

Where will the proposed TIF District be located?

The TIF District will closely, although not exactly, match up with the area and boundaries of the current Industrial Zoning district. This area includes a portion of Route 5/113 near the Hunting Facility, and along Porter Road, extending to and including the airport property.

The TIF District is approximately 758 acres in size and includes 36 parcels.



Town of Fryeburg
16 Lovewell Pond Road
Fryeburg, ME 04037

Town of Fryeburg Tax Increment Financing (TIF) Proposal

ATTN: Public Hearing!!

The Fryeburg Economic Development Committee wants to invite you to attend public hearings to be held at the American Legion at 6:00 p.m. on:

August 29, 2017

September 21, 2017

The committee hopes that you will attend to learn more about the proposal to adopt and implement a TIF in Fryeburg.

Voting residents will be asked if they want to approve the TIF at a Special Town Meeting Referendum Vote on October 12, 2017.

In general, what is Tax Increment Financing?

Tax Increment Financing is a financing program in which property taxes on the new value of development within a defined area are used to fund economic development and projects included in the development program.

Currently, hundreds of Maine communities have TIF districts. TIF's can aid in supporting economic development, therefore broadening the tax base and providing employment opportunities.

The TIF specifics are locally determined: the Town defines the district and chooses how much of the new taxes will go to what projects over a period of time, with the whole package requiring Town approval.

A business may approach a municipality with a proposal for investment for which a TIF district would provide financing. Or, the town might take advantage of an already-planned and financed project and create a TIF district around it, capturing a portion of new property tax revenue for specific uses.

Over their term, TIF districts can return thousands to millions of dollars to the town. The projects financed may range from upgrading a road or adding public sewer to purchasing specific firefighting equipment.

TIF's also serve to "shelter" increases in valuation resulting from new development within the TIF district. The higher the total valuation of properties in town is, the less state aid for education is received, the less municipal revenue sharing is received and the more county taxes have to be paid. Therefore, new development in a TIF district will not negatively impact state education aid, municipal revenue sharing, and county taxes, but will increase the tax base.

What are some of the specifics of the proposed TIF in Fryeburg?

- ❖ TIF Term: 20 years or less
- ❖ Estimated new tax revenues captured over that time period: A projected \$16,200,000 directly to the general fund and \$6,546,430 to be placed in a TIF Infrastructure development fund.
- ❖ Credit Enhancement Agreement: No credit assistance to any company is proposed at this time
- ❖ Development program includes road upgrades to Porter and Lyman Road, potential phased connection to a sewer system, expansion of 3-phase power, broadband connections, Town fire apparatus and plow truck funding, among other benefits.
- ❖ The TIF, while centered around the prospect of Poland Spring developing within the Industrial District, also includes other industrial zoned and

developable properties and may aid in bringing further business development to Fryeburg.

How will the adoption of a TIF help the residents of Fryeburg?

- ❖ Increases to the general fund.
- ❖ May increase employment opportunities
- ❖ Sheltered valuation from development.
- ❖ Creates wide ranging infrastructure improvement areas in and around the Eastern Slope Regional Airport and the Industrial Zoning District.

Common TIF misconceptions

- ❖ A TIF may only be located in a "blighted" area.
A blighted area may qualify for a TIF District but a TIF District does not inherently mean the area is blighted.
- ❖ A TIF will not help current businesses.
A TIF may directly or indirectly help a current business. A TIF might offer an existing business in the District an incentive to expand or an existing business may be able to take advantage of benefits from the development program (i.e. a restaurant in the village may gain sewer system access or a manufacturer may be able to utilize additional equipment due to 3-phase power availability).
- ❖ A TIF is corporate welfare.
This TIF is designed to make infrastructure improvements, including road, water, and sewer to assist both future and existing business.