please see attached chart for information of revenue expenditures.**

Section 2.02. Indebtedness.

The Town has not made the determination at this time whether or not it will chose to use the TIF revenues to support a municipal bond. If the Town of Bridgton decides to seek a bond to fund the improvements it is expected that the Town will ask the voters to approve a bond of no more than twenty (20) years.

Section 2.03. Financial and Statistical Data.

A summary of financial and statistical information relating to the District's satisfaction of certain conditions imposed under chapter 206 of Title 30-A of the Maine Revised Statues, as amended, as a prerequisite to designation of the District is set out below:

- (a) At least 25%, by area, of the real property within the District has been deemed suitable for commercial development
- (b) Total value of taxable property in Bridgton, Maine as of April 1, 2007:  
**\$920,000,000 approximately**

Aggregate value of taxable property in all existing and proposed tax increment financing districts in the municipality as of April 1, 2007: **\$45,681,830**

- (c) Percentage of total value of taxable property represented by the aggregate value of all taxable property in all existing and proposed tax increment financing districts (i.e., item (b) divided by item (a) expressed as a percentage): **4.96%**
- (d) Total acreage of Town of Bridgton: approximately: **40,900**
- (e) Total acreage of District: **537**
- (f) Total acreage of all tax increment financing districts within the Town of Bridgton including all proposed districts: **541**
- (g) Total acreage of District as percentage of the total acreage of the Town of Bridgton: **1.3%**

Section 2.04. Estimated Impact of Financing Upon Taxing Jurisdiction.

Table II: Projected Tax Shifts in Constant 2007 U.S. Dollars

<b>Tax Shift Item</b>	<b>Average Annual Amount</b>	<b>Total Projected Amount</b>
Educational Aid	\$5,530,422	Unknown
County Tax	\$470,309	\$470,149
State / Municipal Revenue Sharing	\$384,331	\$384,177
Town share of MSAD #61	\$6,954,114	\$6,941,314.

Section 2.05. Duration of Program.

The Development Program shall continue in effect for twenty-five (25) years after approval of the Maine Department of Economic and Community Development.

Section 2.06 Oversight of Program Funds

The Town of Bridgton feels that having significant community input and oversight over the spending of TIF dollars is very important. To that end the Town will be setting up the following oversight procedure: The Board of Selectmen shall have the authority to spend TIF dollars not to exceed \$50,000, at any one time. Any allocation of over \$50,000 must be approved by the voters either in a warrant article at Town Meeting or at referendum.

**PHYSICAL DESCRIPTION**

Section 3.01. Description of District.

The District is located in Bridgton, Maine along Route 302. The TIF will begin at the intersection of Route 302 (Main Street) and Nulty Street and conclude just before the Bridgton Drive-In. The TIF will include parcels on both sides of the road. Please see the attached map.

Attached is the listing of the parcels numbers that will be included in the District as depicted on the 2006 Bridgton Tax Maps.

