

Order 81-13/14

Given first reading on 10/21/13

Passage: 6-0 (Mavodones, Anton and Leeman absent) 11-4-13

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CITY OF PORTLAND
IN THE CITY COUNCIL

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JILL C. DUSON (A/L)

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**ORDER TERMINATING CREDIT ENHANCEMENT AGREEMENT
WITH THOMPSON'S POINT DEVELOPMENT COMPANY, INC. AND APPROVING
AMENDED AND RESTATED CREDIT ENHANCEMENT AGREEMENT WITH
THOMPSON'S POINT DEVELOPMENT COMPANY, INC.**

ORDERED, that the original Credit Enhancement Agreement with Thompson's Point Development Company, Inc., dated as of July 1, 2011, be terminated; and

BE IT FUTHER ORDERED, that the Amended and Restated Credit Enhancement Agreement between the City of Portland and Thompson's Point Development Company, Inc. related to the Thompson's Point Development Project is hereby approved in substantially the form attached hereto.

CREDIT ENHANCEMENT AGREEMENT

between

CITY OF PORTLAND, MAINE

And

THOMPSON'S POINT DEVELOPMENT COMPANY, INC.

Dated as of July 1, 2011

Amended and Restated as of November 4, 2013

TABLE OF CONTENTS

ARTICLE I DEFINITIONS	2
Section 1.1. <u>Definitions</u>	2
Section 1.2. <u>Interpretation and Construction</u>	4
ARTICLE II DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS	5
Section 2.1. <u>Creation of Development Program Fund</u>	5
Section 2.2. <u>Deposits into Developer TIF Account</u>	5
Section 2.3. <u>Use of Monies in Developer TIF Account</u>	5
Section 2.4. <u>Monies Held in Trust</u>	6
Section 2.5. <u>Investments</u>	6
Section 2.6. <u>Tax Payments</u>	6
ARTICLE III PAYMENT OBLIGATIONS	6
Section 3.1. <u>Captured Assessed Value; Retained Tax Increment</u>	6
Section 3.2. <u>Credit Enhancement Payments</u>	7
Section 3.3. <u>Failure to Make Payment</u>	7
Section 3.4. <u>Manner of Payments</u>	7
Section 3.5. <u>Obligations Unconditional</u>	7
Section 3.6. <u>Limited Obligation</u>	8
ARTICLE IV PLEDGE AND SECURITY INTEREST	8
Section 4.1. <u>Pledge of Developer TIF Account</u>	8
Section 4.2. <u>Perfection of Interest</u>	9
Section 4.3. <u>Further Instruments</u>	9
Section 4.4. <u>Liens</u>	9
Section 4.5. <u>Access to Books and Records</u>	9
ARTICLE V DEFAULTS AND REMEDIES	9
Section 5.1. <u>Events of Default</u>	9
Section 5.2. <u>Remedies on Default</u>	10
Section 5.3. <u>Remedies Cumulative</u>	11
Section 5.4. <u>Enforcement Rights</u>	11
ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION	11
Section 6.1. <u>Effective Date and Term</u>	11
Section 6.2. <u>Cancellation and Expiration of Term</u>	12
ARTICLE VII ASSIGNMENT	12
Section 7.1. <u>Consent to Pledge and/or Assignment</u>	12
Section 7.2. <u>Assignment</u>	12
ARTICLE VIII MISCELLANEOUS	13
Section 8.1. <u>Successors</u>	13

Section 8.2. <u>Parties in Interest</u>	13
Section 8.3. <u>Severability</u>	13
Section 8.4. <u>No Personal Liability</u>	13
Section 8.5. <u>Counterparts</u>	14
Section 8.6. <u>Governing Law</u>	14
Section 8.7. <u>Notices</u>	14
Section 8.8. <u>Amendments</u>	15
Section 8.9. <u>Net Agreement</u>	15
Section 8.10. <u>Integration</u>	15
Section 8.11. <u>Project Responsibility</u>	15
Section 8.12. <u>Benefit of Assignees or Pledgees</u>	16
Section 8.13. <u>No Third Party Benefits</u>	16
Section 8.14. <u>Indemnification</u>	16
Section 8.15. <u>Waiver of Recapture</u>	17

EXHIBITS:

Exhibit A. Thompson’s Point Transit-Oriented Development and Tax Increment Financing District Program Application

Exhibit B. Developer Tax Increment Revenues

Exhibit C. Annual Payment Certification Form

THIS CREDIT ENHANCEMENT AGREEMENT dated as of July 1, 2011, amended and restated as of November 4, 2013, between the City of Portland, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine, a corporation duly organized and existing under the laws of the State of Maine (the "City"), with a place of business in Portland, Maine, and Thompson's Point Development Company, Inc., a Maine corporation (the "Developer"), having an office at 55 Lisbon Street, Suite 2400 Lewiston, Maine.

WITNESSETH

WHEREAS, the City designated the original Thompson's Point Transit-Oriented Development and Tax Increment Financing District (the "original District") and adopted a development program therefor (the "Development Program") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Portland City Council on June 20, 2011 and the application was approved by DECD on July 28, 2011; and

WHEREAS, the City amended the Thompson's Point Transit-Oriented Development and Tax Increment Financing District (the "Amended District") and adopted an amended and restated development program therefor (the "Amended Development Program") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Portland City Council on November 4, 2013; and

WHEREAS, upon submission of an application to DECD, the City expects DECD to review and approve the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District and the Amended Development Program; and

WHEREAS, the City designated the Thompson's Point Transit-Oriented Development and Tax Increment Financing District, adopted the Development Program and entered into this Agreement in order to induce the Developer to redevelop Thompson's Point into a gateway destination in a manner that includes a substantial investment in public infrastructure, including a large above-ground parking structure, transportation improvements, extensions of public roads, utility investments and expanded walking and biking trails, and to support the Developer's investment into the Project by enabling the City to contribute toward the capital cost of the Project in the amounts contemplated by the Development Program and this Agreement; and

WHEREAS, in connection with the Development Program, and as contemplated thereby, the City and the Developer have agreed to execute and deliver this Agreement; and

WHEREAS, the City and the Developer desire and intend that this Agreement, as amended and restated herein, shall be and constitute the credit enhancement agreement contemplated by and described in the Amended Development Program;

WHEREAS, the Developer has, since the date of the original Agreement, secured additional property adjacent to the original premises that constituted the original District, the

inclusion of which in an expanded Amended District enables the highest and best use of the Thompson's Point property, including the effectuation of the relocation of Suburban Propane from Thompson's Point and the location of two components of the development program adjacent to the rail corridor, thereby enhancing the Transit-Oriented Development program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. Definitions.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise. All other capitalized terms not otherwise defined herein shall have the meaning given such terms in the Development Program.

“Act” means Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

“Agreement” shall mean this Credit Enhancement Agreement as amended and restated and dated as of the date set forth above between the City and the Developer, as such may be further amended by the parties from time to time.

“Amended Development Program” means the amended and restated development program and financial plan for the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District adopted by the City and attached hereto as Exhibit A. “Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District” shall have the meaning given such term in the recitals hereto.

“Captured Assessed Value” means the percentage of Increased Assessed Value retained in the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District in each year during the term of the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District as specified in Section 3.1 below.

“City” shall have the meaning given such term in the recitals hereto.

“Current Assessed Value” means the then current assessed value of the Property located within the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District to be determined by the City's Assessor as of April 1 of each year that this Agreement remains in effect.

“DECD” means the State of Maine Department of Economic and Community Development.

“Developer” shall have the meaning given such term in the first paragraph hereto, and shall also mean and include any assignee or successor thereof, including but not limited to any future limited partnership formed by Developer.

“Developer Tax Increment Revenues” means in each year this Agreement is in effect an amount of money equal to the Retained Tax Increment Revenues allocated to the Developer pursuant to Section 3.1 hereof.

“Developer TIF Account” means the account described in the Financial Plan section of the Amended Development Program and established and maintained pursuant to the Development Program and Article II hereof.

“Financial Plan” means the financial plan described in the “Financial Plan” section of the Amended Development Program.

“Increased Assessed Value” means the valuation amount by which the Current Assessed Value of the Property exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any year, there is no Increased Assessed Value in that year.

“Original Assessed Value” means the combined total of the Original Assessed Value of the original District and the Original Assessed Value of the additional parcels, which is \$4,970,470. The “Original Assessed Value of the original District” means \$3,844,900, the assessed value of the Property as of March 31, 2013 (i.e., April 1, 2012). “Original Assessed Value of the additional parcels” means \$1,125,570, the March 31, 2013 (i.e., April 1, 2012) assessed value of the approximately 2 acres of additional parcels added to the original District in 2013.

“Project” means Phase One of the redevelopment of Thompson's Point and the associated off-site public improvements, all as described in the Amended Development Program.

“Project Cost Account” means the account in the Development Program Fund described in Section 2.01 of the Amended Development Program and established and maintained pursuant to the Amended Development Program and Article II hereof.

“Project Costs” means all costs incurred by the Developer on the Project within the meaning set forth in 30-A M.R.S.A. §5222(14), as amended.

“Property” means the land and all real property improvements resulting from Phase One of the Project that are located in the approximately 30-acre Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District and taxable by the City.

“Property Taxes” means any and all ad valorem property taxes levied, charged or assessed against the Property by the City or on its behalf and actually paid to the City, but excluding any county, state or special district taxes that are separately levied, charged or assessed against the Property.

“Qualified Investments” shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law, and which are of the same type and tenor as the investments in which the City invests its own funds.

“Retained Tax Increment Revenues” means that portion of Property Taxes paid with respect to the Captured Assessed Value.

“Tax Payment Date” means the later of the date(s) on which Property Taxes assessed by the City with respect to the Property are due or are paid, or if any such day is not a business day, the next succeeding business day.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. §5222(18), as amended, to wit: April 1 to March 31.

“Triggering Event” means the first Tax Year when the Increased Assessed Value of the Property located within the original District first equals at least five Million Dollars (\$5,000,000.00). The “Triggering Event” for the additional parcels added to the original District by amendment in 2013 means the first Tax Year when the combined Increased Assessed Value of those parcels first equals at least five Million Dollars (\$5,000,000.00).

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

- a. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.
- b. Words importing a particular gender mean and include correlative words of every other gender.
- c. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

d. Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

e. All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

ARTICLE II

DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

Within sixty (60) days after the Effective Date, the City shall create and establish a segregated fund designated as the "Thompson's Point Development Program Fund" (hereinafter the "Development Program Fund") pursuant to, and in accordance with the terms and conditions of, the Amended Development Program and 30-A M.R.S.A. § 5227(3). The Development Program Fund shall consist of a Project Cost Account that is pledged to and charged with the payment of project costs as outlined in the Financial Plan of the Amended Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(1). The Project Cost Account shall also contain two subaccounts designated as the "Developer TIF Account" and the "City Transit Account".

Section 2.2. Deposits into Developer TIF Account.

Each year during the term of this Agreement, commencing with the Tax Year in which the Triggering Event falls and continuing thereafter for the remaining term of this Agreement, there shall be deposited into the Developer TIF Account contemporaneously with each payment of Property Taxes an amount equal to that portion of the Property Taxes constituting Developer Tax Increment Revenues for the period to which the payment relates. Any and all revenues, if any, resulting from investment of monies on deposit shall be retained by the City and withdrawn from the Developer TIF Account contemporaneously with payment to the Developer.

Section 2.3. Use of Monies in Developer TIF Account.

Monies deposited in the Developer TIF Account shall be used and applied exclusively to fund the City's payment obligation described in Article III hereof.

Section 2.4. Monies Held in Trust.

All monies required to be paid into the Developer TIF Account under the provisions hereof and the provisions of the Amended Development Program, other than investment earnings thereon, shall be held by the City, in trust, for the benefit of the Developer.

Section 2.5. Investments.

Any monies in the Developer TIF Account shall be invested and reinvested in Qualified Investments as determined by the City. The City shall have discretion regarding the investment of such monies, provided such monies are at all times invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the City shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The City shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Developer TIF Account. If the City experiences any losses in association with these investments related to the Developer TIF Account, the City shall still pay to the Developer the amounts required under Section 3.1 hereof.

Section 2.6. Tax Payments.

The Developer shall pay or cause to be paid when due all Property Taxes assessed by the City unless contested by the Developer by appropriate proceedings pursuant to Maine law. No payments shall be made by the City under this Agreement at any time any such taxes or amounts are due and unpaid.

**ARTICLE III
PAYMENT OBLIGATIONS**

Section 3.1. Captured Assessed Value; Retained Tax Increment.

During the term of the Amended Development Program, the City shall annually retain the percentage of Increased Assessed Value indicated on Exhibit B attached hereto as Captured Assessed Value. The Property Taxes paid with respect to the Captured Assessed Value shall be retained as Retained Tax Increment Revenue. Each year during the term of this Agreement, the City shall deposit into the Developer TIF Account contemporaneously with each payment of Property Taxes an amount equal to one hundred percent (100%) of that portion of the property tax payment constituting Developer Tax Increment Revenues, in accordance with the provisions of Section 2.2 of this Agreement and the priorities established by 30-A M.R.S.A. § 5227(3)(B),

starting with taxes assessed for the Tax Year in which the Triggering Event falls and continuing thereafter for the remaining term of this Agreement, ending with taxes assessed for the City's 2043-2044 fiscal year, based on the April 1, 2043 Current Assessed Value.

Section 3.2. Credit Enhancement Payments.

The City shall pay to the Developer all Developer Tax Increment Revenues due and owing pursuant to Section 3.1 and then on deposit in the Developer TIF Account within thirty (30) days following the last Tax Payment Date in each fiscal year during the term of this Agreement, or within thirty (30) days of receipt of the Developer's request for annual payment submitted in accordance with Section 3.4(b) hereof, whichever shall occur last.

Section 3.3. Failure to Make Payment.

In the event the City should fail to, or be unable to, make any of the payments required under the foregoing provisions of this Article III, the item or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. The Developer shall have the right to initiate and maintain an action to specifically enforce the City's obligations hereunder, including without limitation, the City's obligation to establish and maintain the Account and to deposit Developer Tax Increment Revenues to the Account and its obligation to make required payment to the Developer.

Section 3.4. Manner of Payments.

a. The payments provided for in this Article III shall be paid in immediately available funds in the manner provided hereinabove for the Developer's own use and benefit. Notwithstanding the above, no payments shall be made unless used to satisfy debt service on indebtedness incurred to finance qualified "Project Costs" as that term is defined under Chapter 206 of Title 30-A of the Maine Revised Statutes and as described as part of the Project in the Amended Development Program or used to pay directly, or to reimburse the Developer for payment of such Project Costs.

b. The City shall make required payments in response to requests for annual payment submitted by the Developer setting forth the amount of the payment and containing a certification in the form attached hereto as Exhibit C.

Section 3.5. Obligations Unconditional.

Except as otherwise expressly provided in this Agreement, the obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be

absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Developer. Notwithstanding the above, the City reserves the right to terminate this Agreement upon a final judgment by a court of competent jurisdiction to the effect that the Agreement or Amended Development Program adopted in connection herewith or any payment made thereunder is or would be illegal or invalid. In such event, the termination shall relate back to the original date of the Agreement which shall be deemed void ab initio, and neither party shall have any obligations or liability hereunder, under the Amended Development Program or in respect of any of the transactions contemplated thereby, and shall be left in whatever positions, financial or otherwise, they may be in as of the date of termination.

Section 3.6. Limited Obligation.

Except as otherwise expressly provided in this Agreement, the City's obligations of payment hereunder shall be limited obligations of the City payable solely from Retained Tax Increment Revenues and any earnings thereon, pledged therefor under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation on the part of the City or a charge against or pledge of the faith and credit or taxing power of the City, but shall be payable solely from the Retained Tax Increment Revenues received by the City, and any earnings thereon. This Agreement shall not directly or indirectly or contingently obligate the City to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the City's obligation to assess property taxes upon the Project and the pledge of the Retained Tax Increment Revenues established under this Agreement.

**ARTICLE IV
PLEDGE AND SECURITY INTEREST**

Section 4.1. Pledge of Developer TIF Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing the City's payment of the amounts provided for hereunder, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, the City does hereby grant a security interest in and pledge to the Developer the Developer TIF Account and all sums of money and other securities and investments therein.

Section 4.2. Perfection of Interest.

To the extent deemed necessary or desirable by the Developer, the City shall cooperate with the Developer in executing certain control or three party agreements, and also consent to appropriate financing statements and continuation statements being duly filed and recorded in the appropriate state offices, as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests in the funds in the Developer TIF Account.

Section 4.3. Further Instruments.

The parties hereto shall, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement, provided, however that no such instruments or agreements shall pledge the credit of the City.

Section 4.4. Liens.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Developer TIF Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 4.5. Access to Books and Records.

All books, records, notes and documents in the possession of the City relating to the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District, the Amended Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Developer TIF Account shall at all reasonable times be open to inspection by the Developer, its agents and employees.

**ARTICLE V
DEFAULTS AND REMEDIES**

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

- a. Any failure by the City to pay any amounts due under Section 3.3 above when the same shall become due and payable;

b. Any failure by the City to make deposits into the Developer TIF Account as and when due;

c. Other than as provided in paragraph (a) and (b) above, any failure by the City or the Developer to observe and perform in all material respects any respective covenant, condition, agreement or provision contained herein on the part of the City or the Developer respectively to be observed or performed, including any failure of the Developer to use payments made under this Agreement as required in Section 3.6 of this Agreement, which failure is not cured within thirty (30) days following written notice thereof; provided, however, that this subsection (c) shall not be construed to include the Developer's failure to pay Property Taxes on the Property in the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District for any reason as an Event of Default hereunder; and

d. If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises shall appoint a conservator or receiver or liquidator for the City, or if any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings for the winding up or liquidation of the City's affairs shall have been entered against the City or if the City shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the City or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the City or the failure by the City to have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the City.

Section 5.2. Remedies on Default.

Whenever any Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps: (a) the non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and (b) the Developer shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine. No party has the right to terminate this Agreement.

Section 5.3. Remedies Cumulative.

No remedy herein conferred upon or reserved by any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default or to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

Section 5.4. Enforcement Rights.

The City and the Developer agree that each party hereto shall have the right to initiate a legal proceeding to enforce the specific performance of this Agreement, it being understood and agreed that this Agreement is a material inducement to the Developer continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the Developer and the City shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or other dispute resolution mechanism.

**ARTICLE VI
EFFECTIVE DATE, TERM AND TERMINATION**

Section 6.1. Effective Date and Term.

This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof and shall expire on the later of the end of the 2043-2044 fiscal year of the City or upon the performance of all obligations on the part of the City and the Developer hereunder, including without limitation payment of all amounts to be paid to Developer.

Section 6.2. Cancellation and Expiration of Term.

At the termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

**ARTICLE VII
ASSIGNMENT**

Section 7.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that the Developer may from time to time pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all the Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for financing the Amended Development Program, on one or more occasions during the term hereof. The City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by such prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder. The City agrees to execute and deliver any other documentation including, without limitation, any reasonable three-party control agreement, as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to such pledgee or assignee such rights and/or remedies as the Developer or such pledgee or assignee may reasonably deem necessary for the establishment, perfection and protection of its interest herein.

Section 7.2 Assignment.

Except as provided in Section 7.1, and except for the purpose of securing financing for the Project or for an assignment to a successor entity or an affiliate entity, the Developer shall not transfer or assign any portion of its rights in, to and under this Agreement without the consent of the City, which consent shall not be unreasonably withheld.

**ARTICLE VIII
MISCELLANEOUS**

Section 8.1. Successors.

In the event the City or the Developer are dissolved, merged into or consolidated with another entity, or undergo any form of corporate reorganization, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 8.2. Parties in Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Developer any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Developer; provided, however, that if the payment obligations of the City hereunder are held by a final and binding proceeding to be illegal or invalid, this Agreement shall terminate. In such event all obligations of the parties shall terminate, and no party shall have any further liability to the other hereunder.

Section 8.3. Severability.

Except as otherwise provided herein, in case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability.

(a) No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity and neither the members of the City Council of the City, or any official, officer, agent, servant or employee of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement of the Developer contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future director, member, officer, agent, servant or employee of the Developer in his or her individual

capacity and neither the directors, members, officers, agents, servants or employees of the Developer shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement in all respects.

Section 8.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, or, for any notice of an Event of Default, by registered or certified mail, return receipt requested, addressed as follows:

If to the City:

Corporation Counsel's Office
City of Portland
389 Congress Street
Portland, ME 04101

If to the Developer:

Thompson's Point Development Company, Inc.
55 Lisbon Street, Suite 2400
Lewiston, ME 04240
Attn: Christopher M. Thompson

With a copy to:

Bernstein Shur
100 Middle Street, P.O. Box 9729
Portland, ME 04104
Attn: Joan M. Fortin, Esq.

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.8. Amendments.

Neither this Agreement nor the Amended Development Program may be amended without the express written consent of all of the parties hereto, which consent shall not be unreasonably withheld, conditioned or delayed. Provided, however, the parties agree to amend this Agreement in order to fulfill such reasonable requirement that a lender may require in connection with financing of the Project. This Agreement may only be amended in compliance with the provisions of 30-A M.R.S.A. §5211 et seq., as amended.

Section 8.9. Net Agreement.

This Agreement shall be deemed and construed to be a “net agreement,” and the City shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, or setoffs; provided, it is understood that the City's payment obligations are to be satisfied solely from Retained Tax Increment Revenues actually paid in by the Developer and received by the City.

Section 8.10. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 8.11. Project Responsibility.

The parties hereto agree, and the City hereby acknowledges that the Developer shall have no obligation to go forward with the Project referred to herein or in the Amended Development Program. Such Project is subject to final approval by the Developer.

Section 8.12. Benefit of Assignees or Pledges.

The City agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Developer's right, title and interest herein.

Section 8.13. No Third Party Benefits.

Except as otherwise expressly authorized herein, this Agreement is entered into solely between, and may be enforced only by the City and the Developer and its assignees or pledgees, and this Agreement will not be deemed to create any rights in other third parties, or to create any obligations of a party to this Agreement to any such third parties. In clarification of the foregoing, no tenant at the Property obligated under its lease or rental agreement with the Developer to pay all or any portion of the property taxes associated with the Property shall be entitled to any of the funds in the Developer TIF Account or to the benefit thereof without a formal assignment or pledge from the Developer of the rights and duties to this Agreement.

Section 8.14. Indemnification.

a. The Developer agrees to defend, indemnify and hold harmless the City, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with the City's approval of the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District and its preparation of and participation in this Agreement, including expenses arising from any default hereunder by the Developer but excluding any such claims or expenses as may relate to actions or proceedings resulting from a default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

b. The City agrees to defend, indemnify and hold harmless the Developer, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with any default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

Section 8.15. Waiver of Recapture.


In order to induce Developer to construct the Project, in the event this Credit Enhancement Agreement, the Amended Development Program or designation of the Thompson's Point Transit-Oriented Development and Tax Increment Financing District is found or held void or invalid or if for any reason the payments made by the City hereunder are held contrary to law or improper by a Court of law with final jurisdiction over this Agreement, the City irrevocably waives its rights to reclaim, recapture or otherwise recover any TIF proceeds paid to the Developer or any assignee pursuant to this Agreement.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers or members, as the case may be, all as of the date first above written.

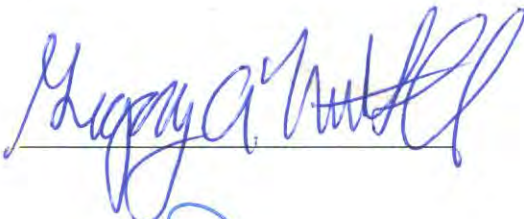
WITNESS

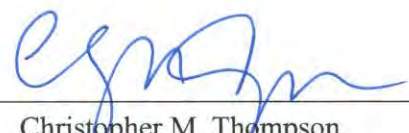
CITY OF PORTLAND, MAINE



By: 
Mark H. Rees Sheila Hill Carasthali
Deputy
Its City Manager

**THOMPSON'S POINT DEVELOPMENT
COMPANY, INC.**



By: 
Christopher M. Thompson
Its Secretary



Approved: Ellen Sanborn
Finance Director


Approved as to Form: Lawrence Walden
Assoc. Corporation Counsel

Thompson's Point TOD TIF District II

**Exhibit A to Credit Enhancement Agreement – Amended and Restated Thompson's Point
Transit-Oriented Development and Tax Increment Financing District Program
Application**

STATUTORY REQUIREMENTS & THRESHOLDS

A. ACRE LIMITATION

1. Total Acreage of Municipality		12,386
2. Total Acreage of Proposed Municipal TIF District		30
3. Total Downtown acres contained in the Proposed Municipal TIF District		0
4. Total Transit acres contained in the Proposed Municipal TIF District		30
5. Total acreage of Proposed Municipal TIF District counted towards 2% cap (A2-A3-A4)		0
6. Percentage of total acreage in proposed municipal TIF District (cannot exceed 2%) Divide A5 by A1		.24%
7. Total acreage of all existing and proposed municipal TIF districts in the municipality. Add A2 to sum of all existing TIF district acreage.		223.058
8. Total acreage of an existing or Proposed Downtown TIF District in the municipality.		0
9. Total acreage of all <u>existing</u> Pine Tree Development Zone TIF Districts in the municipality.		0
10. Total acreage of all existing or Proposed Transit TIF Districts in the municipality.		30
11. Total acreage of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap. Subtract A8+A9+A10 from A7.		193.058
12. Percentage of total acreage in all existing and proposed Municipal TIF Districts (cannot exceed 5%) Divide A11 by A1.		1.56%
13. Total Acreage of all real property in the Proposed Municipal TIF District that is:		
(Note: a, b, or c must be at least 25%)		
	Acres	%
a. Blighted (Divide acres by	15	50%
b. In need of rehabilitation/conservation (Divide acres by	15	50%
c. Suitable for industrial/commercial site (Divide acres by		
TOTAL		30
		100%

B. VALUATION LIMITATION

1. Total Aggregate Value of Municipality (TAV) <i>Use most recent April 1st</i>	7,551,450,000
2. Original Assessed Value (OAV) of Proposed Municipal TIF District. <i>Use March 31st of tax year preceding date of municipal designation</i>	4,970,470
3. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality. <i>Add b2 to sum of all existing TIF district OAVs</i>	314,986,080
4. OAV of an existing or proposed Downtown TIF District in the municipality.	0
5. OAV of all <u>existing</u> Pine Tree Development Zone TIF Districts in the municipality.	0
6. OAV of all existing or Proposed Transit TIF Districts in the municipality.	4,970,470
7. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap <i>Subtract B4+B5+B6 from B3</i>	310,015,610
8. Percentage of total OAV to TAV in all existing and Proposed Municipal TIF Districts (cannot exceed 5%) <i>Divide B7 by B1</i>	4.1%

Updated 01/20/2011

APPLICATION COVER SHEET**MUNICIPAL TAX INCREMENT FINANCING****A. General Information**

1. Municipality Name: City of Portland, Maine		
2. Address: 389 Congress Street		
3. Telephone: 207-874-8945	4. Fax:	5. Email:gmitchell@portlandmaine.gov
6. Municipal Contact Person: Greg Mitchell, Economic Development Director		
7. Business (Developer) Name: Thompson's Point Development Company, Inc.		
8. Address: 55 Lisbon Street, Suite 2400, Lewiston, ME 04240		
9. Telephone: 207-347-1614	10. Fax: 207-784-3319	11. Email: parallaxpartners@gmail.com
12. Business Contact Person: Chris Thompson, Principal		
13. Principal Place of Business: Thompson's Point, Portland, ME		
14. Company Structure (e.g. corporation, sub-chapter S, etc.): Subchapter S Corporation		
15. Place of Incorporation: Maine		
16. Names of Officers: Christopher M. Thompson & Jed Troubh		
17. Principal Owner(s) Name: Forefront Partners I, LP		
18. Address: 55 Lisbon Street, Suite 2400, Lewiston, ME 04240		

B. Disclosure

1. Check the public purpose that will be met by the business using this incentive (any that apply):		
<input checked="" type="checkbox"/> job creation	<input type="checkbox"/> job retention	<input checked="" type="checkbox"/> capital investment
<input type="checkbox"/> Training investment	<input checked="" type="checkbox"/> tax base improvement	<input checked="" type="checkbox"/> public facilities improvement
other (list):		
2. Check the specific items for which TIF revenues will be used (any that apply):		
<input checked="" type="checkbox"/> real estate purchase	<input type="checkbox"/> machinery & equipment purchase	<input type="checkbox"/> training costs
<input checked="" type="checkbox"/> debt reduction	<input checked="" type="checkbox"/> other (list): Transit (infrastructure and exceptional site costs)	



CITY OF PORTLAND, MAINE

Amended and Restated Thompson's Point Transit-Oriented Development and Tax Increment Financing District Program Application

Prepared By:

The City of Portland Economic Development Department

July 1, 2011

Amended: November 4, 2013

TABLE OF CONTENTS

Section	Page
DECD TIF Application	
I. Introduction	3
II. Development Program Narrative	5
A. The Thompson's Point Project	5
B. Transit-Oriented Projects	10
C. The Transit TIF District	10
D. The Development Program	11
E. Municipal Use of TIF Revenues	11
F. Operational Components	11
1. Public Facilities	11
2. Uses of Private Property	12
3. Plans for relocation of persons	12
4. Environmental Controls	12
5. Proposed Operation of District	12
III. Physical Description	12
IV. Financial Plan	13
A. Costs and Sources of Revenues	13
B. Development Program Fund	14
C. Financing Plan	14
V. Financial Data	16
VI. Tax Shifts	16
VII. Municipal Approvals	17
<u>Exhibits:</u>	
A. TIF District Location Map	
B. TIF District Tax Maps	
C. TIF Projections & Tax Shift Calculations	
D. Public Hearing Notice	
E. City Council Meeting Minutes	
F. City Council Orders	
G. Municipal Assessor Certificate	
H. Credit Enhancement Agreement	

Amended and Restated Thompson's Point Transit-Oriented Development and Tax Increment Financing District Development Program

I. Introduction

The Maine Legislature established municipal tax increment financing ("TIF") as an economic development tool to be used by municipalities to: (a) provide new employment opportunities; (b) improve and broaden its tax base; and (c) improve the general economy of the State. The Legislature recognizes that the State and its municipalities benefit from a municipality's economic development partnership with a local business to promote responsible new development that (a) enhances local efforts for economic, industrial or commercial development; and (b) retains and expands the local tax base and employment opportunities. More recently, the Maine Legislature expanded the municipal TIF program to allow municipalities to create "transit-oriented development" TIF districts in order to use sheltered TIF revenues to facilitate and promote economic development projects that link land uses with transit facilities to support and be supported by a transit system or systems. The City of Portland (the "City" or "Portland") now has the opportunity to enter into such an undertaking with Thompson's Point Development Company, Inc. (the "Company").

In July 2011, Portland established the ***Thompson's Point Transit-Oriented Development and Tax Increment Financing District*** (the "original District") to support Thompson's Point Development Company Inc.'s redevelopment of Thompson's Point into the **Forefront at Thompson's Point** and to expand and improve transit connections between Thompson's Point and key commercial locations within Portland (i.e. Jetport, Portland Transportation Center and Portland's Downtown) and around the region. Portland now desires to amend the original District boundaries and some of the terms of the Development Program that govern the use of property tax revenues generated within the District.

Portland also desires to restart the 30-year term of the District by both terminating the original District and adopting the Amended District in one vote of the City Council. The reason for re-starting the term of the Amended District is that it benefits both the City and the Company to maximize the opportunity to capture increased assessed value in order to finance projects during the entire 30-year term of the Amended District. Since the original District has not yet begun to capture any value because the original "Triggering Event" has not occurred, as that term is described below in the "Financial Plan" section, the original District has been sitting idle since it was created in 2011 and has not yet sheltered any value from the City's municipal valuation and has not yet accumulated any TIF Revenues. By terminating the original District and designating the Amended District and adopting this Amended and Restated Development Program, the City is maximizing the economic development potential available to it under Maine's TIF statute.

The Forefront at Thompson's Point is a proposed mixed-use development that will transform a blighted and grossly underutilized 30 acre parcel located along Interstate 295 into a highly visible gateway destination event center that is expected to generate significant economic activity within the District and throughout Portland. The Company plans to redevelop Thompson's Point in a manner that includes a substantial investment in public infrastructure, including construction of an above-ground parking garage that is expected to accommodate approximately 700 vehicles, transportation improvements, extensions and widening of public roads, rail crossings and upgrades (including signalization and sidewalks), utility investments and expanded walking and biking trails.

The very significant public benefits associated with the Thompson's Point Project for the City of Portland include:

- ***Gateway site redevelopment*** with destination uses including a hotel, sports medicine/performance lab and entertainment venues. This high profile site can be seen from air, rail, highway and water.
- ***Project infrastructure investment totaling over \$28 million*** including one large parking structure, a public railroad crossing, area transportation improvements, public roads extensions, water/sewer utility investment and expanded walking trails.
- ***Multi-modal transportation connections*** to possible expanded rail and bus service to Portland's downtown.
- ***New community property tax revenue*** averaging an estimated \$1,332,021 annually.
- ***Tax Shift Benefits*** averaging an estimated savings to the City of \$567,610 annually.
- ***Permanent Job creation*** estimates totaling 455.

Economic Impacts of the Project include: (source: Chuck Lawton, Planning Decisions)

\$169 million in total one-time economic activity, including \$49 million in wages, supporting 1,230 jobs (during the construction period).

\$31.3 million in new sales each year for Maine businesses, including \$11 million in wages, supporting 455 jobs (during the operating period).

By terminating the original District consistent with the provisions of 30-A M.R.S.A. § 5223, adopting this Amended and Restated Development Program, and authorizing an amended and restated credit enhancement agreement, the City will accomplish the following goals:

- Maintain the existing tax revenues generated within the City;
- Greatly enhance the future tax revenues generated within the TIF District;
- Greatly increase the amount of money available to the City for transit-oriented economic development projects;
- Create employment opportunities for area residents; and
- Improve the general economy of the City as well as the State of Maine.

In addition, by creating a TIF District, the City can “shelter” all or a portion of the very significant increase in valuation that this Project will bring about. The tax shelter provided by this TIF will help mitigate revenue sharing and education aid decreases, and limit potential increases in its County tax assessments. Together the tax shift benefits are estimated at approximately \$17 million over the 30-year term of the District with an average annual savings of \$567,610.

II. Development Program Narrative

A. The Thompson's Point Development Project

Thompson's Point consists of approximately 30 acres of real estate adjacent to the Portland Transportation Center that is home to the Northern New England Passenger Rail Authority (“NNEPRA”), which runs the Amtrak Downeaster and Concord Trailways bus company. The 28-acre original District did not include the Suburban Propane and NNEPRA properties located on the northern portion of the District adjacent to the Amtrak rail line. In order to improve the overall development of the Forefront at Thompson's Point, the Company is working to relocate both Suburban Propane and the NNEPRA offices and now seeks to add those properties, approximately 2 acres (the “additional parcels”), to the original District (collectively the “Amended District”). The Amended District would be comprised of all of the approximately 30 contiguous acres south of the rail line known as Thompson's Point.

Thompson's Point is currently a blighted industrial and commercial site that has been underutilized for many decades.

The Company proposes to redevelop the property to its highest and best use. The proposed program includes the following components:

Off-site:

Widen access across the Pan Am Railways corridor to a full two lane road, together with a third emergency vehicular access lane that begins at the southerly side of the dead end of Sewall Street and runs south, crosses the tracks, and extends into Thompson's Point; undertake re-grading as necessary within and adjacent to the Sewall Street South Right of

Way. The emergency access lane has been laid out per the direction of the Fire Department.

Upgrade the existing private rail crossing, which is in a state of disrepair, to Public Crossing standards following Maine Department of Transportation guidelines. The crossing will remain at grade. To the degree that it is deemed necessary, widen the access/egress of Thompson's Point Road at the Fore River Parkway connector, to include an additional turning lane (turning right from Thompson's Point Road onto the Fore River Parkway).

On-Site:

The proposed project consists of two phases. Construction loan closing for the work described in Phase One is anticipated in 2014, and construction is also expected to commence in 2014, with the possible exception of the Event Center & Parking Garage whose start is contingent on the relocation of Suburban Propane. The construction period is expected to be approximately 18 months.

One entity will own all of the real estate and will enter into leases with tenants for each use. The Company has obtained site plan and subdivision approvals and is pursuing amendments to some of those approvals that will effectuate the proposed development; given that they are beginning with a Master Plan level review, they will need to maintain some flexibility as to the ultimate locations of buildings and other improvements. The site plan and the narrative description below label each proposed use by Unit number. All of the Thompson's Point property is included within the physical TIF District boundaries, and those aspects of the project to be captured within the District are described as the Phase One improvements. Once the property tax value of the District exceeds the Original Assessed Valued, the increased taxable value of the Phase One improvements within the District will constitute captured value for the District. A list of contemplated Phase One improvements to be included in the District follows:

PHASE ONE IMPROVEMENTS TO BE CAPTURED IN DISTRICT:

Unit Number:	Proposed Use:	Description (as currently contemplated):
Unit #1A	Event Center (+/- 82,000 SF)	Versatile center that can be used as practice facility with several basketball courts and an indoor soccer/lacrosse field; serve as home to Red Claws D-League basketball team (+/- 3,500 seats); and host mid-size concerts of +/- 4,500. The event center can accommodate large floor shows and conferences/events with approximately 45,000 SF of open floor space.
Unit #1B and 1C	Renovated Historic Brick Buildings (+/- 34,000 SF and +/- 35,000 SF respectively)	A northerly existing brick building, designated as potentially eligible for listing on the National Register, of approximately 34,000 SF, to be renovated to include

		<p>office, restaurant, café, light manufacture/artist studio spaces, and related uses in support of the larger Phase 1 program;</p> <p>A southerly existing brick building, designated as potentially eligible for listing on the National Register, of approximately 35,000 SF; to be partially renovated and partially rebuilt to accommodate a cultural/educational user and which may include a small indoor performance venue.</p>
Unit #2	Hotel (+/- 80,000 SF)	Approximately 125-room select serve hotel will cater to leisure and business travelers, and users of the event center. Offering ballrooms and meeting space, the hotel will work in synergy with the event center to make Thompson's Point a destination location.
Unit #3	Sports Medicine / Performance Lab (+/- 20,000 SF)	Sports medicine and physical fitness facility offering a continuum of care and wellness training.
Unit #4	Parking Garage (+/- 700 spaces)	The parking structure will be used by hotel guests, tenants, and event attendees, and service unmet demand from the Amtrak and Concord Trailways transit center. The current plan shows this structure adjacent to I-295. It is conceivable, given the nature of the proposed development and anticipated synergies with the Transportation Center in terms of public use of this facility, that this facility will be relocated to the Westerly side of the District, to bring it closer to the Transportation Center.
Unit #5	Restaurant(s) (+/- 6,000-18,000 SF)	The "Restaurant" designation also includes related uses such as lounge and bar establishments, food and beverage preparation and packaging, catering, and retail sales which may be ancillary or accessory to the restaurant use.
Unit #6	Class A Office Building (A) (+/- 80,000 SF)	The "Office Building" designation also includes medical office and treatment facilities, as well as ancillary restaurant/retail uses commonly found on the ground floor of metro Portland office buildings and intended to service tenants

		and members of the public alike. As the planning process unfolds it is possible that this +/- 180,000 SF building, currently planned as two buildings, may be accommodated in one building, or that the two buildings may accommodate the overall SF differently (such as, for instance, one building with +/- 60,000 SF and one with +/- 120,000 SF).
Unit #7	Class A Office Building (B) (+/- 100,000 SF)	See Above.
Other Planned Amenities:		
	Surface Parking (+/- 750 surface spaces)	These surface parking lots are generally divided into two areas: the upper lot in the Northwesterly corner of the District, which will service demand for large events and overflow parking from the Transportation Center; and the central lots in the central part of the District, which can be managed to service event attendees and members of the public.
	Water Access for Recreational and/or Commercial Vessels	With 7 feet of water at low tide, Thompson's Point is an ideal place to offer handheld boat access to the Fore River. A small launch area is proposed at a location to be determined, potentially either at the upper Northwesterly portion of the shoreline or at the end of the peninsula. This is intended to be meshed with the trail area and public space design. In addition, there is an opportunity for a water taxi/shuttle service that will connect Thompson's Point with Portland Harbor. The water access to the Fore River may be accomplished through one or more separate launch sites.
	Public Trails & Open Space	The Company intends to create significant public/civic/pedestrian space that links the trails with the rest of the District, and offers opportunities for public enjoyment of the property within the District. The Company is working with Portland Trails to maintain and improve the presence of quality public walking/biking trails on the Thompson's

		Point property. The Company also anticipates creating outdoor space(s) that can be used for gatherings and events.
	Bus Stop	The Company is working with METRO to create a bus stop on Thompson's Point to ensure a source of public transportation to the District.

The On-Site work includes construction of internal roadways on Thompson's Point, along with sidewalks, lighting, utility infrastructure, and related improvements. At the sole discretion of the Company, the internal road on Thompson's Point may be designed and constructed to City of Portland standards and offered to the City for acceptance it as a City Street.

The increased value associated with the development of subdivision Units 1 through 7, and all site improvements and amenities contemplated herein in association with the Phase One development, shall be sole source of the Increased Assessed Value for the purpose of determining the Captured Assessed Value within the District.

Because the Company has not yet completed Master Plan/Level III Site Plan review or approval, nor a Leadership in Energy and Environmental Design (LEED) charrette (which shall be undertaken at or near the outset of that process); and because given the vagaries of the commercial real estate marketplace, it is not possible to guarantee final outcomes of tenant negotiations prior to such design and planning review having been completed. While the Company anticipates and fully intends that the final project, as permitted and constructed, will include the Phase One uses as described above, the City agrees to allow sufficient flexibility for the Company to accommodate the planning and permitting process (including the LEED design process) and balance this with the requirements of tenants and their economic implications for the project as a whole.

PHASES TWO AND THREE:

The Company's plans for Thompson's Point include a second phase of the project. At present, the uses are not fully defined but are anticipated to include a large building of approximately 80,000-100,000 SF (currently sited in the Northwesterly portion of the site) and a smaller building of approximately 30,000-40,000 SF (currently sited as part of the central portion of the project). These uses will share the parking that is constructed as part of Phase One; if necessary additional parking may be provided in the form of a Phase Two parking deck or potential expansion of the Phase One parking structure (in either case, the number of spaces would be determined as part of the Phase Two planning process).

All Phase Two and Three buildings and amenities will be physically located within the boundary of the Amended District and any resulting increased value will be captured by the City at 25% for TOD projects within the Amended District. The remaining 75% of

taxes paid on the taxable Phase Two and Three improvements will remain outside of the Amended District and will flow to the City's General Fund as if they were not located within a designated TIF District. The Company will not receive any tax refund associated with taxes paid on any Phase Two and Three facilities.

B. Transit-Oriented Projects

The City will capture and retain within the Amended District twenty-five percent (25%) of the new taxes paid on the Phase One improvements in order to fund a municipal Transit-oriented TIF project cost account. The City will undertake a thorough planning, design and implementation process to create transit improvements that will connect Thompson's Point with other key locations in the City (the "City's Transit Design Process"), such as Portland's downtown and the Portland Jetport. It is anticipated that the transit-oriented projects, including any operating expenses, that will result from the City's process may include the following: additional buses, additional bus stops and bus shelters, rail conveyances, and bicycle and pedestrian-related improvements, which expenses shall be borne by the City and paid for through its share of new tax revenues. Pursuant to 30-A M.R.S.A § 5225, the additional buses, bus stops and shelters, and rail conveyances may be created throughout the City, whereas the bicycle and pedestrian-related improvements will occur within the District, the costs of which, should the creation of such stops and shelters and related improvements be deemed desirable by the City, shall be borne by the City and paid for through its share of new tax revenues.

The City will capture and retain within the Amended District twenty-five percent (25%) of the new taxes paid on the Phase Two and Phase Three improvements in order to fund a municipal Transit-oriented TIF project cost account.

C. The Transit TIF District

The following properties comprise the TIF District designation and are subject to this application (see Exhibit B).

<i>MAP</i>	<i>BLOCK</i>	<i>LOT</i>
201	A	5
201	A	8
201	A	10
202	A	1
202	A	4
202	A	2
202	A	5
Total	30 acres	

The captured value will be calculated on only the new tax value generated within the Amended District from Phased developments and will not affect the current property tax base.

D. The Development Program

The City of Portland, by designating and amending the Thompson's Point Transit-Oriented TIF District, will capture a certain percentage, as shown in Exhibit C-1, of the new assessed value created within the District over the original assessed value and retain from the District the new tax revenues generated from the captured assessed value. A portion of these revenues will be allocated based upon the terms of the Credit Enhancement Agreement with Thompson's Point Development Company, Inc. for the sole, express purpose of offsetting the costs associated with the construction and operation of the Thompson's Point Development Project (see Exhibit H).

E. Municipal Use of TIF Revenues

The City of Portland will utilize twenty-five percent (25%) annually from the remaining tax revenues generated from the TIF District, over and above what is allocated through the Credit Enhancement Agreement, for transit-oriented projects that will expand and improve transit connections between Thompson's Point and key commercial locations within Portland.

F. Operational Components

1. Public Facilities.

The Forefront at Thompson's Point project will result in a large parking structure, transportation improvements (namely, the creation of a public rail crossing with related signalization and sidewalks and the creation of a bus stop for the METRO service on the site), extensions of public roads, utility investments and expanded walking and biking trails. These public improvements will be the responsibility of the Company, except that the maintenance of any public ways (including snow removal) shall be the responsibility of the City in the event that the public ways are accepted as city streets. It is understood that in certain cases the costs associated with some of the public improvements in the District may be met in whole or in part by other sources, such as grants for which the Project may be eligible, and that in other instances where improvements are made in collaboration with other entities (such as, for example, Portland Trails, which holds an easement over part of the Property). Any local, state, regional, or Federal loans or grants that are secured by the Company, the City, or any other entity in conjunction with the Thompson's Point Development Project (including but not limited to EDA funding, HUD funding, and such funds as may be available through the Greater Portland Council of Governments) may be utilized to offset the costs of these public improvements; the City agrees to work with the Company as may be necessary to assist in securing any and all applicable grants, loans, subsidies, incentives, rebates, and the like for the benefit of the project and thereby the public.

The City will invest in transit-oriented projects that will expand and improve transit connections between Thompson's Point and key commercial locations within Portland. The City will include the Company in the planning of these connections and improvements.

2. Uses of Private Property within District.

The Credit Enhancement Agreement will allow Thompson's Point Development Company, Inc. to use TIF funds to develop the Forefront at Thompson's Point project on private property owned by Forefront Partners I, LP.

3. Plans for relocation of persons displaced by development activities.

Though not contemplated at this point, any possible relocation costs of displaced persons resulting from one or more City projects funded through this Development Program shall be covered by the City as required.

4. Environmental Controls

The Development Program proposes improvements that will comply with all federal, state, and local rules and regulations and applicable land use requirements; the results of any Phase I, Phase II, Phase III, or related environmental diligence on the site as may be conducted by the Company shall be made available to the City for review upon request.

5. Proposed Operation of District

The Company Project will be developed by Thompson's Point Development Company, Inc., its successors, affiliates and partners, or assigns, who will be responsible for payment of all maintenance expenses, insurance, and taxes on the Project.

During the thirty-year life of the Tax Increment Financing District, the City of Portland, City Council, or its designee, will be responsible for the administration of the District. Thompson's Point Development Company, Inc. will be solely responsible for completion of the Project.

IV. Physical Description

- A. Total acreage of municipality: 12,386 acres.
- B. Total acreage proposed for tax increment financing district: 30 acres
- C. Percent of line B of line A (line B divided by line A cannot exceed 2%):
.2 %
- D. Total acreage of all existing and proposed TIF districts in the municipality:

Existing TIFs: 193.058 acres
Proposed TIF: 30 acres
Total: 223.058 acres

- E. Percent line D of line A (cannot exceed 5%): 1.8 %
- F. Not less than 25%, by area, of the real property within a development district shall meet at least one of the following criteria:¹
 - 1. Blighted acres 15. Line F(1) divided by line B =50%.
 - 2. Acreage in need of rehabilitation, redevelopment, or conservation. 15 acres. Line F(2) divided by line B = 50%.
 - 3. Acreage suitable for industrial sites = N/A. Line F(3) divided by line B = ____%.
- G. Enclosed municipal maps:
 - 1. Area map showing site location of TIF district in relation to geographic location of municipal boundaries (Exhibit A).
 - 2. Site maps showing TIF District (Exhibit B).

V. Financial Plan

A. Costs and Sources of Revenues

The Amended District comprises an area of approximately 30 acres of taxable real property with an original assessed value of \$4,970,470 as of March 31, 2013 (i.e., April 1, 2012) – this OAV represents the original district at \$3,844,900 and the additional property at \$1,125,570 both as of March 31, 2013. The development within the Amended District is estimated to add an additional \$78,000,000 of new assessed real property taxable value to the City in Phase One. This revenue is based upon preliminary construction cost estimates prepared in good faith by the Company and its consultants, which have been reviewed and approved by the City, but final values may be higher or lower depending upon the ultimate cost of construction which may not be determined until the project is permitted, financed, and Phase One construction is complete. Phase Two and Three is estimated to add an additional \$20 Million of new assessed real property taxable value to the City.

The attached Exhibit C details the projections based upon the anticipated assessed value increases within the Amended District. Exhibit C is a projection based upon best available information and is included for demonstration purposes only. No assurances are provided as to the results reflected therein.

The Development Program provides for a certain percentage of the new tax revenues generated by the increased assessed value of the Phased improvements within District to be captured and designated as TIF revenues. The City will allocate the retained revenues to the economic development activities described in the Development Program.

¹ Note that pursuant to 30-A M.R.S.A. §5223, the conditions for approval set forth in paragraph 3 of that section do not apply to this transit-oriented development district.

B. Development Program Fund

The Amended and Restated Development Program requires the establishment of the Thompson's Point Development Program Fund pledged to, and charged with, the payment of the project costs in the manner outlined in 30-A M.R.S.A. §5227(3).

The Thompson's Point Development Program Fund is established consisting of a Project Cost Account, which includes two sub-accounts designated as the "Developer TIF Account" and "City Transit Account" pledged to, and charged with, payment of eligible project costs.

C. Financing Plan

The development within the described Amended District will add approximately \$78 million of new taxable real property value in the City of Portland for Phase One, and \$20 million of new taxable real property value in Phases Two and Three. TIF revenues will be allocated generally as described on Exhibit C-1 and C-2, and summarized as follows:

With respect to Phase One of the project, the City will capture all (100%) of the increased assessed value of the real property located in the Amended District during the first ten (10) years following the "Triggering Event," which term is defined below. During the following 5-year period (TIF years 11-15), the City will capture 85% of the increased assessed value, allowing 15% of the taxes paid on the new value to flow to the City's general fund. During the next 5-year period (TIF years 16-20), the City will capture 75% of the increased assessed value, allowing 25% of the taxes paid on the new value to flow to the City's general fund. During the last 10-year period (TIF years 21-30), the City will capture 65% of the increased assessed value, allowing 35% of the taxes paid on the new value to flow to the City's general fund.

Each year during this 30-year period, the City will retain 25% of the TIF revenues generated within in the Amended District from Phases One, Two and Three of the project.

Regardless of the total amount of value captured during any year, the amount of TIF revenues to be refunded to the Company will be based on the total amount of increased assessed value of the real property within the Amended District resulting from Phase One improvements in the amounts reflected in the table immediately below:

TIF Years:	Percentage of Increased Assessed Value of Phase One Improvements to be Captured as Captured Assessed Value and Reimbursed to Company:	Percentage of Increased Assessed Value of Phase One, Two, and Three Improvements to be Captured as Captured Assessed Value and Retained by City:
Years 1-10	75%	25%
Years 11-15	60%	25%
Years 16-20	50%	25%
Years 21-30	40%	25%

Notwithstanding the “Tax Year” identified in the same row with the “TIF Year” on Exhibit C-1 of the Development Program, TIF Year 1 shall be the tax year in which the Triggering Event takes place as set forth in Section 2.2 of the Credit Enhancement Agreement between the City and the Developer (the “CEA”). There will be separate triggering events for the original District and the additional parcels added to the original District by amendment in 2013. The “Triggering Event” for the original District means the first Tax Year when the Increased Assessed Value of the original District first equals at least five Million Dollars (\$5,000,000.00). Similarly, the “Triggering Event” for the additional parcels added to the original District by amendment in 2013 means the first Tax Year when the combined Increased Assessed Value of those parcels first equals at least five Million Dollars (\$5,000,000.00).

Actual payments to the Project Cost Account and the City Cost Account will be determined based upon the actual increased assessed value retained within the Amended District and by the terms of the Credit Enhancement Agreement. Taxes paid on any new value not captured in the District will flow to the City's General Fund, as in the normal course.

The TIF District is to be established for a period of thirty (30) years. Since it benefits both the City and the Company to maximize the opportunity to capture increased assessed value in order to finance projects during the entire 30-year term of the Amended District, and since the original District has not yet begun to capture any value because the original “Triggering Event” has not occurred, the City will restart the 30-year term of the District by both terminating the original District and adopting the Amended District in one vote of the City Council.

VI. Financial Data

- A. Total 2014 value of equalized property in the municipality: \$7,551,450,000.

B. Original assessed value of all properties in all existing and proposed TIF districts:

Existing	\$310,015,610
Proposed	\$4,970,470
Total	\$314,986,080

Line B divided by line A = 4.1% (cannot exceed 5%).

C. Estimate of increased assessed value by year after implementation of the development program: See Exhibit C-1 and C-2.

D. Percentage of increased assessed value to be applied to the development program fund: See Exhibit C-1 and C-2.

E. Estimated annual tax increment: \$1,700,063 (Average)

F. Total average annual value of development program fund: \$1,700,063 (Average)

G. Annual principal and interest payment of bonded indebtedness: N/A.

H. Financial assumptions and safeguards: Under the Credit Enhancement Agreement, the City's payment obligation exists only insofar as new tax revenues are generated from new development within the TIF District. The City will pay an annual amount to the Company only insofar as new tax revenues from the increase in valuation are generated within the TIF District over the base valuation of the District.

I. Statement of impact of TIF on taxing jurisdictions within the county: See Exhibit C-3 and C-4.

VII. Tax Shifts

In accordance with Maine statutes governing the establishment of Tax Increment Financing Districts, the tables set forth in Exhibit C-3 and C-4 identifies the tax shifts that are expected to result during the term of this District from the establishment of the District. A summary of the annual average tax shift impacts follows:

General Purpose Aid to Education Tax Shift:	\$480,730
Municipal Revenue Sharing Tax Shift:	\$59,455
County Tax Shift:	\$27,425
Total Average Annual Savings	\$567,610

VIII. Municipal Approvals

A. Public Hearing Notice

The City of Portland did give proper Notice of Public Hearing in accordance with the requirements of 30-A M.R.S.A. Section 5226. Attached as Exhibit D, is a copy of the Notice of Public Hearing published in the *Portland Press Herald*, a newspaper of general circulation in the City on October 24, 2013, a date at least ten (10) days prior to the public hearing. The public hearing was held on November 4, 2013, in accordance with the requirements of 30-A M.R.S.A. § 5226(1).

B. Public Hearing

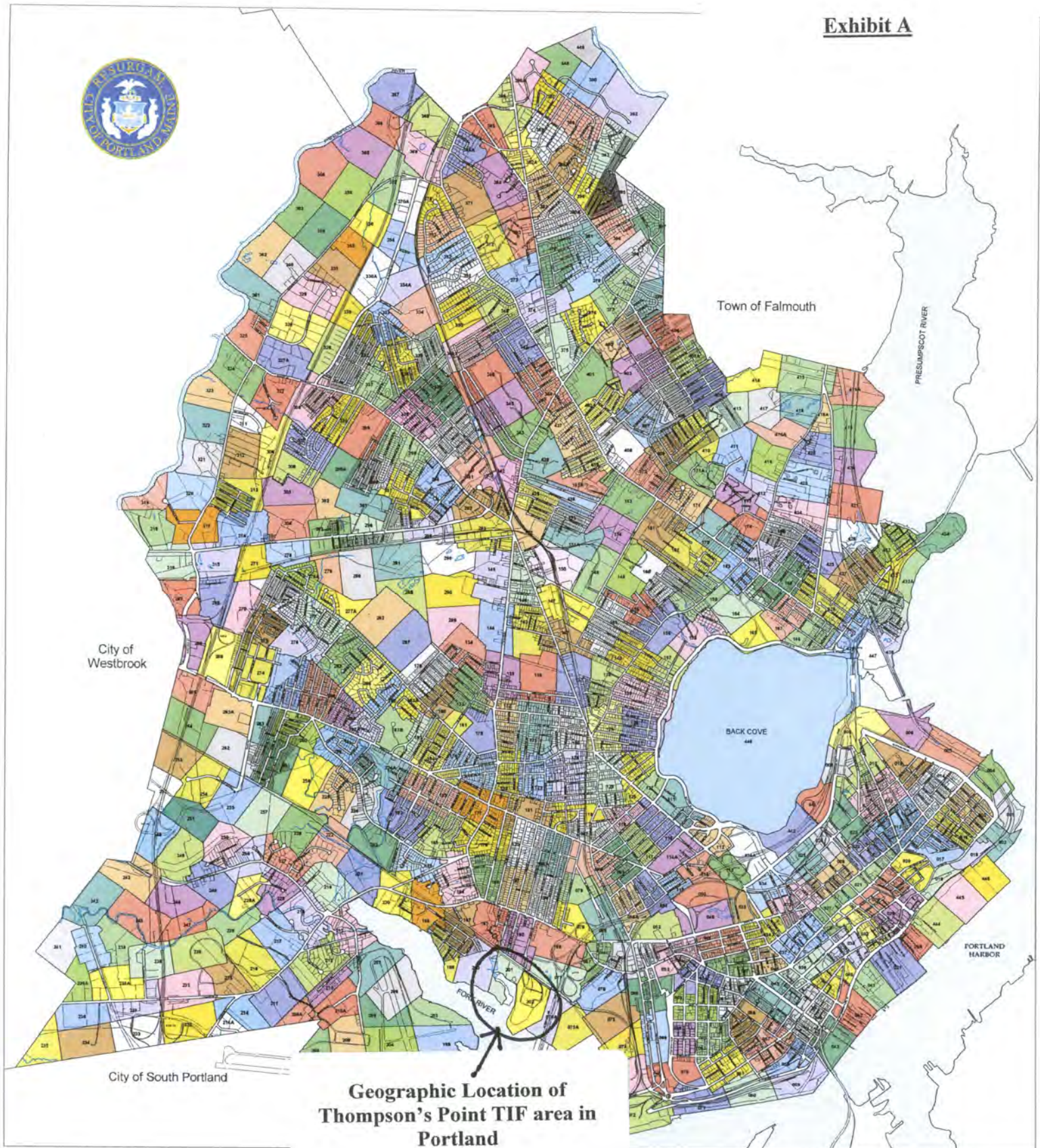
A Public Hearing at which the Proposed Amendment to the Thompson's Point Transit-Oriented Development and TIF District was discussed and held on 4th day, November, 2013, in the Portland City Council Chambers. A copy of the minutes of that meeting is included as Exhibit E.

C. Authorizing Votes

An attested copy of the Order of the Portland City Council amending the Thompson's Point Transit-Oriented Development and TIF District is included as Exhibit F.

D. Assessor's Certificate

A letter from the Tax Assessor of the City of Portland certifying the Original Assessed Value of the Amended District is included as Exhibit G.



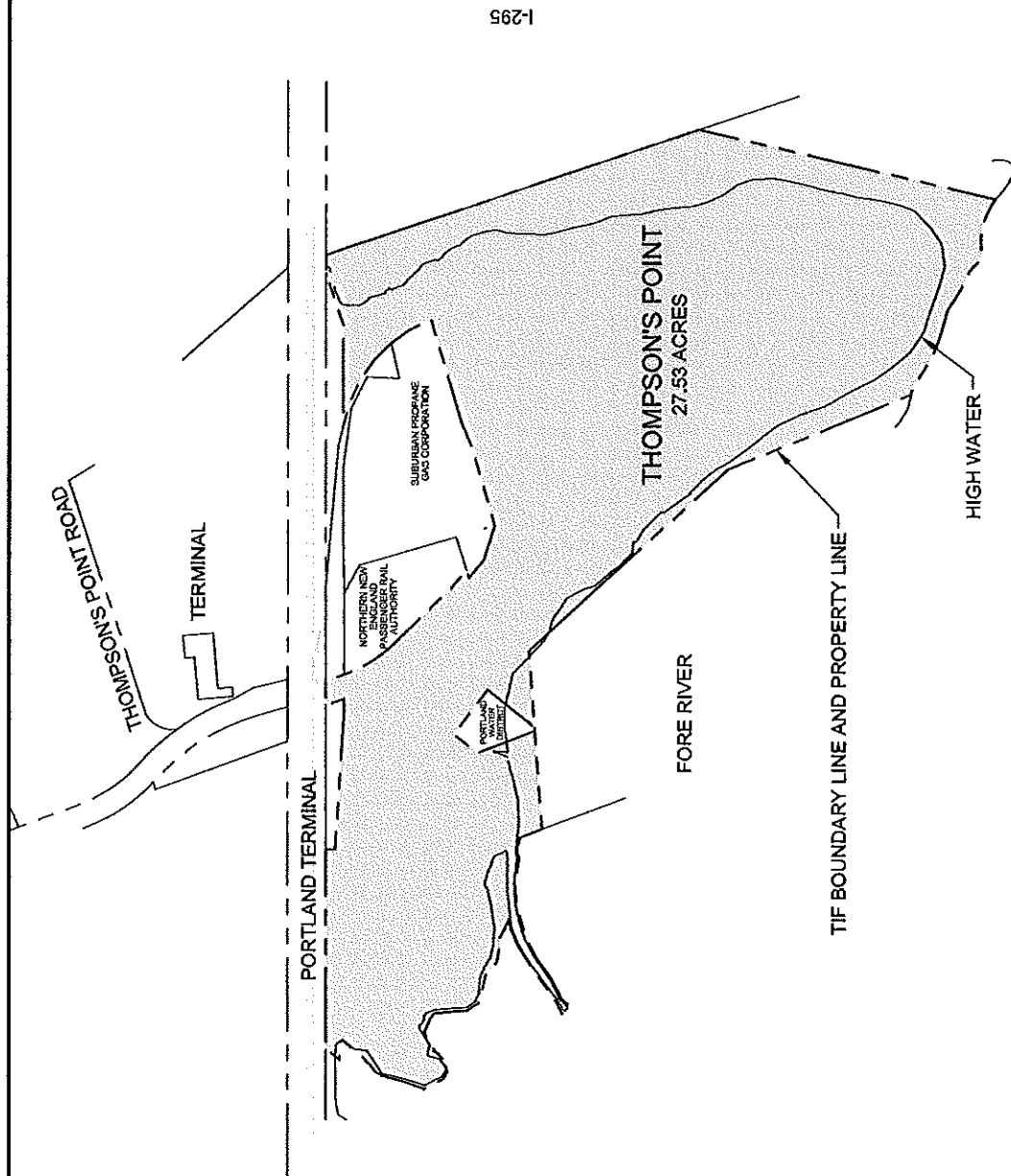
**City of Portland, Maine
Tax Map Index**

Scale: 1 Inch = 850 Feet



Map produced by the City of Portland's Assessor Office and the GIS Workgroup June 2004





EST

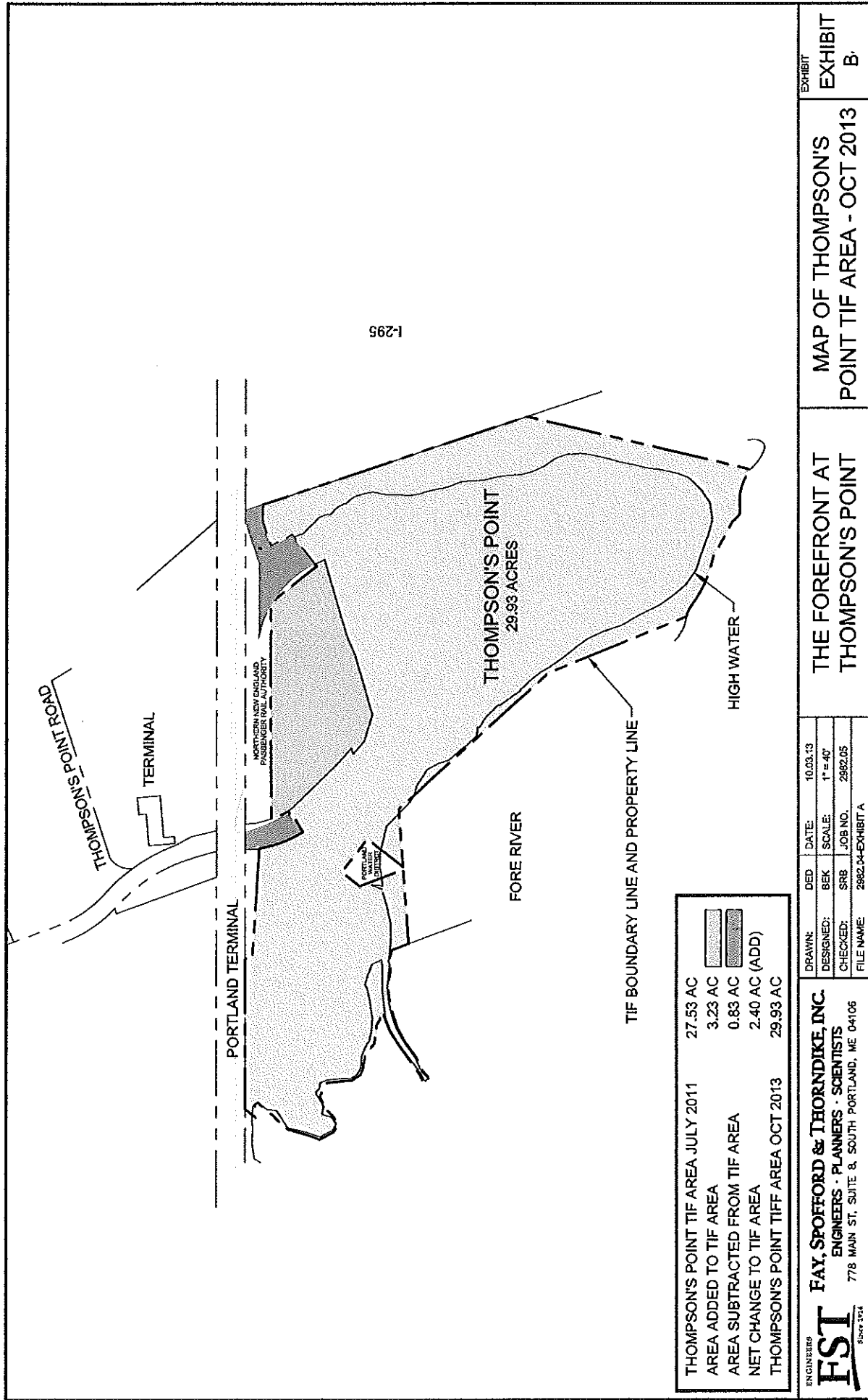
FAY, SPOFFORD & THORNDIKE, INC.
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DRAWN:	DED	DATE:	10.03.13
DESIGNED:	SEK	SCALE:	1" = 40'
CHECKED:	SRB	JOB NO.	2982.05
FILE NAME: 2982.04-EXHIBIT A			

THE FOREFRONT AT
THOMPSON'S POINT

EXHIBIT
EXHIBIT
B.

MAP OF THOMPSON'S
POINT TIF AREA - JULY 2013



I-295

EXHIBIT
B.

MAP OF THOMPSON'S
POINT TIF AREA - OCT 2013

THE FOREFRONT AT
THOMPSON'S POINT

DRAWN: DED DATE: 10.03.13
DESIGNED: BEK SCALE: 1" = 40'
CHECKED: SRB JOB NO. 2982.05
FILE NAME: 2982.04-EXHIBIT A

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THOMPSON'S POINT TOD TIF PROJECT/PHASE ONE

EXHIBIT C-1

30 years - Yrs 1 to 10: 75%/Dev & 25% TOD; Yrs 11 to 15: 60%/Dev & 25% TOD; Yrs 16 to 20: 50%/Dev & 25% TOD; Yrs 21 to 30: 40% /Dev-25% TOD

TIF Year	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non-Captured General Fund Revenues
1	\$25,000,000	100.00%	\$25,000,000	19.80	\$495,000	\$371,250	\$123,750	\$0
2	\$50,000,000	100.00%	\$50,000,000	20.20	\$1,009,800	\$757,350	\$252,450	\$0
3	\$78,000,000	100.00%	\$78,000,000	20.60	\$1,606,794	\$1,205,095	\$401,698	\$0
4	\$78,000,000	100.00%	\$78,000,000	21.01	\$1,638,930	\$1,229,197	\$409,732	\$0
5	\$78,000,000	100.00%	\$78,000,000	21.43	\$1,671,708	\$1,253,781	\$417,927	\$0
6	\$78,000,000	100.00%	\$78,000,000	21.86	\$1,705,142	\$1,278,857	\$426,286	\$0
7	\$78,000,000	100.00%	\$78,000,000	22.30	\$1,739,245	\$1,304,434	\$434,811	\$0
8	\$78,000,000	100.00%	\$78,000,000	22.74	\$1,774,030	\$1,330,523	\$443,508	\$0
9	\$78,000,000	100.00%	\$78,000,000	23.20	\$1,809,511	\$1,357,133	\$452,378	\$0
10	\$78,000,000	100.00%	\$78,000,000	23.66	\$1,845,701	\$1,384,276	\$461,425	\$0
11	\$78,000,000	85.00%	\$66,300,000	24.14	\$1,600,223	\$1,129,597	\$470,626	\$282,392
12	\$78,000,000	85.00%	\$66,300,000	24.62	\$1,632,227	\$1,152,189	\$480,038	\$288,040
13	\$78,000,000	85.00%	\$66,300,000	25.11	\$1,664,872	\$1,175,233	\$489,639	\$293,801
14	\$78,000,000	85.00%	\$66,300,000	25.61	\$1,698,169	\$1,198,738	\$499,432	\$299,677
15	\$78,000,000	85.00%	\$66,300,000	26.13	\$1,732,133	\$1,222,712	\$509,420	\$305,670
16	\$78,000,000	75.00%	\$58,500,000	26.65	\$1,558,919	\$1,038,240	\$520,679	\$519,640
17	\$78,000,000	75.00%	\$58,500,000	27.18	\$1,590,098	\$1,059,005	\$531,093	\$530,033
18	\$78,000,000	75.00%	\$58,500,000	27.72	\$1,621,900	\$1,080,185	\$541,714	\$540,633
19	\$78,000,000	75.00%	\$58,500,000	28.28	\$1,654,338	\$1,101,789	\$552,549	\$551,446
20	\$78,000,000	75.00%	\$58,500,000	28.84	\$1,687,424	\$1,123,825	\$563,600	\$562,475
21	\$78,000,000	65.00%	\$50,700,000	29.42	\$1,491,683	\$918,131	\$573,552	\$803,214
22	\$78,000,000	65.00%	\$50,700,000	30.01	\$1,521,517	\$936,494	\$585,023	\$819,278
23	\$78,000,000	65.00%	\$50,700,000	30.61	\$1,551,947	\$955,223	\$596,724	\$835,664
24	\$78,000,000	65.00%	\$50,700,000	31.22	\$1,582,986	\$974,328	\$608,658	\$852,377
25	\$78,000,000	65.00%	\$50,700,000	31.85	\$1,614,646	\$993,815	\$620,831	\$869,425
26	\$78,000,000	65.00%	\$50,700,000	32.48	\$1,646,939	\$1,013,691	\$633,248	\$886,813
27	\$78,000,000	65.00%	\$50,700,000	33.13	\$1,679,878	\$1,033,965	\$645,913	\$904,549
28	\$78,000,000	65.00%	\$50,700,000	33.80	\$1,713,475	\$1,054,644	\$658,831	\$922,640
29	\$78,000,000	65.00%	\$50,700,000	34.47	\$1,747,745	\$1,075,737	\$672,008	\$941,093
30	\$78,000,000	65.00%	\$50,700,000	35.16	\$1,782,699	\$1,097,252	\$685,448	\$959,915
30 Year	\$2,259,000,000		\$1,830,000,000		\$48,069,677	\$32,806,687	\$15,262,990	\$12,968,776
NPV @ 5.75%						\$16,374,528		

THOMPSON'S POINT PROJECT TOD TIF/PHASE TWO AND THREE

EXHIBIT C-2

30 years - Phase 2 and 3 - 25% to TOD TIF; 75% to General Fund

TIF Year	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non- Captured General Fund Revenues
1	\$0	25.00%	\$0	19.80	\$0	\$0	\$0	\$0
2	\$0	25.00%	\$0	20.20	\$0	\$0	\$0	\$0
3	\$0	25.00%	\$0	20.60	\$0	\$0	\$0	\$0
4	\$0	25.00%	\$0	21.01	\$0	\$0	\$0	\$0
5	\$0	25.00%	\$0	21.43	\$0	\$0	\$0	\$0
6	\$0	25.00%	\$0	21.86	\$0	\$0	\$0	\$0
7	\$0	25.00%	\$0	22.30	\$0	\$0	\$0	\$0
8	\$0	25.00%	\$0	22.74	\$0	\$0	\$0	\$0
9	\$0	25.00%	\$0	23.20	\$0	\$0	\$0	\$0
10	\$0	25.00%	\$0	23.66	\$0	\$0	\$0	\$0
11	\$20,000,000	25.00%	\$5,000,000	24.14	\$120,680	\$0	\$120,680	\$362,041
12	\$20,000,000	25.00%	\$5,000,000	24.62	\$123,094	\$0	\$123,094	\$369,282
13	\$20,000,000	25.00%	\$5,000,000	25.11	\$125,556	\$0	\$125,556	\$376,668
14	\$20,000,000	25.00%	\$5,000,000	25.61	\$128,067	\$0	\$128,067	\$384,201
15	\$20,000,000	25.00%	\$5,000,000	26.13	\$130,628	\$0	\$130,628	\$391,885
16	\$20,000,000	25.00%	\$5,000,000	26.65	\$133,241	\$0	\$133,241	\$399,723
17	\$20,000,000	25.00%	\$5,000,000	27.18	\$135,906	\$0	\$135,906	\$407,717
18	\$20,000,000	25.00%	\$5,000,000	27.72	\$138,624	\$0	\$138,624	\$415,872
19	\$20,000,000	25.00%	\$5,000,000	28.28	\$141,396	\$0	\$141,396	\$424,189
20	\$20,000,000	25.00%	\$5,000,000	28.84	\$144,224	\$0	\$144,224	\$432,673
21	\$20,000,000	25.00%	\$5,000,000	29.42	\$147,109	\$0	\$147,109	\$441,326
22	\$20,000,000	25.00%	\$5,000,000	30.01	\$150,051	\$0	\$150,051	\$450,153
23	\$20,000,000	25.00%	\$5,000,000	30.61	\$153,052	\$0	\$153,052	\$459,156
24	\$20,000,000	25.00%	\$5,000,000	31.22	\$156,113	\$0	\$156,113	\$468,339
25	\$20,000,000	25.00%	\$5,000,000	31.85	\$159,235	\$0	\$159,235	\$477,706
26	\$20,000,000	25.00%	\$5,000,000	32.48	\$162,420	\$0	\$162,420	\$487,260
27	\$20,000,000	25.00%	\$5,000,000	33.13	\$165,668	\$0	\$165,668	\$497,005
28	\$20,000,000	25.00%	\$5,000,000	33.80	\$168,982	\$0	\$168,982	\$506,945
29	\$20,000,000	25.00%	\$5,000,000	34.47	\$172,361	\$0	\$172,361	\$517,084
30	\$20,000,000	25.00%	\$5,000,000	35.16	\$175,809	\$0	\$175,809	\$527,426
30 Year	\$400,000,000		\$100,000,000		\$2,932,217	\$0	\$2,932,217	\$8,796,652
NPV @ 5.75%						\$0	\$0	

**Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland
TIF Model - THOMPSON'S POINT TOD TIF PROJECT - PHASE ONE**

30 years - Yrs 1 to 10: 75%/Dev & 25% TOD; Yrs 11 to 15: 60%/Dev & 25% TOD; Yrs 16 to 20:
50%/Dev & 25%; Yrs 21 to 30: 40% /Dev & 25%/TOD

TIF Year	Tax Year- April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation			
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2014	\$25,000,000	\$25,000,000	\$172,500	\$23,104	\$10,666	\$206,271
2	2015	\$50,000,000	\$50,000,000	\$374,000	\$46,209	\$21,320	\$441,529
3	2016	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
4	2017	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
5	2018	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
6	2019	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
7	2020	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
8	2021	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
9	2022	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
10	2023	\$78,000,000	\$78,000,000	\$583,440	\$72,085	\$33,237	\$688,762
11	2024	\$78,000,000	\$66,300,000	\$495,924	\$61,272	\$28,259	\$585,456
12	2025	\$78,000,000	\$66,300,000	\$495,924	\$61,272	\$28,259	\$585,456
13	2026	\$78,000,000	\$66,300,000	\$495,924	\$61,272	\$28,259	\$585,456
14	2027	\$78,000,000	\$66,300,000	\$495,924	\$61,272	\$28,259	\$585,456
15	2028	\$78,000,000	\$66,300,000	\$495,924	\$61,272	\$28,259	\$585,456
16	2029	\$78,000,000	\$58,500,000	\$437,580	\$54,064	\$24,939	\$516,583
17	2030	\$78,000,000	\$58,500,000	\$437,580	\$54,064	\$24,939	\$516,583
18	2031	\$78,000,000	\$58,500,000	\$437,580	\$54,064	\$24,939	\$516,583
19	2032	\$78,000,000	\$58,500,000	\$437,580	\$54,064	\$24,939	\$516,583
20	2033	\$78,000,000	\$58,500,000	\$437,580	\$54,064	\$24,939	\$516,583
21	2034	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
22	2035	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
23	2036	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
24	2037	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
25	2038	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
26	2039	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
27	2040	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
28	2041	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
29	2042	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
30	2043	\$78,000,000	\$50,700,000	\$379,236	\$46,855	\$21,618	\$447,710
30 Year TIF Total		\$2,259,000,000	\$1,830,000,000	\$13,673,900	\$1,691,232	\$780,061	\$16,145,192

**Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland
TIF Model - THOMPSON'S POINT TOD TIF PROJECT - PHASE TWO AND THREE**

30 years - Phase 2 and 3 - 25% to TOD TIF; 75% to General Fund

TIF Year	Tax Year- April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation				
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts	
1	2014	\$0	\$0	\$0	\$0	\$0	\$0	
2	2015	\$0	\$0	\$0	\$0	\$0	\$0	
3	2016	\$0	\$0	\$0	\$0	\$0	\$0	
4	2017	\$0	\$0	\$0	\$0	\$0	\$0	
5	2018	\$0	\$0	\$0	\$0	\$0	\$0	
6	2019	\$0	\$0	\$0	\$0	\$0	\$0	
7	2020	\$0	\$0	\$0	\$0	\$0	\$0	
8	2021	\$0	\$0	\$0	\$0	\$0	\$0	
9	2022	\$0	\$0	\$0	\$0	\$0	\$0	
10	2023	\$0	\$0	\$0	\$0	\$0	\$0	
11	2024	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
12	2025	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
13	2026	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
14	2027	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
15	2028	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
16	2029	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
17	2030	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
18	2031	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
19	2032	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
20	2033	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
21	2034	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
22	2035	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
23	2036	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
24	2037	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
25	2038	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
26	2039	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
27	2040	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
28	2041	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
29	2042	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
30	2043	\$20,000,000	\$5,000,000	\$37,400	\$4,621	\$2,134	\$44,155	
30 Year TIF Total		\$400,000,000	\$100,000,000	\$748,000	\$92,417	\$42,686	\$883,103	

**EXHIBIT D TO THOMPSON'S POINT TOD TIF
DISTRICT II APPLICATION TO MDECD**

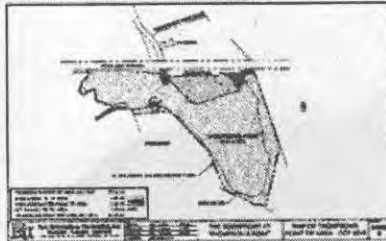
Portland Press Herald/ Thursday, October 24, 2013 **B3**

PUBLIC NOTICE

PUBLIC NOTICE

**Notice of Public Hearing:
Terminating Existing Thompson's
Point Transit-Oriented
Development (TOD) and Tax
Increment Financing (TIF) District
and Approving Amended and
Restated Thompson's Point
TOD TIF District and Adopting
Amended and Restated Municipal
Development Program for
the District**

A public hearing shall be held, pursuant to 30-A M.R.S.A. Section 5226, in the City Council Chambers, Portland City Hall, 389 Congress Street, at 7:00 p.m. on November 4, 2013, on the following item: Terminating Existing Thompson's Point Transit-Oriented Development (TOD) and Tax Increment Financing (TIF) District and Approving Amended and Restated Thompson's Point TOD TIF District, as depicted on the map below, and Adopting Amended and Restated Municipal Development Program for the District:



A copy of the Amended and Restated Thompson's Point TOD TIF District may be reviewed in Room 308, Economic Development Department, Portland City Hall, 389 Congress Street, Portland, ME.

IN COUNCIL REGULAR MEETING NOVEMBER 4, 2013 VOL. 129 PAGE 39

ROLL CALL: Mayor Brennan called the meeting to order at 7:00 P.M. (Councilors Mavodones, Anton, Leeman absent).

ANNUAL MEETING:

Motion was made by Councilor Coyne and seconded by Councilor Duson to recess the regular City Council meeting to convene the Annual Meeting of Creative Portland Corporation. Passage 6-0, 7:10 P.M.

Annual Meeting of Creative Portland – Sponsored by Mayor Michael F. Brennan.

Motion was made by Councilor Coyne and seconded by Councilor Duson to adjourn the meeting of the Creative Portland Corporation and to reconvene the regular City Council meeting. Passage 6-0, 7:18 P.M.

APPROVAL OF MINUTES OF PREVIOUS MEETINGS:

Motion was made by Councilor Marshall and seconded by Councilor Duson to approve the minutes of the October 21, Special City Council meeting and the October 21, 2013 Regular City Council meeting. Passage 6-0.

ANNOUNCEMENTS:

RECOGNITIONS:

PROCLAMATIONS:

APPOINTMENTS:

Order 84-13/14 Order Appointing the City Manager as the Executive Director of the Portland Renewal Authority – Sponsored by Mayor Michael F. Brennan.

Motion was made by Councilor Coyne and seconded by Councilor Suslovic for passage. Passage 6-0.

CONSENT ITEMS:

A TRUE COPY
ATTEST: Katherine L. Jones
Katherine L. Jones, City Clerk
Portland, Maine
DATE 11-20-2013

IN COUNCIL REGULAR MEETING NOVEMBER 4, 2013 VOL. 129 PAGE 40

LICENSES:

Order 85-13/14 Order Granting Municipal Officers' Approval of RB Portland Master Subtenant LLC d/b/a Westin Portland Harborview at 17 High Street. Application for a Class IA 40+ Rooms License with Entertainment with Dance – Sponsored by Katherine L. Jones, City Clerk.

Motion was made by Councilor Suslovic and seconded by Councilor Coyne for passage. Passage 6-0.

BUDGET ITEMS:

COMMUNICATIONS:

Com 6-13/14 Communication Re: Appointment to the Redistricting Committee – Sponsored by Mayor Michael F. Brennan.

The Mayor has appointed Councilor Edward J. Suslovic to the Redistricting Committee, pursuant to Portland City Charter Article 2, Section 5, subsection (I), to replace Councilor John M. Anton.

RESOLUTIONS:

UNFINISHED BUSINESS:

Order 46A -13/14 Order Approving Credit Enhancement Agreement with Avesta 409 Cumberland, LP – Sponsored by Mark H. Rees, City Manager. This item was given first reading on October 21, 2013.

Motion was made by Councilor Donoghue and seconded by Councilor Suslovic for passage. Passage 6-0.

Order 80-13/14 Order Authorizing Termination of Existing Thompson's Point Transit Oriented Development (TOD) Tax Increment Financing (TIF) District and Approving Amended and Restated Thompson's Point (TOD TIF) District and Adopting Amended and Restated Municipal Development Program for the District –Sponsored by the Housing and Community Development Committee, Councilor Nicholas M. Mavodones, Chair. This meeting was given first reading on October 21, 2013.

Motion was made by Councilor Suslovic and seconded by Councilor Coyne for passage. Passage 6-0.

IN COUNCIL REGULAR MEETING NOVEMBER 4, 2013 VOL. 129 PAGE 41

Order 81-13/14 Order Terminating Credit Enhancement Agreement with Thompson's Point Development Company, Inc. and Approving Amended and Restated Credit Enhancement Agreement with Thompson's Point Development Company, Inc. – Sponsored by the Housing and Community Development Committee, Councilor Nicholas M. Mavodones, Jr., Chair. This item was given first reading on October 21, 2013.

Motion was made by Councilor Suslovic and seconded by Councilor Duson for passage. Passage 6-0.

Order 82-13/14 Amendment to City Code Sec. 6.165-6.172 (Green Building Ordinance) Sponsored by Councilors David A. Marshall and Kevin Donoghue, Co-Chairs of the Transportation, Sustainability and Energy Committee. This item was given first reading on October 21, 2013.

Motion was made by Councilor Marshall and seconded by Councilor Donoghue to amend Order 82 by adding changes prepared by Corporation Counsel that were included in the back up materials and in the order. Passage 6-0.

Motion was made by Councilor Marshall and seconded by Councilor Donoghue for passage as amended. Passage 6-0.

Order 83-13/14 Amendment to Portland City Code Chapter 28. Traffic and Motor Vehicles Section 84 (Violations) – Sponsored by the Public Safety, Health and Human Services Committee, Councilor Edward J. Suslovic, Chair. This item was given first reading on October 21, 2013.

Motion was made by Councilor Suslovic and seconded by Councilor Donoghue for passage. Passage 6-0.

ORDERS:

Order 86-13/14 Order Accepting Easement in the Vicinity of 1345 Washington Avenue on Property of Cumberland County Federal Credit Union – Sponsored by Danielle West-Chuhta, Corporation Counsel.

Motion was made by Councilor Suslovic and seconded by Councilor Duson for passage. Passage 6-0.

Order 87-3/14 Order Granting Easements in the Vicinity of Casco Bay Lines to Install

Gas Lines and Move Electrical Service – Sponsored by Danielle West-Chuhta, Corporation Counsel.

IN COUNCIL REGULAR MEETING NOVEMBER 4, 2013 VOL. 129 PAGE 42

Motion was made by Councilor Coyne and seconded by Councilor Suslovic for passage. Passage 6-0.

Order 88-13/14 Order Approving Housing Portfolio Transfer and Re-Allocation of Project Funds from The Opportunity Alliance to Avesta Housing – Sponsored by Housing and Community Development Committee, Councilor Nicholas M. Mavodones, Jr., Chair.

Motion was made by Councilor Donoghue and seconded by Councilor Suslovic for passage. Passage 6-0.

Order 89-13/14 Order to close Baxter Boulevard for “Sundays on the Boulevard” – Sponsored by Councilors David A. Marshall and Kevin Donoghue, Co-Chairs of the Transportation, Sustainability and Energy Committee.

Motion was made by Councilor Marshall and seconded by Councilor Donoghue for passage. Passage 5-1. (Councilor Coyne).

AMENDMENTS:

Order 90- 13/14 Amendment to Chapter 17 of the Portland City Code: Access to Reproductive Health Care Facilities – Sponsored by Public Safety, Health and Human Services Committee, Councilor Edward J. Suslovic, Chair.

This is a first reading.

Order 91-13/14 Order Amending 101 York Street/68 Danforth Street Zoning Map from R-6 and B-1 to B-3 – Sponsored by The Planning Board, Carol Morrisette, Chair.

This is a first reading.

Order 92-13/14 Order to Amend Portland City Code Chapter 21 Farmer’s Markets to Allow Farmers’ Markets in the ILb Zone – Sponsored by Mark H. Rees, City Manager.

This is a first reading.

IN COUNCIL REGULAR MEETING NOVEMBER 4, 2013 VOL. 129 PAGE 43

LICENSE RENEWALS:

REQUEST FOR EXECUTIVE SESSION:

Motion was made by Councilor Duson and seconded by Councilor Coyne to adjourn. Passage 4-0 (Councilor Marshall, Councilor Donoghue gone).

A TRUE COPY.


Katherine L. Jones, City Clerk

A TRUE COPY

ATTEST:

Katherine L. Jones
Katherine L. Jones, City Clerk
Portland, Maine

DATE 11-20-2013

MICHAEL F. BRENNAN (MAYOR)
KEVIN J. DONOGHUE (1)
DAVID A. MARSHALL (2)
EDWARD J. SUSLOVIC (3)
CHERYL A. LEBMAN (4)

EXHIBIT F TO THOMPSON'S POINT TOD
TIF DISTRICT II APPLICATION TO
MDECD

CITY OF PORTLAND
IN THE CITY COUNCIL

Order 80-13/14
Tab 19 10-21-13

JOHN R. COYNE (5)
JOHN M. ANTON (A/L)
JILL C. DUSON (A/L)
NICHOLAS M. MAVODONES (A/L)

**ORDER AUTHORIZING TERMINATION OF EXISTING THOMPSON'S POINT
TRANSIT ORIENTED DEVELOPMENT (TOD) TAX INCREMENT FINANCING (TIF)
DISTRICT AND APPROVING AMENDED AND RESTATED THOMPSON'S POINT
TOD TIF DISTRICT AND ADOPTING AMENDED AND RESTATED MUNICIPAL
DEVELOPMENT PROGRAM FOR THE DISTRICT**

WHEREAS, the City of Portland is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the City as a Transit-Oriented Development and Tax Increment Financing District, and to adopt a Development Program for such District; and

WHEREAS, there is a need for economic development in the City of Portland and the surrounding region; and

WHEREAS, Thompson's Point Development Company, Inc. intends to construct certain improvements within the amended and restated Thompson's Point Transit-Oriented Development and Tax Increment Financing District (the "Amended District"), including substantial improvements in public infrastructure; and

WHEREAS, the City of Portland will utilize 25% of the tax revenues generated in the District to invest in transit-related projects, systems and services to connect Thompson's Point with other key locations in the City, such as Portland's downtown and the Portland Jetport; and

WHEREAS, there is a need to provide continuing employment opportunities for the citizens of Portland and the surrounding region; to improve and broaden the tax base of the City of Portland; and to improve the general economy of the City of Portland, the surrounding region and the State of Maine; and

WHEREAS, the Thompson's Point Development Project will help to provide continued employment for the citizens of Portland and the surrounding region; improve and broaden the tax base in the City of Portland; and improve the economy of the City of Portland and the State of Maine; and

WHEREAS, there is a need to encourage the development, expansion and improvement of commercial, retail and light manufacturing facilities within the City through the establishment of Municipal Development and Tax Increment Financing Districts in accordance with the provisions of Chapter 206 of Title 30-A; and

WHEREAS, the City has held a public hearing on the question of establishing the District in accordance with the requirements of 30-A M.R.S.A. § 5223, upon at least ten

This item was given first reading on 10-21-2013.
Passage 6-0 (Councilor Anton, Leeman, Mavodones absent)
on 11-04--2013.

(10) days prior notice published in a newspaper of general circulation within the City; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the designation of the Amended District, if any; and

WHEREAS, the City desires to terminate the existing Thompson's Point TOD TIF District and the Development Program for the District, originally designated and approved by the City Council on June 20, 2011 and approved by the State of Maine Department of Economic and Community Development on July 28, 2011, and desires to designate an Amended Thompson's Point TOD TIF District and adopt an Amended and Restated Development Program for such Amended District; and

WHEREAS, it is expected that approval will be sought and obtained from the Maine Department of Economic and Community Development, approving the termination of the existing Thompson's Point TOD TIF District and the designation of the Amended Thompson's Point TOD TIF District and the adoption of the Amended and Restated Municipal Development Program for the District;

NOW THEREFORE BE IT HEREBY ORDERED BY THE CITY COUNCIL AS FOLLOWS:

Section 1. The City hereby finds and determines that:

(a) The acquisition, construction and installment of all real and personal property improvements, buildings, structures, fixtures and equipment within the district contemplated by the Amended And Restated Municipal Development Program will be completed in accordance with State law; and

(b) The designation of the Amended District and pursuit of the Amended and Restated Municipal Development Program for the Amended District will generate substantial economic benefits for the City and its residents, will contribute to the betterment of the health, welfare and safety of the inhabitants of the City, including employment opportunities, broadened and improved tax base and economic stimulus, and therefore the designation of the Amended District constitutes a good and valid public purpose. The City Council has considered all evidence, if any, presented to the Council 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 designation of the Amended District and adoption of the Amended and Development Program.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, the City hereby terminates the existing Thompson's Point TOD TIF District and establishes a new and amended restated Thompson's Point Transit-Oriented Development and Tax Increment Financing District, as more particularly set forth in the document entitled "Amended and Restated THOMPSON'S POINT TRANSIT-ORIENTED DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT" as presented to the City Council in substantially the form attached hereto as Attachment 1 and that document is hereby incorporated by reference into this resolution and approved as the Amended and Restated Municipal Development Program for the District (the "Amended and Restated Development Program") in substantially the form attached.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5227, the City hereby adopts the statement of the percentage of Increased Assessed Value to be retained by the City as Captured Assessed Value as set forth in the Amended and Restated Development Program.

Section 4. The City Manager be, and hereby is, authorized, empowered and directed to submit the proposed designation of the Amended District and the Amended and Restated Development Program for the Amended District to the State of Maine Department of Economic and Community Development for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The City Manager, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the documents related to the Amended and Restated Development Program as he may deem reasonably necessary or convenient in order to facilitate the process for review and approval of the Amended and Restated Development Program by the State of Maine Department of Economic and Community Development, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Council in adopting the Amended and Restated Development Program.

Section 6. The City Manager be, and hereby is, authorized to execute and deliver an amended and restated credit enhancement agreement substantially in the form described in the Amended and Restated Development Program and attached as Attachment H thereto, and to terminate the credit enhancement agreement previously entered as of July 1, 2011.

Section 7. The foregoing designation of the Amended District and the adoption of the Amended and Restated Development Program for the Amended District shall automatically become final and shall take full force and effect upon receipt by the City of approval of the designation of the Amended District and adoption of the Amended and Restated Development Program by the Department of Economic and Community Development, without requirements of further action by the City, the Council or any other party.

A TRUE COPY

ATTEST:

Katherine L. Jones
Katherine L. Jones, City Clerk
Portland, Maine

DATE

11-20-2013

MICHAEL F. BRENNAN (MAYOR)
KEVIN J. DONOGHUE (1)
DAVID A. MARSHALL (2)
EDWARD J. SUSLOVIC (3)
CHERYL A. LEEMAN (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

JOHN R. COYNE (5)
JOHN M. ANTON (A/L)
JILL C. DUSON (A/L)
NICHOLAS M. MAVODONES (A/L)

**ORDER TERMINATING CREDIT ENHANCEMENT AGREEMENT
WITH THOMPSON'S POINT DEVELOPMENT COMPANY, INC. AND APPROVING
AMENDED AND RESTATED CREDIT ENHANCEMENT AGREEMENT WITH
THOMPSON'S POINT DEVELOPMENT COMPANY, INC.**

ORDERED, that the original Credit Enhancement Agreement with Thompson's Point Development Company, Inc., dated as of July 1, 2011, be terminated; and

BE IT FUTHER ORDERED, that the Amended and Restated Credit Enhancement Agreement between the City of Portland and Thompson's Point Development Company, Inc. related to the Thompson's Point Development Project is hereby approved in substantially the form attached hereto.

Exhibit G

**CITY OF PORTLAND
THOMPSON'S POINT TRANSIT-ORIENTED DEVELOPMENT AND
TAX INCREMENT FINANCING DISTRICT**

ASSESSOR'S CERTIFICATE

The undersigned Tax Assessor for the City of Portland, Maine, does hereby certify pursuant to the provisions of 30-A M.R.S.A. § 5254 that: (1) the taxable assessed value of the Amended Thompson's Point Transit-Oriented Development and TIF District as described in the TIF District Program to which this certificate is included, was \$4,970,470 as of March 31, 2013 (i.e., April 1, 2012); this represents a value of \$3,844,900 for the original district, and \$1,125,570 for the additional property both as of March 31, 2013.

IN WITNESS WHEREOF, this certificate has been executed as of this 17th day of December 2013.

CITY ASSESSOR

By: Richard W. Blackburn
Richard W. Blackburn

CREDIT ENHANCEMENT AGREEMENT

between

CITY OF PORTLAND, MAINE

And

THOMPSON'S POINT DEVELOPMENT COMPANY, INC.

Dated as of July 1, 2011

Amended and Restated as of November 4, 2013

TABLE OF CONTENTS

ARTICLE I DEFINITIONS	2
Section 1.1. <u>Definitions</u>	2
Section 1.2. <u>Interpretation and Construction</u>	4
ARTICLE II DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS	5
Section 2.1. <u>Creation of Development Program Fund</u>	5
Section 2.2. <u>Deposits into Developer TIF Account</u>	5
Section 2.3. <u>Use of Monies in Developer TIF Account</u>	5
Section 2.4. <u>Monies Held in Trust</u>	6
Section 2.5. <u>Investments</u>	6
Section 2.6. <u>Tax Payments</u>	6
ARTICLE III PAYMENT OBLIGATIONS	6
Section 3.1. <u>Captured Assessed Value; Retained Tax Increment</u>	6
Section 3.2. <u>Credit Enhancement Payments</u>	7
Section 3.3. <u>Failure to Make Payment</u>	7
Section 3.4. <u>Manner of Payments</u>	7
Section 3.5. <u>Obligations Unconditional</u>	7
Section 3.6. <u>Limited Obligation</u>	8
ARTICLE IV PLEDGE AND SECURITY INTEREST	8
Section 4.1. <u>Pledge of Developer TIF Account</u>	8
Section 4.2. <u>Perfection of Interest</u>	9
Section 4.3. <u>Further Instruments</u>	9
Section 4.4. <u>Liens</u>	9
Section 4.5. <u>Access to Books and Records</u>	9
ARTICLE V DEFAULTS AND REMEDIES	9
Section 5.1. <u>Events of Default</u>	9
Section 5.2. <u>Remedies on Default</u>	10
Section 5.3. <u>Remedies Cumulative</u>	11
Section 5.4. <u>Enforcement Rights</u>	11
ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION	11
Section 6.1. <u>Effective Date and Term</u>	11
Section 6.2. <u>Cancellation and Expiration of Term</u>	12
ARTICLE VII ASSIGNMENT	12
Section 7.1. <u>Consent to Pledge and/or Assignment</u>	12
Section 7.2. <u>Assignment</u>	12
ARTICLE VIII MISCELLANEOUS	13
Section 8.1. <u>Successors</u>	13

Section 8.2. <u>Parties in Interest</u>	13
Section 8.3. <u>Severability</u>	13
Section 8.4. <u>No Personal Liability</u>	13
Section 8.5. <u>Counterparts</u>	14
Section 8.6. <u>Governing Law</u>	14
Section 8.7. <u>Notices</u>	14
Section 8.8. <u>Amendments</u>	15
Section 8.9. <u>Net Agreement</u>	15
Section 8.10. <u>Integration</u>	15
Section 8.11. <u>Project Responsibility</u>	15
Section 8.12. <u>Benefit of Assignees or Pledgees</u>	16
Section 8.13. <u>No Third Party Benefits</u>	16
Section 8.14. <u>Indemnification</u>	16
Section 8.15. <u>Waiver of Recapture</u>	17

EXHIBITS:

Exhibit A. Thompson’s Point Transit-Oriented Development and Tax Increment Financing District Program Application

Exhibit B. Developer Tax Increment Revenues

Exhibit C. Annual Payment Certification Form

THIS CREDIT ENHANCEMENT AGREEMENT dated as of July 1, 2011, amended and restated as of November 4, 2013, between the City of Portland, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine, a corporation duly organized and existing under the laws of the State of Maine (the "City"), with a place of business in Portland, Maine, and Thompson's Point Development Company, Inc., a Maine corporation (the "Developer"), having an office at 55 Lisbon Street, Suite 2400 Lewiston, Maine.

WITNESSETH

WHEREAS, the City designated the original Thompson's Point Transit-Oriented Development and Tax Increment Financing District (the "original District") and adopted a development program therefor (the "Development Program") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Portland City Council on June 20, 2011 and the application was approved by DECD on July 28, 2011; and

WHEREAS, the City amended the Thompson's Point Transit-Oriented Development and Tax Increment Financing District (the "Amended District") and adopted an amended and restated development program therefor (the "Amended Development Program") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Portland City Council on November 4, 2013; and

WHEREAS, upon submission of an application to DECD, the City expects DECD to review and approve the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District and the Amended Development Program; and

WHEREAS, the City designated the Thompson's Point Transit-Oriented Development and Tax Increment Financing District, adopted the Development Program and entered into this Agreement in order to induce the Developer to redevelop Thompson's Point into a gateway destination in a manner that includes a substantial investment in public infrastructure, including a large above-ground parking structure, transportation improvements, extensions of public roads, utility investments and expanded walking and biking trails, and to support the Developer's investment into the Project by enabling the City to contribute toward the capital cost of the Project in the amounts contemplated by the Development Program and this Agreement; and

WHEREAS, in connection with the Development Program, and as contemplated thereby, the City and the Developer have agreed to execute and deliver this Agreement; and

WHEREAS, the City and the Developer desire and intend that this Agreement, as amended and restated herein, shall be and constitute the credit enhancement agreement contemplated by and described in the Amended Development Program;

WHEREAS, the Developer has, since the date of the original Agreement, secured additional property adjacent to the original premises that constituted the original District, the

inclusion of which in an expanded Amended District enables the highest and best use of the Thompson's Point property, including the effectuation of the relocation of Suburban Propane from Thompson's Point and the location of two components of the development program adjacent to the rail corridor, thereby enhancing the Transit-Oriented Development program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. Definitions.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise. All other capitalized terms not otherwise defined herein shall have the meaning given such terms in the Development Program.

“Act” means Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

“Agreement” shall mean this Credit Enhancement Agreement as amended and restated and dated as of the date set forth above between the City and the Developer, as such may be further amended by the parties from time to time.

“Amended Development Program” means the amended and restated development program and financial plan for the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District adopted by the City and attached hereto as Exhibit A. “Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District” shall have the meaning given such term in the recitals hereto.

“Captured Assessed Value” means the percentage of Increased Assessed Value retained in the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District in each year during the term of the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District as specified in Section 3.1 below.

“City” shall have the meaning given such term in the recitals hereto.

“Current Assessed Value” means the then current assessed value of the Property located within the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District to be determined by the City's Assessor as of April 1 of each year that this Agreement remains in effect.

“DECD” means the State of Maine Department of Economic and Community Development.

“Developer” shall have the meaning given such term in the first paragraph hereto, and shall also mean and include any assignee or successor thereof, including but not limited to any future limited partnership formed by Developer.

“Developer Tax Increment Revenues” means in each year this Agreement is in effect an amount of money equal to the Retained Tax Increment Revenues allocated to the Developer pursuant to Section 3.1 hereof.

“Developer TIF Account” means the account described in the Financial Plan section of the Amended Development Program and established and maintained pursuant to the Development Program and Article II hereof.

“Financial Plan” means the financial plan described in the “Financial Plan” section of the Amended Development Program.

“Increased Assessed Value” means the valuation amount by which the Current Assessed Value of the Property exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any year, there is no Increased Assessed Value in that year.

“Original Assessed Value” means the combined total of the Original Assessed Value of the original District and the Original Assessed Value of the additional parcels, which is \$4,970,470. The “Original Assessed Value of the original District” means \$3,844,900, the assessed value of the Property as of March 31, 2013 (i.e., April 1, 2012). “Original Assessed Value of the additional parcels” means \$1,125,570, the March 31, 2013 (i.e., April 1, 2012) assessed value of the approximately 2 acres of additional parcels added to the original District in 2013.

“Project” means Phase One of the redevelopment of Thompson's Point and the associated off-site public improvements, all as described in the Amended Development Program.

“Project Cost Account” means the account in the Development Program Fund described in Section 2.01 of the Amended Development Program and established and maintained pursuant to the Amended Development Program and Article II hereof.

“Project Costs” means all costs incurred by the Developer on the Project within the meaning set forth in 30-A M.R.S.A. §5222(14), as amended.

“Property” means the land and all real property improvements resulting from Phase One of the Project that are located in the approximately 30-acre Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District and taxable by the City.

“Property Taxes” means any and all ad valorem property taxes levied, charged or assessed against the Property by the City or on its behalf and actually paid to the City, but excluding any county, state or special district taxes that are separately levied, charged or assessed against the Property.

“Qualified Investments” shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law, and which are of the same type and tenor as the investments in which the City invests its own funds.

“Retained Tax Increment Revenues” means that portion of Property Taxes paid with respect to the Captured Assessed Value.

“Tax Payment Date” means the later of the date(s) on which Property Taxes assessed by the City with respect to the Property are due or are paid, or if any such day is not a business day, the next succeeding business day.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. §5222(18), as amended, to wit: April 1 to March 31.

“Triggering Event” means the first Tax Year when the Increased Assessed Value of the Property located within the original District first equals at least five Million Dollars (\$5,000,000.00). The “Triggering Event” for the additional parcels added to the original District by amendment in 2013 means the first Tax Year when the combined Increased Assessed Value of those parcels first equals at least five Million Dollars (\$5,000,000.00).

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

- a. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.
- b. Words importing a particular gender mean and include correlative words of every other gender.
- c. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

d. Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

e. All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

ARTICLE II

DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

Within sixty (60) days after the Effective Date, the City shall create and establish a segregated fund designated as the "Thompson's Point Development Program Fund" (hereinafter the "Development Program Fund") pursuant to, and in accordance with the terms and conditions of, the Amended Development Program and 30-A M.R.S.A. § 5227(3). The Development Program Fund shall consist of a Project Cost Account that is pledged to and charged with the payment of project costs as outlined in the Financial Plan of the Amended Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(1). The Project Cost Account shall also contain two subaccounts designated as the "Developer TIF Account" and the "City Transit Account".

Section 2.2. Deposits into Developer TIF Account.

Each year during the term of this Agreement, commencing with the Tax Year in which the Triggering Event falls and continuing thereafter for the remaining term of this Agreement, there shall be deposited into the Developer TIF Account contemporaneously with each payment of Property Taxes an amount equal to that portion of the Property Taxes constituting Developer Tax Increment Revenues for the period to which the payment relates. Any and all revenues, if any, resulting from investment of monies on deposit shall be retained by the City and withdrawn from the Developer TIF Account contemporaneously with payment to the Developer.

Section 2.3. Use of Monies in Developer TIF Account.

Monies deposited in the Developer TIF Account shall be used and applied exclusively to fund the City's payment obligation described in Article III hereof.

Section 2.4. Monies Held in Trust.

All monies required to be paid into the Developer TIF Account under the provisions hereof and the provisions of the Amended Development Program, other than investment earnings thereon, shall be held by the City, in trust, for the benefit of the Developer.

Section 2.5. Investments.

Any monies in the Developer TIF Account shall be invested and reinvested in Qualified Investments as determined by the City. The City shall have discretion regarding the investment of such monies, provided such monies are at all times invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the City shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The City shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Developer TIF Account. If the City experiences any losses in association with these investments related to the Developer TIF Account, the City shall still pay to the Developer the amounts required under Section 3.1 hereof.

Section 2.6. Tax Payments.

The Developer shall pay or cause to be paid when due all Property Taxes assessed by the City unless contested by the Developer by appropriate proceedings pursuant to Maine law. No payments shall be made by the City under this Agreement at any time any such taxes or amounts are due and unpaid.

**ARTICLE III
PAYMENT OBLIGATIONS**

Section 3.1. Captured Assessed Value; Retained Tax Increment.

During the term of the Amended Development Program, the City shall annually retain the percentage of Increased Assessed Value indicated on Exhibit B attached hereto as Captured Assessed Value. The Property Taxes paid with respect to the Captured Assessed Value shall be retained as Retained Tax Increment Revenue. Each year during the term of this Agreement, the City shall deposit into the Developer TIF Account contemporaneously with each payment of Property Taxes an amount equal to one hundred percent (100%) of that portion of the property tax payment constituting Developer Tax Increment Revenues, in accordance with the provisions of Section 2.2 of this Agreement and the priorities established by 30-A M.R.S.A. § 5227(3)(B),

starting with taxes assessed for the Tax Year in which the Triggering Event falls and continuing thereafter for the remaining term of this Agreement, ending with taxes assessed for the City's 2043-2044 fiscal year, based on the April 1, 2043 Current Assessed Value.

Section 3.2. Credit Enhancement Payments.

The City shall pay to the Developer all Developer Tax Increment Revenues due and owing pursuant to Section 3.1 and then on deposit in the Developer TIF Account within thirty (30) days following the last Tax Payment Date in each fiscal year during the term of this Agreement, or within thirty (30) days of receipt of the Developer's request for annual payment submitted in accordance with Section 3.4(b) hereof, whichever shall occur last.

Section 3.3. Failure to Make Payment.

In the event the City should fail to, or be unable to, make any of the payments required under the foregoing provisions of this Article III, the item or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. The Developer shall have the right to initiate and maintain an action to specifically enforce the City's obligations hereunder, including without limitation, the City's obligation to establish and maintain the Account and to deposit Developer Tax Increment Revenues to the Account and its obligation to make required payment to the Developer.

Section 3.4. Manner of Payments.

a. The payments provided for in this Article III shall be paid in immediately available funds in the manner provided hereinabove for the Developer's own use and benefit. Notwithstanding the above, no payments shall be made unless used to satisfy debt service on indebtedness incurred to finance qualified "Project Costs" as that term is defined under Chapter 206 of Title 30-A of the Maine Revised Statutes and as described as part of the Project in the Amended Development Program or used to pay directly, or to reimburse the Developer for payment of such Project Costs.

b. The City shall make required payments in response to requests for annual payment submitted by the Developer setting forth the amount of the payment and containing a certification in the form attached hereto as Exhibit C.

Section 3.5. Obligations Unconditional.

Except as otherwise expressly provided in this Agreement, the obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be

absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Developer. Notwithstanding the above, the City reserves the right to terminate this Agreement upon a final judgment by a court of competent jurisdiction to the effect that the Agreement or Amended Development Program adopted in connection herewith or any payment made thereunder is or would be illegal or invalid. In such event, the termination shall relate back to the original date of the Agreement which shall be deemed void ab initio, and neither party shall have any obligations or liability hereunder, under the Amended Development Program or in respect of any of the transactions contemplated thereby, and shall be left in whatever positions, financial or otherwise, they may be in as of the date of termination.

Section 3.6. Limited Obligation.

Except as otherwise expressly provided in this Agreement, the City's obligations of payment hereunder shall be limited obligations of the City payable solely from Retained Tax Increment Revenues and any earnings thereon, pledged therefor under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation on the part of the City or a charge against or pledge of the faith and credit or taxing power of the City, but shall be payable solely from the Retained Tax Increment Revenues received by the City, and any earnings thereon. This Agreement shall not directly or indirectly or contingently obligate the City to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the City's obligation to assess property taxes upon the Project and the pledge of the Retained Tax Increment Revenues established under this Agreement.

**ARTICLE IV
PLEDGE AND SECURITY INTEREST**

Section 4.1. Pledge of Developer TIF Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing the City's payment of the amounts provided for hereunder, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, the City does hereby grant a security interest in and pledge to the Developer the Developer TIF Account and all sums of money and other securities and investments therein.

Section 4.2. Perfection of Interest.

To the extent deemed necessary or desirable by the Developer, the City shall cooperate with the Developer in executing certain control or three party agreements, and also consent to appropriate financing statements and continuation statements being duly filed and recorded in the appropriate state offices, as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests in the funds in the Developer TIF Account.

Section 4.3. Further Instruments.

The parties hereto shall, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement, provided, however that no such instruments or agreements shall pledge the credit of the City.

Section 4.4. Liens.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Developer TIF Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 4.5. Access to Books and Records.

All books, records, notes and documents in the possession of the City relating to the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District, the Amended Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Developer TIF Account shall at all reasonable times be open to inspection by the Developer, its agents and employees.

**ARTICLE V
DEFAULTS AND REMEDIES**

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

- a. Any failure by the City to pay any amounts due under Section 3.3 above when the same shall become due and payable;

b. Any failure by the City to make deposits into the Developer TIF Account as and when due;

c. Other than as provided in paragraph (a) and (b) above, any failure by the City or the Developer to observe and perform in all material respects any respective covenant, condition, agreement or provision contained herein on the part of the City or the Developer respectively to be observed or performed, including any failure of the Developer to use payments made under this Agreement as required in Section 3.6 of this Agreement, which failure is not cured within thirty (30) days following written notice thereof; provided, however, that this subsection (c) shall not be construed to include the Developer's failure to pay Property Taxes on the Property in the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District for any reason as an Event of Default hereunder; and

d. If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises shall appoint a conservator or receiver or liquidator for the City, or if any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings for the winding up or liquidation of the City's affairs shall have been entered against the City or if the City shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the City or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the City or the failure by the City to have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the City.

Section 5.2. Remedies on Default.

Whenever any Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps: (a) the non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and (b) the Developer shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine. No party has the right to terminate this Agreement.

Section 5.3. Remedies Cumulative.

No remedy herein conferred upon or reserved by any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default or to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

Section 5.4. Enforcement Rights.

The City and the Developer agree that each party hereto shall have the right to initiate a legal proceeding to enforce the specific performance of this Agreement, it being understood and agreed that this Agreement is a material inducement to the Developer continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the Developer and the City shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or other dispute resolution mechanism.

**ARTICLE VI
EFFECTIVE DATE, TERM AND TERMINATION**

Section 6.1. Effective Date and Term.

This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof and shall expire on the later of the end of the 2043-2044 fiscal year of the City or upon the performance of all obligations on the part of the City and the Developer hereunder, including without limitation payment of all amounts to be paid to Developer.

Section 6.2. Cancellation and Expiration of Term.

At the termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and the Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

**ARTICLE VII
ASSIGNMENT**

Section 7.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that the Developer may from time to time pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all the Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for financing the Amended Development Program, on one or more occasions during the term hereof. The City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by such prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder. The City agrees to execute and deliver any other documentation including, without limitation, any reasonable three-party control agreement, as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to such pledgee or assignee such rights and/or remedies as the Developer or such pledgee or assignee may reasonably deem necessary for the establishment, perfection and protection of its interest herein.

Section 7.2 Assignment.

Except as provided in Section 7.1, and except for the purpose of securing financing for the Project or for an assignment to a successor entity or an affiliate entity, the Developer shall not transfer or assign any portion of its rights in, to and under this Agreement without the consent of the City, which consent shall not be unreasonably withheld.

**ARTICLE VIII
MISCELLANEOUS**

Section 8.1. Successors.

In the event the City or the Developer are dissolved, merged into or consolidated with another entity, or undergo any form of corporate reorganization, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 8.2. Parties in Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Developer any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Developer; provided, however, that if the payment obligations of the City hereunder are held by a final and binding proceeding to be illegal or invalid, this Agreement shall terminate. In such event all obligations of the parties shall terminate, and no party shall have any further liability to the other hereunder.

Section 8.3. Severability.

Except as otherwise provided herein, in case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability.

(a) No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity and neither the members of the City Council of the City, or any official, officer, agent, servant or employee of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement of the Developer contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future director, member, officer, agent, servant or employee of the Developer in his or her individual

capacity and neither the directors, members, officers, agents, servants or employees of the Developer shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement in all respects.

Section 8.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, or, for any notice of an Event of Default, by registered or certified mail, return receipt requested, addressed as follows:

If to the City:

Corporation Counsel's Office
City of Portland
389 Congress Street
Portland, ME 04101

If to the Developer:

Thompson's Point Development Company, Inc.
55 Lisbon Street, Suite 2400
Lewiston, ME 04240
Attn: Christopher M. Thompson

With a copy to:

Bernstein Shur
100 Middle Street, P.O. Box 9729

Portland, ME 04104
Attn: Joan M. Fortin, Esq.

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.8. Amendments.

Neither this Agreement nor the Amended Development Program may be amended without the express written consent of all of the parties hereto, which consent shall not be unreasonably withheld, conditioned or delayed. Provided, however, the parties agree to amend this Agreement in order to fulfill such reasonable requirement that a lender may require in connection with financing of the Project. This Agreement may only be amended in compliance with the provisions of 30-A M.R.S.A. §5211 et seq., as amended.

Section 8.9. Net Agreement.

This Agreement shall be deemed and construed to be a “net agreement,” and the City shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, or setoffs; provided, it is understood that the City's payment obligations are to be satisfied solely from Retained Tax Increment Revenues actually paid in by the Developer and received by the City.

Section 8.10. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 8.11. Project Responsibility.

The parties hereto agree, and the City hereby acknowledges that the Developer shall have no obligation to go forward with the Project referred to herein or in the Amended Development Program. Such Project is subject to final approval by the Developer.

Section 8.12. Benefit of Assignees or Pledges.

The City agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Developer's right, title and interest herein.

Section 8.13. No Third Party Benefits.

Except as otherwise expressly authorized herein, this Agreement is entered into solely between, and may be enforced only by the City and the Developer and its assignees or pledgees, and this Agreement will not be deemed to create any rights in other third parties, or to create any obligations of a party to this Agreement to any such third parties. In clarification of the foregoing, no tenant at the Property obligated under its lease or rental agreement with the Developer to pay all or any portion of the property taxes associated with the Property shall be entitled to any of the funds in the Developer TIF Account or to the benefit thereof without a formal assignment or pledge from the Developer of the rights and duties to this Agreement.

Section 8.14. Indemnification.

a. The Developer agrees to defend, indemnify and hold harmless the City, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with the City's approval of the Amended Thompson's Point Transit-Oriented Development and Tax Increment Financing District and its preparation of and participation in this Agreement, including expenses arising from any default hereunder by the Developer but excluding any such claims or expenses as may relate to actions or proceedings resulting from a default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

b. The City agrees to defend, indemnify and hold harmless the Developer, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with any default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

Section 8.15. Waiver of Recapture.

In order to induce Developer to construct the Project, in the event this Credit Enhancement Agreement, the Amended Development Program or designation of the Thompson's Point Transit-Oriented Development and Tax Increment Financing District is found or held void or invalid or if for any reason the payments made by the City hereunder are held contrary to law or improper by a Court of law with final jurisdiction over this Agreement, the City irrevocably waives its rights to reclaim, recapture or otherwise recover any TIF proceeds paid to the Developer or any assignee pursuant to this Agreement.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers or members, as the case may be, all as of the date first above written.

WITNESS

CITY OF PORTLAND, MAINE

By: _____

Mark Rees
Its City Manager

**THOMPSON'S POINT DEVELOPMENT
COMPANY, INC.**

By: _____

Christopher M. Thompson
Its Secretary

EXHIBIT B to Credit Enhancement Agreement – Developer Tax Increment Revenues

TIF Years:	Percentage of Increased Assessed Value to be Captured as Captured Assessed Value and Reimbursed to Developer for Phase One Only:
Years 1-10	75%
Years 11-15	60%
Years 16-20	50%
Years 21-30	40%

Notes:

Notwithstanding the “Tax Year” identified in the same row with the “TIF Year” on Exhibit C-1 of the Development Program, TIF Year 1 shall be the tax year in which the Triggering Event takes place as set forth in Section 2.2 of the Agreement. There will be separate triggering events for the original District and the additional parcels added to the original District by amendment in 2013. The “Triggering Event” for the original District means the first Tax Year when the Increased Assessed Value of the original District first equals at least five Million Dollars (\$5,000,000.00). Similarly, the “Triggering Event” for the additional parcels added to the original District by amendment in 2013 means the first Tax Year when the combined Increased Assessed Value of those parcels first equals at least five Million Dollars (\$5,000,000.00).

EXHIBIT C to Credit Enhancement Agreement – Annual Payment Certification Form

Thompson's Point Transit-Oriented Development TIF District

Calculation of Developer Retained Tax Increment Revenues

The undersigned does hereby certify as follows:

a. For the City's fiscal year [REDACTED], the Current Assessed Value of the Property is \$ [REDACTED] and the current mil rate is [REDACTED].

b. The Original Assessed Value is \$4,970,470_____.

c. The Captured Assessed Value is \$ [REDACTED], calculated as follows:

Current Assessed Value (from paragraph (a)):	\$ [REDACTED]
minus Original Assessed Value (from paragraph (b)):	-\$4,970,470_____
equals Increased Assessed Value:	\$ [REDACTED]
times Annual TIF Percentage (from Exhibit B):	[REDACTED]%
equals Captured Assessed Value for Developer:	\$ [REDACTED]

d. The Developer Retained Tax Increment Revenues is \$ [REDACTED], calculated by multiplying the Captured Assessed Value for Developer times the current mil rate.

Date: _____

By: _____

Name: _____

Its: _____