SUMMARY OF POWNAL'S FIRST TIF DISTRICT
"Pownal Route 9 Omnibus TIF"
Information current as of 11/30/2023

I. District Boundaries

The District Area is characterized by parcels with significant development or redevelopment potential which also have frontage on Route 9, the main corridor from neighboring North Yarmouth to the Town's village center and to Bradbury Mountain State Park. Parcels within the District Area are all located within the RA Zoning District, which allows for certain, designated commercial rural uses such as forestry, farming and farm stands, plus medical and professional buildings, inns and bed and breakfasts, as well as residential uses. Neither the zoning designation or the existing allowed uses change with the designation of a TIF district. Three-phase power is currently available 0.3 miles from the District in North Yarmouth.

The proposed Route 9 District Area of 43.92 acres represents 0.31% of the acreage of the overall Town. This includes a parcel, Tax Map 8 Lot 23, with an approved commercial agriculture (greenhouse) development currently under construction and expected to bring in significant property tax revenue over the lifetime of the TIF.

Maps of the District Area are included below.

Exhibit C: Map of District Location Within Municipality

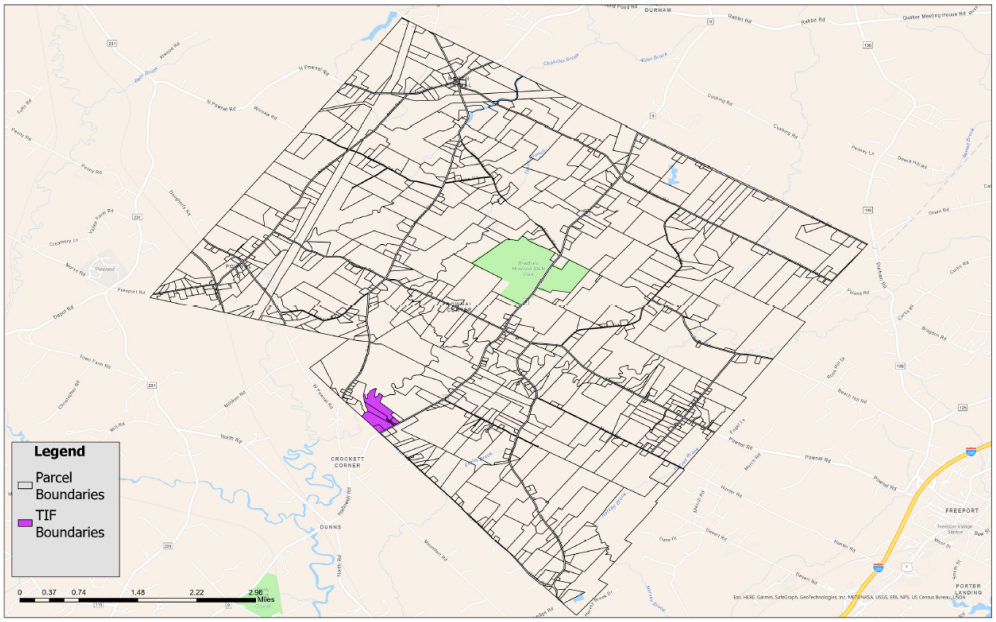
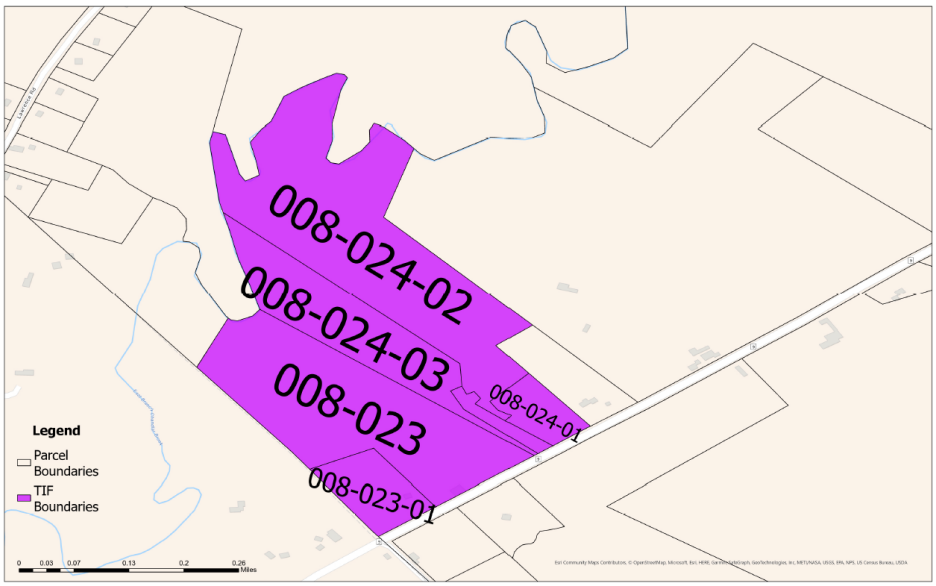
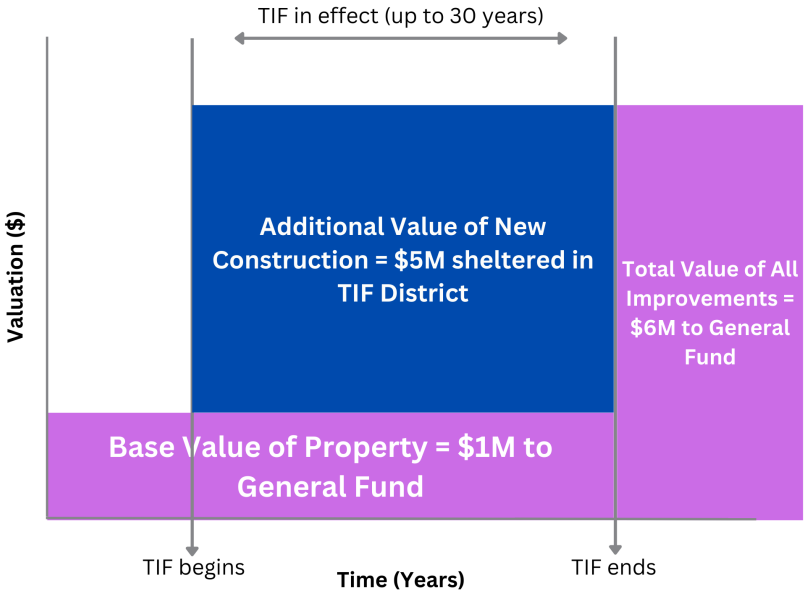


Exhibit D: Map of District Boundaries



II. Overview

The proposed TIF will capture 100% of increase in assessed value over a 30 year period which will be set aside for certain, designated projects as described in section IV, below. The Original Assessed Value (OAV) of the District is $394,500. The current taxes ($243,958 annually) will continue to go to the General Fund. Any increase in assessed value over the next 30 years will go to the TIF account for projects in section IV. Following the expiration of the TIF, all taxes will go to the General Fund. The graphic below explains this visually.



III. Omnibus Capability

Designation of a TIF as an Omnibus TIF allows the municipality (in this case, the Selectboard, following a noticed public hearing) to negotiate Credit Enhancement Agreements (CEAs) with developers for up to 100% of the taxes associated with the increase in the assessed property value generated by a development. This is typically reserved for developments which are providing some sort of public benefit, such as significant jobs or public infrastructure improvements.

Under the TIF, the Town is not promising to provide tax increment financing to the developer of any lot in the District. No property owner is entitled to a Credit Enhancement Agreement and the requirement to receive Select Board approval related to the proposed agreement as referenced above is simply the minimum criteria required to be eligible for a Credit Enhancement Agreement. Approval or disapproval of any request for any Credit Enhancement Agreement and the terms thereof will be in the sole discretion of the Select Board following a duly noticed public hearing.

IV. Development Program / Financial Estimates

Below is a table showing: (1) the allowable costs that could be funded through the TIF accounts, and; (2) the maximum amount during the life of the TIF that the Town could spend on these projects. Note: The TIF revenues from this District may not fully fund each of the projects listed below. In addition, inclusion on this list does not require the Town to utilize TIF Revenues for these projects. Inclusion on this list makes it permissible for the Town to apply TIF Revenues towards these projects if they are undertaken during the term of the District. The Town intends to incorporate TIF Revenue expenditure decisions into the annual budget process. In any event, approval of the voters of the Town of Pownal will be required for expenditure of TIF revenues on the project costs identified in this Table 1 except for credit enhancement agreements entered into at the sole discretion of the Select Board after public hearing thereon.

Project	Cost Estimate	Statutory Citation	Responsible Party
1. **General Economic Development**			
a. Prorated salary and overhead costs associated with efforts specifically related to economic development activities: Town Administrator (5% of annual salary and benefits over lifetime of TIF) Town Planner (10% of annual salary and benefits over lifetime of TIF)	 $150,000 $250,000	30-A M.R.S.A. §5225 (1)(C)(1)	Town Administrator Town Planner Selectboard
b. Consultant costs, legal costs as they relate to Tax Increment Financing and economic development.	$60,000	30-A M.R.S.A. §5225(1)(A)(4), (1)(C)(1)	Town Administrator Selectboard
c. Create/support economic development opportunities related to local agriculture such as a year-round Farmers' Market and food trucks.	$250,000	30-A M.R.S.A. §5225(1)(C)(1)	Economic Development & Sustainability Committee

2. Credit Enhancement Agreements: Future Credit Enhancement Agreements (CEAs) can be used to attract new business, encourage business expansion, and will be subject to Select Board review and approval, following a minimum of one public hearing thereon. The Select Board may approve CEAs of up to 100% reimbursement to a developer or company for up to the full term of the District in the sole discretion of the Select Board after a public hearing.	$750,000	30-A M.R.S.A. §5225(1)(A); (1)(C)(3)	Town Planner Town Administrator Selectboard
3. Public Safety Building and Public Safety Equipment / Infrastructure: A portion of District revenues may support the prorated costs of a public safety facility whether it is located inside the District or outside the District. In addition, fire-related safety equipment and infrastructure related to District development may be paid for with District revenues, including but not limited to hydrants, firefighter gear, etc. Such costs related to the construction or operation of municipal public safety facilities, the need for which is related to general economic development within the municipality or plantation, may not exceed 15% of the captured assessed value of the District.	$550,000	30-A M.R.S.A. §5225(1)(A); (1)(B)(1); (1)(B)(2); (1)(C)(9)	Selectboard Future Facilities Committee Fire Chief Town Administrator
4. 3-Phase Power Design & Construction: Design, construction, and other work associated with installation of 3-phase power to serve commercial users, such costs to be prorated as required to the extent such power systems also benefit residential users.	$1,500,000	30-A M.R.S.A. §5225(1)(A); (1)(C)(1)	Town Planner Town Administrator