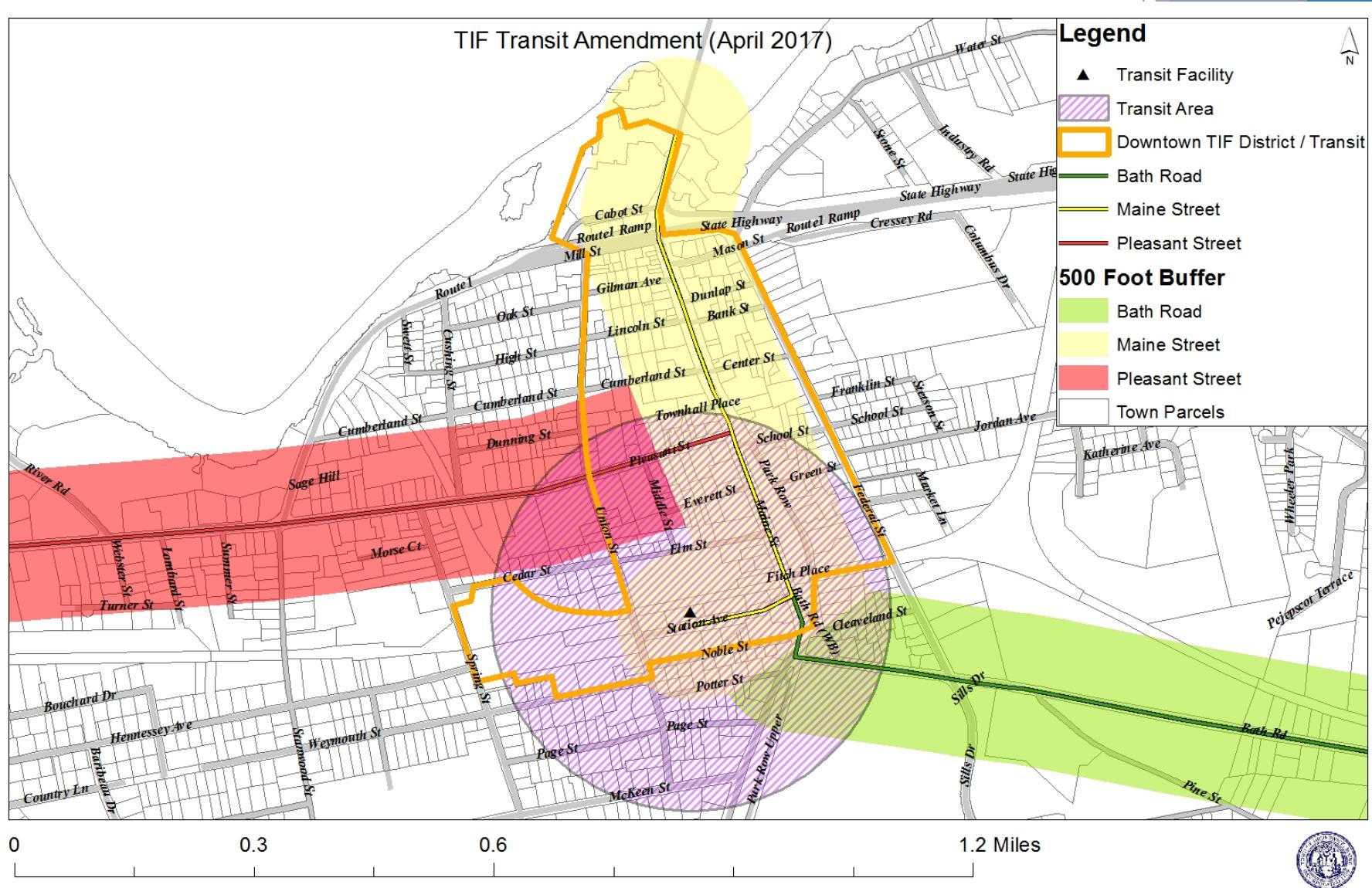


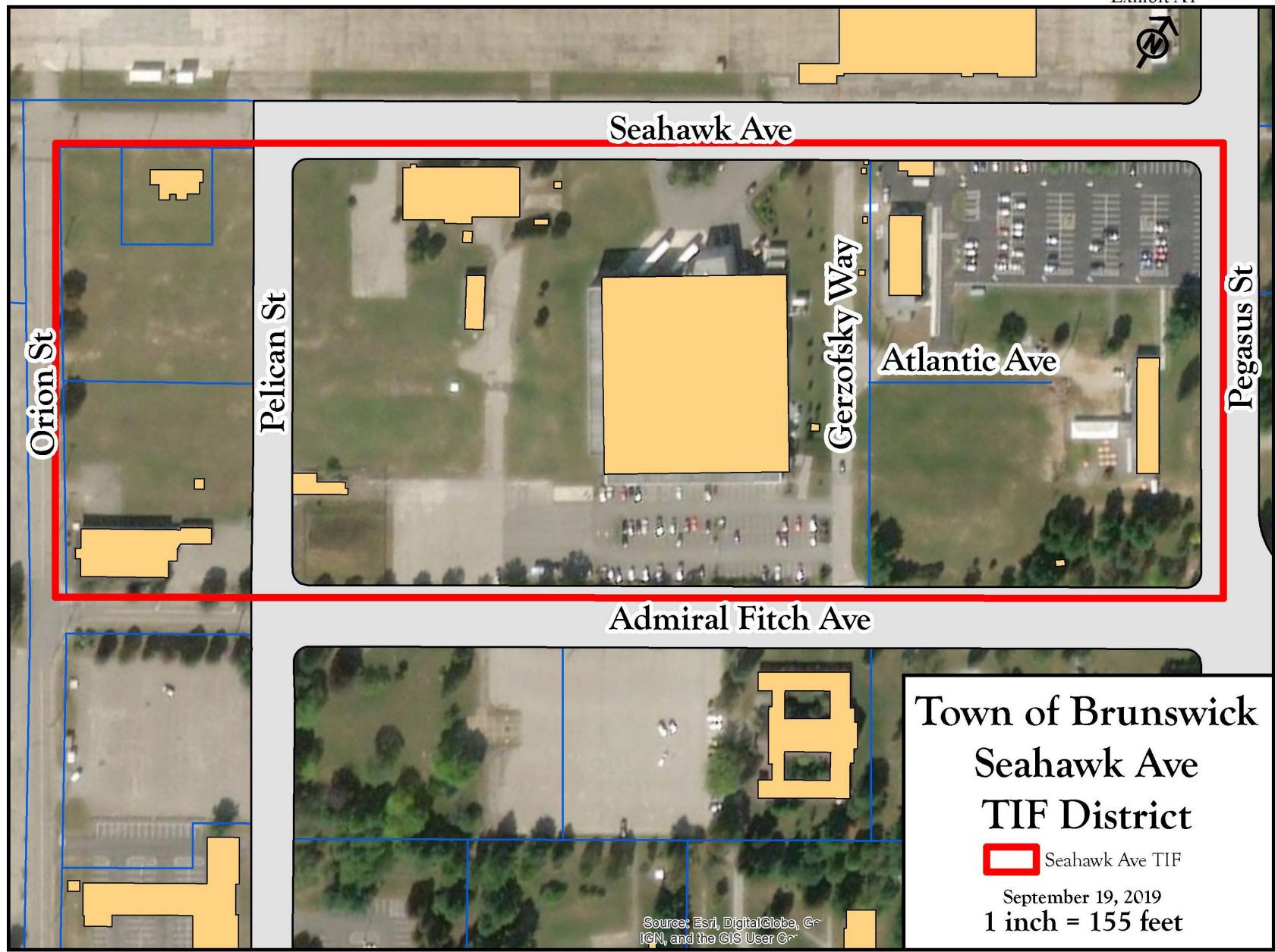
Town of Brunswick

Tax Increment Financing Districts
and 2021-22 TIF Budget

Downtown Development and Transit Oriented TIF District

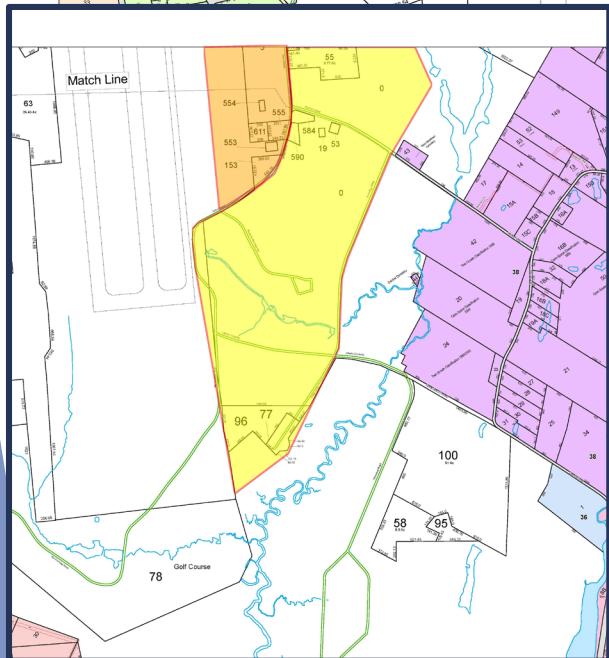
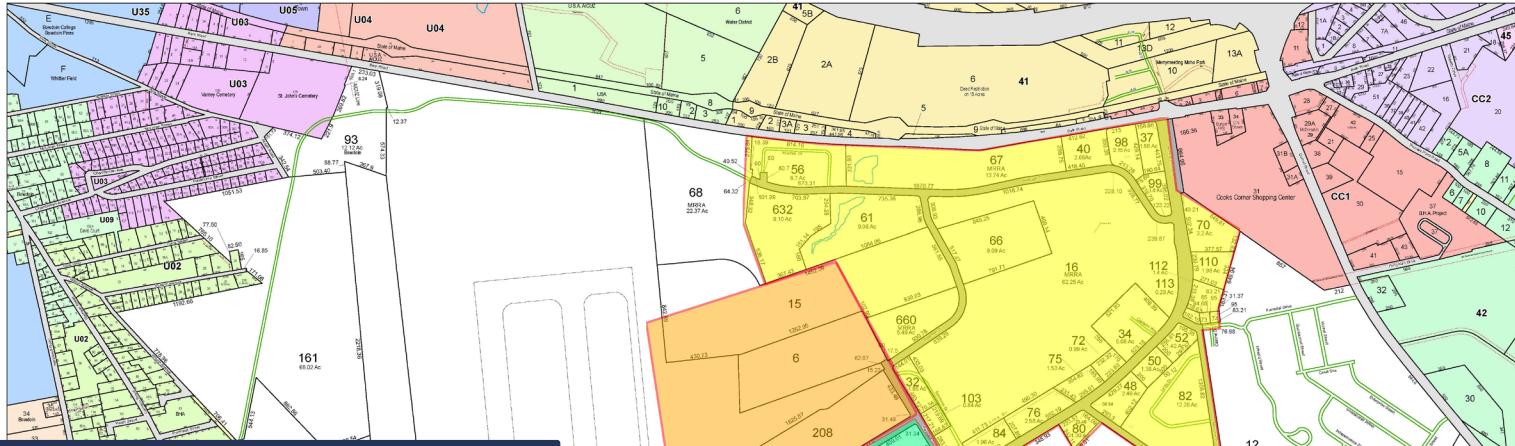


Seahawk TIF District (formerly Molnlycke)



Brunswick Landing and Brunswick Executive Airport TIF Districts

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

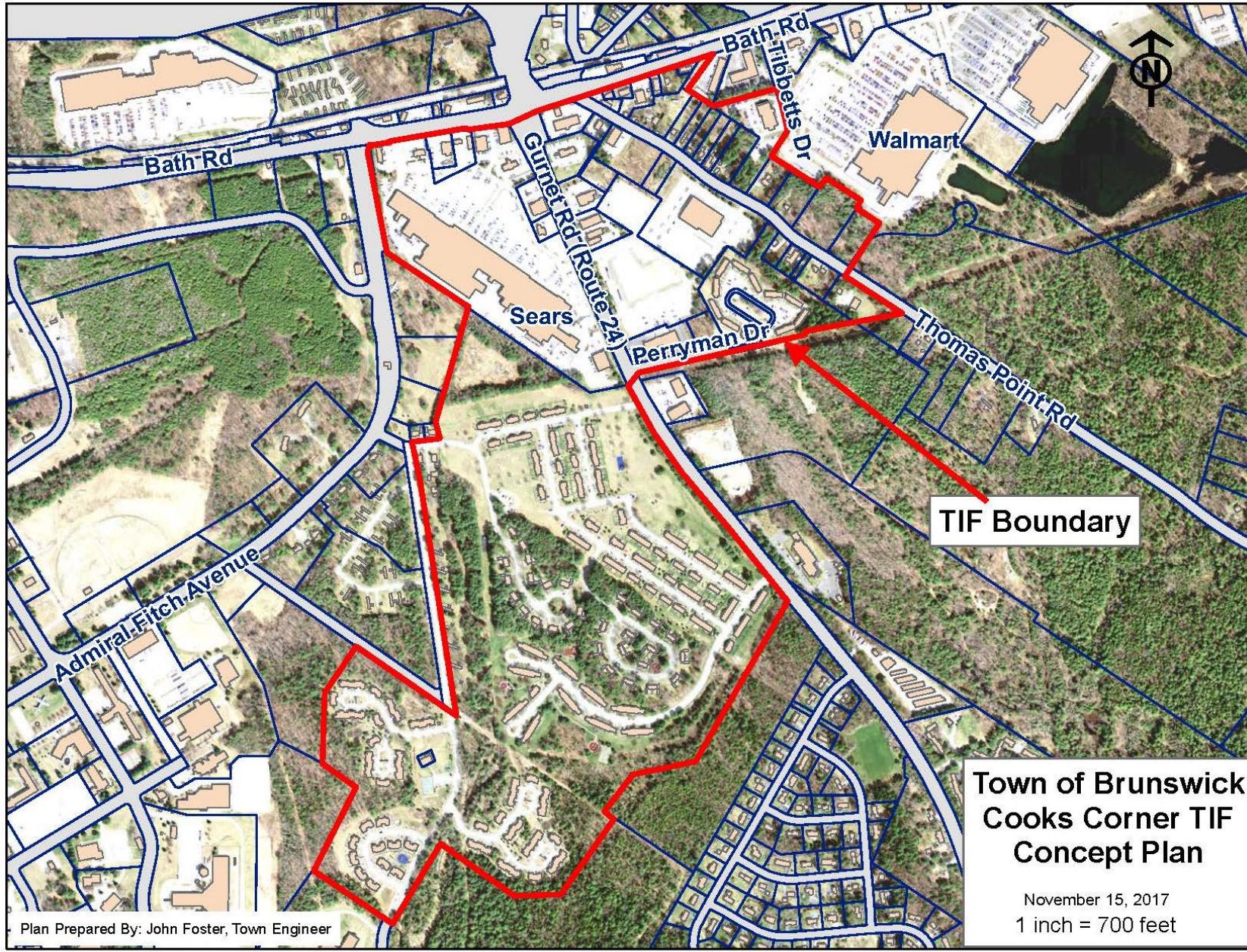


1 inch = 400 feet

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 20-21	Development Program Elements	Estimated Cost of Projects Over 30 Years
Downtown Development TIF	March 2010 30 years	2039-40	89.97	\$623,861	1. Debt Service & Capital Contribution 2. Credit Enhancement Agreement 3. Downtown Master Plan 4. Train Station/Visitors Ctr Operation 5. Other Economic Development 6. Public Transit 7. Road Improvements	\$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	\$233,503	Credit Enhancements / Molnlycke and Wild Oats 1. Road Improvements 2. Public Safety Improvements 3. Downtown TIF Projects 4. Brunswick Downtown Association 5. Professional & Admin Costs	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	October 2013 30 years	2042-43	146	\$344,026	Credit Enhancement / MRRA 1. Road Improvements 2. Public Safety Improvements 3. Downtown TIF Projects 4. Brunswick Downtown Association 5. Professional & Admin Costs 6. School Construction / Renovation 7. General Economic Development 8. Recreational Trails 9. Road/Infrastructure Improvements	Up to 50% of annual revenues; not to exceed \$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	\$117,696	1. Road Improvements 2. Downtown TIF Projects 3. General Economic Development 4. Recreational Trails	\$27,000,000 \$3,000,000 \$15,000,000 \$1,500,000
Total				\$2,486,619		

How a TIF works - Seahawk example



- As of April 1, 2013, Molnlycke Mfg facility added \$9.4M 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 will add taxable value

How a TIF works

Basic TIF Model

\$

Annual taxes generated

Revenues diverted for
TIF-eligible purposes:

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



Beginning FY 2044

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

Incremental Taxes

Existing Tax Base

Revenues continue to flow to
normal taxing bodies

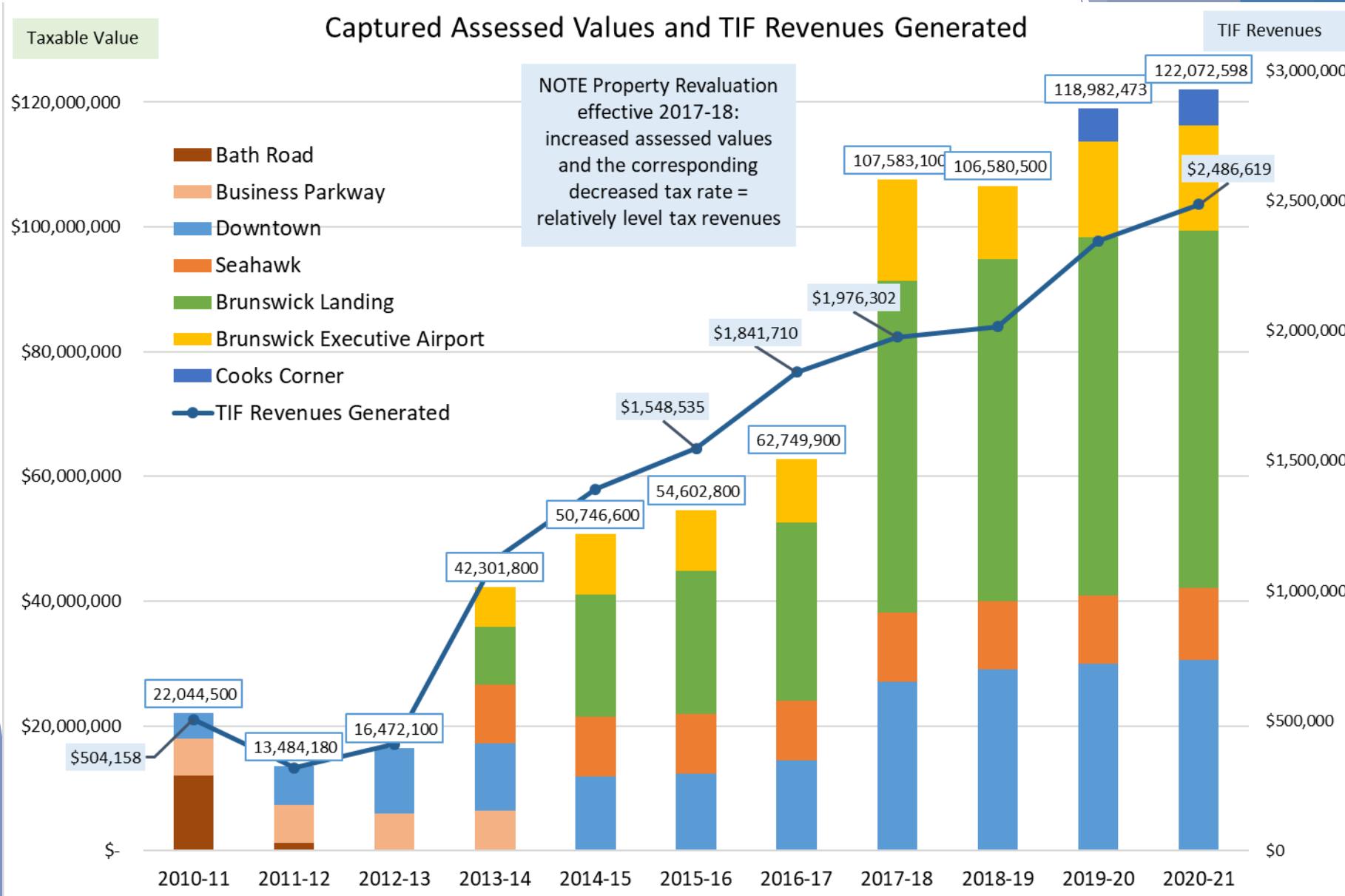
Seahawk =
\$0 Existing value
= \$0 Tax revenue
to operating budget

New
Tax
Base
Revenues

flow
to normal
taxing
bodies

Statutory life of TIF district (30 Years)

Brunswick TIF Districts



TIF Revenues put to work for

Current TIF Districts only!

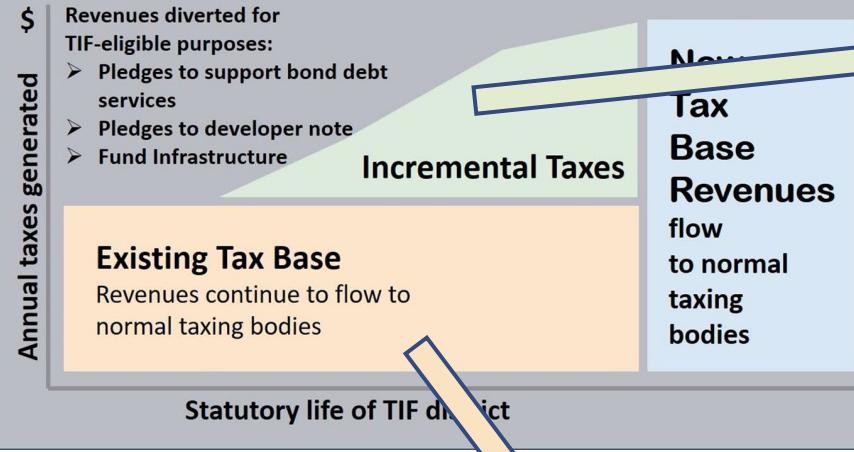
Economic Development in Brunswick:

From 2010-11 to 2020-21 (12 years), Total TIF Revenues - \$14,848,751

▶ Credit Enhancement Agreements	\$5,990,607
▶ Station Avenue construction	\$1,578,646
▶ Union/Mill St Storm Drain	\$1,242,005
▶ 35 Union St (People Plus) debt service	\$798,283
▶ Landing Drive planning & construction	\$885,000
▶ Public Safety vehicles (incl Engine 2)	\$1,180,000
▶ Paving qualified roads	\$685,000
▶ Brunswick Downtown Association	\$510,000
▶ Downtown Improvement project	\$500,000
▶ Economic Development/Administration	\$447,022
▶ Train Station rent & maintenance	\$269,000
▶ Transit-Oriented (bus services)	\$408,547
▶ Parking projects (planning/grant match)	\$273,000
▶ Maine St banner poles	\$34,719
▶ Pleasant St corridor study (PPI match)	\$46,922

Tax Shifts resulting from TIFs - the ‘invisible benefit’

Basic TIF Model



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

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.

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

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



48¢ “Lost Revenue”: **52¢ Available to Town**

39¢ - State Aid to Education

6¢ - Revenue Sharing

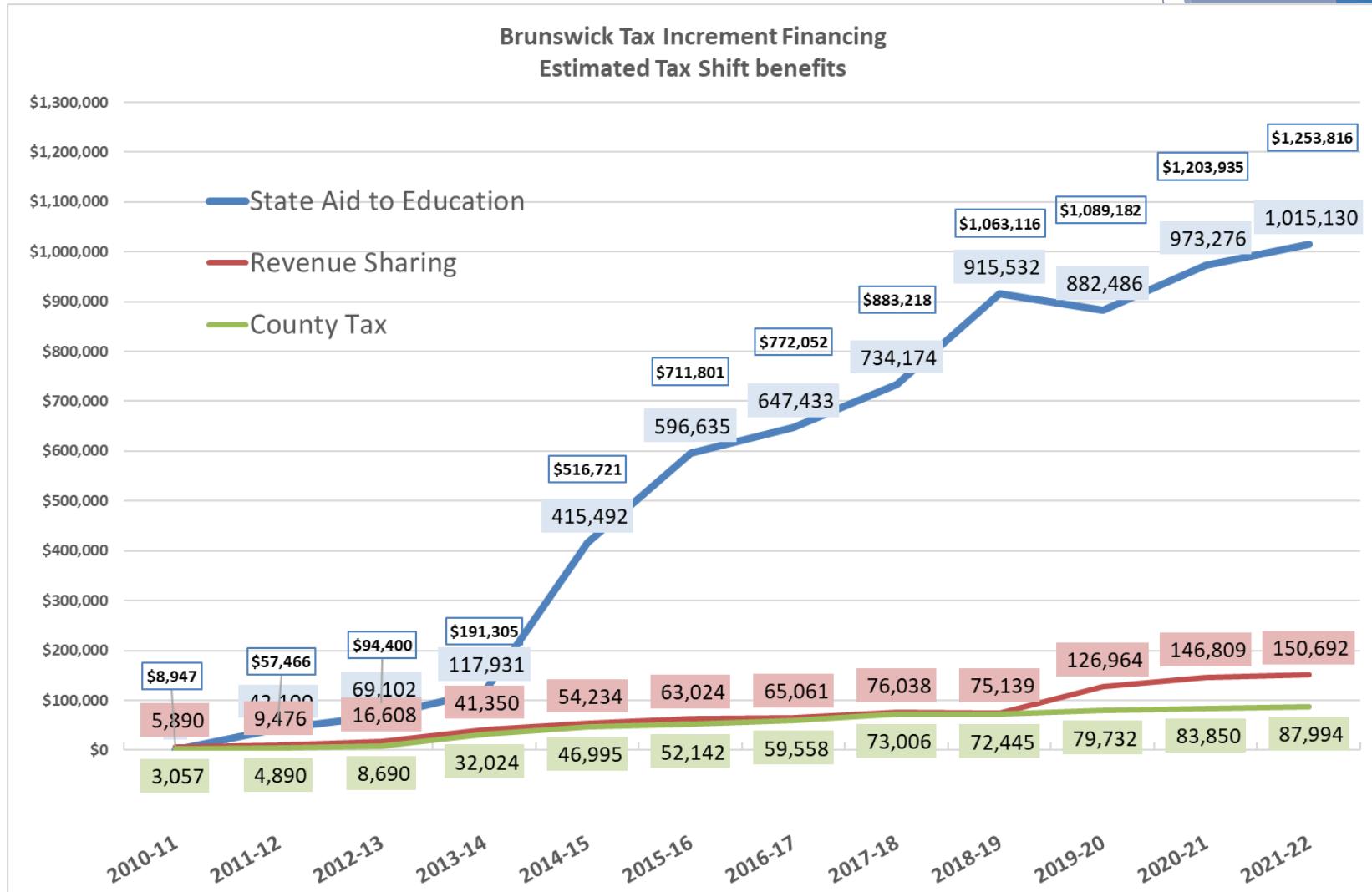
3¢ - County Tax

*Estimate based on
2020-21 budget

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

Current TIF Districts only!

From 2010-11 to 2021-22 (12 years), Total Est Tax Shift Benefit - \$7,845,959



2021-22 TIF Budget Summary (pp 94-95)

Conventional view:

- 2019-20 Actual
- 2020-21 Adopted
- 2020-21 Estimated
- 2021-22 Proposed

	2019-20 Actual	2020-21 Adopted
Total Tax Increment Financing Balance		
Fiscal year beginning balance	728,599	72,6
Fiscal year ending balance	72,617	128,99
Amount transferred to CP Funds	1,407,719	721,92
Amount transferred to General Fund	638,600	673,90
Estimated Annual Tax Shift Benefit		
Total sheltered value	118,982,473	118,982,47
State Aid to Education	882,486	
Revenue Sharing	126,934	
County Tax	<u>79,732</u>	
	1,089,152	
Estimated Annual Tax Shift Benefit represents the increase in State resulting from 'sheltering' the TIF districts' increased valuation if the incremental values were included in the Town's state valuation and an increase in the County tax.		
Tax Increment Estimate		
County Tax		
Revenue Sharing		
Education Aid		
\$1,400,000		
\$1,200,000		
\$1,000,000		
\$800,000		
\$600,000		
\$400,000		
\$200,000		
\$-		
2010-11		
2011-12		
2012-13		
2013-14		
2014-15		
2015-16		
2016-17		
2017-18		
2018-19		
2019-20		
2020-21		
2021-22		

	2019-20 Actual	2020-21 Adopted	2020-21 Adjustments	2020-21 Available	2020-21 Estimated	2021-22 Manager
Property Tax Revenues						
District Increment Value	118,982,473	118,982,473	3,090,125	122,072,598	122,072,598	122,072,598
Tax Rate	19.72	20.37	-	20.37	20.37	21.65
Tax Increment Revenue	2,346,334	2,423,673	-	2,486,619	2,486,619	2,642,872
TOTAL REVENUES	2,346,334	2,423,673	-	2,486,619	2,486,619	2,642,872
TIF Program Expenditures						
Credit Enhancement Agreement	883,892	901,372	-	913,900	913,900	915,859
Debt Service (People Plus Bldg)	72,105	70,035	-	70,035	70,035	-
Downtown Master Plan						
Parking Study	-	-	25,000	25,000	25,000	-
Cedar St Parking - DOT match	128,000	15,000	-	15,000	15,000	-
Maine St banner poles	34,719	-	-	-	-	-
Downtown Sidewalks & Lighting	400,000	100,000	-	100,000	100,000	200,000
Facility Operation (Train Station/Visitors	75,000	25,000	-	25,000	25,000	125,000
Economic Development	80,000	75,000	63,000	138,000	138,000	110,000
Transit-Oriented Projects						
Transit Study	20,000	-	-	-	-	-
Pleasant Street MDOT grant match	-	46,922	-	46,922	46,922	140,000
Brunswick Explorer (expanded oper	40,000	41,019	-	41,019	41,019	46,000
Brunswick Explorer (capital)	20,000	10,000	-	10,000	10,000	20,000
MetroBreez	43,600	77,950	-	77,950	77,950	76,122
Road Improvements						
Qualified road work	150,000	190,000	-	190,000	190,000	200,000
Public Safety - Police/Fire vehicles	150,000	150,000	-	150,000	150,000	150,000
Engine 2 - Advance repayment	240,000	240,000	-	240,000	240,000	156,962
Brunswick Downtown Association	105,000	105,000	-	105,000	105,000	80,000
Road/Infrastructure Improvements						
Katahdin Drive extension	-	-	50,000	50,000	50,000	-
Landing Drive construction	560,000	200,000	(50,000)	150,000	150,000	200,000
Bath Road Signal Upgrades	-	120,000	-	120,000	-	-
Cook's Corner Redevelopment	-	-	-	-	-	100,000
TOTAL EXPENDITURES	3,002,316	2,367,298	88,000	2,467,826	2,347,826	2,519,943
Revenues less Expenditures	(655,982)	56,375	(88,000)	18,793	138,793	122,929

2021-22 TIF Budget Summary

Note updated
value estimates
and tax rate

Alternative view:
• 2021-22 only
• By TIF District

	<u>Downtown</u>	<u>Seahawk</u>	<u>BL & BEA</u>	<u>Cooks Corner</u>	<u>Total</u>
2021-22 Beginning Balance	19,504.71	23,750.92	33,958.65	134,196.05	211,410.33
<u>2021-22</u>					
Sheltered value	31,241,250	13,362,600	79,916,848	8,883,950	133,404,648
Tax rate	21.47	21.47	21.47	21.47	21.47
Estimated TIF revenues	670,749.01	286,894.75	1,715,813.13	190,738.23	2,864,195.12
	5.40%				
Credit Enhancement Agreements	-	129,997.62	857,906.56	-	987,904.18
 Gen Fund Budget					
Train Station/Visitors Ctr	125,000.00				125,000.00
Bruns Downtown Assoc		80,000.00			80,000.00
Road Improvements (paving)			200,000.00		200,000.00
Public Safety vehicles			150,000.00		150,000.00
Economic Development			40,000.00		40,000.00
Transit-oriented (bus services)			70,000.00		70,000.00
Other Projects	142,122.00				142,122.00
Transit-oriented - Pleasant St Corr	140,000.00				140,000.00
Cedar St parking	122,780.00				122,780.00
Recreational Trails - Kate Furbish Preserve		40,500.00			40,500.00
MaineDOT MPI match (qualified roads)			330,000.00		330,000.00
Cooks Corner Rd			50,000.00		50,000.00
Fire Engine 2			56,962.00		56,962.00
Downtown Improvement Projects	100,000.00				100,000.00
Cooks Corner Revitalization				200,000.00	200,000.00
TIF Expenditures	629,902.00	150,000.00	867,462.00	200,000.00	1,847,364.00
Total TIF expenditures	629,902.00	279,997.62	1,725,368.56	200,000.00	2,835,268.18
2021-22 Ending Balance	60,351.73	30,648.05	24,403.21	124,934.28	240,337.27

DRAFT

Proposed usage of TIF Revenues for Economic Development in 2021-22

▶ Credit Enhancement Agreements	\$987,904	CEAs & Capital Projects - one time costs
▶ Landing Drive construction (repay advance)	\$50,000	
▶ Engine 2 (repay advance)	\$56,962	
▶ MDOT MPI grant match - Church Rd	\$330,000	
▶ MDOT PPI grant match - Pleasant St	\$140,000	
▶ Downtown Sidewalks & Lighting	\$100,000	
▶ Cedar Street Parking	\$122,780	
▶ Recreational Trails - Kate Furbish Preserve	\$40,500	
▶ Cook's Corner Revitalization	\$200,000	
▶ Public Safety vehicles	\$150,000	
▶ Paving qualified roads	\$200,000	Transfer to General Fund - ongoing operating costs
▶ Brunswick Downtown Association	\$80,000	
▶ Economic Development/Administration	\$110,000	
▶ Train Station operation	\$125,000	
▶ Transit-Oriented - MetroBreez	\$76,122	
▶ Transit-Oriented - Explorer (estimated)	<u>\$66,000</u>	
Total	\$2,835,268	

END