Memorandum

To: William R. Bridgeo, City Manager

From: Chief Robert C. Gregoire

Date: September 27, 2017

Re: Council Order

I respectfully request that the following Council Order appear at the next regularly scheduled City Council Meeting for the approval to accept funds from the Healthy Communities of the Capital Area (HCCA) runs from October 1, 2017 to September 30th of 2018 in the amount not to exceed $16,538.86.

The project will consist of dedicated details to support efforts to decrease underage drinking as collaborated among six law enforcement agencies as well as partnering with HCCA to identify, promote and host training with same agencies. The Augusta Police Department will be administering the grant .

BE IT ORDERED. That the City Manager is authorized to accept the reimbursement grant funding in the amount not to exceed $16,538.86 from the Healthy Communities of the Capital Area.

City of Augusta, Maine

DEPARTMENT OF DEVELOPMENT SERVICES

AUGUSTA STATE AIRPORT
CODE ENFORCEMENT
ECONOMIC DEVELOPMENT

ENGINEERING
FACILITIES & SYSTEMS
PLANNING

September 11, 2017

MEMO

To: Bill Bridgeo, City Manager

Re: Housing Initiatives of New England Affordable Housing TIF

In early August Cynthia Taylor, principal of Housing Initiatives of New England (HINEC) approached the city with a request for an affordable housing tax increment financing plan to help cover significant costs for the renovation and expansion of existing facilities at The Inn at City Hall and Kennebec Plaza.

The renovation and expansion plan anticipates an investment of $3,284,772 to modernize the units at the Inn at City Hall (which is owned by the city, and leased to HINEC), make similar improvements to the adjacent facility at Kennebec Plaza, and add three new units at Kennebec Plaza.

Financing the project will involve converting the properties from non-profit, tax-exempt status to for-profit, taxable. City Assessor Lisa Morin has provided the following taxable values for the properties

Map	38/193	38/200	38/217
Location	1 Cony St. 31 Units	20 Willow St. 70 Units	Willow St. Parking Lot
Land	$310,000	$700,000	$80,700
Bldg.	$2,523,300	$3,137,900	
Total	$2,833,300	$3,387,900	$80,700

Total Valuation - $6,301,900

Housing Initiatives is requesting a 30 year affordable housing TIF that will range from 89.88% (Year 1) to 82.02% (Year 30). The city allocation would be $13,000 per year, with a 2% annual escalator – with an additional $5,000 (fixed) annual contribution for city lighting and intersection improvements in and adjacent to the district, over the life of the TIF ($100K total).

Turn over →

16 CONY STREET, AUGUSTA, MAINE 04330
PHONE: (207) 626-2365 • FAX: (207) 626-2520 • TDD: (207) 626-3003

The revenue spreadsheet and tax shifts detailing the financial plan are attached.

On August 22, 2017 the City Council TIF committee met with Cyndi Taylor and discussed the project – the committee voted 2-0 (with Councilor Wilson Absent-excused) to recommend approval of the plan to the full city council.

Cyndi Taylor will again be available on Thursday night to again detail her project and the financial need for the Affordable Housing TIF.

Prior to enacting the new Affordable Housing TIF District the City Council will need to dissolve an existing TIF district covering the Inn at City Hall that was enacted in 2000, which was never utilized because the Housing Initiatives formed a non-profit organization precluding the need or ability for the city to grant a credit enhancement agreement. The existing district was and is, effectively moot.

The Inn at City Hall Rehabilitation
Affordable Housing Tax Increment Financing (TIF) District

TIF YR.	FISCAL YEAR		EPS Education Shift	Revenue Sharing Shift	County Tax Shift	Total Tax Shift
Base	2017	18				
1	2018	19	$ -	$ -	$ -	$ -
2	2019	20	$ -	$ -	$ -	$ -
3	2020	21	$52,306	$6,473	$5,564	$64,343
4	2021	22	$52,306	$6,473	$5,693	$64,472
5	2022	23	$52,306	$6,473	$5,825	$64,604
6	2023	24	$52,306	$6,473	$5,960	$64,738
7	2024	25	$52,306	$6,473	$6,098	$64,876
8	2025	26	$52,306	$6,473	$6,239	$65,018
9	2026	27	$52,306	$6,473	$6,383	$65,162
10	2027	28	$52,306	$6,473	$6,531	$65,310
11	2028	29	$52,306	$6,473	$6,682	$65,461
12	2029	30	$52,306	$6,473	$6,837	$65,616
13	2030	31	$52,306	$6,473	$6,995	$65,774
14	2031	32	$52,306	$6,473	$7,157	$65,936
15	2032	33	$52,306	$6,473	$7,323	$66,102
16	2033	34	$52,306	$6,473	$7,493	$66,272
17	2034	35	$52,306	$6,473	$7,666	$66,445
18	2035	36	$52,306	$6,473	$7,844	$66,623
19	2036	37	$52,306	$6,473	$8,026	$66,804
20	2037	38	$52,306	$6,473	$8,211	$66,990
21	2038	39	$52,306	$6,473	$8,402	$67,181
22	2039	40	$52,306	$6,473	$8,596	$67,375
23	2040	41	$52,306	$6,473	$8,795	$67,574
24	2041	42	$52,306	$6,473	$8,795	$67,574
25	2042	43	$52,306	$6,473	$8,999	$67,778
26	2043	44	$52,306	$6,473	$9,207	$67,986
27	2044	45	$52,306	$6,473	$9,639	$68,418
28	2045	46	$52,306	$6,473	$9,862	$68,641
29	2046	47	$52,306	$6,473	$10,090	$68,869
30	2047	48	$52,306	$6,473	$10,324	$69,103
31	*2048*	*49*	*$52,306*	*$6,473*	*$10,563*	*$69,342*
32	*2049*	*50*	*$52,306*	*$6,473*	*$10,808*	*$69,587*
	Cumulative		**$1,569,173**	**$194,194**	**$236,608**	**$1,999,975**
	Avg. Annual		$52,306	$6,473	$7,887	$66,666

Prepared by Eaton Peabody Consulting Group
REVISED 8/16/2017

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The Inn at City Hall Rehabilitation
Affordable Housing Tax Increment Financing (TIF) District

			DISTRICT INCREASED ASSESSED VALUE			DISTRICT REVENUES		CAPTURE		COMMUNITY ALLOCATION				COMPANY ALLOCATION		GENERAL FUND	
TIF YR.	FISCAL YEAR		Real	Personal	Total	Projected Mil Rate	Total NEW Tax Revenue Generated Within District	% of Increased Assessed Value Captured	TIF Revenues	% of TIF Revenues	Amount of TIF Revenues	Additional Infrastructure Allocation	Total TIF Revenues	% of TIF Revenues	Amount of TIF Revenues	% of Revenue from District not Captured	Amount of Revenue from District not Captured
Base	2017	18															
1	2018	19	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	10.122%	$13,000	$3,333	$16,333	89.878%	$112,099	0%	$0
2	2019	20	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	10.324%	$13,260	$3,333	$16,593	89.676%	$111,839	0%	$0
3	2020	21	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	10.531%	$13,525	$3,333	$16,858	89.469%	$111,574	0%	$0
4	2021	22	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	10.742%	$13,796	$3,333	$17,129	89.258%	$111,304	0%	$0
5	2022	23	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	10.956%	$14,072	$3,333	$17,405	89.044%	$111,028	0%	$0
6	2023	24	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	11.176%	$14,353	$3,333	$17,686	88.824%	$110,746	0%	$0
7	2024	25	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	11.399%	$14,640	$3,333	$17,973	88.601%	$110,459	0%	$0
8	2025	26	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	11.627%	$14,933	$3,333	$18,266	88.373%	$110,167	0%	$0
9	2026	27	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	11.860%	$15,232	$3,333	$18,565	88.140%	$109,868	0%	$0
10	2027	28	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	12.097%	$15,536	$3,333	$18,869	87.903%	$109,563	0%	$0
11	2028	29	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	12.339%	$15,847	$3,333	$19,180	87.661%	$109,253	0%	$0
12	2029	30	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	12.585%	$16,164	$3,333	$19,497	87.415%	$108,936	0%	$0
13	2030	31	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	12.837%	$16,487	$3,333	$19,820	87.163%	$108,612	0%	$0
14	2031	32	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	13.094%	$16,817	$3,333	$20,150	86.906%	$108,283	0%	$0
15	2032	33	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	13.356%	$17,153	$3,333	$20,487	86.644%	$107,946	0%	$0
16	2033	34	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	13.623%	$17,496	$3,333	$20,830	86.377%	$107,603	0%	$0
17	2034	35	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	13.895%	$17,846	$3,333	$21,179	86.105%	$107,253	0%	$0
18	2035	36	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	14.173%	$18,203	$3,333	$21,536	85.827%	$106,896	0%	$0
19	2036	37	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	14.457%	$18,567	$3,333	$21,900	85.543%	$106,532	0%	$0
20	2037	38	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	14.746%	$18,938	$3,333	$22,272	85.254%	$106,161	0%	$0
21	2038	39	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	15.041%	$19,317	$3,333	$22,651	84.959%	$105,782	0%	$0
22	2039	40	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	15.342%	$19,704	$3,333	$23,037	84.658%	$105,396	0%	$0
23	2040	41	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	15.648%	$20,098	$3,333	$23,431	84.352%	$105,002	0%	$0
24	2041	42	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	15.961%	$20,500	$3,333	$23,833	84.039%	$104,600	0%	$0
25	2042	43	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	16.281%	$20,910	$3,333	$24,243	83.719%	$104,190	0%	$0
26	2043	44	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	16.608%	$21,328	$3,333	$24,661	83.394%	$103,772	0%	$0
27	2044	45	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	16.938%	$21,754	$3,333	$25,088	83.062%	$103,345	0%	$0
28	2045	46	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	17.277%	$22,189	$3,333	$25,523	82.723%	$102,910	0%	$0
29	2046	47	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	17.623%	$22,633	$3,333	$25,967	82.377%	$102,466	0%	$0
30	2047	48	$6,301,900	$0	$6,301,900	$20.38	$128,433	100%	$128,433	17.975%	$23,086	$3,333	$26,419	82.025%	$102,013	0%	$0
								Totals	$3,852,982		$527,383	$100,000	$627,383		$3,225,598		$0
								Annual Avg.			$17,579		$20,913		$107,520		$0

Prepared by Eaton Peabody Consulting Group
REVISED 8/16/2017

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*** DRAFT SUBJECT TO COUNCIL / CITY MANAGER APPROVAL ***

AGREEMENT
REGARDING PROPOSED DISCONTINUANCE OF
A PORTION OF WADE STREET, AUGUSTA, MAINE

This Agreement Regarding the Proposed Discontinuance of a Portion of Wade Street, Augusta, Maine ("Agreement") is entered as of October 5, 2017 by and between the **City of Augusta** ("the City"), **FDS State of Maine, LLC** ("FDS"), **Augusta Plaza Associates, LLC** ("Augusta Plaza") and the **United States of America**, by and through the General Services Administration regarding the proposed discontinuance and subsequent use of a portion of public way known as Wade Street and located in the City of Augusta, Maine.

RECITALS

1. FDS is under contract to purchase and intends to develop the following parcels of real property ("the Development Parcels") located in Augusta, Maine:

Address	**City of Augusta Tax Map / Lot**
96 Sewall Street	Map 27, Lot 229
84 Sewall Street	Map 27, Lot 235
25 Wade Street	Map 27, Lot 235A
109 Capitol Street	Map 27, Lot 226
Wade St.	Map 27, Lot 233

2. The Development Parcels are bisected by a public way known as Wade Street, which was acquired by action of the City Board of Aldermen taken May 15, 1922 (see City records at Vol. 18, Page 95) and August 21, 1922 (see City records at Vol. 18, Page 105).

3. FDS seeks the discontinuance of the portion of Wade Street between Sewall Street and its terminus ("the Subject Road") in order to allow for the development activities being pursued by FDS.

4. The Subject Road is not used by the general public. Augusta Plaza owns Tax Map 27, Lot 195 (the "APA Property"), which abuts the Subject Road, however, the Subject Road is not the primary means of ingress and egress to the APA Property. The United States of America owns Tax Map 27, Lot 194 (the "GSA Property"), which does not abut the Subject Road and for which the Subject Road is not the primary means of ingress and egress. The proposed discontinuance would, however, deprive Augusta Plaza and the United States of America of one of the current means of vehicular and pedestrian access between the GSA Property, the APA Property, and Sewall Street.

AGREEMENT

In consideration of the foregoing Recitals, the parties hereby agree as follows:

5. The City hereby agrees to undertake proceedings for the discontinuance of the Subject Road pursuant to 23 M.R.S.A. § 3026-A. The City also hereby agrees to release to FDS, by Quitclaim Deed, substantially in the form set forth in **Exhibit A** attached hereto and incorporated herein (the "Deed"), any additional rights the City may have in the subject road. The order of discontinuance and Deed shall expressly reserve any and all utility easements benefitting the City of Augusta and/or the Greater Augusta Utilities District.

6. FDS intends to effectuate its acquisition of the Development Parcels in Paragraph 1 on or before October 31, 2017.

7. The City agrees to take any and all actions necessary to effectuate the discontinuance of and release of any remaining rights in the subject road other than said utility easements. The City shall deliver the executed and acknowledged Deed and an executed and acknowledged Certificate of Discontinuance, substantially in the form set forth on **Exhibit B** attached hereto and incorporated herein (the "Certificate"), to FDS, by hand delivery or by overnight delivery to the address set forth below, within 1 business day of approval by the City Council, which approval shall be obtained no later than October 19, 2017. Release of the Deed and the Certificate to FDS shall be expressly made conditional upon FDS having acquired each of the Development Parcels on or before December 31, 2017. FDS hereby acknowledges and agrees that it shall not record the Deed or the Certificate unless and until FDS has acquired title by deed to each of the Development Parcels.

8. The City's duties under this Agreement are conditioned upon the City Council voting to approve the Order of Discontinuance for the Subject Road, which approval the City shall make diligent and good faith efforts to obtain on or before October 19, 2017. The City by this Agreement alone cannot and does not discontinue or release any rights in and to the Subject Road.

9. In the event FDS does not close on its acquisition of each of the Development Parcels by December 31, 2017, any approved Order of Discontinuance shall be automatically terminated and revoked, and a Certificate of Discontinuance shall not be recorded, unless the Council shall have acted on or before that date to extend the time for the condition to be completed. In the event that an Order of Discontinuance is terminated or revoked pursuant to this Section 9, FDS shall immediately return the Deed and Certificate of Discontinuance to the City.

10. FDS agrees to grant, and Augusta Plaza and the United States of America, by and through the Government Services Administration, each agree to accept from FDS an Access, Utility and Construction Easement Agreement and Access Easement Agreement, respectively, in substantially the same forms as that attached as **Exhibit C** to this Agreement. Augusta Plaza hereby agrees to release to FDS all rights it may have, if any, in and to Wade Street, pursuant to a Release Deed in substantially the same form as that attached as **Exhibit D** to this Agreement, subject to said Easement Agreement. Said

Easement Agreements and Release Deed shall be released from escrow, conveyed and recorded if (1) FDS has acquired by deed each of the Development Parcels; and (2) the City has discontinued the Subject Road and released the remaining rights to FDS as set forth in Paragraphs 5 and 7 of this Agreement.

11. Based upon their receipt of the Easement Agreements described in Section 10 of this Agreement, Augusta Plaza and the United States of America, by and through the General Services Administration, each agree to and hereby do waive any and all claims for damages related to the City's discontinuance and release of the Subject Road, including any rights of appeal set forth in 30-A M.R.S.A. § 3029, and any other rights of action at law or in equity related to the subject discontinuance.

12. This Agreement constitutes the complete, entire and integrated agreement of the parties with respect to its subject matter.

13. This Agreement may be amended or modified only pursuant to a written instrument signed by all four parties to this Agreement.

14. This Agreement may be executed in separate identical counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together will be deemed an original of this Agreement.

Acknowledged and agreed to on the dates hereafter noted:

FDS State of Maine, LLC By:_____ Date:_____ [Address]	City of Augusta By:_____ Date:_____ 16 Cony Street Augusta, ME 04330
Augusta Plaza Associates, LLC By:_____ Date:_____ 4 Milk Street, Suite 103 Portland, ME 04101	U.S. General Services Administration By: Glenn C. Rotondo, Regional Commissioner, Public Buildings Service By:_____ Date:_____ 10 Causeway Street Boston, MA 02222

Exhibit A
Quitclaim Deed

Exhibit B

Certificate of Discontinuance

Exhibit C
Easements

Exhibit D
Release Deed