

Municipal Tax Increment Financing (TIF) checklist

This document is intended to provide guidance only and to help ensure that all necessary facets of a TIF application are met. For further guidance, please consult the Department of Economic & Community Development's (DECD) Maine TIF manual located at http://www.mainebiz.org/business_assistance/tif.asp and/or the Maine TIF statute located at <http://www.mainelegislature.org/legis/statutes/30-A/title30-Ach206sec0.html> (subchapter 1, Municipal Development Districts)

Application contents:

Please note: To expedite the review and processing of TIF applications, it is preferred that the following items be submitted on a) the forms provided and b) in the order listed. However, it is acceptable to utilize substitute versions provided that the same information is included.

- 1) Cover letter signed by a municipal officer attesting that all information contained in the TIF application is true and correct to the best of his/her knowledge
- 2) Cover sheet (form available)
- 3) Employment goals (form available)
- 4) Compliance with statutory requirements & thresholds (form available)
- 5) Development program which includes:
 - a. Description of public facilities, improvements, or programs to be financed in whole or in part by the development program
 - b. Description of commercial facilities, arts districts, improvements or projects to be financed in whole or in part by the development program
 - c. Duration of the program (may not exceed 30 years)
 - d. Certification of original assessed value of the taxable property in the TIF district
 - e. TIF district map
 - f. Financial plan
 - i. Cost estimates for the development program
 - ii. Amount of public indebtedness to be incurred
 - iii. Sources of anticipated revenues
 - iv. Description of the terms and conditions of any agreements, contracts or other obligations related to the development program (e.g. credit enhancement agreements CEAs)
 - v. Estimates of increased assessed values of the district for each year of the program
 - vi. Portion of the increased assessed values to be applied to the development program as captured assessed values and resulting tax increments in each year of the program
 - vii. Tax shift calculations for each year of the program
 - g. Plans for the relocation of persons displaced by the development activities
 - h. Proposed regulations and facilities to improve transportation
 - i. Environmental controls to be applied

- j. Proposed operation of the development district after the planned capital improvements are completed
- 6) Public hearing
- a. 10 day notice of public hearing, including proof of date of publication
 - b. Minutes of public hearing, attested to and signed
 - c. Record of district designation by municipal legislative body

Reminders:

- Completed TIF applications must be delivered to DECD by 03/01/2011
 - Submit an original and one copy
- Anticipated TIF revenues (captured revenues) must be fully accounted for via project costs, CEAs, etc. There cannot be “unused” TIF revenues. However, total costs of the development program may exceed anticipated TIF revenues.
- Applications received on or before 03/01/2011 must use an assessed value as of 03/31/2010 (tax year 04/01/2009 – 03/31/2010) when determining original assessed value (OAV)
- When determining the OAV, only taxable property should be included. Do not include exempt property. In addition, both real and personal property within the district should be included. If property is to be excluded from the OAV, it should not be included as part of the district.
- Project costs will only be allowed for those activities as authorized in statute. (be prepared to justify project costs against statutory references)
- Credit enhancement agreements, or the proposed contents, must be included if applicable.
- Downtown TIF districts
 - In addition to the requirements listed above, the application must also include a downtown redevelopment plan approved by the legislative body of the municipality
 - the Department of Transportation (DOT) and the State Planning Office (SPO) must also review the proposal and provide advice to DECD in making a decision (DECD will provide materials to the DOT and SPO)
 - Submit an original and 3 copies of the entire application