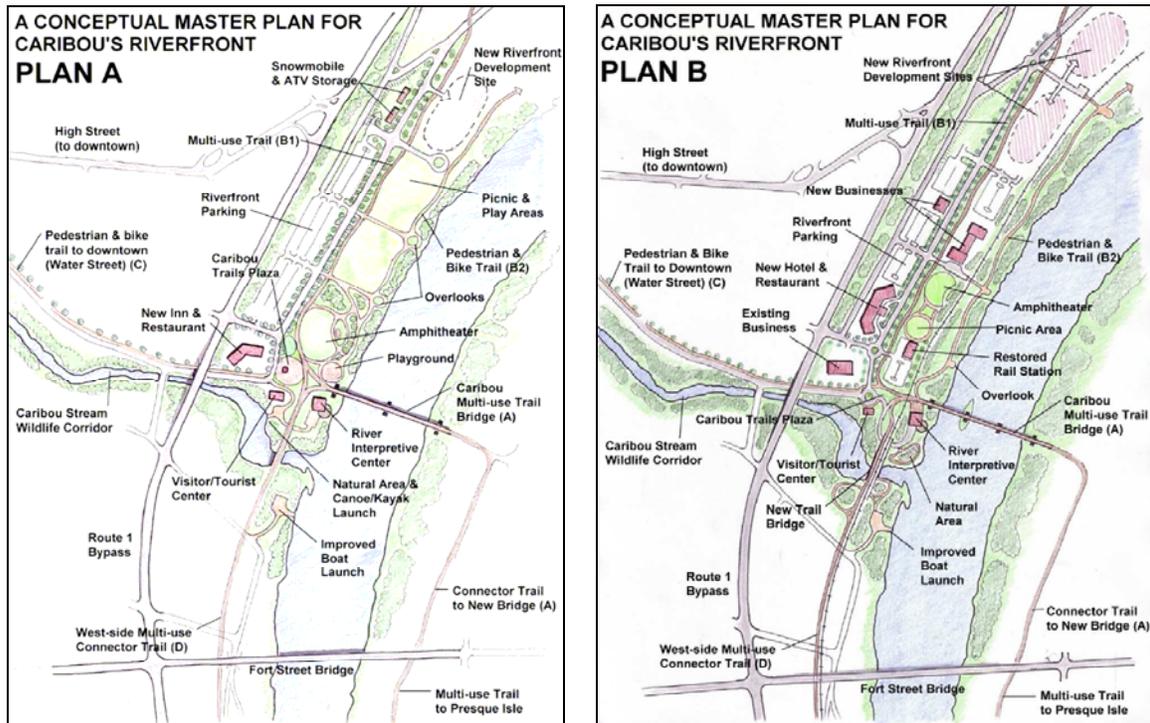


- ◆ Look to opportunities for conservation and development of the Riverfront (at the mouth of Caribou Stream)

The 2004 Caribou Recreational Trails Plan recognized the opportunities of the riverfront area and potential connections to the Downtown (see plans below, from the Trails Plan). Although this area is not included in the TIF District, the riverfront is the next area the City should look to for redevelopment and/or open space opportunities.



- ◆ **Priority:** Expand and enhance Downtown economic development efforts, and invest in a marketing & economic development plan for the Downtown.

The City should focus in on economic development for the Downtown by establishing a marketing strategy and economic development plan for the Downtown. This plan should provide guidance on the best approach for increasing marketing and promotion, as well as for proactive business retention and attraction programs for the Downtown.

Also, economic development in the Downtown District could be enhanced by expanding current programs to better represent and more actively promote the City's economic development interests in regards to the Downtown. The City's economic development program and resources should also be more closely tied to the Office of Community Development, Town Manager, and other City departments' programs and resources. The roles of City staff and the CCCI need to be clearly defined as economic development efforts are expanded and an economic development plan is established for the downtown.

- ◆ These additional general recommendations for design improvements should be applied to projects within the Downtown District:
  - *Reduce curb cuts and improve access management in the downtown*
  - *Continue to upgrade sidewalks and crosswalks, maintaining/improving pedestrian connectivity and accessibility; add bicycle lanes or grass esplanades (3-4 ft.), for temporary winter snow storage, where feasible*

## 7. Lyndon Square District

- ◆ **Priority:** Make sidewalk, crosswalk, streetscape and landscaping improvements to Herschel Street.

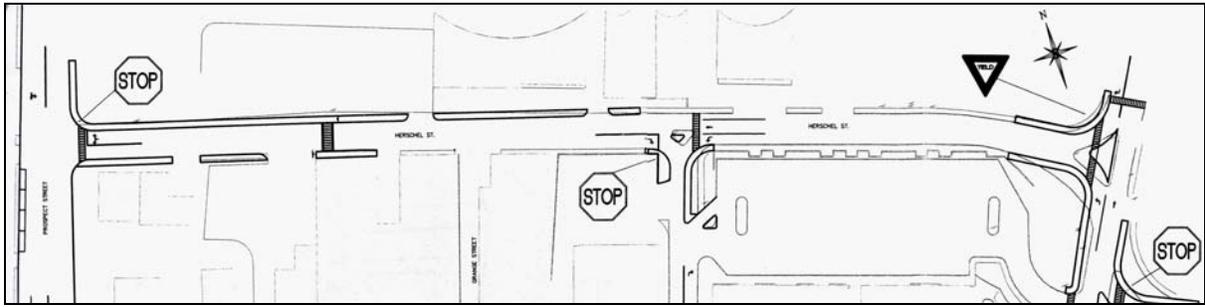
In conjunction with the proposed roadway and traffic circulation improvements for Herschel Street, other streetscape elements should be added to enhance this corridor. The sidewalks along the north side of the road need to be rehabilitated and their connectivity improved (see illustration below). Improvements to the Herschel & Legion parking lots are needed, including layout and curbing, and landscaping where feasible. Street trees and/or landscaping along the south side of Herschel Street, where feasible, are also recommended streetscape improvements; for example, there may be an opportunity to add trees or landscaping along the street edge where the former J.C. Penny building is to be removed.



*Curb cuts along Herschel Street should be reduced where possible, but a concrete sidewalk could also be installed flush with the pavement to allow for both vehicle access and pedestrian connectivity along the north side of the road (above).*

*Street tree plantings and/or lampposts could also be added along the south side of the road to enhance Herschel Street.*





*This diagram shows some of the proposed improvements to Herschel Street, from the 2003 Downtown Traffic Study.*



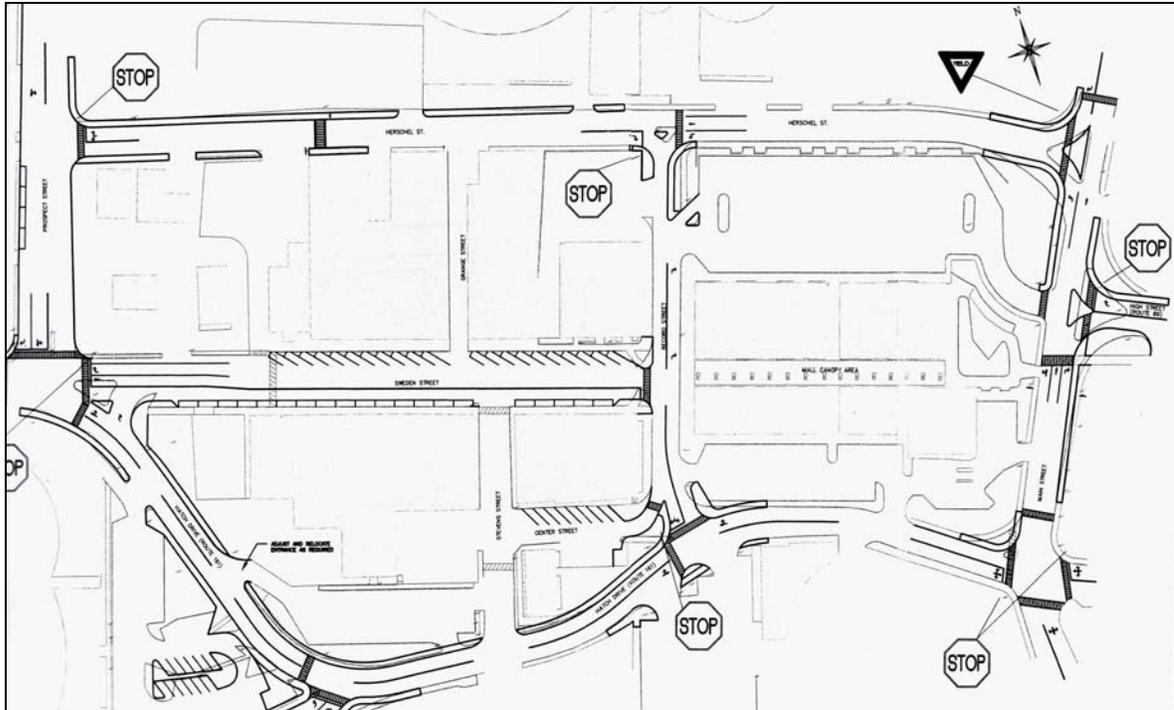
*Landscaping improvements could be made at this retaining wall between Herschel Street and the North Mall parking lot. Plantings could be added down along the parking lot (left) or along the top of the wall (right). Public art, such as murals, on the face of the retaining wall could also transform this eyesore into an attractive downtown feature.*

- ◆ **Priority:** Work with building owners along Herschel Street on building/façade improvements or redevelopment opportunities.



*Funding should be sought to promote the improvement of building façades along Herschel Street, and/or to explore redevelopment opportunities through public-private partnerships.*

- ◆ **Priority:** Implement proposed traffic circulation improvements in the Lyndon Square area, with priority for Record Street.



The proposed changes to two-way traffic flow on Record Street would help increase the accessibility of Lyndon Square and many businesses and services and the convenience of getting around Lyndon Square.

- ◆ Add benches & trash receptacles around the Downtown Mall and along Sweden Street.

The Downtown District is very walkable, however, benches (“resting places”) are generally not provided. This has been identified as a need by the community. Also, providing trash receptacles in the Lyndon Square area is important to maintaining a clean public space. Both of these amenities should be of the same style/type throughout the Downtown to help reinforce the unity of streetscape design.

- ◆ Replace lampposts along Sweden Street with shorter lampposts (like the height of those in/around the Downtown Mall); reuse taller lampposts for another appropriate location.

The lampposts that have been installed along Sweden Street are too high, not at “pedestrian scale”. These should be replaced by lampposts at the same scale as in the Downtown Mall; the replaced lampposts could then be used along Bennett Drive or another appropriate location.

- ◆ Add more planters or planting areas in Downtown Mall area.

The streetscape improvements already made in the Downtown Mall area and along Sweden Street (sidewalks, lighting, tree planting) have greatly improved the look of the Downtown District. Adding a few more planters or landscape plantings (see below, left) where feasible in this area would further enhance the Lyndon Square District and help make it look more inviting by adding greenery.



*A landscaped bed along the buildings (left) or planters along the street (moveable or non-moveable).*

- ◆ Improve the small park at the east end of the Downtown Mall, making it more pedestrian friendly and a nice green space at the High Street/Main Street intersection.



The small park at the east end of the Downtown Mall has wonderful lighting and landscaping, but is over-paved and has the look of a “drive-thru” park. Paths should be minimized, connecting to the parking lot and towards City Hall, and should not have the appearance of a vehicle way. This could be a nice area for picnicking downtown.

- ◆ **Priority:** Extend Downtown streetscape elements west along Sweden Street (including sidewalk and crosswalk upgrades, lighting, tree planting).



Sweden Street is a gateway area to the Downtown; extending streetscape improvements such as lighting, tree planting or grass esplanades, and possibly sidewalk upgrades will enhance this area and tie it to the Downtown.

- ◆ **Priority:** Extend Downtown streetscape elements east along Water Street (including sidewalk and crosswalk upgrades, lighting, tree planting), along with façade improvements.

The block of buildings at the Main Street end of Water Street is a natural extension of the Lyndon Square area, and should also be unified with the Downtown through streetscape and façade improvements.

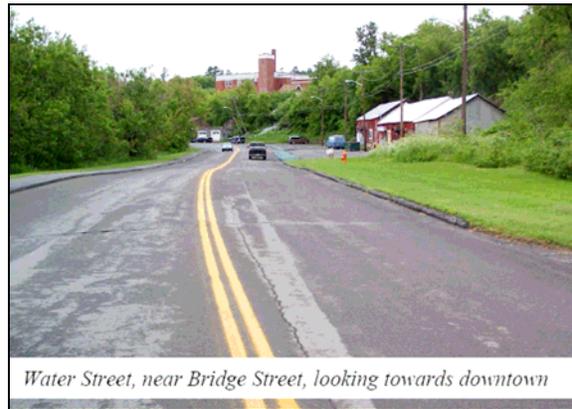
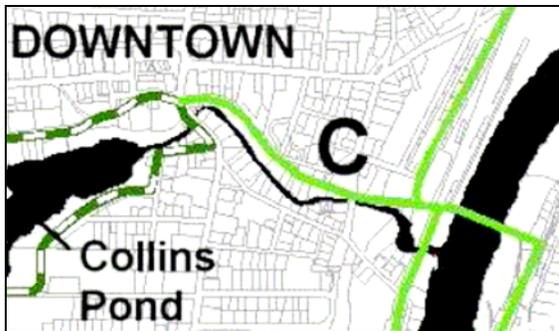


- ◆ Extend Downtown streetscape elements south along Main Street, to the Nylander Museum, and possibly to Fort Street (including sidewalk and crosswalk upgrades, lighting, tree planting).

Extending Downtown streetscape elements south along Main Street would enhance this gateway area and tie it visually to the Downtown.

- ◆ **Priority:** Implement the proposed trail connection along Water Street from Lyndon Square to the riverfront (extension of the Collins Pond Trail).

The 2004 Recreational Trails Plan proposes a trail from Lyndon Square to the River along Water Street as a priority connector. This non-motorized use only trail would be relatively easy to implement and would provide a pedestrian connection to the river. This trail connection is not only important to the proposed future development (and/or conservation) options for the Riverfront, but to the proposed recreational trail bridge over the Aroostook River as well.



- ◆ Make other proposed intersection and roadway improvements in the Downtown area as recommended in the 2003 Downtown Traffic Study.

The additional roadway improvements recommended in the Downtown Traffic Study (those not specifically noted in this Plan) are needed to improve vehicle and pedestrian safety, although they may fall lower in priority for funding.

## 8. High Street Area

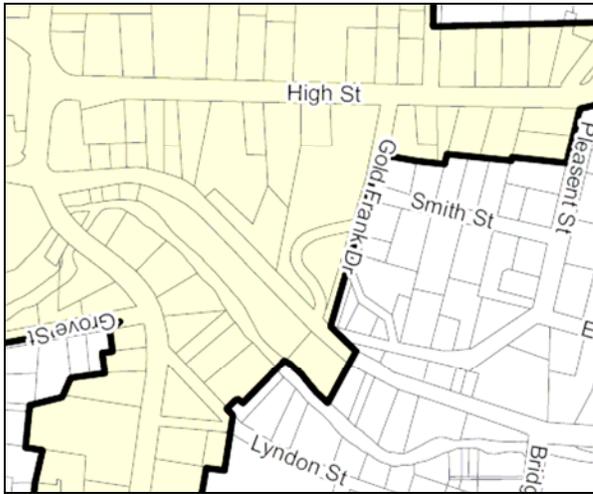
- ◆ **Priority:** Make sidewalk, crosswalk, streetscape and landscaping improvements to High Street, in conjunction with the proposed roadway and access management improvements and needed infrastructure improvements.

The proposed roadway improvements for High Street could be greatly enhanced by adding streetscape and landscape features. The following design amendments are recommended for the proposed improvements:

- Mark the shoulders for bike lanes; these areas could also serve as temporary snow “storage” during winter months;
- Where curb cuts cannot be reduced, use striping or concrete sidewalks flush with the pavement (see Herschel Street example) to maintain pedestrian connectivity and better define the roadway;
- Work with private businesses/landowners to make landscaping improvements along the street edge;
- Add lampposts with banners and street trees on the north side of the road; and
- Consider adding benches & trash receptacles at a few locations along High Street.



- ◆ Create a trail connection between High Street and Water Street (future connector between downtown and the riverfront) along Gold Frank Drive (or other route).



Though not noted in the Recreational Trails Plan, there is an opportunity to provide a trail connection between High Street and Water Street along Gold Frank Drive or other route.

- ◆ Reconfigure and expand parking at the Fire Station, retaining the Memorial

The existing parking at the Fire Station could benefit from reconfiguration and expansion, to improve efficiency of use and increase parking. The Memorial and small park along High Street should be retained.

## 9. Bennett Drive & Van Buren Road

- ◆ **Priority:** Extend Downtown streetscape elements along Bennett Drive, particularly the southern segment (2 lanes), to the schools and Recreation Center.

This segment of Bennett Drive is a key part of the connection between the Recreation Center, school, and Lyndon Square. Streetscape elements, possibly including sidewalk upgrades (similar to Lyndon Square) would help enhance this area and unify it with the Downtown. Lampposts should be located on the west side of Bennett Drive, with the utility poles currently on that side relocated to the east side of the road.



*This illustration shows downtown lampposts with banners added along the west side of Bennett Drive.*

- ◆ **Priority:** Make traffic calming and pedestrian improvements on the northern segment (4 lanes) of Bennett Drive.

The northern segment of Bennett Drive, between Glendale Road and Van Buren Road, is a wide expanse of road, and could be greatly enhanced (visually, and pedestrian safety at crossings) with the implementation of center islands or medians and downtown streetscape elements. Care should be taken to accommodate snowmobile access at crossings.



An example of a landscaped center island with a pedestrian crossing (at the far end).



A commercial strip where a pedestrian trail, landscaping, and pedestrian scale street lights have been added.

- ◆ Planting/streetscaping in front of new Recreation Center should be consistent in design with Downtown streetscaping/improvements (lighting, paving, plantings).

As the Recreation Center is completed, the parking and landscaped area in front along Bennett Drive should include streetscape features from the Downtown such as lampposts, signage style, benches, trash receptacles, etc.

# VI PHASING & FUNDING

The table below shows the breakdown of project priority and timeline or phasing, as well as the estimated implementation cost (provided for high priority projects only) and potential grant funding opportunities. The phasing is organized by project start target date, with a target completion date indicated.

The primary funding consideration for the strategies in this plan is the Downtown TIF; however, additional funds will be needed to supplement the TIF funds (and in fact TIF funding may serve as the grant match). The capital projections below have been identified as Qualified Project Costs (*Please note that qualified costs are not identified here for the proposed expanded TIF District areas, as these expansion areas have only just been identified during this planning process and were not a part of the original scope in identifying qualified costs.*).

	Target Completion Date	Estimated Cost	Potential Grant/Funding
<b>HIGH PRIORITY</b>			
<i>Project Start 2008</i>			
Expand/amend the Downtown TIF District	by 2008	N/A (Staff)	--
Promote Caribou as government service center	<i>On-going</i>	N/A (Staff)	--
Organization/downtown economic development planning	by 2010	N/A (Staff)	--
Economic development marketing program	by 2010	\$40,000	--
Gateway signs	by 2010	\$12,000	CDBG, CEG, MITF
Wayfinding signage	by 2010	\$16,000	CDBG, CEG, MITF
Trail connections (Recreational Trails Plan): Water Street	by 2011	\$135,000	MDOC, MDOT(TE)
<i>Project Start 2009</i>			
Record Street traffic circulation, intersections	by 2012*	\$145,000	CDBG, MITF, MDOT
Herschel Street improvements	by 2012*	\$425,000	CDBG, MITF, MDOT
Downtown streetscape elements west along Sweden St.	by 2013	\$180,000	CDBG, CEG, MITF
Downtown streetscape elements east along Water St.	by 2013	\$285,000	CDBG, CEG, MITF
High Street streetscape & landscaping	by 2013*	\$675,000	CDBG, CEG, MITF
Herschel St. building improvements	by 2015	\$75,000	CDBG, CEG
Downtown road improvements	by 2018*	\$285,000	CDBG, MITF, MDOT
<i>Project Start 2010</i>			
Downtown streetscape elements along southern Bennett Drive	by 2014	\$685,000	CDBG, CEG, MITF
Bennett Drive traffic calming/pedestrian improvements	by 2014	\$150,000	MDOT (TE), CDBG, MITF

\*Dependent upon MDOT schedule/funding

	Target Completion Date	Estimated Cost	Potential Grant/Funding
<b>MED/LOW PRIORITY</b>			
<i>Project Start 2010-2011</i>			
Improvements to park by Downtown Mall	by 2012	\$65,000	CDBG, CEG, MITF
Reconfigure/expand parking at Fire Station	by 2012	\$45,000	CDBG, CEG, MITF
Benches & trash receptacles in the Downtown District	by 2013	\$35,000	CDBG, CEG, MITF
Façade grant program (Herschel, Water, Main, High, Bennett)	by 2018	\$150,000	CDBG, CEG
<i>Project Start 2012-2013</i>			
Lampposts on Sweden Street replaced with lower, pedestrian-scale lampposts	by 2013	\$150,000	CDBG, CEG, MITF
Coordinate landscaping/streetscape in front of Recreation Center	by 2013	\$95,000	CDBG, CEG, MITF
More planters or planting areas in Downtown Mall area	by 2014	\$24,000	CDBG, CEG, MITF
Downtown streetscape elements south along Main Street	by 2014	\$350,000	CDBG, CEG, MITF
Trail connection along Gold Frank Drive	by 2016	\$125,000	MDOC, MDOT (TE)
Conservation/development opportunities on the Riverfront	by 2018	\$500,000	MDOC, MITF

Grant/Funding Sources:

- ◆ CDBG – Community Development Block Grant, DECD
- ◆ CEG – Community Enterprise Grant, DECD
- ◆ MITF – Municipal Investment Trust Fund, DECD
- ◆ MDOT(TE) – Transportation Enhancement
- ◆ MDOC Trails Fund

# VII APPENDIX

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Contents:

- ◆ Downtown TIF District Program & Financing Plan Amendments, Application Materials
- ◆ Summary Results from December 2007 Public Workshop
- ◆ Downtown Advisory Committee Meeting Notes Oct. 31, 2007
- ◆ Proposed Traffic Improvements Diagram, 2003 Downtown Traffic Circulation Study
- ◆ Planned Downtown Trails Maps, 2004 Recreational Trails Plan
- ◆ Available Downtown Commercial Properties, November 2007 (CCC&I)
- ◆ Downtown TIF Memorandum, Eaton Peabody, January 2008

**Caribou Downtown Development  
and Tax Increment Financing District  
Development Program and Financing Plan Amendments  
City of Caribou  
March 21, 2008**

**Introduction and Background**

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Tax increment financing (TIF) is a funding mechanism that takes advantage of an increase in assessed valuation, resulting from new private development, to pay for improvements necessary to accommodate that development. As the assessed value of a parcel of land within the TIF District increases as a result of new private investment, the resulting new property tax revenues are dedicated to retire the debt incurred for the provision of those public or private improvements.

TIF financing is necessary and appropriate when the private sector acting alone cannot absorb the cost associated with the development activity and the necessary public improvements or in so doing will jeopardize the project in its entirety. At the March 13, 2006 meeting the City Council exercised their authority pursuant to the Tax Increment Financing Ordinance as adopted by the City Council on September 13, 2004, to create a Downtown Tax Increment Financing District (CDTIF) in accordance with the goals, policies, and strategies within the Caribou Comprehensive Plan, which addresses the needs and opportunities for downtown redevelopment. The creation of the CDTIF allows the City to capture 100% of tax revenue generated from incremental new assessed value in the District for eligible economic development activities within the District, including the use of TIF revenues to finance the costs of constructing or improving facilities or buildings used by State Government that are located in the approved CDTIF.

The application was approved on March 26, 2006 and amendments to the original application concerning expansion of the District area to include 267.18 area; inclusion of the relevant Goals and Strategies of the Caribou Comprehensive Plan adopted January 2004; and inclusion of the Downtown Tax Increment Financing District Plan in the City's Downtown Revitalization Plan were approved on March 26, 2007. The City Council charged the Downtown Revitalization Committee to formulate a work plan to identify and prioritize public infrastructure and facility improvements within the new project area to be funded through the TIF Development Program.

With the current Downtown Revitalization Plan strategies completed, the City acknowledged the need to update its current Plan to include the newly designated area and applied for and received a \$10,000 CDBG Community Planning Grant. It engaged the services of Wright-Pierce in conjunction with Kent Associates and Eaton Peabody to complete the study and identify "qualified costs" for the program.

Throughout the planning process, it was realized that the OAV for the originally designated area was established as of March 31, 2006 and valued at \$27,397,500 and should have been March 31, 2005 valued at \$27,412,500 as certified by the City's Assessor ( Exhibit A). Please note that the values were taken directly from the City's Commitment Book, as there were problems identified with the software to generate these figures going back to 2005. It was also realized that the project area should be further expanded to include those areas identified within the Comprehensive Plan as defined growth areas, specifically those along the riverfront, Fort Street, South Main Street, Glen Street area and the Light Industrial Park area. This area is approximately 368 acres and the OAV as certified by the City's Tax Assessor is \$21,619,600 (Exhibit B). **Thus, the new area of the Downtown TIF District is approximately 635 acres, with a combined OAV of \$49,032,100.** Due to the speculative nature of projecting new investment, a downtown TIF district typically approaches the limits of term allowed by statute, and it was also recommended that the term of the District be amended from 15 years to 30 years,

the extent allowable by Statute. The updated Plan, which was adopted by the Caribou City Council (Exhibit C) on March 24, 2008, identifies, prioritizes and estimates qualified costs within the District.

It is anticipated that there will be additional Downtown TIF District projects that will be identified. As they are prioritized and engineered, cost estimates, and other details will be finalized, and the Development Program will be amended to allocate District TIF revenues accordingly.

## **Financial Plan**

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### **Anticipated investment for District Projects**

The total of the “qualified costs” identified within the newly adopted Downtown District Plan currently total approximately \$2,944,200. We are requesting that the Development Program be amended to accept these projects, which will be implemented through TIF and other revenues as appropriate..

### **Anticipated Indebtedness to be incurred**

Currently, there is no municipal debt created by the Project.

### **Sources of anticipated revenues**

Sources of anticipated revenues include: Net Revenues from Net Captured Assessed Value, grant funding, PILOT funding from the Maine Military Authority project in the amount of \$17,500 per year and must be used for economic development purposes and City funds as designated and allocated in the future.

### **Estimate of the captured assessed value of the district**

The OAV of the originally designated District has been amended to \$27,412,500 as of March 31, 2005. The OAV for the District as of March 31, 2006 was \$28,070,000 (\$657,500 CAV) and as of March 31, 2007 was \$28,686,200 (\$616,200 CAV), for a total of \$1,273,700, although the formally approved CEA valuation (\$1,080,700) must be deducted prior to calculating the Net New Revenue. Had the District been operational at the time, the Net Captured Assessed Value would have been \$193,000, with and anticipated Net New revenue of \$4,632 for the period. Whereas the additional acreage’s OAV was established as of March 31, 2007, we do not yet know what the incremental growth will be as of March 31, 2008.

### **What portion of the CAV will be applied to the development program?**

The City will apply 100% of the captured assessed value from the Downtown TIF District to the District Development Program for 30 years, aside from the Credit Enhancement Agreement in support of 100% return of the tax increment from improvements made at the Skyway Plaza Project property for a period of 15 years to Caribou Management, LLC.

### **Estimated impact of tax increment financing on the local taxing jurisdiction**

It is estimated that the impacts upon Caribou will be very positive. The proposed improvements from the Skyway Plaza project supported the relocation of a significant new tenant into a commercial space that has been vacant for a long time. This relocation resulted in approximately 27 new full-time jobs and 1 part-time job, and will ensure the retention of 84 jobs that already exist at the DHHS offices in Caribou. The economic spin off in sales for other commercial enterprises in the Caribou area such as food, fuel,

and retail goods should spur additional employment and economic activity. The Downtown District Program Plan will enhance the District through infrastructure and façade improvements, and possibly utility work as well.

### **Real property assembly costs**

There will be no assembly costs associated with the District projects; any assembly costs will be identified as the activities become defined, and the Development Program will be amended to reflect those findings.

### **Professional service cost**

To date, the only service costs associated with the project was the cost for the preparation of the TIF application, which was reimbursed to the City by Caribou Management, LLC from the TIF proceeds and the preparation of the Downtown District Plan, which was paid for through a CDBG Community Planning Grant and City funding. Engineering and Design cost estimates have been incorporated into the Plan and will be paid from TIF revenues and other funding.

### **Administrative cost**

Administrative costs to operate the District will be borne by the City through the use of existing staff.

### **Relocation Cost**

It is not anticipated that relocation of individuals or families will occur as a result of this project or future District activities.

### **Organizational costs**

Organizational costs associated with future District activities will be borne by the City, but paid for from Downtown TIF District revenues or grant funding set aside for that purpose.

### **Payments made at the discretion of the local legislative body**

At this time there do not appear to be additional costs to be made by the City for this project, with the exception of staff time.

That portion of the costs related to the construction or alteration of wastewater treatment plants or other environmental protection systems or devices

As future District projects are developed, costs associated with any necessary alterations to wastewater treatment or other environmental protection systems will be identified and the Development Program will be amended to reflect those findings. None are anticipated at this time.

### **Training costs**

No other training costs have been identified as a result of District activities at this time.

### **Improvements such as promoting public events, advertising**

No projects costs associated with public events or advertising have been identified with the Qualified Costs.

### **List of public facilities to be constructed...**

There is no anticipated need for the construction of any public facilities associated or identified with the Project. As future District projects are developed, costs associated with any necessary construction of public facilities will be identified and the Development Program will be amended to reflect those findings.

### **Use of private property within District**

Uses of private property in the District will be in accordance with the City of Caribou's Comprehensive Plan.

### **Plans for the relocation of displaced individuals**

The proposed and anticipated activities in the District will not affect families or individuals as well as can be determined at this time. Should future District project plans identify the need to relocate displaced families or individuals, Downtown TIF District revenues will be allocated to help cover those costs.

### **The proposed regulations and facilities to improve transportation**

There will be no appreciable impact on existing transportation systems by the Project, although the Plan identifies the need for roadway improvements owned by MDOT within the District, which is affecting the appearance and development within the Project area . All future District projects will be reviewed by the City to determine if outcomes are consistent with or will alter identified transportation improvement strategies in Caribou's Comprehensive Plan.

### **Environmental controls to be applied**

There are no additional environmental control needs generated by Plan at this time. Improvements identified will have no impact or a low environmental impact. Should future District project plans identify the need to apply additional environmental controls, Downtown TIF District revenues will be allocated to help cover those costs.

### **Proposed operation of District once development is completed**

The operation of the District will be determined and defined as capital project plans are fully developed, but it is anticipated that City staff shall oversee all construction activities implemented through private contractors and engineers.

### **The duration of the Program**

The request for the duration of the Development Program and District designation has been amended from a period of 15 years to 30 years, the extent allowable by Statute. The existing CEA with Caribou Management LLC for the Skyway Plaza project however, will remain at the designated 15 years.

### **Objectives of the Caribou Downtown Tax Increment Financing District**

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The designation of the original Caribou Downtown Tax Increment Financing District will provide substantial benefit to private developers and building owners as well as the City of Caribou. The City's first TIF project was Caribou Management, LLC, owners of the retail space formerly occupied by Ames Department Stores, who will benefit from the creation of the CDTIF as it can be applied to the renovation

of this space for the co-location and consolidation of the Presque Isle and Caribou Department of Health and Human Services (DHHS) office space in Caribou. The City Council has so voted on 1/24/2005 to provide Tax Increment Financing for this project in the amount of a 100% TIF on all newly captured assessed value relevant to this project for 15 years from the date of the first applied assessment in the form of a Credit Enhancement Agreement. The value of this Credit Enhancement Agreement is applied by Caribou Management, LLC - the Developer - to affect a lower cost per square foot for the duration of the fifteen year period, as submitted in the associated bid proposal, equivalent to the accumulated value of the TIF for said period. Benefits to the City of Caribou will include the following:

- estimated additional annual property taxes to the City of Caribou following completion of the project will be \$17,721 per annum, with an estimated municipal valuation of \$290,250,000.
- anticipated 27 full-time and 1 part-time jobs created from cost savings provided by consolidation of offices;
- retention of 84 existing full-time jobs.

The designation of the original 267.18 acre parcel, as well as the inclusion of the additional 368 acre parcel (approximate total of 635 acres) as the Downtown District will provide substantial additional benefits to the City and its taxpayers, as we move forward to revitalize the area through infrastructure, public facility and private building improvements. These improvements have been identified and prioritized in the District Plan (primarily within the 267.18 acre parcel initially) and will be funded through the revenues from the TIF Program, as well as through grants and City funds.

Benefits to the City of Caribou will include:

- Improved infrastructure within the area (lights, trees, sidewalks, crosswalks, intersections, roadways, amenities), which will in turn spur new economic development activity and create jobs;
- The opportunity for building owners to participate in a façade grant/loan program, which will increase the value of their buildings, making them more attractive and marketable and in turn increase TIF revenues; and
- Minimal or no impact to the taxpayers through the “sheltering” of new development for a period of 30 years, allowing a lower tax impact to residents and businesses and spurring growth.

### **Description of the Development Program**

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Certain property located in the City of Caribou has been designated as the Caribou Downtown Development (the “Development Program”) and Tax Increment Financing District (the “District”) by the City of Caribou (the “City”) and amended on March 24, 2008 to include an additional 368 acres. The Development Program described herein is proposed for the purpose of administering the District as a tax increment financing district pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended. The total District area after amendment of approximately 635 acres in the Redevelopment Plan includes:

- Traditional Central Business District;
- Commercial and office development;
- Residential, multi-use;
- Public, open space, cultural amenities;
- Transportation, pedestrian, multi-modal;
- Infrastructure, parking

In addition, the Downtown TIF District Plan includes:

- A Downtown Development Plan;
- Defined geographic boundaries
- Development Program; and
- Financial Plan

Upon the vote by the City's Legislative body (City Council Meeting) designating the amended District and adopting this Development Program on March 24, 2008, the decision has become final, subject only to the approval by the Maine Department of Economic and Community Development.

**In summary, the Amendment is requesting the following:**

- **Inclusion of the recently completed Caribou Downtown District Plan, which includes and outlines "qualified costs" for the District;**
- **Amendment of the OAV submitted with the last designation application of the 267.18 parcel from \$27,397,550 (as of March 31, 2006) to 27,412,500 (as of March 31, 2005 – the correct date):**
- **Amendment of the parcel acreage from the 267.18 to include an additional 368 acres, for a total area of 635 acres;**
- **Acceptance of the OAV for the 338 acre parcel of \$21,619,600 as of March 31, 2007; and**
- **Extension of the term of the District from 15 years to 30 years.**

Accordingly, the implementation of the District will provide significant economic benefit to the public through:

- increased local property tax base
- revenue stream to help implement Downtown redevelopment activities
- job retention and future growth potential
- increase in flow of revenues to local area from retail sales and services

There are numerous Caribou Downtown TIF District projects for inclusion in the Development Program that are outlined within the Downtown District Plan as adopted by the City Council on March 24, 2008. They have been prioritized and costs estimated, and as funding allows will be engineered and implemented. As other projects within the District are identified (specifically within the amended boundaries and private development projects) the Development Program will be amended to allocate District TIF revenues accordingly.

### **Plan of Operation upon Construction and Completion**

The Skyway Plaza project improvements funded through TIF will at all times be owned, operated and maintained by the principals of the Company, whose costs will include payment of all maintenance expenses, insurance, and property taxes on said property. During the life of the District, the City Manager of Caribou or his designee will be responsible for all administrative matters concerning oversight of this project.

For future public improvements in the Development Program funded through Caribou Downtown TIF District revenue, operation, maintenance, and ownership will be by the City or the utility district as is the case. It is anticipated that as funding allows, the City will engage services to engineer project components and either a private contractor or City Public Works Department will be responsible for construction improvements, except in the case of the façade program, which will be the responsibility of