



Community

For A Lifetime

Town of China, Maine

SECOND AMENDED

Central Maine Power/China Lake

Tax Increment Financing District and Development Program

**Approved by the
Voters of the Town of China
At Their Meeting on
June 8, 2021**

**and by the
Maine Department of Economic and Community Development
on
November 18, 2021**

APPLICATION COVER SHEET

MUNICIPAL TAX INCREMENT FINANCING

A. General Information

1. Municipality Name: Town of China		
2. Address: 571 Lakeview Drive		
3. Telephone: 207-445 2014	0. Fax:	4. Email: becky@chinamaine.org
5. Municipal Contact Person: Becky Hapgood, Town Manager		
6. Business Name: N/A		
7. Address:		
8. Telephone:	0. Fax:	1. Email:
2. Business Contact Person:		
3. Principal Place of Business: N/A		
4. Company Structure (e.g. corporation, sub-chapter S, etc.):		
5. Place of Incorporation:		
6. Names of Officers:		
7. Principal Owner(s) Name:		
8. Address:		

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I. Introduction – Past and Present.

- (A) At its annual business town meeting held March 21, 2015, the Town of China, Maine (the “Town”), pursuant to 30-A MRSA §5221 through §5235 (the “TIF Statute”), designated the Central Maine Power/China Lake Tax Increment Finance District, adopted a Development Plan for the District (the “Original Program”) and approved certain expenditures for Fiscal Year 2016 in accordance with the Original Program. The Original Program included the easterly 80 feet of the Central Maine Power Company (“CMPC”) transmission line corridor and certain other properties more fully described in Table A-1 of Exhibit A hereto (the “2015 Properties”). No projects are contemplated to occur within the CMPC part of the 2015 Properties. Other properties which were included in the 2015 Properties are adjacent to or near the China Lake east basin and known as the Causeway at the northerly end, the South China Boat Landing at the southerly end and land in the vicinity of the Town Office which is accessible to the easterly shore over Fire Road 44 which the Town abandoned subject to a right of passage.
- (B) At its annual business town meeting held March 25, 2017, the Town of China adopted the First Amendment of the Original Program (the “2017 Amendment” and, collectively with the Original Program, the “Current Program”). Principal changes were an extension of the Original Program from a June 30, 2035 ending to a June 30, 2045 ending, the addition of the CMPC substation property and other properties many of which are adjacent to Route 3 and which are more fully described in Table A-2 of Exhibit A hereto (the “2017 Properties” and, collectively with the 2015 Properties, the “District”), the authorization of limited credit enhancement agreements with organizations which are making or proposing to make economic, environmental, community and other improvements and the recharacterization of the Current Program to make it “Omnibus.”
- (C) The principal purposes of this Second Amended Central Maine Power/China Lake Tax Increment Financing District and Development Program (the “Second Amended Program”) include 1) adding a Project intended to improve and sustain the water quality of China Lake, Three Mile Pond and other water resources within the Town, 2) adding a Project intended to assist in reintroducing alewives to China Lake, 3) adding a Project intended to assist in retaining, expanding and improving broadband service in the Town, 4) revising prior Project descriptions and cost limits and 5) revising financial plan provisions and procedures.
- (D) From time to time the Town Select Board has appointed volunteer members of a TIF Committee (the “TIF Committee”). Generally, the Town Select Board has asked the TIF Committee to assist with 1) preparation of the Original Program, the 2017 Amendment and this Second Amended Program, 2) implementation and oversight of the Current Program and 3) other advisory tasks. The current TIF Committee supports ongoing involvement of future TIF Committees in the Second Amended Program and any future programs.
- (E) For a Glossary of Definitions used in this Second Amended Program, see Exhibit M hereto.

II. **State of Maine TIF Development Program Objectives.**

The State of Maine established tax increment financing as an economic development tool to be used by municipalities to:

- Provide new employment opportunities;
- Improve and broaden the municipal tax base; and
- Improve the general economy of the State of Maine.

The State of Maine and municipalities benefit from a partnership between municipalities and local businesses which promote new development that enhances local efforts for economic or commercial development and retains and expands the local tax base and employment opportunities.

III. **Town of China, Maine Development Program Objectives.**

With respect to the Second Amended Program, the Captured Assessed Value¹ is an amount equal to 100% multiplied by the increased valuation resulting from the CMPC transmission line and substation improvements and was established respectively pursuant to the Original Program as modified by the 2017 Amendment. The Second Amended Program will continue to use the “Municipal Tax Increment”² (the “TIF Revenues”) to improve China Lake access at the Causeway and the South China Boat landing; to enhance tourism, boating and fishing; and to provide funds for a variety of Town wide economic development activities.

In addition, the existence of the District will continue to “shelter” the Captured Assessed Value. The tax “shelter” provided by the District will mitigate the adverse effect that the increase in valuation from CMPC’s investment in the District will have on the Town’s share of State aid to education, municipal revenue sharing, county tax assessment and regional school unit contributions.

IV. **Town of China, Maine Development Program Public Purpose.**

By creating and designating the District, the Town is maximizing the economic development benefit of the CMPC investment. The Town’s designation of the District and the Town’s implementation of the Second Amended Program constitute a good and valid public purpose described in the TIF Statute because those actions are making a substantial contribution to the economic well-being of the Town and the area around it by providing jobs, improving the tax base and improving the economy of the State of Maine.

V. **Physical Description of the District.**³

A physical description of the District is set forth in Exhibit A hereto. Maps showing the 2015 Properties and the 2017 Properties, all of which are within the District, are set forth in Exhibit B hereto.

¹ See Maine Department of Community and Economic Development Municipal Tax Increment Financing Rule (19-100 Chapter 1) (the “TIF Rule”), Subsection 1(B).

² See TIF Rule, Subsection 1(B) which defines “municipal tax increment” as that portion of all real and personal property taxes assessed by the Town, with certain inapplicable exceptions, upon the Captured Assessed Value.

³ This section addresses the requirements of 30-A MRS §5223(3).

The area of all the real property within the District is 380.18 acres.

The area of the real property within the District which is suitable for commercial uses is 175 acres and is at least 25% of the area of all the real property within the District.

The total area of the District does not exceed 2%, and the total area of all the development districts within the Town does not exceed 5%, of the total acreage of the Town.

The original assessed value of the 2015 Properties was \$209,200 as of March 31, 2014. The original assessed value of the 2017 Properties was \$5,711,000 as of March 31, 2016. The total original assessed value of the District was \$5,920,200. For additional information, see Exhibit L hereto.⁴

The original assessed value of the District plus the original assessed value of all existing tax increment financing districts within the Town did not exceed 5% of the total value of taxable property within the Town as of April 1st preceding the date of the approval by the Commissioner⁵ of the amended designation of the District. For additional information, see Exhibit D hereto.

VI. **Source of Projected Tax Increment Revenues and Duration of the Program.**

The Town's designation of the District and adoption of the Second Amended Program continues a single District from which the TIF Revenues will continue to be used to finance the economic development projects more particularly described in Exhibit E (each a "Project" and collectively the "Projects"). The Original Program began with the Town's 2016 Fiscal Year (starting July 1, 2015) and, after the 2017 Amendment, is to continue for a total of thirty (30) years ending June 30, 2045.⁶

As shown in the "Tax Increment Revenue and Tax Shift Calculations" attached as Exhibit C hereto, TIF Revenues are expected to decline from their 2020 high of \$366,209 to their 2045 projected low of \$249,325. For the 24 Fiscal Years beginning July 1, 2021 and ending June 30, 2045, the total amount of TIF Revenues remaining to be raised is projected to be \$7,070,791 and the annual average of those TIF Revenues is calculated to be approximately \$294,616.⁷

As of March 18, 2021, it is estimated that the total project costs which have been paid since July 1, 2015 in accordance with the Current Program are approximately \$1,721,700.⁶³ As shown in Exhibits E and F, Table F-2, Total Town Project Costs Not to Exceed, the Town has made provision for Total Town Project Costs not exceeding \$3,750,000 for certain Projects to be financed in whole or in part by the Second Amended Program.

⁴ This paragraph was revised in connection with the Town's response to a July 2021 request by the DECD.

⁵ The Commissioner of the DECD.

⁶ See 30-A MRSA §5224(2)(H).

⁷ This paragraph was revised in connection with the Town's response to a July 2021 request by the DECD.

VII. **Financial Plan.**⁸

For the Second Amended Program the Town shall establish a Program Development Fund within which there shall be established a Project Cost Account and, in instances of municipal indebtedness, a Development Sinking Fund Account. Within the Project Cost Account, there shall be established a Project Cost Sub-Account for each Project identified Exhibit E hereto. In instances of municipal indebtedness with respect to a Project, there shall be established within the Development Sinking Fund Account a Development Sinking Fund Sub-Account with respect to such Project. With respect to the Program Development Fund and the related accounts, see the Flow of Funds Diagram set forth in Exhibit K hereto.

As set forth in Exhibit E, for each Project there has been established i) Total Town Project Costs, ii) Annual Payments, iii) a Percent of Annual TIF Revenues and iv) a Total Payment Period. The total of all payments from TIF Revenues for a Project shall not exceed that Project's Total Town Project Costs. No payment of TIF Revenues for a Project shall be made after the end of the Total Payment Period for that Project, except in accordance with this Second Amended Program. No transfer from the Project Cost Account for a Project shall exceed the lesser of i) one-half of the Annual Payment for that Project or ii) an amount equal to the Percent of Annual TIF Revenues for that Project multiplied by the TIF Revenues received on the most recent payment date (the "Periodic Project Transfer"). Unless otherwise provided in the Second Amended Program, there shall be no transfer or payment from the Project Cost Account. A "Five Year Not To Exceed Annual Payments Summary" is set forth in Table F-1 in Exhibit F hereto.

Amounts in each Project Cost Sub-Account are pledged to and charged with the payment of the costs of the Project for which such Sub-Account was established and in accordance with the Second Amended Program and the Project Payment Agreement for the Project approved by the Town Select Board. Except for the Causeway Project, no payment of the costs of a Project may be made pursuant to the Second Amended Program prior to July 1, 2021.

Amounts in each Project Development Sinking Fund Sub-Account shall be charged with and pledged to the timely payment of the principal of and interest on each instance of municipal indebtedness incurred with respect to the related Project.

Though it is not anticipated at this time, the Town may, with the approval of its legislative body and its Select Board, incur indebtedness to carry out a portion of the Second Amended Program.

Promptly after each municipal real estate tax payment date (currently in late March and late September of each year and each a "Tax Payment Date"), the Town Treasurer shall transfer to the Program Development Fund the TIF Revenues received on that date and promptly thereafter to the Project Cost Account. Promptly thereafter the Town Treasurer shall transfer from the Project Cost Account the Periodic Project Transfer for each Project first to that Project's Development Sinking Fund Sub-Account, if any, in the amount of one half of any debt service payment or payments due on any municipal indebtedness for that Project in the

⁸ See 30-A MRSA §5224(2)(A), (3) and (4).

next six months and the balance, if any, to that Project’s Project Cost Sub-Account. Any TIF Revenues not transferred in accordance with this paragraph shall remain in the Project Cost Account until disposed of in accordance with the Second Amended Program.

For some of the Projects, costs are payable on a somewhat seasonal basis. Accordingly, if promptly after the date on which all the Periodic Project Transfers specified in the prior paragraph have been made, the amount in the Project Cost Account is equal to either the projected TIF Revenues to be received on or before the next Tax Payment Date or a lesser amount reasonably determined and recorded by the Treasurer, then there may be advanced by the Treasurer, from the Project Cost Account to any Project Cost Sub-Account such amount or amounts not in the aggregate in excess of the next projected Periodic Project Transfer to be made to such Sub-Account, such amount or amounts as the Treasurer determines are reasonably necessary and prudent to pay any Project cost which could be paid from such Sub-Account, provided that there shall be deducted from the next Periodic Project Transfer the aggregate amount necessary to restore the aggregate amount of any such advances to the Project Cost Account.

At least once each Fiscal Year, there shall be proposed a town meeting warrant article authorizing the expenditure of all or a portion of the amounts in, and expected to be in, the several Project Cost Sub-Accounts. After such warrant article has been approved, the Select Board will have the sole discretion to expend such authorized amounts to the extent anticipated TIF Revenues have been transferred to the several Project Cost Sub-Accounts and also to the extent that the Select Board determines that a Project listed in Exhibit E should proceed but not necessarily in the particular order set forth in Exhibit E. Any project not listed Exhibit E cannot be undertaken with TIF Revenues without an amendment of the Second Amended Program adopted in accordance with the TIF Statute.

The Select Board is authorized in its sole discretion without further hearings and town meeting approval to enter into an agreement, including a limited credit enhancement agreement, between the Town and a grantee organization or a contractor organization which specifies, among other things, (a) the cost of a Project to which TIF Revenues will be applied in accordance with the Second Amended Program and (b) the obligation of the grantee organization or the contractor organization to carry out all or a portion of the Project (a “Project Payment Agreement”).

Any obligation incurred by the Town in furtherance of this Second Amended Program shall be a limited obligation of the Town payable solely from TIF Revenues which have been transferred to a particular Account for that purpose and further as may be limited by this Second Amended Program.

VIII. Town of China, Maine Development Program – General.

Attached as Exhibit G is a certified copy of the Notice of Public Hearing held on April 26, 2021, in accordance with the requirements of the TIF Statute. The notice was published in *The Town*

Line, a newspaper of general circulation in the Town of China on or before April 15, 2021, a date which is at least ten (10) days prior to the date of public hearing.⁹

Attached as Exhibit H is a certified copy of the minutes of the public hearing held on April 26, 2021 at which hearing the Second Amended Program was available for comment by the public.

Attached as Exhibit I is a copy of the 2021 Town Meeting Warrant Article, which incorporates by reference the Second Amended Program and certain Findings, Terms and Provisions Relating to the Second Amended Program,¹⁰ and the certified voting results of the town meeting duly called and held on June 8, 2021.

No persons are expected to be displaced by any of the development activities described in the Second Amended Program.¹¹

The Second Amended Program does not propose any facilities to improve transportation.¹² The Projects to be carried out in accordance with the Second Amended Program will meet or exceed all federal and state environmental regulations and will comply with all applicable land use requirements of the Town.¹³

Individual organizations will own and manage their own enterprises. During term of the District, the Town Manager and other Town employees will be responsible for carrying out the Projects identified in Exhibit E and for operation of the District, all in accordance with the Second Amended Program.¹⁴

Subsequent to a town meeting vote approving the Second Amended Program (see Exhibit I hereto), the Second Amended Program is effective upon approval of the Second Amended Program by the Commissioner of the DECD (see Exhibit J hereto).¹⁵

⁹ See 30-A MRSA §5223(2), §5224(2)(H) and §5226(1) and (5).

¹⁰ Such Findings, Terms and Provisions are also set forth in Exhibit I hereto.

¹¹ See 30-A MRSA §5224(2)(D).

¹² See 30-A MRSA §5224(2)(E).

¹³ See 30-A MRSA §5224(2)(F).

¹⁴ See 30-A MRSA §5224(2)(G).

¹⁵ See 30-A MRSA §5226(3).

IX. Causeway Project.

The following provides a brief description of costs paid from TIF Revenues for the Causeway Project. Also described are costs to complete the Project which are expected to be paid from TIF Revenues prior to June 30, 2021 or carried over to the next Fiscal Year. For more information about the Causeway Project, see Exhibit E hereto.

Amounts	Notes, etc.
\$1,250,000.00	Proposed budget for life of project currently expected to be completed by 06/30/2021.
<u>(1,122,606.25)¹⁶</u>	Project costs paid from inception through 03/18/2021.
\$127,393.75	Budgeted balance currently expected to be paid to complete the project.
(100,192.19)	Estimated costs currently expected to be paid in connection with final completion of the project.
<u>(27,201.56)</u>	Currently estimated contingency available to complete the project.
0.00	Budgeted balance currently expected to remain in the Project Cost Account.
\$127,393.75	Budgeted balance currently expected to be paid to complete the project.
<u>(221,431.92)¹⁷</u>	Unexpended TIF Revenues as of 03/18/2021. ¹⁸
\$94,038.17	Currently expected remaining balance of unexpended TIF Revenues as of June 30, 2021.

¹⁶ See TIF Program Financials, Summary tab, accessed 3/18/21 (“3/18/2021 Financials”).

¹⁷ Source: cell 22P, 3/18/2021 Financials.

¹⁸ Includes TIF Revenues of \$169,296.78 due and expected to be paid by 3/26/2021.

X. **Table of Exhibits and Tables.**

Exhibit A – Physical Description of the District

Table A-1. 2015 Properties

Table A-2. 2017 Properties

Exhibit B – Maps Showing the Properties within the District

Exhibit B-1. Town of China Property Map Showing Town Boundaries, Certain Major Roads and the CMPC 345 KV Transmission Line Property

Exhibit B-2. Town of China Property Map Showing the Maps 17, 22 and 28 Properties

Exhibit B-3. Town of China Property Map Showing the Maps 37 and 38 Properties

Exhibit B-4. Town of China Property Map Showing the Map 40 Properties

Exhibit B-5 – Town of China Property Map Showing the Maps 62 and 63 Properties

Exhibit C – Tax Increment Revenue and Tax Shift Calculations

Exhibit D – Assessors' Certificate

Exhibit E – Descriptions of the 2021 Possible Projects and the Related Development Costs

Exhibit F – 2021 Possible Projects – Certain Financial Summaries

Table F-1. Five Year Not To Exceed Annual Payments Summary

Table F-2. Total Town Project Not to Exceed Costs Summary

Exhibit G – Notice of the 2021 Public Hearing

Exhibit H – Certified Minutes of the 2021 Public Hearing

Exhibit I – 2021 Town Meeting Warrant Article and Certified Voting Results

Exhibit J – Transmittal Letters and DECD Approval

Exhibit K – Flow of Funds Diagram

Exhibit L – 2017 Statutory Requirements and Thresholds

Exhibit M – Glossary of Definitions

Exhibit N – Summary of Modifications of Projects and Costs

Exhibit A – Physical Description of the District

Table A-1. 2015 Properties

Location	Owner ¹⁹	Exhibit	Map	Lot or Road	Acres
Townwide ²⁰	CMPC	B-1	03	013-A	98.42
30 Causeway Rd.	China Village Fire Dep't	B-5	63	053	.69
Causeway Rd.	China	B-5	63	ROAD	1.8
Town Landing Rd.	China	B-2	22	ROAD	.73
553 Lakeview Dr.	China	B-3	38	010	2.00
571 Lakeview Dr.	China	B-3	38	013	5.38
44 th Fire Rd.	China	B-3	37	ROAD	.73
Total Acres					109.75

Table A-2. 2017 Properties

Location	Owner ²¹	Exhibit	Map	Lot	Acres	PTDZ ²² (Yes/No)
Lakeview Dr.	China	B-5	63	008	36.22	No
381 Route 3 ²³	CMPC	B-2	17	047-F	1.59	No
Route 3	Jason Tyler	B-2	28	001	22.68	Yes
665 Route 3	Jason Tyler	B-2	28	001-A	6.72	Yes
Route 3	Joann Clark Austin	B-2	28	001-B	2.46	No
627 Route 3	Kennebec Community Church	B-2	22	119-A	8.99	Yes
Route 3	Joann Clark Austin	B-2	22	119	8.74	Yes
Route 3	L Tarn Petty	B-2	22	119-B	2.52	No
Route 3	JoanElizabeth Austin	B-2	22	123	52.78	Yes
19 Pine Cone Trail	J. & M. Tuminaro	B-2	22	124	47.66	Yes
Route 3	Lawan Tarn Petty	B-2	22	130	40.42	Yes
Route 3	Hannaford Bros. Co.	B-2	22	131 ²⁴	0	Yes
Route 3	Hannaford Bros. Co.	B-2	22	130-A	4.05	Yes
33 Hannaford Drive	Hannaford Bros. Co.	B-2	22	140	29.04	Yes
10 West Tobey Rd.	Lawrence & Susie Pelton	B-2	22	141	1.76	Yes
Route 3	Hannaford Bros. Co.	B-2	22	144 ²⁵	0	Yes
Route 3	China	B-2	22	139	.04	Yes
1 Old Waterville Rd.	Jeffrey Laverdiere	B-5	62	066	2.69	Yes
Branch Mills Rd.	M. DiBiase & G. St.Pierre	B-4	40	049	.12	No
142 Branch Mills Rd.	Maine Council of the Atlantic Salmon Federation	B-4	40	052	.49	No
136 Branch Mills Rd.	S. and C. Coombs	B-4	40	053	1.19	No
Water Street	S. and C. Coombs	B-4	40	032	.27	No
Total Acres					270.43	

¹⁹ As of 2015.

²⁰ CMPC 345 KV transmission line.

²¹ As of 2017.

²² Some of the properties were formerly designated and approved as Pine Tree Development Zones and, as such, are identified as "PTDZ."

²³ CMPC substation.

²⁴ Combined with Map 22 Lot 140 below.

²⁵ Combined with Map 22 Lot 140 above.

Exhibit B – Maps Showing the Properties within the District

Certain Town of China Property Maps, which are identified below, follow this page. For additional information about the 2015 Properties, the 2017 Properties and the District, please see Exhibit A hereto.

Exhibit B-1 – Town of China Property Map Showing Town Boundaries, Certain Major Roads and the CMPC 345 KV Transmission Line Property

Exhibit B-2 – Town of China Property Map Showing the Maps 17, 22 and 28 Properties

Exhibit B-3 – Town of China Property Map Showing the Maps 37 and 38 Properties

Exhibit B-4 – Town of China Property Map Showing the Map 40 Properties

Exhibit B-5 – Town of China Property Map Showing the Maps 62 and 63 Properties

**Exhibit B-1 - Town of China Property Map showing
Town Boundaries, Certain Major Roads and the CMPC
345 KV Transmission Line Property**

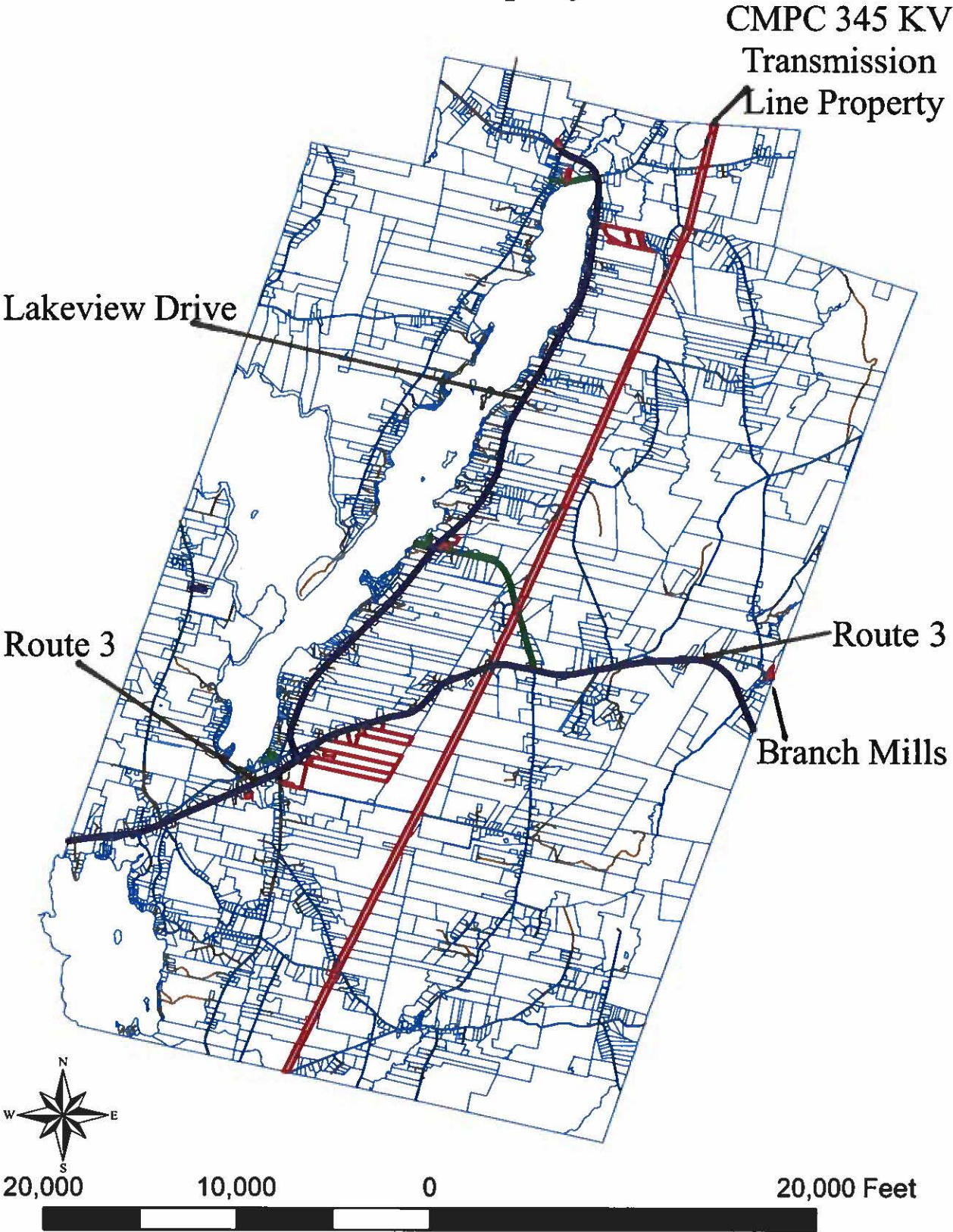


Exhibit B-2 - Town of China Property Map showing the Map 17, 22 and 28 Properties

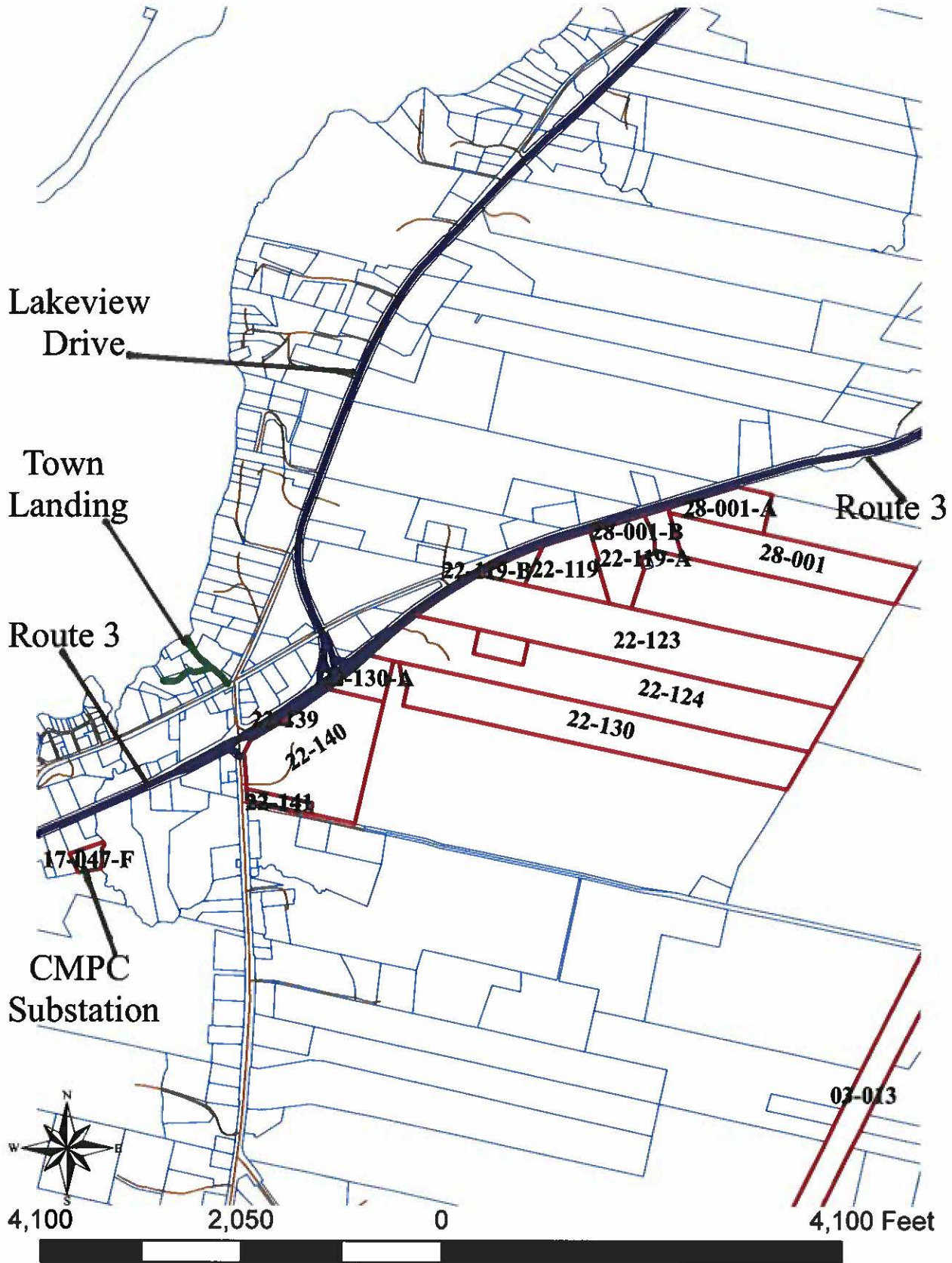


Exhibit B-3 - Town of China Property Map showing the
Map 37 and 38 Properties

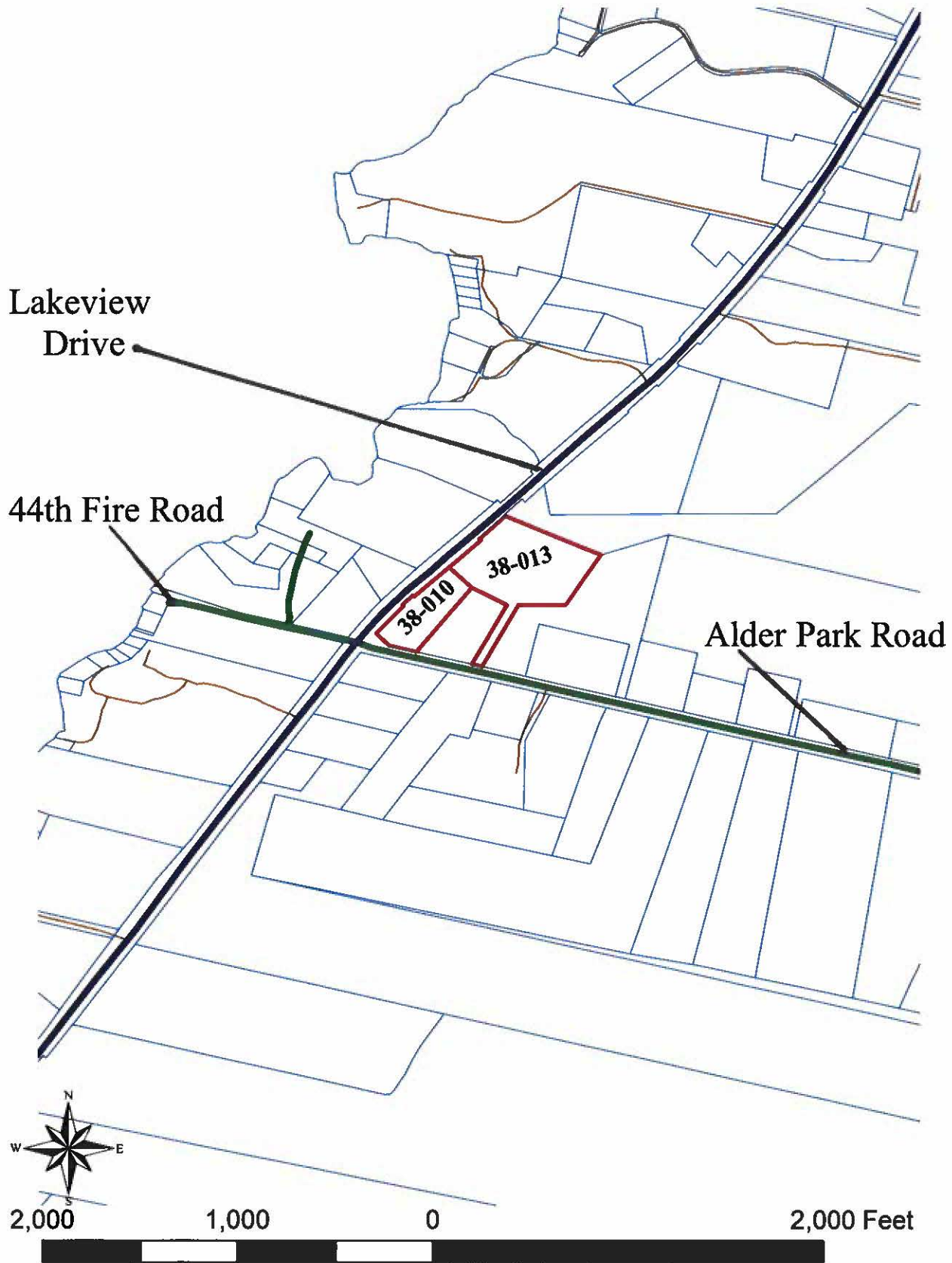


Exhibit B-4 - Town of China Property Map showing the Map 40 Properties

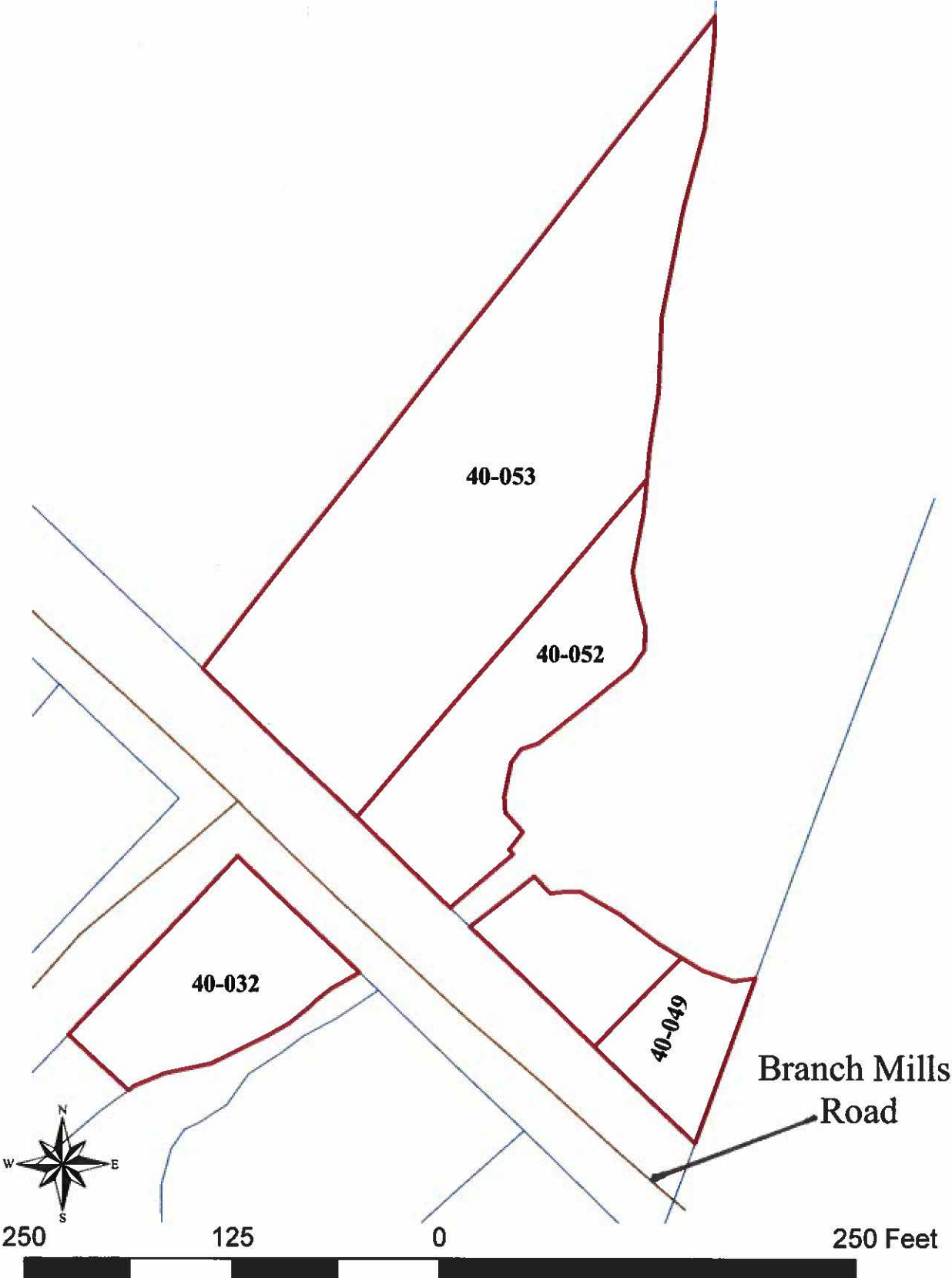


Exhibit B-5 - Town of China Property Map showing the Map 62 and 63 Properties

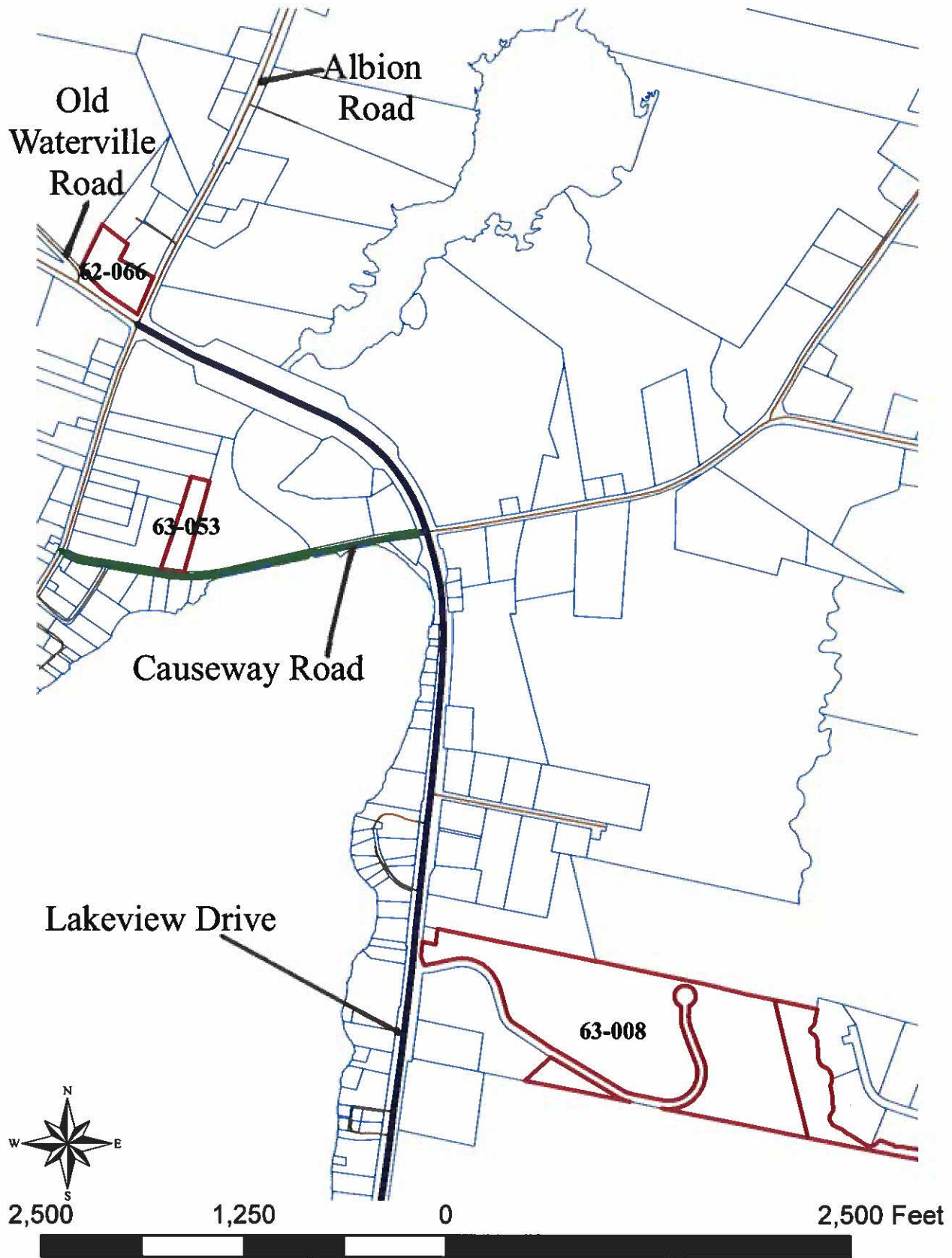


Exhibit C – Tax Increment Revenue and Tax Shift Calculations

See following this page Exhibit C the first page of which was revised in response to July and November 2021 requests by the DECD.

CENTRAL MAINE POWER/CHINA LAKE
INCREMENT FINANCE DISTRICT
TAX INCREMENT REVENUE AND TAX SHIFT CALCULATIONS

2	A	B	C	D	E	F	G	H	I	J	K	L	M
3	TIF YR	FISCAL YEAR ENDING JUNE	PROJECTED ANNUAL INCREASED ASSESSED VALUE	PROJECTED TAX RATE	GROSS NEW TAXES	TIF		MUNICIPALITY				COMPANIES	
4						CAPTURED ASSESSED VALUE %	TOTAL REVENUES	GENERAL FUND	TIF %	TIF REVENUES	TOTAL REVENUES	TIF %	TIF REVENUES FOR CE
4	0	2015	\$0	0.0151	\$ -	100%	\$0	\$0	100%	\$0	\$0	0%	\$0
5	1	2016	\$17,834,100	0.0156	\$ 278,211.96	100%	\$278,212	\$0	100%	\$278,212	\$278,212	0%	\$0
6	2	2017	\$17,651,900	0.0155	\$ 273,604.45	100%	\$273,604	\$0	100%	\$273,604	\$273,604	0%	\$0
7	3	2018	\$22,577,600	0.0159	\$ 358,983.52	100%	\$358,984	\$0	100%	\$358,984	\$358,984	0%	\$0
8	4	2019	\$22,020,600	0.0158	\$ 347,925.48	100%	\$347,925	\$0	100%	\$347,925	\$347,925	0%	\$0
9	5	2020	\$22,466,800	0.0163	\$ 366,208.84	100%	\$366,209	\$0	100%	\$366,209	\$366,209	0%	\$0
10	6	2021	\$21,356,308	0.0149	\$ 318,209.00	100%	\$318,209	\$0	100%	\$318,209	\$318,209	0%	\$0
11	7	2022	\$22,761,200	0.0144	\$ 327,761.28	100%	\$327,761	\$0	100%	\$327,761	\$327,761	0%	\$0
12	8	2023	\$22,419,381	0.0151	\$ 338,532.66	100%	\$338,533	\$0	100%	\$338,533	\$338,533	0%	\$0
13	9	2024	\$22,146,925	0.0151	\$ 334,418.57	100%	\$334,419	\$0	100%	\$334,419	\$334,419	0%	\$0
14	10	2025	\$21,874,614	0.0151	\$ 330,306.67	100%	\$330,307	\$0	100%	\$330,307	\$330,307	0%	\$0
15	11	2026	\$21,602,455	0.0151	\$ 326,197.07	100%	\$326,197	\$0	100%	\$326,197	\$326,197	0%	\$0
16	12	2027	\$21,330,455	0.0151	\$ 322,089.87	100%	\$322,090	\$0	100%	\$322,090	\$322,090	0%	\$0
17	13	2028	\$21,058,623	0.0151	\$ 317,985.20	100%	\$317,985	\$0	100%	\$317,985	\$317,985	0%	\$0
18	14	2029	\$20,786,966	0.0151	\$ 313,883.19	100%	\$313,883	\$0	100%	\$313,883	\$313,883	0%	\$0
19	15	2030	\$20,515,495	0.0151	\$ 309,783.97	100%	\$309,784	\$0	100%	\$309,784	\$309,784	0%	\$0
20	16	2031	\$20,244,217	0.0151	\$ 305,687.68	100%	\$305,688	\$0	100%	\$305,688	\$305,688	0%	\$0
21	17	2032	\$19,973,143	0.0151	\$ 301,594.46	100%	\$301,594	\$0	100%	\$301,594	\$301,594	0%	\$0
22	18	2033	\$19,522,282	0.0151	\$ 294,786.47	100%	\$294,786	\$0	100%	\$294,786	\$294,786	0%	\$0
23	19	2034	\$19,431,647	0.0151	\$ 293,417.86	100%	\$293,418	\$0	100%	\$293,418	\$293,418	0%	\$0
24	20	2035	\$19,161,246	0.0151	\$ 289,334.82	100%	\$289,335	\$0	100%	\$289,335	\$289,335	0%	\$0
25	21	2036	\$18,883,944	0.0151	\$ 285,147.55	100%	\$285,148	\$0	100%	\$285,148	\$285,148	0%	\$0
26	22	2037	\$18,606,901	0.0151	\$ 280,964.20	100%	\$280,964	\$0	100%	\$280,964	\$280,964	0%	\$0
27	23	2038	\$18,330,131	0.0151	\$ 276,784.98	100%	\$276,785	\$0	100%	\$276,785	\$276,785	0%	\$0
28	24	2039	\$18,053,648	0.0151	\$ 272,610.08	100%	\$272,610	\$0	100%	\$272,610	\$272,610	0%	\$0
29	25	2040	\$17,777,465	0.0151	\$ 268,439.72	100%	\$268,440	\$0	100%	\$268,440	\$268,440	0%	\$0
30	26	2041	\$17,501,598	0.0151	\$ 264,274.13	100%	\$264,274	\$0	100%	\$264,274	\$264,274	0%	\$0
31	27	2042	\$17,226,063	0.0151	\$ 260,113.55	100%	\$260,114	\$0	100%	\$260,114	\$260,114	0%	\$0
32	28	2043	\$16,895,876	0.0151	\$ 255,127.73	100%	\$255,128	\$0	100%	\$255,128	\$255,128	0%	\$0
33	29	2044	\$16,703,555	0.0151	\$ 252,223.68	100%	\$252,224	\$0	100%	\$252,224	\$252,224	0%	\$0
34	30	2045	\$16,511,618	0.0151	\$ 249,325.43	100%	\$249,325	\$0	100%	\$249,325	\$249,325	0%	\$0
35	CUMULATIVE				\$ 9,013,934.07		\$9,013,934	\$0		\$9,013,934	\$9,013,934		\$0
36		AVG ANNUAL	\$19,774,225	0.0151	\$ 300,464.47		\$300,464	\$0		\$300,464	\$300,464		\$0
37		NOTES											
38	1	30 YEAR PROJECTION											
39	2	TAX RATE IN 2014-15 WAS .0125											
40	3	100% OF INCREMENTAL VALUE IS CAPTURED											
41	4	ALL OF THE INCREMENTAL REVENUE IS TO BE UTILIZED ON TOWN PROJECTS OR POSSIBLE CREDIT ENHANCEMENT											
42	5	YELLOW HIGHLIGHTS INDICATE ACTUAL CAPTURED AMOUNTS											

CENTRAL MAINE POWER/CHINA LAKE
INCREMENT FINANCE DISTRICT
TAX INCREMENT REVENUE AND TAX SHIFT CALCULATIONS

	A	B	C	D	E	F	G	H	I	J	K	L	M	
51			ESTIMATED SHELTER BENEFIT OF CAPTURED VALUE (100%) ON STATE											
52			STATE SUBSIDIES AND COUNTY TAXES											
		FISCAL												
	TIF	YEAR	STATE EDUCATION	REVENUE	COUNTY TAX	TOTAL TAX SHIFT								
53	YR	ENDING	SHIFT	SHARING	SHIFT	BENEFIT								
		JUNE		SHIFT										
54	0	2015	\$0	\$0	\$0	\$0								
55	1	2016	\$0	\$0	\$0	\$0								
56	2	2017	\$0	\$0	\$0	\$0								
57	3	2018	\$151,709	\$11,224	\$17,937	\$180,870								
58	4	2019	\$150,145	\$11,108	\$17,752	\$179,005								
59	5	2020	\$192,517	\$14,243	\$22,762	\$229,522								
60	6	2021	\$190,284	\$14,078	\$22,498	\$226,860								
61	7	2022	\$188,457	\$13,943	\$22,282	\$224,681								
62	8	2023	\$186,244	\$13,779	\$22,020	\$222,042								
63	9	2024	\$184,032	\$13,615	\$21,758	\$219,406								
64	10	2025	\$181,821	\$13,452	\$21,497	\$216,770								
65	11	2026	\$179,612	\$13,288	\$21,236	\$214,136								
66	12	2027	\$177,403	\$13,125	\$20,975	\$211,503								
67	13	2028	\$175,196	\$12,961	\$20,714	\$208,871								
68	14	2029	\$172,990	\$12,798	\$20,453	\$206,241								
69	15	2030	\$170,785	\$12,635	\$20,192	\$203,613								
70	16	2031	\$168,582	\$12,472	\$19,932	\$200,986								
71	17	2032	\$166,381	\$12,309	\$19,672	\$198,361								
72	18	2033	\$164,181	\$12,147	\$19,411	\$195,739								
73	19	2034	\$161,982	\$11,984	\$19,151	\$193,118								
74	20	2035	\$158,326	\$11,713	\$18,719	\$188,758								
75	21	2036	\$157,591	\$11,659	\$18,632	\$187,882								
76	22	2037	\$155,398	\$11,497	\$18,373	\$185,267								
77	23	2038	\$153,149	\$11,330	\$18,107	\$182,586								
78	24	2039	\$150,902	\$11,164	\$17,841	\$179,908								
79	25	2040	\$148,657	\$10,998	\$17,576	\$177,231								
80	26	2041	\$146,415	\$10,832	\$17,311	\$174,558								
81	27	2042	\$144,175	\$10,666	\$17,046	\$171,888								
82	28	2043	\$141,938	\$10,501	\$16,782	\$169,221								
83	29	2044	\$139,703	\$10,336	\$16,517	\$166,556								
84	30	2045	\$137,026	\$10,138	\$16,201	\$163,364								
85	CUMULATIVE		\$4,595,600	\$339,995	\$543,347	\$5,478,942								
86	AVG ANNUAL		\$153,187	\$11,333	\$18,112	\$182,631								
87														
88	1	EDUCATION SUBSIDY SHIFT ESTIMATED AT .00811												
89	2	COUNTY TAX SHIFT ESTIMATED AT .0009588609												
90	3	REVENUE SHARING TAX SHIFT ESTIMATED FROM STATE TREASURER												

Exhibit D – Assessors’ Certificate

See Exhibit D which follows this page and was revised in response to July and November 2021 requests by the DECD.

EXHIBIT D

ASSESSORS' CERTIFICATE OF ORIGINAL ASSESSED VALUE OF CENTRAL MAINE POWER/CHINA LAKE TAX INCREMENT FINANCING DISTRICT AND DEVELOPMENT PROGRAM

The undersigned Assessors, being the duly elected Assessors for the Town of China, Maine, hereby certify pursuant to 30-A M.R.S. § 5227 (2) that the Original Assessed Value of the Central Maine Power/China Lake Tax Increment Financing District and Development Program as amended contained within the district boundaries to which this certificate is appended is \$5,920,200 consisting of (a) the original assessed value of \$209,200 of the District as originally approved, such value being the taxable real estate valuation as of March 31, 2014 (April 1, 2013), and (b) the original assessed value of \$5,711,000 added to the District by the First Amendment to the Tax Increment Financing District and Development Program adopted by the Town on March 25, 2017, such valuation being the valuation of the property added to the District as of March 31, 2016 (April 1, 2015), The aforesaid valuation are summarized below.

Original Assessed Valuation as of March 31, 2014

OWNER	MAP	LOT	ACRES	TAXABLE REAL PROPERTY LAND	TAXABLE REAL PROPERTY BUILDINGS	TAXABLE PERSONAL PROPERTY	TOTAL TAXABLE PROPERTY
CENTRAL MAINE POWER	3	13A	98.42	\$209,200	\$0	\$0	\$209,200
CHINA VILLAGE FIRE DEPARTMENT	63	53	0.69	\$0	\$0	\$0	\$0
TOWN OF CHINA	63	ROAD	1.80	\$0	\$0	\$0	\$0
TOWN OF CHINA	22	ROAD	0.73	\$0	\$0	\$0	\$0
TOWN OF CHINA	38	10	2.00	\$0	\$0	\$0	\$0
TOWN OF CHINA	38	13	5.38	\$0	\$0	\$0	\$0
TOWN OF CHINA	38&32	ROAD	0.73	\$0	\$0	\$0	\$0
TOTAL			109.75	\$209,200	\$0	\$0	\$209,200

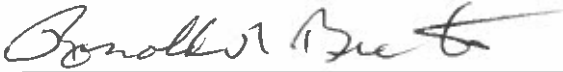
Original Assessed Valuation added by 2017 Amendment

Account	Card#	Name / Location / Map-Lot	Land	Building	Exemption	Total
03698	001	Austin, Joann Clark Route 3 22-119	24,400	0	0	24,400
03183	001	Northland Telephone Co Of Me 627 Route 3 22-119-A	56,200	754,200	0	810,400
00943	001	Petty, L Tarn LaMothe, Lisa L Route 3 22-119-B	18,700	0	0	18,700
00947	001	Brown, Jonathan & Edmund S Route 3 22-123	41,500	0	0	41,500
00948	001	Tuminaro, Jennifer V 19 Pine Cone Trail 22-124	51,700	140,200	10,000	181,900
00954	001	Petty, Lawan Tarn Route 3 22-130	14,600	0	0	14,600
03549	001	Hannaford Bros. Co Route 3 22-130-A	2,100	0	0	2,100
00964	001	China, Town of Route 3 22-139	100	0	100	0
00965	001	Hannaford Bros. Co 33 Hannaford Drive 22-140	63,100	3,420,000	0	3,483,100
00966	001	Brann, Martha A 10 West Tobey Road 22-141	24,900	56,400	16,000	65,300
01124	001	Tyler, Jason Route 3 28-001	6,900	0	0	6,900
02911	001	Tyler, Jason 665 Route 3 28-001-A	41,300	434,400	0	475,700


Account Card#	Name / Location / Map-Lot	Land	Building	Exemption	Total
03502 001	Austin, Joann Clark Petty, L River Route 3 28-001-B	18,800	0	0	18,800
01546 001	Coombs, Stephen H & Christine Water Street 40-032	900	0	0	900
01564 001	St Pierre, Marie F & Giles G Branch Mills Road 40-049	5,200	0	0	5,200
01567 001	Branch Mills Flour and Grain 142 Branch Mills Road 40-052	50,400	28,600	0	79,000
01568 001	Coombs, Stephen H & Christine 136 Branch Mills Road 40-053	61,800	56,300	0	118,100
02394 001	Daigneault, Darrin 1 Old Waterville Road 62-066	41,400	150,900	0	192,300
03592 001	Wachusett Properties Inc Lakeview Drive 63-008-01	12,400	0	0	12,400
03593 001	Wachusett Properties Inc Lakeview Drive 63-008-02	12,200	0	0	12,200
03594 001	Wachusett Properties Inc Lakeview Drive 63-008-03	12,600	0	0	12,600
03595 001	Wachusett Properties Inc Lakeview Drive 63-008-04	13,200	0	0	13,200
03596 001	Wachusett Properties Inc Lakeview Drive 63-008-05	14,500	0	0	14,500
03597 001	Wachusett Properties Inc Lakeview Drive 63-008-06	12,700	0	0	12,700

Account Card#	Name / Location / Map-Lot	Land	Building	Exemption	Total	
03598 001	Wachusett Properties Inc Lakeview Drive 63-008-07	13,300	0	0	13,300	
03599 001	Wachusett Properties Inc Lakeview Drive 63-008-08	12,700	0	0	12,700	
03600 001	Wachusett Properties Inc Lakeview Drive 63-008-09	13,100	0	0	13,100	
03601 001	Wachusett Properties Inc Lakeview Drive 63-008-10	12,600	0	0	12,600	
03602 001	Wachusett Properties Inc Lakeview Drive 63-008-11	13,200	0	0	13,200	
03603 001	Wachusett Properties Inc Lakeview Drive 63-008-12	13,100	0	0	13,100	
03604 001	Wachusett Properties Inc Lakeview Drive 63-008-13	13,100	0	0	13,100	
03682 001	Central Maine Power Company 381 Route 3 17-047-F	3,400	0	0	3,400	
Count	32	Total	696,100	5,041,100	26,100	5,711,000


IN WITNESS WHEREOF, this certificate has been executed by us this 13th day of September 2021.



Ronald R. Breton



Irene L. Belanger



Blane C. Casey



Wayne D. Chadwick



Janet M. Preston

Assessors for the Town of China

Exhibit E – Descriptions of the 2021 Possible Projects and the Related Development Costs

A. Costs of Improvements Made Within the District

Project A.1 – The Causeway

Project Details:

Total Town Project Costs Not to Exceed: \$1,250,000

Annual Payment Not to Exceed: N/A

Percent of Annual TIF Revenues Not to Exceed: N/A

Annual Payments: N/A

Total Payment Period: 7/1/2016 through 6/30/2021

Statutory Reference: 30-A MRSA §5225(1)(A)(1)

Project Status: Nearing completion.

Project Description:

Capital costs. On or before June 30, 2021, TIF Revenues allocated for the Causeway Project may be applied or carried over to the next Fiscal Year to the pay the costs of construction of public facilities at the Causeway which is located at the northerly end of the east basin of China Lake. This area is used for numerous fishing, community, boating and special events which promote tourism and economic development. The Causeway Project is nearing completion. The Causeway area is being enhanced to further promote boating and tourism which are some of China's principal economic development activities. Improvements at the Causeway include but are not limited to improved pedestrian walking areas, improved traffic access and parking, and additional space for parking. The Causeway Project is nearing completion.

For more information about the Causeway Project, see Section IX hereof.

Project A.2 – South China Boat Landing

Project Details:

Total Town Project Costs Not to Exceed: \$15,000

Annual Payment Not to Exceed: \$7,500

Percent of Annual TIF Revenues Not to Exceed: 2.54%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2023

Statutory Reference: 30-A MRSA §5225(1)(A)(1)

Project Status: Not started.

Project Description:

Capital costs. TIF Revenues may be applied to pay the costs of 1) the preparation of an engineering survey to determine the nature and the boundaries of the Town's ownership of the South China Boat Landing and Town Landing Road property at the southerly end of the east basin of China Lake ("Landing Area Property"), 2) the preparation of engineering plans and programs to mitigate stormwater runoff from and erosion of the Landing Area Property and 3) such mitigation improvements.

B. Costs of Improvements Made Outside, but related to, the District

Statutory Reference: 30-A MRSA §5225(1)(B)

Project Status: None.

C. Community-Wide Municipal Investments

Project C.1 – Second Amended Program Expenses

Project Details:

Total Town Project Costs Not to Exceed: \$840,000

Annual Payment Not to Exceed: \$35,000

Percent of Annual TIF Revenues Not to Exceed: 11.86%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2045

Statutory Reference: 30-A MRSA §5225(1)(C)(1)

Project Status: Ongoing.

Project Description:

Costs of funding economic development programs developed by the Town. TIF Revenues may be applied to the annual operating costs of the Second Amended Program, including prorated portions of staff time and municipal salaries, full time or part time staffing, architectural, engineering, planning, accounting, legal, consulting, financial advisory and other professional

services in furtherance of Projects described in the Second Amended Program, revision of the Second Amended Program and miscellaneous expenses.

Project C.2 – Economic Development Events

Project Details:

Total Town Project Costs Not to Exceed: \$360,000

Annual Payment Not to Exceed: \$15,000

Percent of Annual TIF Revenues Not to Exceed: 5.08%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2045

Statutory Reference: 30-A MRSA §5225(1)(C)(1)

Project Status: Ongoing.

Project Description:

Cost of funding economic development events developed by the Town. TIF Revenues may be applied to the annual operating costs associated with several community events that promote the Town and critical segments of the economy including China Lake, farming and the arts. Annual events include but are not limited to China Community Days, China lakes and streams events and Open Farm Days.

Project C.3 – Marketing the Town as a Business Location

Project Details:

Total Town Project Costs Not to Exceed: \$220,000

Annual Payments – Varied: Not to Exceed i) \$25,000/year for the Fiscal Years July 1, 2021 through June 30, 2026 and ii) \$5,000/year beginning July 1, 2026.

Percent of Annual TIF Revenues Not to Exceed: 8.47%.

Total Payment Period: 7/1/2021 through 6/30/2045

Statutory Reference: 30-A MRSA §5225(1)(C)(1)

Project Status: Ongoing.

Project Description:

Cost of funding marketing of the Town as a business or arts location. TIF Revenues may be applied to pay costs of ongoing or periodic marketing, including but not limited to newsletters, brochures, advertising market studies, directional signs, other miscellaneous marketing expenses, prorated portions of staff time and municipal salaries, full time or part time staffing costs and consulting and other services in furtherance of this Project.

Project C.4 – Environmental Improvements

Project Details:

Total Town Project Costs Not to Exceed: \$190,000

Annual Payments – Varied: Not to Exceed i) \$50,000/year for Fiscal Years 2022 and 2023 and \$30,000/year for Fiscal Years 2024, 2025 and 2026.

Percent of Annual TIF Revenues Not to Exceed: 16.95% through June 30, 2023; to be adjusted to 10.17% thereafter.

Total Payment Period: 7/1/2021 through 6/30/2026

Statutory Reference: 30-A MRSA §5225(1)(C)(2)²⁶

Project Status: New.

Project Description:

Costs of funding environmental improvement projects related to commercial district use and developed by the Town.²⁷ Improving and sustaining the water quality of China Lake, Three Mile Pond and other water resources within the Town is critical to the economy of the Town. Such water resources attract visitors who contribute to the economic activity of the Town. Water quality has been shown to affect the value of waterfront property which is an important contributor to overall Town real estate tax revenue. China Lake is a “great pond” and a valuable natural, state, regional and local resource.

The Town, in cooperation with the Kennebec Water District, the Town of Vassalboro, the Kennebec Soil and Water Conservation District, the China Lake Association and the China Region Lakes Alliance, has been working to avoid introduction of invasive plants and animals to China Lake and to address high phosphorus levels in China Lake for many years. Invasive plants can grow rapidly far and wide and degrade water quality.

Water running off the land brings phosphorus with it into China Lake, Three Mile Pond and other downstream water bodies. Excessive phosphorus fertilizes unwanted algal (plant) growth

²⁶ This reference was revised in response to a July 2021 request by the DECD.

²⁷ This sentence was revised in response to a July 2021 request by the DECD.

which degrades the quality of such water bodies. Projects like the LakeSmart Program, the Gravel Road Rehabilitation Program and other activities of the China Lake Association and the China Region Lakes Alliance encourage improvements which will retard water running off such property.

Such programs, activities and others, including Youth Conservation Corp and the Courtesy Boat Inspection Program, may also provide summer employment for young people.

TIF Revenues may be applied to pay the costs of such programs and activities.

Project C.5 – Revolving Loan Program

Project Details:

Total Town Project Costs Not to Exceed: \$100,000

Annual Payment Not to Exceed: \$20,000

Percent of Annual TIF Revenues Not to Exceed: 6.78%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2026

Statutory Reference: 30-A MRSA §5225(1)(C)(3)

Project Status: Ongoing.

Project Description:

Funding of a Revolving Loan Program to provide existing and new businesses in China with loans to expand operations, add employees and develop new products and with other types of business assistance which expands and improves the Town's economy. The Revolving Loan Program will not be used for residential properties.

Project C.6 – Job Training

Project Details:

Total Town Project Costs Not to Exceed: \$60,000

Annual Payment Not to Exceed: \$2,500

Percent of Annual TIF Revenues Not to Exceed: 0.87%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2045

Statutory Reference: 30-A MRSA §5225(1)(C)(4)

Project Status: Not started.

Project Description:

Costs of services and equipment to provide skills development and training for jobs created or retained within the Town. TIF Revenues may be applied to funding general business workshops and/or training programs for a specific industry. Priority will be given to programs supporting job retention, environmental industries, agriculture, and technology.

Project C.7 – Trails

Project Details:

Total Town Project Costs Not to Exceed: \$1,560,000

Annual Payment Not to Exceed: \$65,000

Percent of Annual TIF Revenues Not to Exceed: 22.03%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2045

Statutory Reference: 30-A MRSA §5225(1)(C)(6)

Project Status: Ongoing.

Project Description:

Costs associated with the development and/or maintenance of new or existing recreational trails with significant potential to promote economic development. TIF Revenues may be applied to the design, construction, safety, handicap accessibility and ongoing maintenance of a trail system within China including but not limited to the following activities and areas: Hiking, Skiing, Sidewalks and Pedestrian Paths, Bicycle Lanes, ATV Trails, Snowmobile Trails and Horseback Riding. The goal is to develop a recreational trail system which will be eventually interconnected within the Town and will connect to trails within neighboring communities including Vassalboro, Winslow, Albion, Palermo and Windsor.

TIF Revenues may not be used to pay the cost of facilities, buildings or portions of buildings used predominantly for public recreational purposes, including, but not limited to, recreation centers, athletic fields and swimming pools. See 30-A MRSA §5225(2).²⁸

²⁸ This paragraph was added and the Project C.7 title was revised in response to a July 2021 request by the DECD.

Project C.8 – Fishways and Dams

Project Details:

Total Town Project Costs Not to Exceed: \$30,000

Annual Payment Not to Exceed: \$30,000

Percent of Annual TIF Revenues Not to Exceed: 10.17%

Annual Payments: One.

Total Payment Period: 7/1/2021 through 6/30/2022

Statutory Reference: 30-A MRSA §5225(1)(C)(8) and (2)

Project Status: New.

Project Description:

Costs associated with the development of fisheries and wildlife or marine resources projects.²⁹ The Town, in cooperation with the Town of Vassalboro, the Kennebec Soil and Water Conservation District, the State of Maine Department of Marine Resources, the China Lake Association, the China Region Lakes Alliance and Maine Rivers, a nonprofit corporation, has been working for many years to reintroduce alewives to China Lake. Alewives are often harvested and sold for bait. TIF Revenues may be applied to the construction of fishways or fish ladders at the China Lake outlet dam owned by and located in the Town of Vassalboro. This Project has been supported by the Department of Marine Resources.

Project C.9 – Broadband

Project Details:

Total Town Project Costs Not to Exceed: \$300,000

Annual Payment Not to Exceed: \$30,000

Percent of Annual TIF Revenues Not to Exceed: 10.17%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2022 through 6/30/2031

²⁹ "Fisheries and wildlife or marine resources project" means a project approved by the Department of Inland Fisheries and Wildlife or the Department of Marine Resources undertaken for the purpose of improving public access to freshwater or saltwater fisheries and wildlife resources of the State for fishing, hunting, research or observation or for conservation or improvement of the freshwater or saltwater fisheries and wildlife resources of the State. 30-A MRSA §5222(10-A).

Statutory Reference: 30-A MRSA §5225(1)(C)(9)

Project Status: New.

Project Description:

Costs related to broadband service development, expansion and improvement, including connecting to broadband service outside the District, including, but not limited to, costs associated with broadband and fiber optics expansion projects, including preparation, planning, engineering, and other related costs in addition to the construction costs of those projects. If an area within the Town is “unserved” with respect to broadband service, as defined by the ConnectMaine Authority as provided in 35-A MRSA §9204-A(1)³⁰, broadband and fiber optics expansion projects may serve residential or other nonbusiness or noncommercial areas in addition to business or commercial areas within the Town.

The China Broadband Committee (CBC) began work in early 2017. The Town issued a Request for Proposals dated December 29, 2020 (the “RFP”) for a Town of China Broadband Project.

Most recently, on February 5, 2021 and in response to the RFP, the Town received three proposals to enhance broadband service in the Town. Two of those proposals would include extension of broadband system infrastructure to “unserved” addresses within the Town.

All proposals are being evaluated by CBC for compliance with RFP criteria and CBC will provide recommendations at least to the Select Board for action on all proposals.

D. Match for Grants

Project D.1 – Match for Grants

Project Details:

Total Town Project Costs Not to Exceed: \$75,000

Annual Payment Not to Exceed: \$15,000

Percent of Annual TIF Revenues Not to Exceed: 5.08%

Annual Payments: Equal year after year.

Total Payment Period: 7/1/2021 through 6/30/2026

Statutory Reference: 30-A MRSA §5230

Project Status: Not started.

³⁰ See ConnectMaine Authority Rule, 99 639 Chapter 101, §5(B) for definition of “unserved areas.”

Project Description:

The Town may receive grants or gifts for any of the purposes of the TIF Statute. TIF Revenues within a development district may be used as the local match for certain grant programs. TIF Revenues may be applied as local match to grants deemed by the Select Board to have significant potential for economic development, including but not limited to infrastructure associated with the Causeway, the South China Boat Landing, recreational trails, water quality improvements, 3-phase power and broadband development, expansion and improvement.

For certain totals, see Exhibit F, Table F-1 and Table F-2.

For a Summary of Modifications of Projects and Costs, see Exhibit N.³¹

³¹ This reference was added in connection with the Town's response to a July 2021 request by the DECD.

Exhibit F – 2021 Possible Projects – Certain Financial Summaries

Table F-1. Five Year Not To Exceed Annual Payments Summary³²

Project	Fiscal Year 2022	Fiscal Year 2023	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	5 Year Project Total
A.1	\$0	\$0	\$0	\$0	\$0	\$0
A.2	\$7,500	7,500	0	0	0	\$15,000
C.1	\$35,000	35,000	35,000	35,000	35,000	\$175,000
C.2	\$15,000	15,000	15,000	15,000	15,000	\$75,000
C.3	\$25,000	25,000	25,000	25,000	25,000	\$125,000
C.4	\$50,000	50,000	30,000	30,000	30,000	\$190,000
C.5	\$20,000	20,000	20,000	20,000	20,000	\$100,000
C.6	\$2,500	2,500	2,500	2,500	2,500	\$12,500
C.7	\$65,000	65,000	65,000	65,000	65,000	\$325,000
C.8	\$30,000	0	0	0	0	\$30,000
C.9	\$0	30,000	30,000	30,000	30,000	\$120,000
D.1	\$15,000	15,000	15,000	15,000	15,000	\$75,000
Fiscal Year Total	\$265,000	\$265,000	\$237,500	\$237,500	\$237,500	

Table F-2. Total Town Project Not to Exceed Costs Summary³³

Project	Total Town Project Costs Not to Exceed
A.1	\$000
A.2	15,000
C.1	840,000
C.2	360,000
C.3	220,000
C.4	190,000
C.5	100,000
C.6	60,000
C.7	1,560,000
C.8	30,000
C.9	300,000
D.1	75,000
	\$3,750,000

³² For the Fiscal Years beginning July 1, 2021 and ending June 30, 2026.

³³ For the Fiscal Years beginning July 1, 2021 and ending June 30, 2045.

Exhibit G – Notice of the 2021 Public Hearing

See the three (3) Notices of the 2021 Public Hearing and proofs of publication which follow this page.

NOTICE OF PUBLIC HEARING

TOWN OF CHINA

MAINE NOTICE OF PUBLIC HEARING

Regarding

Second Amended

**Central Maine Power/China Lake Tax Increment Financing
District Development Program**

**Notice is hereby given that the Town of China
will hold a public hearing**

on Monday, April 26, 2021

at the Town Office

571 Lakeview Drive, China, Maine 04358

For The Public, Remote Participation Will Be Available Via Zoom. The Public Hearing will begin at 6:00 p.m.

The purpose of the public hearing is to receive public comments on the Second Amended Central Maine Power/China Lake Tax Increment Financing District Development Program (the "Second Amended Program") pursuant to 30-A MRSA §5221 through §5235, being Subchapter 1 of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. The proposed Second Amended Program provides (i) modified cost parameters for nine (9) ongoing projects and (ii) cost parameters for three (3) new projects.

The Second Amended Program is the proposed development program for the Central Maine Power/China Lake Tax Increment Financing District which was established in 2015, was enlarged in 2017 and now consists of approximately 29 lots having a total area of approximately 380 acres.

Such 29 lots are located generally (a) from north to south along or adjacent to Lakeview Drive (US Route 202 and State Route 9) and China Lake beginning at the northerly end of the east basin of the Lake to the intersection of Lakeview Drive and the Augusta-Belfast Road (State Route 3), (b) from west to east along Route 3 beginning at the CMP Substation (Map 17, Lot 47- F) approximately 1.5 miles to a point adjacent to Route 3 (665 Route 3, Map 28, Lot 001-A), (c) beginning at a point in the line between Windsor and China northerly more than 10 miles along a strip of land approximately 80 feet wide on which has been erected CMP's 345 KV transmission line to a point in the line between China and Albion and (d) along Branch Mills Road in the Branch Pond area.

Copies of (a) the Warrant, dated March 8, 2021, for the June 8, 2021 town meeting which includes Article 16 related to the Second Amended Program, (b) certain Findings, Terms and Provisions related to Article 16 and (c) the proposed Second Amended Program (collectively, the "Ballot Materials") are on file at the Town office and available for review during normal business hours in advance of the public hearing.

The Ballot Materials are also available at <https://china.govoffice.com/> and can also be obtained by calling 207-445-2014, option 3 during normal business hours and requesting that a copy be mailed to you. Normal business hours are Monday through Friday, 7:30 am until 4:00 pm and Saturday, 8:00 am until 11:00 am.

All interested persons are invited to participate in the public hearing and will be given an opportunity to be heard. The Town will be conducting the hearing via Zoom. To access the hearing, please use the following internet or telephone information:

<https://us02web.zoom.us/j/81710711282?pwd=VWlwN2E3ZnVWNHd4Q0QwWGZqT1FkQT09> or call +1 929 436 2866 and enter Meeting ID: 817 1071 1282 followed by Passcode: 410738

Public comments will be taken at the hearing and written comments should be identified as "Ballot Questions - TIF" and submitted by email to info@chinamaine.org or by U.S. mail or hand delivery to the Town Office, 571 Lakeview Drive, China, Maine 04358. Written comments will be accepted until 4:00 pm, Monday, April 26, 2021.

Town of China, Maine

/s/ Angela Nelson By: Angela Nelson, Town Clerk,

Duly Authorized

Dated March 29, 2021

NOTICE OF PUBLIC HEARING

TOWN OF CHINA

MAINE NOTICE OF PUBLIC HEARING

Regarding

Second Amended

**Central Maine Power/China Lake Tax Increment Financing
District Development Program**

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Town of China, Maine

Is/ Angela Nelson By: Angela Nelson, Town Clerk,

Duly Authorized

Dated March 29, 2021

NOTICE OF PUBLIC HEARING

TOWN OF CHINA

MAINE NOTICE OF PUBLIC HEARING

Regarding

Second Amended

**Central Maine Power/China Lake Tax Increment Financing
District Development Program**

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will hold a public hearing

on Monday, April 26, 2021

at the China Town Office

571 Lakeview Drive, China, Maine 04358

For The Public, Remote Participation Will Be Available Via Zoom. The Public Hearing will begin at 6:00 p.m.

The purpose of the public hearing is to receive public comments on the Second Amended Central Maine Power/China Lake Tax Increment Financing District Development Program (the "Second Amended Program") pursuant to 30-A MRSA §5221 through §5235, being Subchapter 1 of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. The proposed Second Amended Program provides (i) modified cost parameters for nine (9) ongoing projects and (ii) cost parameters for three (3) new projects.

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Public comments will be taken at the hearing and written comments should be identified as "Ballot Questions – TIF" and submitted by email to info@chinamaine.org or by U.S. mail or hand delivery to the Town Office, 571 Lakeview Drive, China, Maine 04358. Written comments will be accepted until 4:00 pm, Monday, April 26, 2021.

Town of China, Maine

/s/ Angela Nelson By: Angela Nelson, Town Clerk,

Duly Authorized

Dated March 29, 2021

Exhibit H – Certified Minutes of the 2021 Public Hearing

The undersigned certifies and attests that set forth below is a true, complete and correct extract of the Minutes of the April 26, 2021 meeting of the Select Board of the Town of China, Maine.

**China Select Board, Monday — 4/26/2021
Public Hearing 6:00 p.m. and Regular Select Board Meeting to immediately follow**

Select Board members present: Ronald Breton, Wayne Chadwick, Janet Preston, Irene Belanger, and Blane Casey. Absent: none. Town Manager: Rebecca Hapgood. Others: Mary Grow. Others Present via Zoom: Jamie Pitney, Elizabeth Curtis, Neil Farrington, Barry & Jody Blackinton, Kelly Grotton, Tiffany Glidden, Fred Glidden, Bonnie Glidden, Landis Hudson, Jennifer Chamberlain, Larry Sikora, Bob OConnor, and Brent Chesley.

Chairman Ronald Breton opened the meeting at 6:00 pm and led the Pledge of Allegiance to the American Flag.

- I. Open public hearing and review participation procedure.
- II. Hearing on **Second Amended Central Maine Power/China Lake Tax Increment Financing District Development Program**. No public comments, concerns, nor questions were submitted. All related documentation is posted on the Town web site. Chairman encourages public involvement in public hearings.

Town of China, Maine

/s/Angela Nelson
By: Angela Nelson
Town Clerk,
Duly Authorized

Dated November 1, 2021³⁴

³⁴ This certification was signed as of this date in response to a July 2021 request by the DECD.

Exhibit I – 2021 Town Meeting Warrant Article and Certified Voting Results

1. 2021 Town Meeting Warrant Article:

Article 16. To see if the Town will vote to A) adopt the **Second Amended Central Maine Power/China Lake Tax Increment Financing District Development Program** and the **Findings, Terms and Provisions Relating to that Program**, and B) raise and appropriate the sum of **\$265,000** from tax increment (TIF) revenues for expenditure in accordance with that **Program**.³⁵

Select Board Recommends: YES with a vote of 5 ayes / 0 nays

Budget Committee Recommends: YES with a vote of 5 ayes / 0 nays / 1 abstention

See the “**Findings, Terms and Provisions Relating to the [Second Amended Program]**” which follow this page.

2. Certified Voting Results:

“Yes” votes on the June 8, 2021 Ballot Question 16³⁶: 200

“No” votes on the June 8, 2021 Ballot Question 16: 73

The undersigned certifies that the tally of “Yes” and “No” votes on the June 8, 2021 Ballot Question 16 is accurate.

Town of China, Maine

/s/Angela Nelson
By: Angela Nelson
Town Clerk,
Duly Authorized

Dated June 22, 2021

³⁵ Set forth after Article 16 of the March 8, 2021 “Warrant of the Annual Town Business Meeting” is the following: “Note: An attested copy of the full text of the [Second Amended Program] and Findings, Terms and Provisions Relating to that Program [have] been posted together with this warrant and [are] hereby incorporated into this warrant by reference. Copies are available from the town office or at www.china.govoffice.com.”

³⁶ Ballot Question 16 was substantially the same as Warrant Article 16.

**Findings, Terms and Provisions
Included by Reference in
The March 8, 2021 Warrant Article 16 and the June 8, 2021 Ballot Question 16**

**Relating to the Second Amended Central Maine Power/China Lake Tax Increment
Financing District Development Program**

WHEREAS, 1, the Town of China (the “Town”) is authorized pursuant to 30-A MRSA §5221 through §5235, being Subchapter 1 of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the “Act”), to amend existing tax increment financing districts and the development programs for such districts; and

WHEREAS, 2, adopting the Second Amended Central Maine Power/China Lake Tax Increment Financing District Development Program (the “District” and the “Second Amended Program”) will help to provide new employment opportunities within the Town, provide opportunities for economic development in the Town and the surrounding region, improve and broaden the tax base in the Town and improve the economy of the Town and the State of Maine; and

WHEREAS, 3, the Town has held a public hearing on the question of amending the Development Program in accordance with the requirements of 30-A MRSA §5226, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town; and

WHEREAS, 4, the Town shall vote whether to adopt the Second Amended Program; and

WHEREAS, 5, it is expected that approval will be sought and obtained from the State of Maine Department of Economic and Community Development, approving the Second Amended Program;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE TOWN:

Section 1. Pursuant to the Act, the Town is adopting the Second Amended Program which was presented at the public hearing and made available to the public leading up to the town meeting vote. Such Second Amended Program, which is incorporated herein by reference, together with the following findings, terms and provisions (the “Findings, Terms and Provisions”), is hereby declared to be the Development Program for the District.

Section 2. The Town hereby finds and determines the following, demonstrating the District’s compliance with the Act:

- (a) The adoption of the Second Amended Program will not result in the District falling out of compliance with any statutory requirements associated with the District and the Second Amended Program, including the fact that the District and the Development Program will make a contribution to the economic growth and well-being of the Town of China and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the Town of China, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

(b) The Town has considered all evidence, if any, presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined that such adverse economic effect on or detriment to any existing business, if any, is outweighed by the contribution expected to be made through the District and the Second Amended Program.

Section 3. The Town Manager or her duly-appointed representative, be and hereby is authorized, empowered and directed to submit the proposed Second Amended Program to the State of Maine Department of Economic and Community Development for review and approval pursuant to the requirements of 30-A MRSA §5226.

Section 4. The Town Manager or her duly-appointed representative, be and hereby is authorized and empowered, to make such revisions to the Second Amended Program as she, or her duly appointed representative, deems reasonably necessary or convenient in order to facilitate the process for review and approval of the Second Amended Program by the State of Maine Department of Economic and Community Development, or for any other reason, so long as such revisions are not inconsistent with the article and the ballot question within which these Findings, Terms and Provisions are included or the basic structure and intent of the Second Amended Program.

Section 5. The adoption of the Second Amended Program shall automatically become final and shall take full force and effect upon receipt by the Town of China of approval of the Second Amended Program by the State of Maine Department of Economic and Community Development, without requirement of further action by the Town, the Select Board or any other party.

Exhibit J – Transmittal Letters and DECD Approval

Following this page are facsimiles of a June 22, 2021 letter and a November a letter, both from the Town of China to the DECD requesting DECD’s approval of the Second Amended Program, and DECD’s letter dated November 18, 2021 approving the Second Amended Program.

TOWN OF CHINA MAINE
571 Lakeview Drive
China, Maine 04358

June 22, 2021

State of Maine
Department of Economic and Community Development
Heather Johnson, Commissioner
Attn: Tina Mullins
59 State House Station
Augusta, Maine 04333-0059

Dear Commissioner Johnson,

The Town of China, at its town meeting vote taken June 8, 2021, approved its Second Amended Central Maine Power/China Lake Tax Increment District and Development Program (the “Second Amended Program”) in accordance with Maine law, 30-A MRSA §§ 5221-5235. On behalf of our Town, I request your Department’s approval of our enclosed Second Amended Program.

As described in the enclosed Second Amended Program, the original District and the original Development Program were created and approved in 2015. In 2017 a first amendment added additional properties to the District and revised the original Development Program. The Second Amended Program makes no change to the District.

I hereby certify that I have the authority to submit the Second Amended Program to the Maine Department of Economic and Community Development and to request its approval of the Second Amended Program. I further certify that all information contained in the Second Amended Program is true and correct to the best of my knowledge.

Thank you for your consideration. Please contact me if you have any question or concern or if you would like any additional information.

Town of China, Maine

By: /s/Rebecca J. Hapgood
Rebecca J. Hapgood
Its Town Manager,
Duly Authorized

TOWN OF CHINA MAINE
571 Lakeview Drive
China, Maine 04358

November 9, 2021

State of Maine
Department of Economic and Community Development
Heather Johnson, Commissioner
Attn: Tina Mullins
59 State House Station
Augusta, Maine 04333-0059

Dear Commissioner Johnson,

Following up on my June 22, 2021 letter to you, the July 16, 2021 email to me from Ms. Tina Mullins and certain other email correspondence to me from Ms. Mullins, enclosed/attached please find the following with respect to the Town of China Second Amended Central Maine Power/China Lake Tax Increment District and Development Program (the “Second Amended Program”).

1. A document setting forth the July 16, 2021 questions and requests from Ms. Mullins (July 16 email) and summary responses to same on behalf of the Town;
2. A “redline” document showing the changes to the Second Amended Program which were prompted by the July 16 email;
3. The entire Second Amended Program which includes, unmarked, the changes which were prompted by the July 16 email;
4. The revised 2015 Exhibit A, Assessors’ Certificate, dated September 13, 2021;
5. The revised 2017 Exhibit D, Assessors’ Certificate, dated September 13, 2021; and
6. The original updated, signed Second Amended Program Exhibit H with respect to the public hearing minutes.

On behalf of our Town, I request your Department’s approval of our enclosed revised Second Amended Program.

I hereby certify that I have the authority to revise and to submit the Second Amended Program to the Maine Department of Economic and Community Development and to request its approval of the Second Amended Program. I further certify that all information contained in the Second Amended Program is true and correct to the best of my knowledge.

Thank you for your consideration. Please contact me if you have any question or concern or if you would like any additional information.

Town of China, Maine

By: /s/Rebecca J. Hapgood
Rebecca J. Hapgood
Its Town Manager,
Duly Authorized



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



JANET T. MILLS
GOVERNOR

HEATHER JOHNSON
COMMISSIONER

November 18, 2021

Rebecca J. Hapgood
Town Manager
TOWN OF CHINA
571 Lakeview Drive
China, Maine 04358

RE: Central Maine Power/China Lake Municipal *Tax Increment Financing* (TIF) District and Development Program *Second Amendment* (AMD-2)

A P P R O V E D

Dear Ms. Hapgood,

The Maine Department of Economic and Community Development (DECD) reviewed and EFFECTIVE TODAY APPROVED the application to amend the above- referenced Municipal TIF District and Development Program (Program). Based on the application, DECD notes/approves:

- a. District taxable Original Assessed Value of \$5,920,200 consisting of \$209,200, as of March 31, 2014 (April 1, 2013) and \$5,711,000 as of March 31, 2016 (April 1, 2015)—acreage 380.18;
- b. District revenues deposited/held in dedicated accounts and applied ONLY toward approved activities/projects due completion BEFORE/BY JUNE 30, 2045,
 - i) Project Cost accounts to reimburse Company/Developer for costs authorized by 30-A M.R.S.A. § 5225(1)(A) and DECD rules as amended from time to time AND/OR fund public activities/projects,
 - ii) Sinking Fund Account to retire associated public debt, if any;

Per March 21, 2015 original designation and previous amendment approvals, DECD restates:

- c. District term of 30 years, ending June 30, 2045;
- d. Real and personal property Increased Assessed Value (IAV) capture of 100%;
- e. Company/Developer payments within sole Board of Selectmen discretion, are limited to incremental taxes from NEW actual value from company/developer’s project, and may include up to 100% reimbursement during District;
- f. AFTER EXECUTION TOWN MUST FORWARD A COPY of any associated credit enhancement agreement and its amendment(s) or assignment(s) to DECD—enclosing completed matching **Application Cover Sheet** with detailed private project description and (if Company and not Developer) **Employment Goals Form**;
- g. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with Town equalized assessed value;
- h. Any future amendment MUST comply with 30-A M.R.S.A. §§ 5221-5235 and DECD rules;
- i. When District expires, or is terminated, CHINA MUST NOTIFY DECD IN WRITING.

As further described in the Program, Town revenue allocation projected at \$9,013,934 may facilitate funding for an estimated \$5,000,000*, in public costs and associated debt—if any. This funding MUST comply with already established China appropriation process—with activities/projects due completion BEFORE/BY JUNE 30, 2045. Please note, pursuant to 30-A M.R.S.A. § 5227(D), the Town shall annually return to the general fund any tax increment revenues remaining in development program fund, in excess of those estimated to be required to satisfy payment of approved project costs, outlined in the



JANET T. MILLS
GOVERNOR



HEATHER JOHNSON
COMMISSIONER

Program, plus any related debt service. ** DECD restates/approves public activities/projects costs listed below, with AMD-2 changes/additions underlined:

WITHIN DISTRICT

- j. Capital construction improvement costs of public facilities at the Causeway at Head of China Lake (~~\$1,250,000~~) and South China Boat Landing (~~\$15,000~~), including walking areas, improved traffic access/parking, bathroom facilities and additional parking/mooring creation ~~\$650,000~~; Φ
- k. ~~Capital improvements funding, including land acquisition adjacent to Town Office to transform to commercial use \$550,000;~~

WITHIN MUNICIPALITY

- l. Costs of funding economic development programs, including Town of China Community and Development Economic Development Department operating costs and prorate portions of staff time and municipal salaries, as it relates to economic development ~~\$1,650,000~~ \$840,000;
- m. Costs of funding economic development events ~~\$600,000~~ \$360,000;
- n. Cost of funding to market China as a business or arts locations, including printed collateral, market studies and directional signage ~~\$240,000~~ \$220,000;
- o. Costs of services and equipment to provide skill development and training for jobs created or retained within China ~~\$120,000~~ \$60,000;
- p. Costs associated with development of a permanent revolving loan fund to provide China businesses loans to expand operations, add employees, develop new projects and other types of business assistance with expanding and improving local economic, per § 5225(1)(C)(3) for costs of economic development activities authorized by 30-A M.R.S. § 5225 and Department rules as amended from time to time ~~\$900,000~~ \$100,000;
- q. Recreational trails having significant potential to promote economic development and related costs ~~\$1,140,000~~ \$1,560,000; $\Phi \ddagger$
- r. Grant matching related to 30-A M.R.S.A. §§ 5221-5235 economic development activities ~~\$3,000,000~~ \$75,000;
- s. Costs of funding environmental improvement projects for commercial use or related to such activities \$190,000;
- t. Costs associated with development of fisheries and wildlife or marine resources project, including construction of fishways or fish ladders at China Lake outlet dam \$30,000;
- u. Costs associated with broadband and fiber optics expansion projects, including preparation, planning, engineering, and other related costs in addition to the construction costs of those projects. If an area within a municipality is unserved with respect to broadband service, as defined by the ConnectME Authority as provided in Title 35-A, section 9204-A, subsection 1, broadband and fiber optics expansion projects may serve residential or other nonbusiness or noncommercial areas in addition to business or commercial areas within the municipality \$300,000.

DECD notes while the Program may list multiple statutory citations with the public project costs in the application, not all citations apply to all activities/projects described within each cost description. China is obligated to verify proper authorization for each project cost to be undertaken. DECD advises Town to plan for debt retirement to coincide with District term end of June 30, 2045.



JANET T. MILLS
GOVERNOR



HEATHER JOHNSON
COMMISSIONER

Please contact Development Program Officer Tina Mullins with questions about this certification. With this approval, the Department extends best wishes for the success of the District.

Sincerely,

Heather Johnson
Commissioner

cc: via e-mail only
Senator Matthew Pouliot (SD-15)—130th Legislature
Representative Timothy S. Theriault (HD-79)—130th Legislature
Peter Lacy, MRS Director Property Tax Division
Kelly Grotton, China’s Assessors’ Assistant

*Projected costs estimates provided for project costs/activities for fiscal years 2022-2045.

** Please refer to 30-A M.R.S.A. § 5227(D) for further procedures related to managing excess tax increment revenues. Additional options include, by vote of City council, to decrease the annual captured assessed value, or formally amend Program to add allowable projects costs.

EXCLUDING FOLLOWING COSTS/FUNDING:

Φ Public park(s) as it relates to MRS 30-A, § 5225(2)

‡ Unauthorized project costs as defined under 30-A M.R.S.A 5225 (2)

MTIF: Application Synopsis for Commissioner Consideration

■ DISTRICT DATA: PREVIOUS DATA GRAY

MUNICIPALITY	China	COUNTY	Kennebec	TERM	30
DISTRICT NAME	Central Maine Power/China Lake				
ORIGINAL DISTRICT (OD): Y/N	N	AMENDED: Y/N	Y	# AMD	2
DOWNTOWN EXEMPT:	N	PAPER MILL EXEMPT:	N	CAPTURE	OD: 100% of real property (FY 2016- 10/29/2017) AMD-1: 100% of real & personal (10/30/2017- 6/30/2045)
APPLICATION BASIS	Add new public project costs, revise prior project descriptions and costs estimates, added option for public indebtedness, and correct OAV from AMD-1. Town approved June 8, 2021.				
HISTORY	[10/30/2017] AMD-1: Extend term from 20 to 30 years, amended district boundary, add omnibus provision and adjust project costs estimates. AMD-1 Town adopted 3/25/2017. [7/1/2015] OD: District established to leverage CMP Maine Power Reliability Program investment toward public projects, with a focus on enhancing China's two public lake access areas on the Causeway on the northern tip of the lake and the South China Boat landing on the southern tip, and associated benefits. Footprint comprised of three sub districts: CMP Power Line, Town Boat Landing, and public land around Town Office (Lakeview). No CEAs to be offered. 20-year term.				
TERM DATES	START: July 1, 2015- June 30, 2016 (FY 2016)		END: July 1, 2044 June 30, 2045 (FY 2045)		
DESIGNATION DATE OF ORIGINAL DISTRICT AND DEVELOPMENT PLAN:			March 21, 2015		

Increased Assessed Value (IAV); Real/Personal Property (RP/PP)

■ COMPANY OR DEVELOPER DATA

ENTITY ADDRESS	CMP
PROJECT	CMP is undergoing a statewide investment program to updated, improve, and enhance its power distribution system. The Maine Power Reliability Program will increase the company's infrastructure of substations and transmission lines in many areas of Maine, beginning in 2010, with planned completion in 2015. Related to this TIF is a new 345 KV transmission line on the easterly 80 feet of power line that will bisect the middle of town along a north to south axis.

Company (CO); Developer (DEV)

■ STATUTORY REQUIREMENTS

WITHIN ACREAGE CAP?	OD 109.75 + AMD-1 270.43 380.18	Y	MUNICIPAL BONDS ISSUED? Y/N/MAY	N M
ON SUITABLE PROPERTY?		Y	TAX SHIFTS CALCULATED?	Y
OAV CERTIFIED?	OD \$209,200 [3/31/2014] +AMD-1 \$5,711,000 [3/31/2016] \$5,920,200	Y	PUBLIC NOTICE AND HEARING?	Y
WITHIN VALUE CAP?		Y	PASSED BY MAJORITY VOTE? 200 YES/73 NO	Y

Downtown; Transit-Oriented Development; Community Wind Power; Single Taxpayer/High Valuation exemptions may apply (EX).

■ PLANNED REVENUE DISTRIBUTION

TO GENERAL FUND (NON-TIF)?	\$0	IF AMD, ANY BONDS TO DATE?	n/app
FOR MUNICIPAL DEBT?	\$0 TBD		

MTIF: Application Synopsis for Commissioner Consideration

FOR CREDIT ENHANCEMENT AGREEMENT?	TBD	OMNIBUS DISTRICT	Y	TIF POLICY
REIMBURSEMENT SCHEDULE	OD: N/A AMD-1: Up to 100% of developer's project (AMD-1 page 4).			
FOR BONA-FIDE ECONOMIC DEVELOPMENT?	\$2,270,905 \$6,743,029 \$9,013,934	Actual FY 2015-2022 Projected FY 2023-2045 Total		
PUBLIC PROJECTS/COSTS	<p>[\$8,850,000 \$5,000,000] AMD-2 changes underlined. (*Projected costs estimates provided for project costs/activities for fiscal years 2022-2045.</p> <p>(T1) Capital construction improvement costs of public facilities at the Causeway at Head of China Lake \$1,250,000, and South China Boat Landing \$15,000, including walking areas, improved traffic access/parking, bathroom facilities and additional parking/mooring creation \$650,000 Φ; Capital improvements funding, including land acquisition adjacent to Town Office to transform to commercial use \$550,000;</p> <p>(T3) Costs of funding economic development programs, including Town of China Community and Development Economic Development Department operating costs <u>and prorate portions of staff time and municipal salaries, as it relates to economic development</u> \$1,650,000 <u>\$840,000</u>; Costs of funding economic development events \$600,000 <u>\$360,000</u>; Cost of funding to market China as a business or arts location, including printed collateral, market studies and directional signage \$240,000 <u>\$220,000</u>; Costs of services and equipment to provide skill development and training for jobs created or retained within China \$120,000 <u>\$60,000</u>; Costs associated with development of a permanent revolving loan fund to provide China businesses loans to expand operations, add employees, develop new projects and other types of business assistance with expanding and improving local economic, per § 5225(1)(C)(3) for costs of economic development activities authorized by 30-A M.R.S. § 5225 and Department rules as amended from time to time \$900,000 <u>\$100,000</u>; Recreational trails having significant potential to promote economic development and related costs \$1,140,000 <u>\$1,560,000</u> Φ†; Grant matching related to 30-A M.R.S.A. §§ 5221-5235 economic development activities \$3,000,000 <u>\$75,000</u>; <u>Costs of funding environmental improvement projects for commercial use, or related to such activities</u> <u>\$190,000</u>; <u>Costs associated with development of fisheries and wildlife or marine resources project, including construction of fishways or fish ladders at China Lake outlet dam</u> <u>\$30,000</u>; <u>Costs associated with broadband and fiber optics expansion projects, including preparation, planning, engineering and other related costs in addition to the construction costs of those projects. If an area within a municipality is unserved with respect to broadband service, as defined by the ConnectME Authority as provided in Title 35-A, section 9204-A, subsection 1, broadband and fiber optics expansion projects may serve residential or other nonbusiness or noncommercial areas in addition to business or commercial areas within the municipality</u> <u>\$300,000</u>.</p> <p><u>EXCLUDING ANY COSTS/FUNDING FOR:</u> Φ Public park(s) † Unauthorized project costs as defined under 30-A M.R.S.A 5225 (2) Projects unique to this District/Program? [X] YES [] NO</p>			
	Over TIF Term (OTT); §5225(1) (A-C) = Tier (T) 1-3			

■ **STAFF RECOMMENDATION**

DEVELOPMENT PROGRAM OFFICER (DPO) REVIEWED APPLICATION AND OFFERS THIS OPINION:	Recommend approval to the best of my knowledge; no concerns.		
DPO RECOMMENDS COMMISSIONER APPROVAL? Y/N/OTHER	Y	<i>T.M.</i>	11/18/2021
APPLICATION RECEIPT DATE	6/23/2021	CHECK AFTER DATA ENTRY <input type="checkbox"/>	

Form revised 5/14/2020

Exhibit K – Flow of Funds Diagram

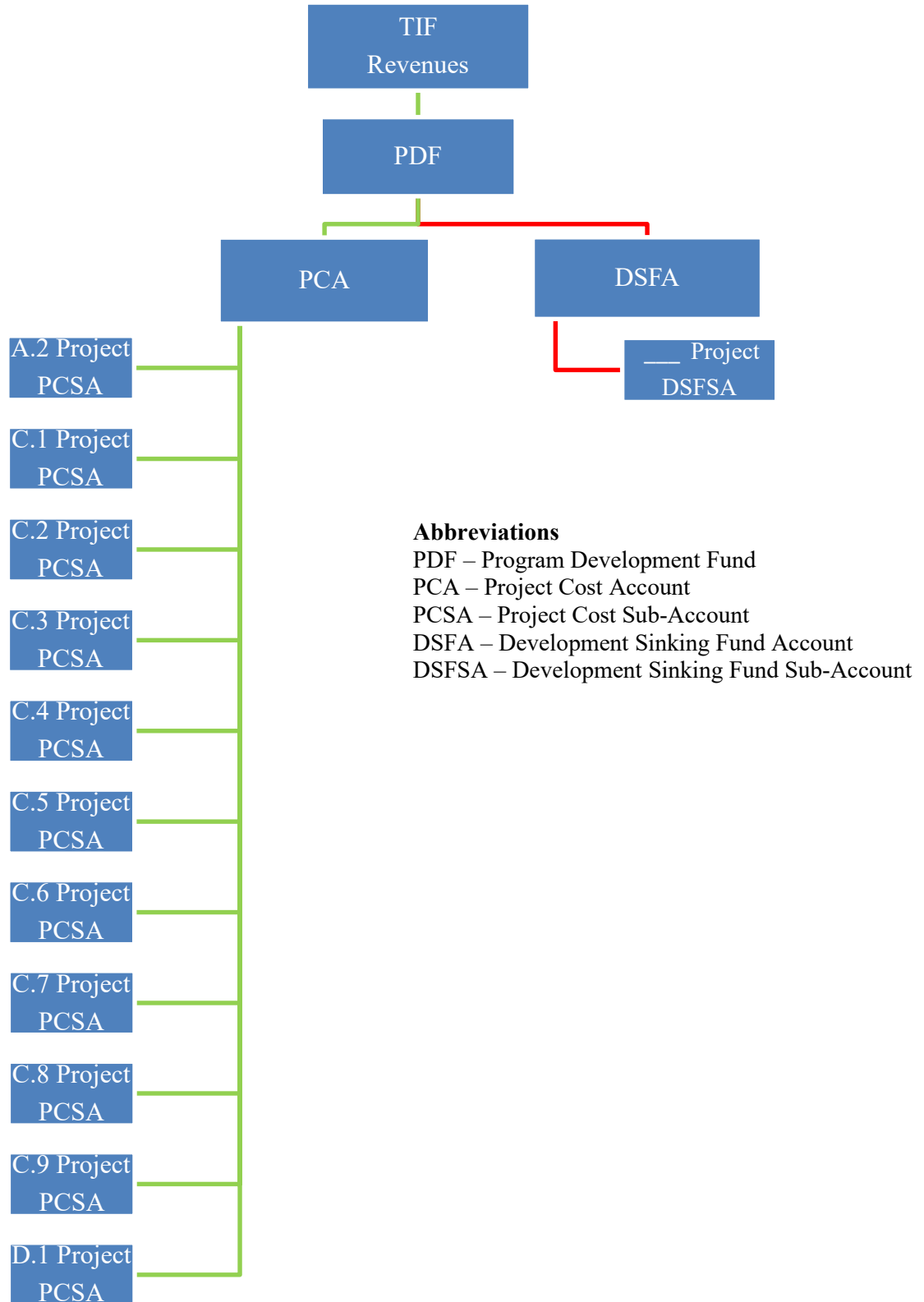


Exhibit L – 2017 Statutory Requirements and Thresholds

Following this page is the Statutory Requirements and Thresholds document which was completed by William Van Tuinen, is dated March 20, 2017 and has been extracted from the Current Program.

STATUTORY REQUIREMENTS AND THRESHOLDS
TBD Municipal TIF District | AMD-1

SECTION A. Acreage Caps		
1. Total municipal acreage;	36,480	
2. Acreage of proposed Municipal TIF District;	380.18	
3. Downtown-designation ¹ acres in proposed Municipal TIF District;	0	
4. Transit-Oriented Development ² acres in proposed Municipal TIF District;	0	
5. Total acreage [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	380.18	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	1.042%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ Central Maine Power/China Lake 109.75 Ac Central Maine Power/China Lake Amendment 270.43 Ac	Existing	109.75
	Proposed	270.43
	Total:	380.18
30-A § 5223(3) EXEMPTIONS ⁴		
8. Acreage of an <u>existing/proposed</u> Downtown Municipal TIF district;	0	
9. Acreage of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts:	0	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts:	0	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts common to ⁵ Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such acreage also factored in Exemptions 8-10 above:		
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	380.18	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.042%	
14. Real property in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area;	0	0
b. In need of rehabilitation, redevelopment or conservation;	0	0
c. Suitable for commercial or arts district uses.	175	64.7%
TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)		

¹ Before final designation, the Commissioner will seek advice from MDOACF and MDOT per 30-A § 5226(2).

² For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

³ For AH-TIF acreage requirement see 30-A § 5247(3)(B). Alternatively, Section B. must exclude AH-TIF valuation.

⁴ Downtown/TOD overlap nets single acreage/valuation caps exemption.

⁵ PTZ districts approved through December 31, 2008.

STATUTORY REQUIREMENTS AND THRESHOLDS
TBD Municipal TIF District | AMD-1

SECTION B. Valuation Cap		
1. Total TAXABLE municipal valuation—use most recent April 1;		402,220,100
2. Taxable Original Assessed Value (OAV) of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;		5,717,600
3. Taxable OAV of all existing/proposed Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts:	Existing	209,200
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV District Name/OAV </div>	Proposed	5,717,600
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV District Name/OAV </div>	Total:	5,926,800
30-A § 5223(3) EXEMPTIONS		
4. Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;		0
5. Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts:		0
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV </div>		
6. Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts:		0
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV </div>		
7. Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts:		0
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV </div>		
8. Taxable OAV in all <u>existing/proposed</u> Municipal TIF districts common to Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such OAV also factored in Exemptions 4-7 above:		0
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV District Name/OAV </div>		
<div style="display: flex; justify-content: space-between; font-size: small; color: #0070C0;"> District Name/OAV District Name/OAV District Name/OAV </div>		
9. Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;		5,926,800
10. Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).		1.47%

COMPLETED BY	
NAME:	WILLIAM VAN TUINEN
DATE:	3/20/2017

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Exhibit M – Glossary of Definitions

2015 Properties shall have the meaning given to this term in section I, subsection (A) of this Second Amended Program.

2017 Amendment shall have the meaning given to this term in section I of this Second Amended Program.

2017 Properties shall have the meaning given to this term in section I, subsection (B) of this Second Amended Program.

Annual Payments: see Section VII and Exhibit E.

Captured Assessed Value shall have the meaning given to this term in section III of this Second Amended Program, including a footnote thereto.

CMPC shall have the meaning given to this term in section I of this Second Amended Program.

Current Program shall have the meaning given to this term in section I of this Second Amended Program. The Current Program was approved by letter dated October 30, 2017 from the DECD Commissioner to the China Town Manager.

DECD means the Maine Department of Economic and Community Development.

District shall have the meaning given to this term in section I, subsection (B) of this Second Amended Program.

Fiscal Year means, with respect to the Town, a twelve month period which begins on July 1 of a calendar year and ends on June 30 of the next calendar year. If the Town changes its Fiscal Year, then this definition will be deemed to have been modified accordingly.

Municipal Tax Increment shall have the meaning given to this term in section III of this Second Amended Program, including a footnote thereto.

Original Program shall have the meaning given to this term in section I of this Second Amended Program. The Original Program was approved by letter dated July 1, 2015 from the DECD Commissioner to the China Town Manager.

Percent of Annual TIF Revenues: see Section VII and Exhibit E.

Periodic Project Transfer shall have the meaning given to this term in section VII of this Second Amended Program.

Project shall have the meaning given to this term in section VI of this Second Amended Program.

Project Payment Agreement shall have the meaning given to this term in section VII of this Second Amended Program.

Second Amended Program shall have the meaning given to this term in section I of this Second Amended Program.

Tax Payment Date shall have the meaning given to this term in section VII of this Second Amended Program.

TIF Committee shall have the meaning given to this term in section I of this Second Amended Program.

TIF Revenues shall have the meaning given to this term in section III of this Second Amended Program.

TIF Statute shall have the meaning given to this term in section I of this Second Amended Program.

Total Payment Period: see Section VII and Exhibit E.

Total Town Project Costs: see Section VII, Exhibit E and Exhibit F, Table F-2.

Town means the Town of China, Maine.

Exhibit N – Summary of Modifications of Projects and Costs³⁷

Current Program Projects & Costs	Second Amended Program Projects & Costs
Causeway & South China Boat landing \$650,000	A.1: Causeway \$1,250,000 ³⁸
See above.	A.2: South China Boat landing \$15,000
Research laboratory, etc. \$550,000	Prior project deleted
Economic development programs \$1,650,000	C.1 2021 Second Amended Program Expenses \$840,000
Economic development events \$600,000	C.2 Economic development events \$360,000
Marketing the Town as a Business Location \$240,000	C.3 Marketing Town as a Business Location \$220,000
	C.4 Environmental Improvements (New) \$190,000
Revolving Loan Program \$900,000	C.5 Revolving Loan Program \$100,000
Job Training \$120,000	C.6 Job Training \$60,000
Trails \$1,140,000	C.7 Trails \$1,560,000
	C.8 Fishways and Dams (New) \$30,000
	C.9 Broadband (New) \$300,000
Match for Grants \$3,000,000	D.1 Match for Grants \$75,000

For certain totals, see Exhibit F, Table F-1 and Table F-2.

³⁷ This Exhibit N was added in response to a July 2021 request by the DECD.

³⁸ Funded with TIF Revenues authorized through June 30, 2021.