

Oakland Comprehensive Plan
Full Committee: TIF District Presentation

9.24.2018 | 4pm

Attendees: Gary Bowman, Donna Griffin, Shawn Marquis, Robert Nutting, Cindy Reese, Kelly Roderick, Dale Sturtevant, Chuck Sweigart

Facilitator: Garvan Donegan, CMGC

Presenter: Jonathan Pottle – Attorney at Eaton Peabody, providing legal services in the areas of environmental law, land use law, municipal law, utilities law, economic development, project development and finance, renewable energy, real estate, timberlands, and natural resources law.

Agenda:

1. Approve Minutes
2. Survey Update
3. Overview of Tax Increment Financing (TIF) Districts
4. Next steps

I. Approve Minutes

Motion to approve minutes made by Cindy, seconded by Dale. Edit made to include “renewable” within energy sources phrase. All in favor, so moved.

II. Survey Update

CMGC has begun to analyze survey responses, which number over 250 – we are well on track to achieve a 10% response rate. Will launch a boosted Facebook post to encourage Oakland residents to take the survey – target by end of week. A press release will be simultaneously distributed.

III. Overview of Tax Increment Financing (TIF) Districts

Presented by Jonathan Pottle, attorney at Eaton Peabody

TIF districts are a tool used to implement a larger economic development strategy. They can be used to fund municipal projects and/or attract private investment in the targeted district. Established in Maine in 1977, approx. 125 Maine municipalities actively use approx. 400 TIF districts.

TIFs shelter and capture value for use toward economic development projects. The increase in property tax value brought on by development project is not counted toward state subsidy and/or county tax calculations, and is instead used to fund economic development projects prioritized in a municipality’s TIF Development Program. The TIF program may be funded via municipal bonding or, as is more commonly used today, Credit Enhancement Agreements (CEAs), which are contracts between the municipality and a developer.

4 general types of TIF districts: Economic Development; Downtown; Affordable Housing; Transit-Oriented.

Expiration: 30 years max. Municipalities may want smaller term to minimize land and spending restrictions.

A single district in Oakland may not exceed 330 acres; total TIF district area may not exceed 824 acres. At least 25% of a proposed TIF district must be blighted, suitable for commercial/industrial sites, and/or in need of redevelopment.

When considering a TIF district, best practices include: running preliminary projections; gathering community input; holding educational workshops; determine use of CEA vs. bonding; tailoring a TIF development program to municipal needs; contacting other municipalities to learn best practices; considering timing, geography, and broader economic development strategy.

IV. Next Steps

- Survey + Public Input sub-committee will review copy of Facebook post and press release digitally
- Survey + Public Input sub-committee meeting on 10/9 at 4pm to review survey progress and plan for fall public workshop
- OCPC meeting on 10/16 at 4pm.
- Central Maine Growth Council staff will continue to prepare the CompPlan draft.