

# Town of Brunswick

Tax Increment Financing Districts  
and 2023-24 TIF Budget

TIF Transit Amendment (April 2017)

**Legend**

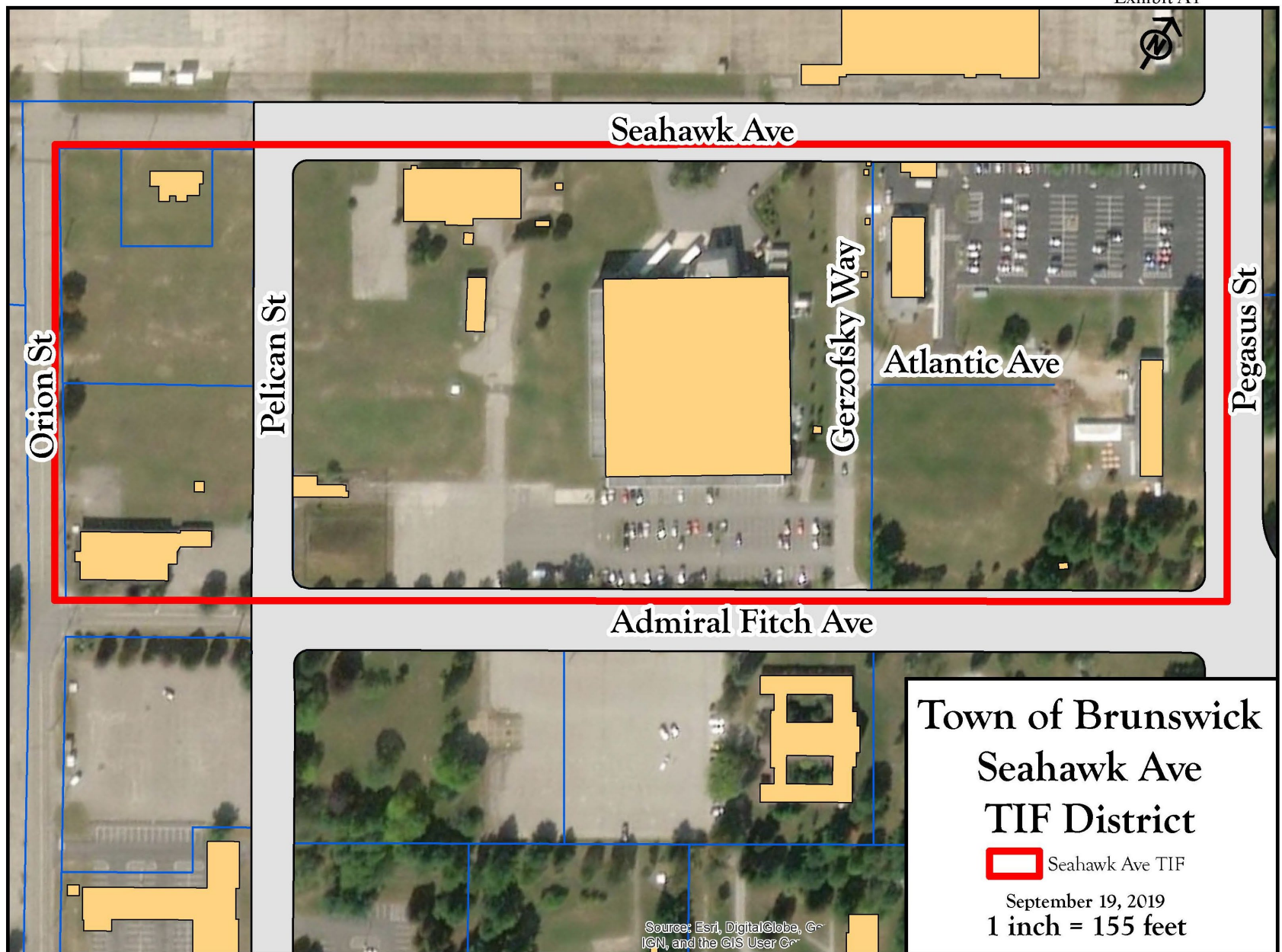
- ▲ Transit Facility
- ▨ Transit Area
- ▭ Downtown TIF District / Transit
- Bath Road
- Maine Street
- Pleasant Street

**500 Foot Buffer**

- ▨ Bath Road
- ▨ Maine Street
- ▨ Pleasant Street
- ▨ Town Parcels

0 0.3 0.6 1.2 Miles

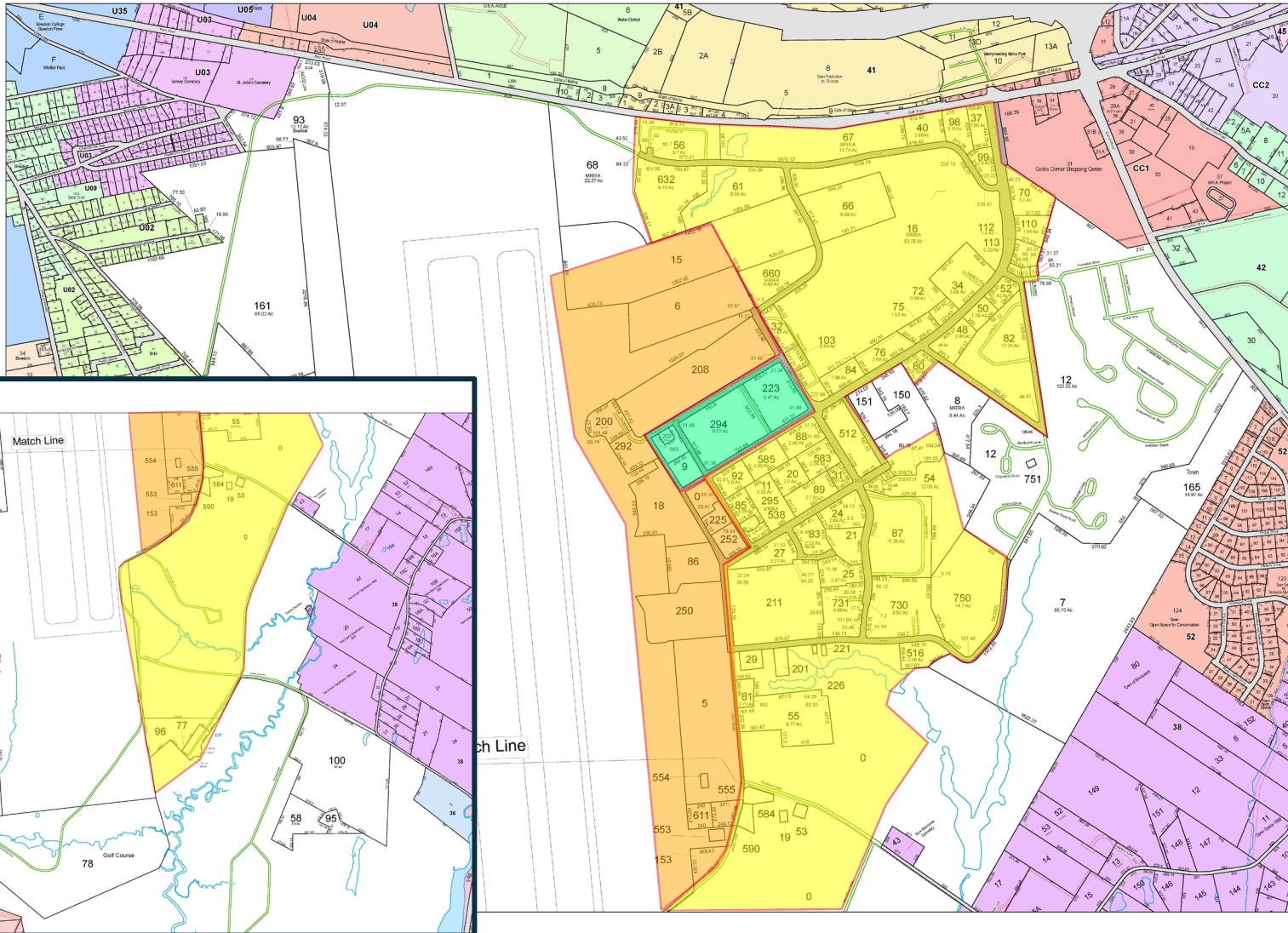
# Seahawk TIF District (formerly Molnlycke)





# Brunswick Landing and Brunswick Executive Airport TIF Districts

Legend:  = Brunswick Landing TIF District  = Brunswick Executive Airport TIF District  = Mohnlycke TIF District



Town of  
**BRUNSWICK**  
Maine



**Legend**

- Public Road
- Private Road
- ROW
- Water
- Hydrography Line
- ROW Property Access
- Other Road
- Town Boundary
- Other Lot Boundary
- Parcels\_Lines

Disclaimer:  
The information is provided as a  
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The Town of Brunswick shall not be  
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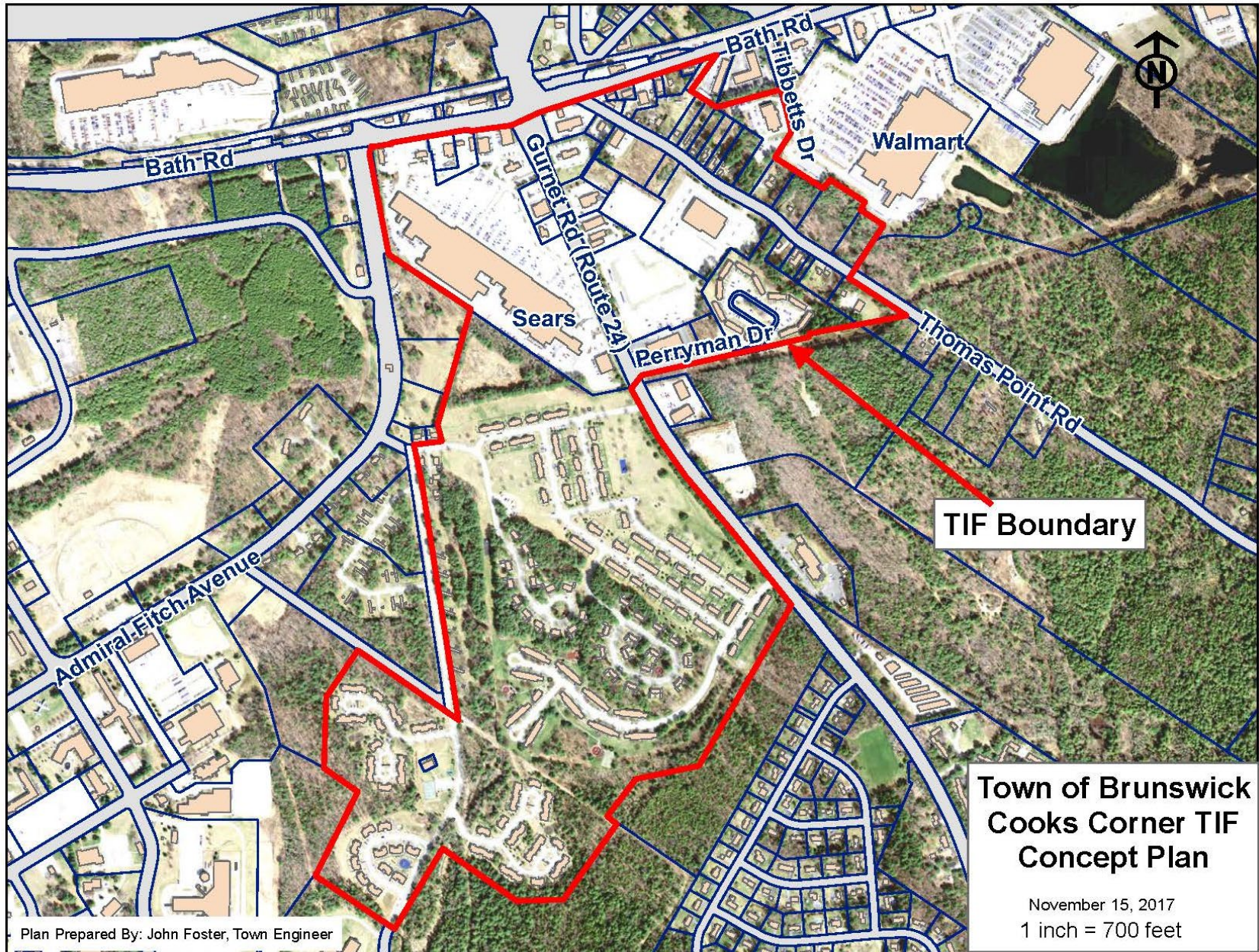
1 inch = 400 feet

Revised To: April 1, 2015  
Maps Prepared by:  
Town of Brunswick

**MAP**  
**40**




# Cook's Corner TIF District





# Development Programs

Original development program estimates of amounts required – not necessarily to be funded through TIF revenues.



TIF District	Date Created	Year Ending	Acres	Revenues in FY 23-24	Development Program Elements	Estimated Cost of Projects Over 30 Years
Downtown Development TIF	March 2010 30 years	2039-40	89.97	\$846,591	<ol style="list-style-type: none"> <li>1. Debt Service &amp; Capital Contribution</li> <li>2. Credit Enhancement Agreement</li> <li>3. Downtown Master Plan</li> <li>4. Train Station/Visitors Ctr Operation</li> <li>5. Other Economic Development</li> <li>6. Public Transit</li> <li>7. Road Improvements</li> </ol>	\$2,400,000 \$900,000 \$5,000,000 \$3,000,000 \$2,500,000 \$5,000,000 \$2,000,000
Seahawk TIF (formerly Molnlycke)	January 2013 30 years	2042-43	19.4	\$333,875	Credit Enhancements / Molnlycke and Wild Oats  <ol style="list-style-type: none"> <li>1. Road Improvements</li> <li>2. Public Safety Improvements</li> <li>3. Downtown TIF Projects</li> <li>4. Brunswick Downtown Association</li> <li>5. Professional &amp; Admin Costs</li> </ol>	Up to 55% of annual revenues; not to exceed \$3M total  Totals combined with Brunswick Landing and Bruns Exec Airport TIFs Omnibus Development Program
Brunswick Executive Airport TIF  Brunswick Landing Municipal TIF	October 2013 30 years	2042-43	146  542	\$467,073  \$2,333,789	Credit Enhancement / MRRA  <ol style="list-style-type: none"> <li>1. Road Improvements</li> <li>2. Public Safety Improvements</li> <li>3. Downtown TIF Projects</li> <li>4. Brunswick Downtown Association</li> <li>5. Professional &amp; Admin Costs</li> <li>6. School Construction / Renovation</li> <li>7. General Economic Development</li> <li>8. Recreational Trails</li> <li>9. Road/Infrastructure Improvements</li> </ol>	Up to 50% of annual revenues; (MRRA cap at \$15M total)  \$19,200,000 \$3,900,000 \$3,000,000 \$3,000,000 \$600,000 \$40,000,000 \$15,000,000 \$1,500,000 \$18,000,000
Cook's Corner TIF	February 2018 30 years	2047-48	205	\$1305,468	<ol style="list-style-type: none"> <li>1. Road Improvements</li> <li>2. Downtown TIF Projects</li> <li>3. General Economic Development</li> <li>4. Recreational Trails</li> </ol>	\$27,000,000 \$3,000,000 \$15,000,000 \$1,500,000
Total				\$5,681,069		

# How a TIF works

## Basic TIF Model

Beginning FY 2044

\$  
Annual taxes generated

Revenues diverted for  
TIF-eligible purposes:

- Pledges to support bond debt services
- Pledges to developer note
- Fund Infrastructure

Seahawk = \$10M  
taxable value added  
= approx \$212K tax  
revenue

**Incremental Taxes**

### Existing Tax Base

Revenues continue to flow to  
normal taxing bodies

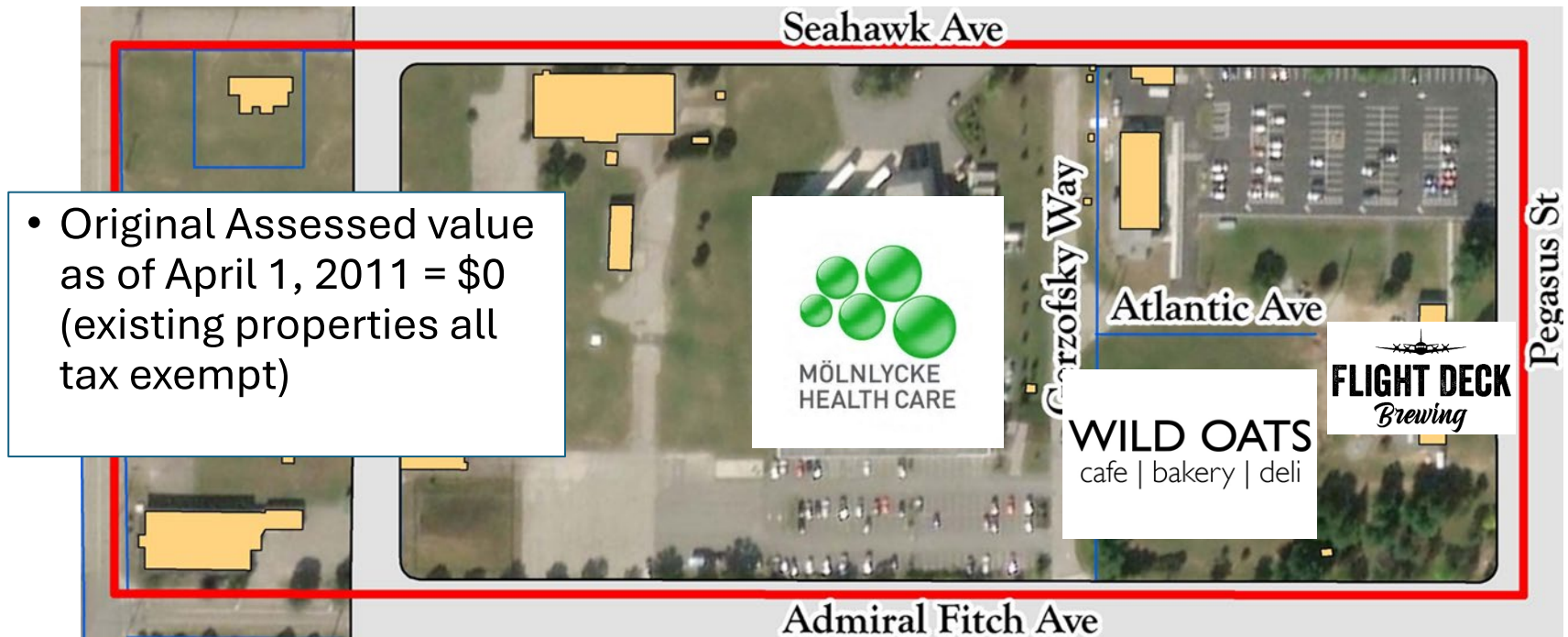
Seahawk =  
\$0 Existing value  
= \$0 Tax revenue  
to operating budget

**New  
Tax  
Base  
Revenues**  
flow  
to normal  
taxing  
bodies

**Statutory life of TIF district (30 Years)**



# How a TIF works – Seahawk example



- ▶ As of April 1, 2013, Molnlycke Mfg facility added \$10M value = \$200K tax revenue
- ▶ As of April 1, 2017, Flight Deck Brewing added \$620K value = \$12K tax revenue
- ▶ As of April 1, 2021, Wild Oats Bakery and Café added \$2.6M value = \$55K tax revenue





## Seahawk TIF District 2022-23

Taxable Value = \$14,124,300

TIF Revenue = \$306,356

Credit Enhancement Agreements = \$149,650

Town Development Program = \$156,706

## Estimated Tax Shift Benefits:

Education \$104,238

Revenue Sharing \$30,336

County Tax \$9,651

Total \$144,225





# TIF Revenues put to work for Economic Development in Brunswick:

Current TIF Districts only!

From 2010-11 to 2022-23 (13 years), Total TIF Revenues - \$21,185,873

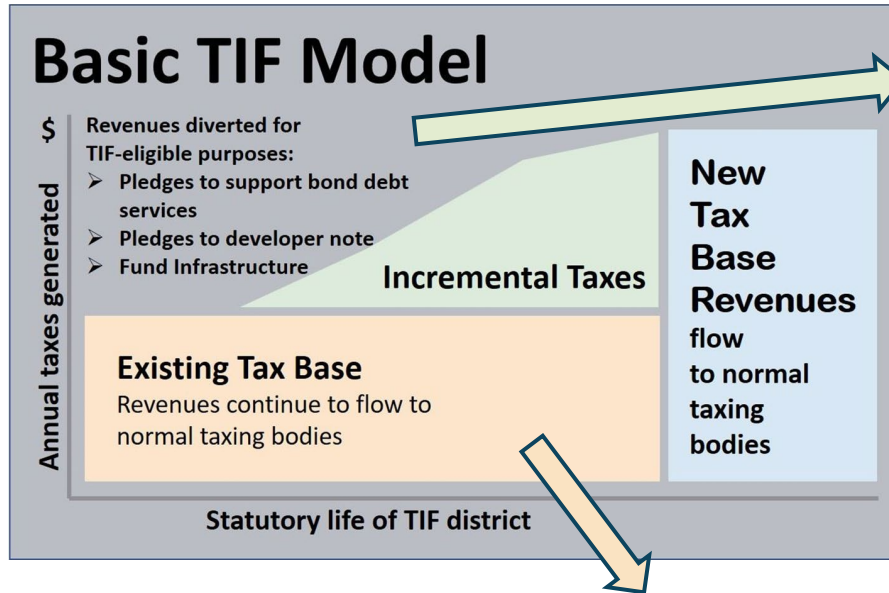
• Credit Enhancement Agreements	\$8,430,332
• Station Avenue construction	1,578,646
• Union/Mill St Storm Drain	1,242,005
• Paving qualified roads	1,085,000
• Landing Drive	1,034,644
• Public Safety Vehicles	1,000,000
• 35 Union St (People Plus) debt service	798,283
• Transit-Oriented (bus services)	726,839
• MDOT MPI match	725,000
• Downtown Improvement project	700,000
• Brunswick Downtown Association	685,000
• Economic Development/Administration	677,022
• Fire Engine 2	636,962
• Train Station rent & maintenance	544,000
• Cook's Corner Revitalization	520,000
• Parking projects (incl Cedar St)	385,000
• Pleasant St Corridor	286,922
• BDC Economic Recovery Loan Program	50,000
• Katahdin Drive extension (EDA local share)	50,000
• Recreational Trails (Kate Furbish Preserve)	40,500
• Maine St Banner Poles	34,719
• Heads Up! grants - Federal/Mason & Jordan/Bath	30,000



# Proposed usage of TIF Revenues for Economic Development in 2023-24

• Credit Enhancement Agreements	\$1,483,241
• Landing Drive construction (repay advance)	\$280,000
• Public Safety vehicles	\$190,000
• Paving qualified roads	\$250,000
• MDOT MPI grant match – McKeen Street	\$490,000
• MDOT grant match – Pleasant St intersections	\$175,000
• Heads Up grant match – Federal/Mason/Mill	\$10,000
• Heads Up grant match – Jordan Ave/Bath Rd	\$97,000
• Brunswick Downtown Association	\$140,000
• Economic Development/Administration	\$120,000
• Train Station operation	\$125,000
• Transit-Oriented – MetroBreez	\$89,055
• Transit-Oriented – Brunswick Link	\$108,000
• Cedar Street Parking	\$98,000
• Cook’s Corner Revitalization & Pedestrian Access	<u>\$240,000</u>
Total	<u>\$3,895,296</u>

# Tax Shifts resulting from TIFs - the 'invisible benefit'



New taxable value in a TIF district is **'sheltered'** = not included in Brunswick's State Valuation

The annual State Valuation process, which takes about 18 months to complete, begins with compiling a sales-ratio study for each municipality. The sales-ratio study measures the assessed value of recently sold properties relative to their selling price. Sales-ratio data is derived from the declaration of value that is filed with the registry of deeds when a property is sold. Maine Revenue Services staff then visit each municipality to audit municipal assessing records and to verify certain information with local assessing officials.

State Valuation is used in formulas for State Aid to Education, Revenue Sharing, and County Tax.

The State Valuation values are used by Maine Revenue Services and other state agencies for various purposes, including calculating municipal reimbursements for certain lost revenue, allocating money appropriated for State General Purpose Aid for Education, determining State Revenue Sharing to municipalities, and apportioning county taxes.

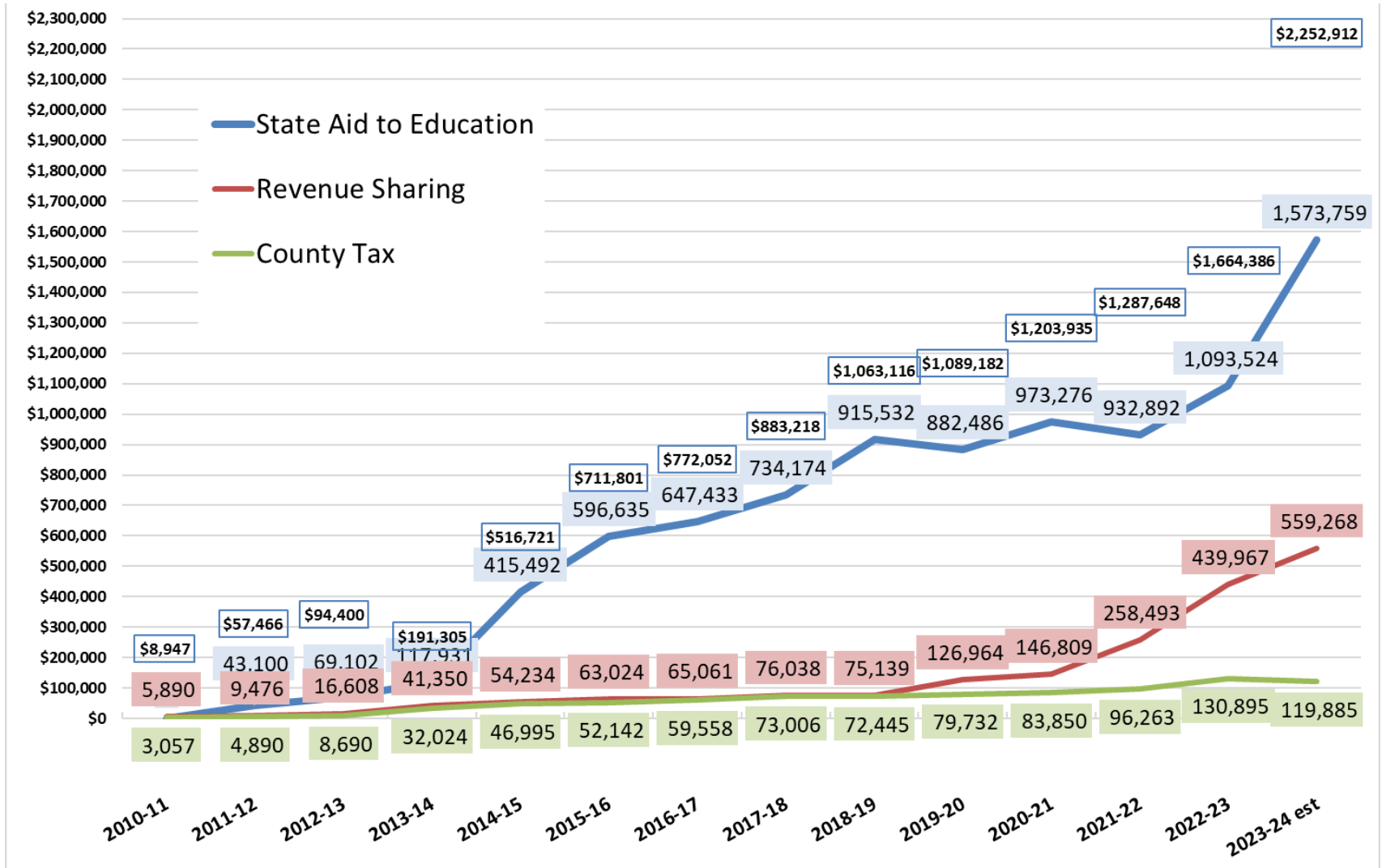
Higher State Valuation = Lower State Aid to Brunswick Education  
Higher State Valuation = Lower State Revenue Sharing Distribution  
Higher State Valuation = Higher Share of County Tax obligation



# Estimated Benefits of Tax Shifts for Brunswick's Operating Budget:

Current TIF Districts only!

From 2010-11 to 2023-24 (14 years), Total Est Tax Shift Benefit - \$11,797,089



# “Lost Revenue” in Every New Tax Dollar in State Valuation\*



**39¢ “Lost Revenue”: 61¢ Available to Town**

**26¢ - State Aid to Education**

**10¢ - Revenue Sharing**

**3¢ - County Tax**

\*Estimate based on  
2022-23 budget

# Credit Enhancement Agreements (CEAs)

Allowed use of  
TIF Revenues  
to incentivize  
development  
which will  
benefit the  
Town.

New CEA with Admiral  
Fitch Partners LLC for  
workforce housing  
project: \$100,000 per  
year for 19 years,  
starting in 2024-25



TIF District	CEA	Date Created / Term	Fiscal Year	# of Empl	% of TIF Revenues	CEA \$
<b>Downtown Development TIF</b>	JHR Development of Maine, LLC <u>and Maine &amp; Noble, LLC</u> Stated % of TIF Revenues generated by new Inn - Parcel U16-102	3/1/2010  10 years	2011-12 2012-13 2013-14 2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21	n/a n/a n/a n/a n/a n/a n/a n/a n/a n/a	100% 100% 100% 100% 100% 80% 80% 70% 70% 50%	\$ 60,777.09 97,976.52 104,429.59 107,813.52 111,590.93 92,389.10 62,869.49 56,657.83 59,053.51 43,571.43 \$ 797,129.01
<b>Seahawk TIF (formerly Molnlycke)</b>	<u>Molnlycke</u> Up to 55% of TIF Revenues on RE Parcel and Personal Property based on # of employees (35% base, plus 0.5% per empl over 45)	5/17/2013  20 years	2013-14 2014-15 2015-16 2016-17 2017-18 2018-19 2019-20 2020-21 2021-22 2022-23	45 46 54 54 74 75 80 84 75 99	35.0% 35.5% 39.5% 39.5% 49.5% 50.0% 52.5% 54.5% 50.0% 55.0%	\$ 87,211.63 92,852.00 107,555.68 109,602.59 94,576.03 98,029.25 107,215.67 114,549.05 107,367.46 122,419.34 \$ 918,959.36
	<u>Wild Oats</u> Up to 55% of new TIF Revenues on RE Parcel based on # of employees (35% base, plus 0.5% per employee over 50)	11/20/2019  10 years	2021-22 2022-23	48.25 69	35.0% 44.5%	\$ 19,147.60 27,230.36 \$ 46,377.96
<b>Brunswick Executive Airport TIF  and Brunswick Landing Municipal TIF</b>	<u>MRRA</u> Up to 50% of TIF Revenues with annual request to Town Council up to total of \$15,000,000	9/22/2016  30 years	2015-16 2016-17 2017-18 2018-19 2019-20 2020-21 2021-22 2022-23			500,000.00 1,036,259.59 559,138.06 807,450.29 692,900.00 732,800.00 877,142.12 970,900.00 \$ 6,176,590.06
<b>Cook's Corner TIF</b>	None					



END