

# CARIBOU DOWNTOWN DISTRICT PLAN



Prepared for the City of Caribou

By Kent Associates Planning & Design and Wright-Pierce Engineers  
In association with Eaton Peabody Consulting Group

Adopted March 24, 2008

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## ACKNOWLEDGEMENTS

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Overall project administration and guidance came from Mary Walton, Caribou Community Development Director, and Steven Buck, City Manager.

The Caribou Downtown Revitalization Advisory Committee, also provided guidance to the consultant team on this project:

David Corriveau  
Athill Herbert  
Alan Hitchcock  
Robert Kieffer  
Wendy Landes (Caribou Chamber of Commerce & Industry)  
Doug Morrell  
David Ouellette  
Kendall Roy

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# I EXECUTIVE SUMMARY

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The Caribou Downtown District Plan establishes a set of recommendations for public improvements for the Downtown District, as defined by the Downtown TIF District boundaries. These recommendations are based on an assessment of the downtown revitalization needs and opportunities, and establish priorities for public investment within the District (also establishing qualified costs for the TIF District).

The components of the Downtown Plan include public streetscape improvements, pedestrian safety and amenities, roadway improvements, downtown gateways, signage/wayfinding, downtown promotion and economic development, public-private opportunities including a façade improvement program, and the further development and expansion of the Downtown TIF program.

Several issues to be addressed in the Plan were identified in this process. Establishing a program for public improvements and investments in the Downtown is essential. The priorities established in this Plan will help guide the City in moving implementation forward and in seeking and dedicating funding in the Downtown.

Among these public improvements, the need for road improvements, expanding streetscape improvements to unify the Downtown, and the need for a signage system for wayfinding (including gateways) were highlighted in the assessment. Roads in the Lyndon Square District and High Street in particular are in need of traffic and pedestrians improvements, and continue to be visually detracting to the Downtown. Until such time as bypass traffic separation is constructed, the municipality will continue to seek revenues to repair the roadways within the Downtown District. Streetscape improvements from sidewalks, to lighting, to benches and other amenities should be extended beyond Lyndon Square to High Street, Bennett Drive, and other areas within the District, to help unify the Downtown District visually, improve the pedestrian environment, and promote economic development. Also, there is little in the way of signage to adequately address wayfinding within the Downtown; adding signage of a consistent design at gateways and other key locations would greatly improve visitors' ability to find their way to key destinations and services. Other important issues touched upon in this Plan include the incorporation of the 2004 Caribou Recreational Trails Plan recommendations for the Downtown area, the Goals and Strategies for the Downtown outlined within the 2004 Caribou Comprehensive Plan, and the need for marketing, promotion and economic development planning for the Downtown.

Finally, the need to expand the Downtown TIF District has arisen from this process, as it is recognized that opportunities such as the riverfront, South Main Street, and the Light Industrial Park are all important to tie into Downtown planning and improvements.

The improvements identified as "qualified costs" for the Downtown TIF District Program are prioritized according to significant Committee and public input throughout the process, and estimated costs are associated with each component. In addition to the TIF revenues generated from the Program, it is imperative that the City pursue grant funding opportunities to accomplish these tasks in a timely manner. Plan implementation will be accomplished through City administration working with business owners and partners at the local, state and federal levels, and will in turn spur revitalization and new growth for the City in the years ahead.

# II INTRODUCTION

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## I. PURPOSE, PLAN GOALS

Caribou has made great strides in investing in its Downtown, engaging in practical planning and seeing actions through to implementation. Following the 2000 Downtown Revitalization Plan (which was focused only on the Lyndon Square area), the 2003 Downtown Traffic Study, the 2004 Recreational Trails Plan, the 2004 Comprehensive Plan, and the establishment of the Downtown TIF District (2006), the City sought to update and expand the plan for the Downtown, in particular to tie it to the TIF district and program.

### **Plan Goals:**

1. Assess downtown revitalization needs & opportunities
2. Establish priorities for public investment & outline action strategies for revitalization
3. Establish a program & qualified costs for the Downtown TIF District

### **Plan Components:**

From initial discussions with City staff and the Downtown Revitalization Committee, the following elements were identified as components to be addressed in the Downtown Plan:

- TIF program development
- Public streetscape improvements (lighting, landscaping, amenities)
- Pedestrian safety, walkability, amenities
- Roadway improvements, parking
- Downtown gateways
- Signage/wayfinding
- Downtown promotion/economic development
- Public-private partnership opportunities

### **Basic Components of Downtown Revitalization**

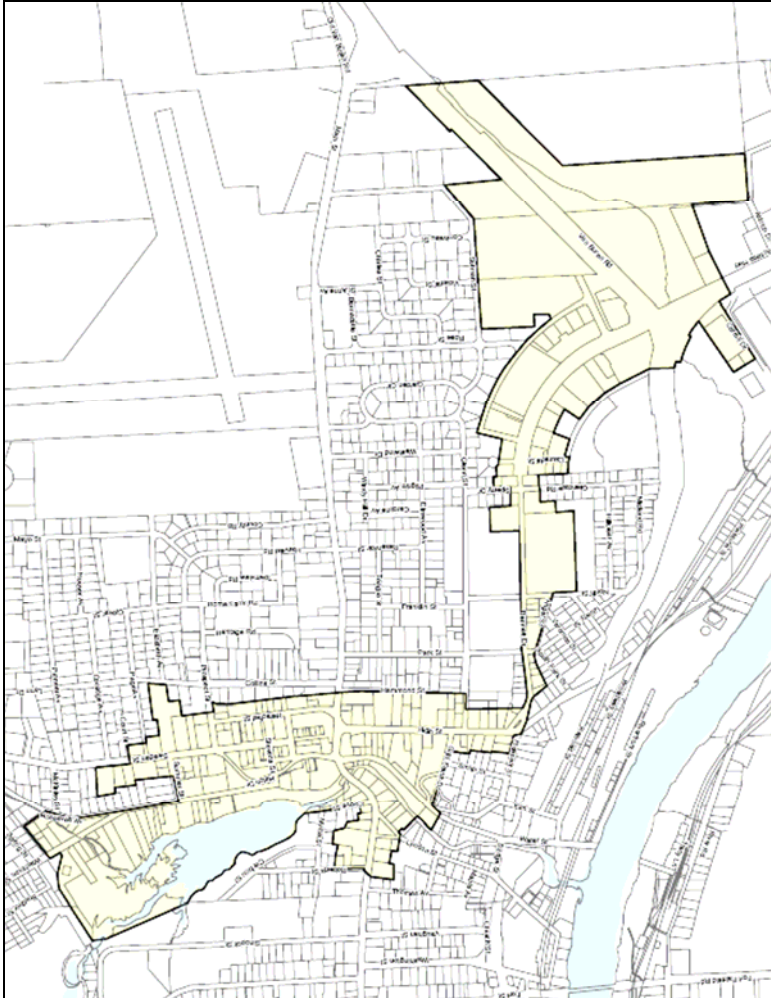
In any downtown planning process, it must be recognized that successful revitalization efforts must be built from four essential elements, as proven by the National Main Street program:

1. Design: a sound plan for physical improvements based on good design
2. Economic Development: a viable economic development program and strategies
3. Promotion: an aggressive marketing and promotion strategy, and creating a positive community image
4. Organization: the organization and “can-do” attitude to make it happen, including strong leadership and partnerships

This Plan primarily addresses the Design components of Caribou’s Downtown Development District. The remaining elements must be included in the City’s larger efforts to revitalize the Downtown.

## 2. STUDY AREA DESCRIPTION

TIF District map – Overall Downtown Study Area



The study area for this Plan is the Downtown TIF District, or Caribou Center, highlighted by the map to the left.

The TIF District is anchored by Lyndon Square, Sweden Street and High Street to the southwest, and by the Bennett Drive and Van Buren Road commercial area to the northeast.

Within this Plan, strategies are linked to particular sections or districts within the study area; these areas are described below.

A) Lyndon Square District



The Lyndon Square District includes the area around Sweden Street, Herschel Street, Hatch Drive, and Main Street, as well as part of Water Street. It is important to recognize the connections the Downtown has to the riverfront, High Street, and surrounding neighborhoods.

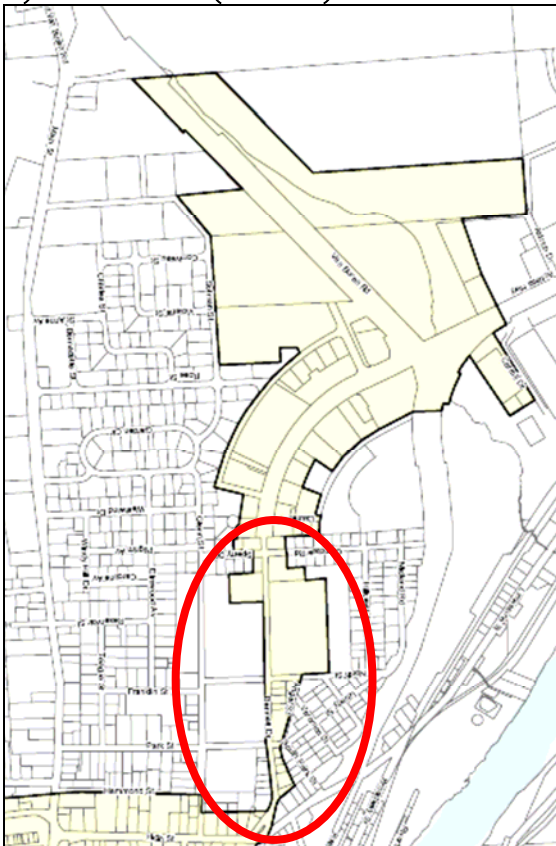


## B) High Street District



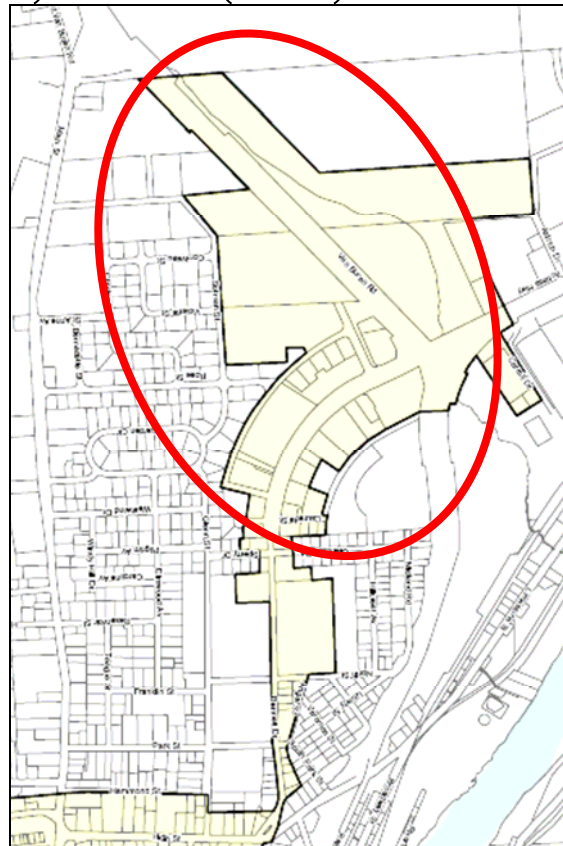
The High Street district is the connector between Lyndon Square and Bennett Drive and Route I. It serves as a center for community services as well as supporting mixed commercial and residential use.

## C) Bennett Drive (southern)



The southern segment of Bennett Drive is characterized by its community land uses (schools & recreation center) and two-lane traffic.

## D) Bennett Drive (northern) & Van Buren Road



The northern segment of Bennett Drive is characterized by larger-scale commercial/retail uses and four-lane traffic; Van Buren Road also has larger-scale commercial character (or opportunities).

### 3. ASSESSMENT

During the assessment phase of the project, the following are the main themes and issues that were highlighted:

#### I. Public investments

*“On top of the strong land use controls, the city has made a conscious effort to put most of its capital improvement funds into the designated growth areas. The City has received downtown revitalization funds [for the original study area], [received] funds to rebuild a wellness center in the downtown, [will be] seeking funds to connect the downtown with recreational trails in the rural areas, sought funds and constructed projects around Collins Pond for walking and bicyclists, and many other projects. The City has made a strong commitment to its downtown area and the surrounding residential neighborhoods.” (Caribou Comprehensive Plan)*

What are the most important improvements, programs, or initiatives for the City to invest in, for the success of the Downtown? This plan specifically looks at public improvements within the Downtown TIF District, as a means to establish priorities for future funds generated by the TIF District, as well as to provide a solid basis for additional state and federal grant opportunities. (The TIF program is described further in Section III.)

#### 2. Road improvements (Lyndon Square District, High Street), including pedestrian infrastructure & safety

The need for road improvements in the Lyndon Square District and High Street, particularly those already proposed but not funded by MDOT, was identified early on as a priority for the Downtown. These deteriorating roadways are both a growing traffic safety concern and visually detracting to the downtown. Many of the improvements proposed for the Lyndon Square area and High Street not only address traffic safety and efficiency but also address pedestrian safety through design. Maintaining Caribou’s walkability and accessibility is important to the community, and continued maintenance and enhancement of sidewalks and crosswalks is critical.

Also, the impact of the proposed bypass on traffic (regular vehicle) to the Downtown remains unknown; a study of the impacts and the need for signage for the bypass directing vehicles to the Downtown is recommended.

#### 3. Streetscape improvements

The already implemented streetscape improvements (lighting, sidewalks, tree planting, and other amenities) in the Downtown have greatly improved the look of the Downtown, and these types of enhancements are needed throughout the Downtown District to help visually unify Caribou’s community and commercial center. In addition, it is noted that trash receptacles and benches have been identified as a need throughout the District.



4. Wayfinding & Signage

Many recognize the challenge that Caribou's Downtown traffic circulation poses to visitors; while route numbers are generally well marked, common-themed signage to help "find your way" to key destinations and services in the Downtown is needed.

5. Bennett Drive & Van Buren Road opportunities

The southern section of Bennett Drive could be better tied to the rest of the Downtown through the extension of streetscape elements such as proposed on High Street. There may also be support for some streetscape and/or landscaping improvements to the commercial/retail area along Bennett Drive (northern section) and Van Buren Road.

6. Other Downtown opportunities

Other opportunities and needs raised in this process include: expanding the TIF District to include more areas adjacent to the Downtown in need of public improvements; pursuing opportunities for the redevelopment and/or conservation of Caribou's riverfront (in the area at the end of Water Street, east of the Downtown); and implementing the proposed trail connections in the Downtown District.

# III PRIORITY ACTIONS & RECOMMENDATIONS

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## 5. SUMMARY OF PRIORITIES

The following action recommendations summarize the priority improvements for the Downtown District. These recommendations are illustrated and described in more detail in Section IV. Additional strategies and recommendations for the Downtown District (lower priority) are also discussed in Section IV.

- ◆ Add **gateway signs** at key entrance points to the Downtown and its districts; coordinate gateway signs with proposed wayfinding signage.

*Gateway signs should be located at each of the major entrances to the Downtown and its districts. The gateway signs should also be designed to provide directional information as part of the Downtown's wayfinding system (see next).*

- ◆ Establish a **wayfinding signage system** for traffic in the Downtown to guide visitors to key destinations.

*A system of signage directing visitors to the Downtown and to key destinations and services within the Downtown should be developed, with a unified design that will be recognizable and easy to read.*

*As part of the establishment of a wayfinding signage system, the different sections or districts of the Downtown, such as the Lyndon Square District, High Street District, Bennett Drive District, etc., could be adopted for more effective marketing and wayfinding.*

- ◆ Gain funding and implement proposed **road improvements** for the Downtown.

*Deferred road improvements of note include Sweden Street, Herschel Street, and intersection improvements around the Downtown, as well as High Street. MDOT should be pressed as to the priority and importance of these improvements to Caribou's downtown revitalization efforts. These road improvements are a critical infrastructure investment, key to the overall Downtown Revitalization effort. The implementation of proposed streetscape improvements should be coordinated with the implementation of downtown road improvements.*

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

*Improvements to Herschel Street should include sidewalk rehabilitation, crosswalk enhancements for pedestrian safety, street tree plantings or landscaping on the south side of the street, and improvements to the Legion and Herschel Street parking lots (including adequate curbing, striping and landscaping).*

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

*Buildings that face Herschel Street should be a priority for façade improvements through façade grants, or could be considered for redevelopment opportunities.*

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

*The proposed traffic improvements for Record Street in particular (conversion to two-way traffic and associated intersection improvements) would greatly improve the accessibility of Sweden Street and many Lyndon Square businesses. Record Street improvements, as well as the other proposed Lyndon Square traffic improvements, are important to traffic and pedestrian safety, and the overall accessibility and “legibility” for the downtown.*

- ♦ **Extend Downtown streetscape elements** west along Sweden Street and east along Water Street.

*Streetscape elements such as the Downtown lampposts, tree planting, and rehabilitated sidewalks and crosswalks, should be extended west along Sweden Street (a gateway to the Downtown) between the courthouse and Prospect Street. Streetscape elements should also be extended east along Water Street, to the end of the main block of buildings.*

- ♦ Implement **trail connections** to the Downtown and Bennett Drive, as recommended in the 2004 Recreational Trails Plan and promote Downtown Caribou as a pedestrian-friendly and bike-friendly destination.

*The Caribou Recreational Trails Plan recommends adding a pedestrian trail connection from Lyndon Square to the riverfront along Water Street, as well as a multi-use trail connection to Bennett Drive businesses and the new Recreation Center. These connections are tied to ongoing recreational and economic development initiatives. Furthermore, improving bicycle routes and maintaining good pedestrian access between the Downtown and surrounding neighborhoods, parks, and schools is important for both the community and for tourism.*

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

*High Street is the key connector between Lyndon Square and Bennett Drive, and a hub for community and commercial activity. Adding streetscape elements such as Downtown-style lampposts, tree planting, and grass esplanades would greatly enhance this area and help unify it with the Downtown. These improvements should be made priority as part of the proposed road improvements and needed sewer and water infrastructure improvements.*

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

*The southern segment of Bennett Drive, between High Street and the Recreation Center and schools (to Glendale Road), primarily consists of community uses, and should be unified with the*

*Downtown by adding streetscape elements such as lampposts, tree plantings, and possibly sidewalk upgrades.*

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

*The northern segment of Bennett Drive, between Glendale Road and Van Buren Road, is a wide expanse of road, and could be greatly enhanced (visually, and pedestrian safety at crossings) with the implementation of center islands or medians as well as streetscaping.*

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

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

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

- ◆ Promote and establish Caribou as a **government service center**.

*Currently, several government entities have located in Caribou, and with the availability of office space and other factors it makes sense to adopt this economic development strategy. The City should continue to ensure that the infrastructure and services needed to support this are in place.*

- ◆ Expand the Downtown TIF District to include (generally):
  - South Main Street
  - Glenn Street
  - The Light Industrial Park
  - The Riverfront (at the mouth of Caribou Stream, Broadway Street area)

*These areas have been identified during this process for inclusion in the overall Downtown TIF District. Improvements recommended in this Plan, including streetscape, signage, trail connections, and other public investments should be an option for these additional areas tied to the Downtown and part of Caribou Center. Currently the Downtown TIF District extends as far as Roberts Street along South Main Street; the district should be extended to Fort Street or beyond so that this important gateway area to the Downtown can be included for future funding of public improvements and programs.*

# IV THE DOWNTOWN TIF PROGRAM

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The City of Caribou Downtown TIF was approved initially on March 30, 2006 and “re-approved” on March 26, 2007 based on additional information submitted to the Maine Department of Economic and Community Development (DECD).

Tax Increment Financing (TIF) is a funding mechanism and business development incentive established by the State of Maine that allows new property taxes generated by business investment/increases in valuation to be used to support the enhancement of public facilities and to support commercial growth and development projects. **This valuation “shelters” the Captured Assessed Value (CAV) and the municipality is protected from adverse adjustments to State subsidies and County taxes based upon the total valuation for the life of the TIF.** TIF’s are created and adopted by local legislative bodies and approved by DECD. TIF programs identify a defined geographic boundary (the ‘District’), a statement of objectives and public purpose (the ‘Development Program’) and a description of how TIF revenues will support the objectives (the ‘Financial Plan’). **These components are included and made a part of this District Plan.**

Earlier this decade the State acknowledged the importance of Maine’s community centers and the unique challenges facing Maine’s downtown revitalization efforts. They addressed these challenges by amending TIF statutes and establishing the Downtown TIF program. These downtown TIF districts are exempt from the usual statutory limits on TIF districts’ size and valuation, as well as local bonding constraints, which apply to ‘regular’ TIF’s.

The City of Caribou Downtown TIF was first established to support the redevelopment of a single commercial property; though a year later the TIF District was expanded to include a total of 267 acres in the City’s downtown. *The Caribou Downtown District Plan* is the result of a public process to update and expand the City’s 2000 *Downtown Revitalization Plan*, in large part to identify downtown revitalization needs and opportunities, assess the present structure of the TIF District, and establish a program of prioritized, qualified development activities and project costs for the Downtown TIF. These activities are detailed in Section V, ‘Phasing and Funding’, of this document, and are consistent with the eligible uses of TIF revenues as defined by statute.

Upon completion of this process, DECD is expecting to receive a copy of this approved or adopted Downtown District Plan to provide the basis of approved expenditures from the TIF project account.

After a careful review of the existing Downtown TIF District and the draft Revitalization Plan, the following recommendations are made regarding the existing City of Caribou Downtown TIF:

- ◆ Amend the Downtown TIF District boundaries to include the entirety of the area identified as part of the downtown within this Revitalization Plan.
- ◆ Amend the term of the Downtown TIF District from 15 years to 30 years.

Boundaries:

The value of the tax increment financing district lies largely in the ability to use sheltered revenues to fund projects that support economic development. The updated Caribou Downtown District Plan has identified several areas, such as the riverfront, **Fort Street area, Glenn Street area, the Light Industrial Park** and along South Main Street that were not included as part of the previous plan or Downtown TIF District designation. These are important areas of the City's downtown, and by including these areas within the District boundaries, the City can implement the Caribou Downtown District Plan using TIF revenues to finance any of the investments identified in the Plan. Including these additional areas will also capture, within the TIF, the tax revenue on increases valuation in these areas.

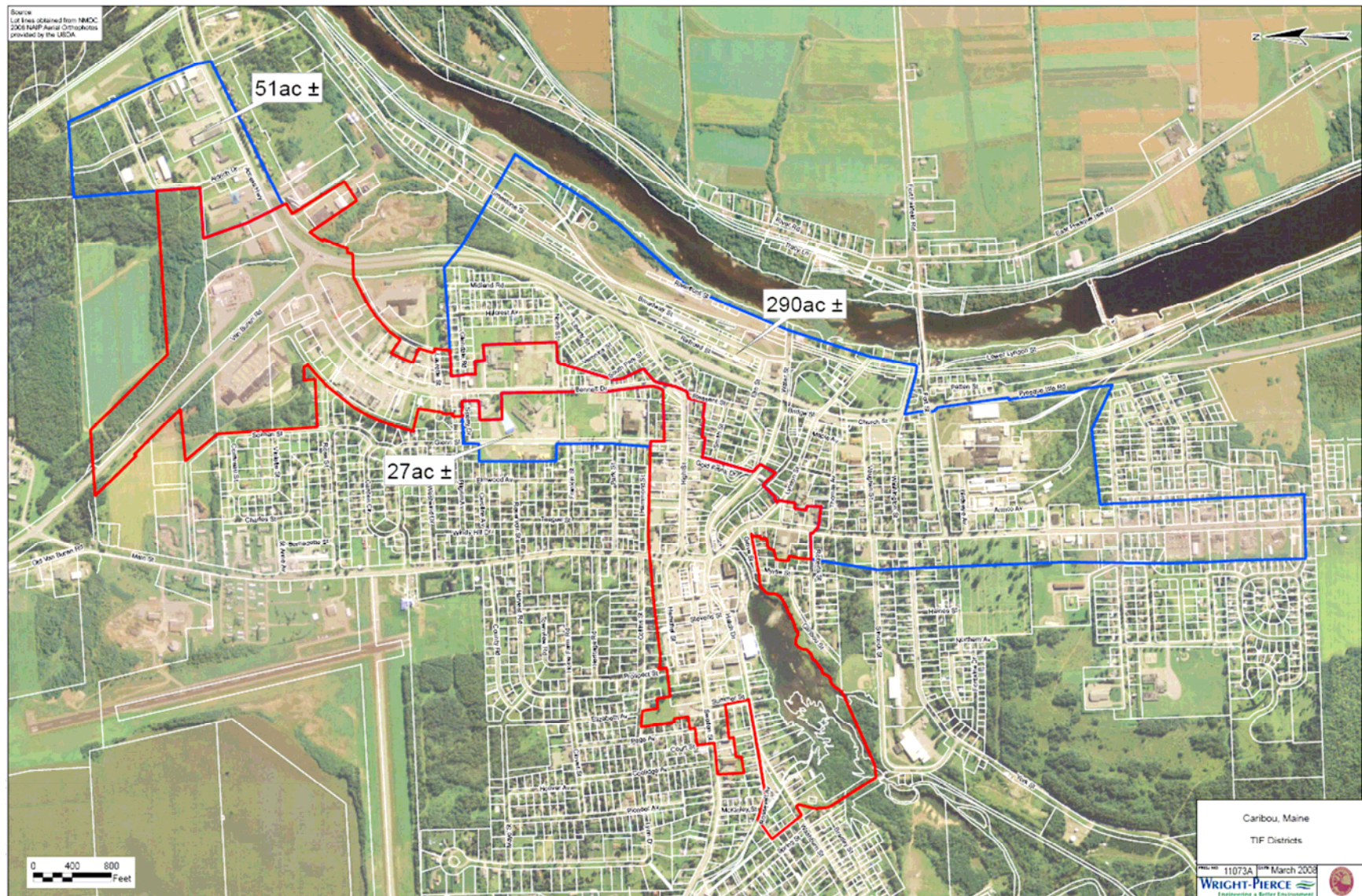
Term:

The Downtown TIF District is currently set up as a 15-year TIF. Due to the speculative nature of projecting new investment, a downtown TIF district typically approaches the limits of term allowed by statute. The projects outlined in the Caribou Downtown District Plan require expenditures by the City. By extending the term to thirty years, there is increased opportunity for the level of private investment to occur which will support the cost of the projects.

Implementing these recommendations will require a formal amendment process with a publicized Public Hearing, City Council vote, and application to DECD. An extension to the normal March 1 submittal deadline, which was recently granted to the City by DECD, will allow submittal of the City's proposed TIF amendment to be considered by the State, with approval expected prior to March 31, 2008.



## Proposed Expanded TIF District Boundaries





# V PLAN STRATEGIES & RECOMMENDATIONS

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The Plan's priority actions and other (lower priority) recommendations are described and illustrated in this section. Actions that were listed as priority (Section II) are noted.

## 6. DOWNTOWN DISTRICT-WIDE STRATEGIES

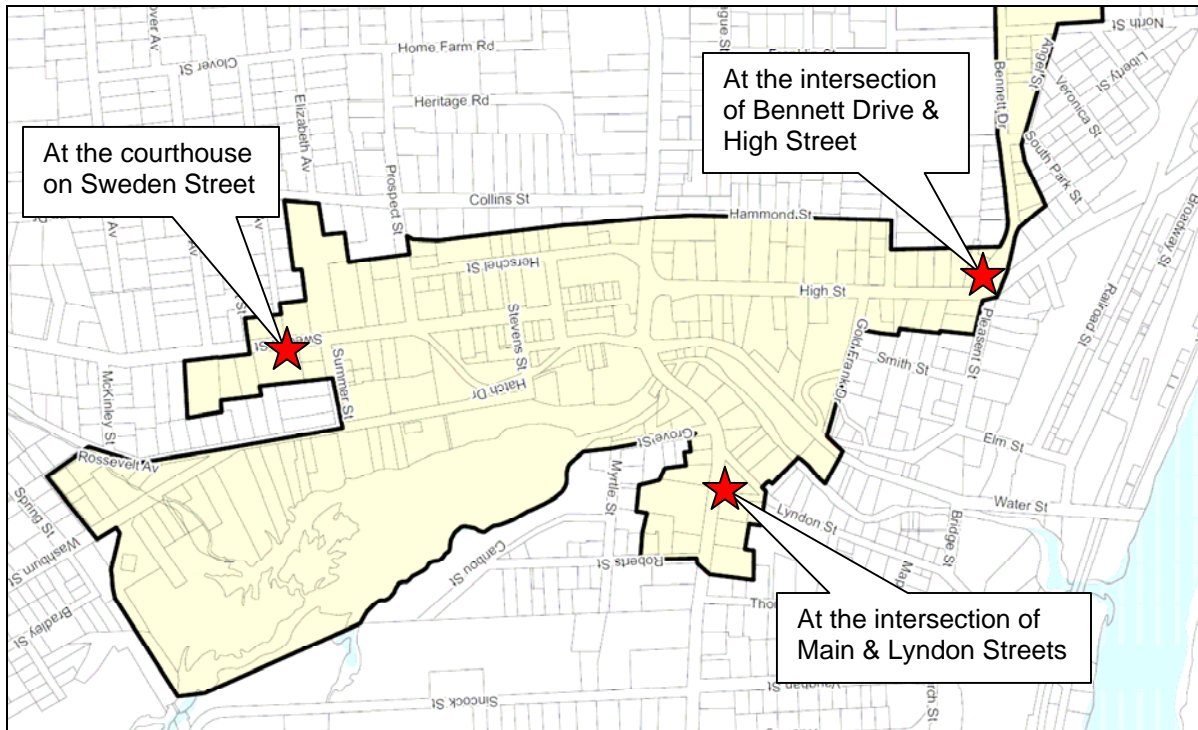
### Signage

- ♦ **Priority:** Add gateway signs at key entrance points to the Downtown and its districts; coordinate gateway signs with proposed wayfinding signage.

Gateway signs for the Downtown and the Downtown districts could be located at each of the major routes into the Downtown. The existing gateway sign (picture below), or a similarly designed sign, could be replicated to locate at each of the gateways. Other existing gateway signs on Routes 161, 89 and 1 should be replaced so that all are a consistent design. Gateway signage should also be coordinated with other wayfinding and directional signage (see next).



*A design style is already used in the existing signage (left); this same style can be used or modified for other gateway signs.*



*There are several good locations for gateway signs to the Downtown area, such as those shown above. Additional gateway sign locations, such as on Bennett Drive, could be included as well.*







- ♦ **Priority:** Establish a wayfinding signage system for traffic in the Downtown area to guide visitors to key destinations.

Wayfinding signs should be located at key 'decision points' for drivers, even in combination with gateway signs, and should highlight key destinations and City services. The signage must have a consistent, easily recognized design that is used throughout the Downtown. Wayfinding signage is especially important along Route 1 and the proposed bypass, as a way to help direct drivers in to the Downtown.



*A design style is already used in the existing signage (above left, above right); this style includes the use of the Caribou icon and consistent sign color and shape/outline.*



#### Private Improvements/Public-Private Partnership Opportunities

- ♦ Façade grant program expanded to be offered for buildings along Herschel Street, Water Street, Main Street, High Street and Bennett Drive

Buildings on High Street and Bennett Drive have been identified for the next round of façade grant opportunities, as façade grants and loans have been offered for the Downtown Mall and Sweden



Street. Consideration should be given for façade program funds to allow signage and landscaping improvements to be included.

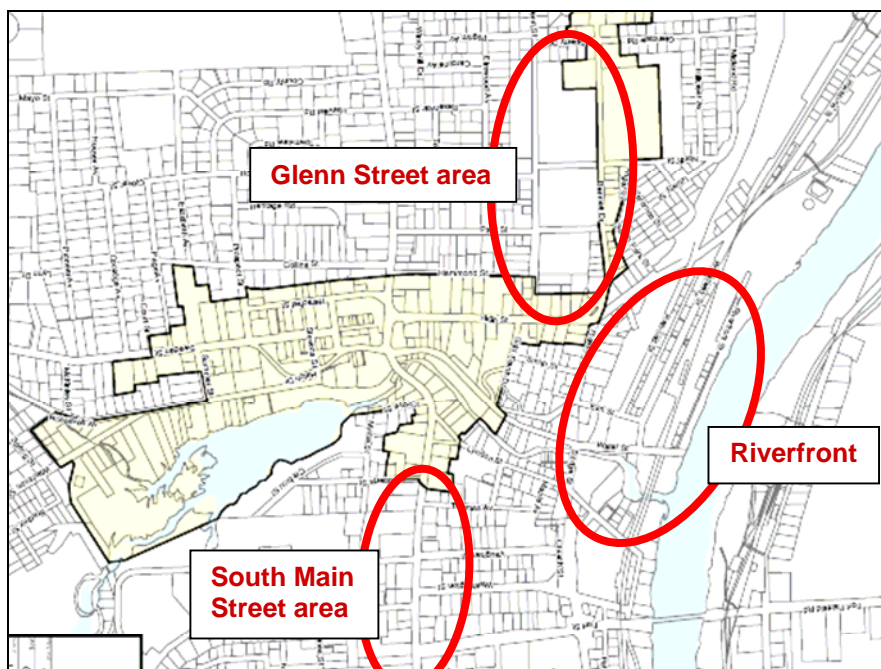
#### Redevelopment/Economic Development Initiatives

- ♦ **Priority:** Promote and establish Caribou as a government service center.

Currently, several government entities have located in Caribou, and with the availability of office space and other factors it makes sense to adopt this economic development strategy. The City should continue to ensure that the infrastructure and services needed to support this are in place.

- ♦ **Priority:** Expand the Downtown TIF District to include (generally):
  - South Main Street
  - Glenn Street
  - The Light Industrial Park
  - The Riverfront (at the mouth of Caribou Stream, Broadway Street area)

Improvements recommended in this Plan, including streetscape, signage, trail connections, and other public investments should be an option for these additional areas tied to the Downtown and part of Caribou Center. Currently the Downtown TIF District extends as far as Roberts Street along South Main Street; the district should be extended to Fort Street or beyond. The southern/lower section of Bennett Drive should be broadened to include Glenn Street and the schools, so that any improvements made tie them into the Recreation Center. The light industrial park and riverfront are both areas with development potential that are a good fit in the TIF district, benefiting from public investments and potentially generating funds. (See map on next page.)

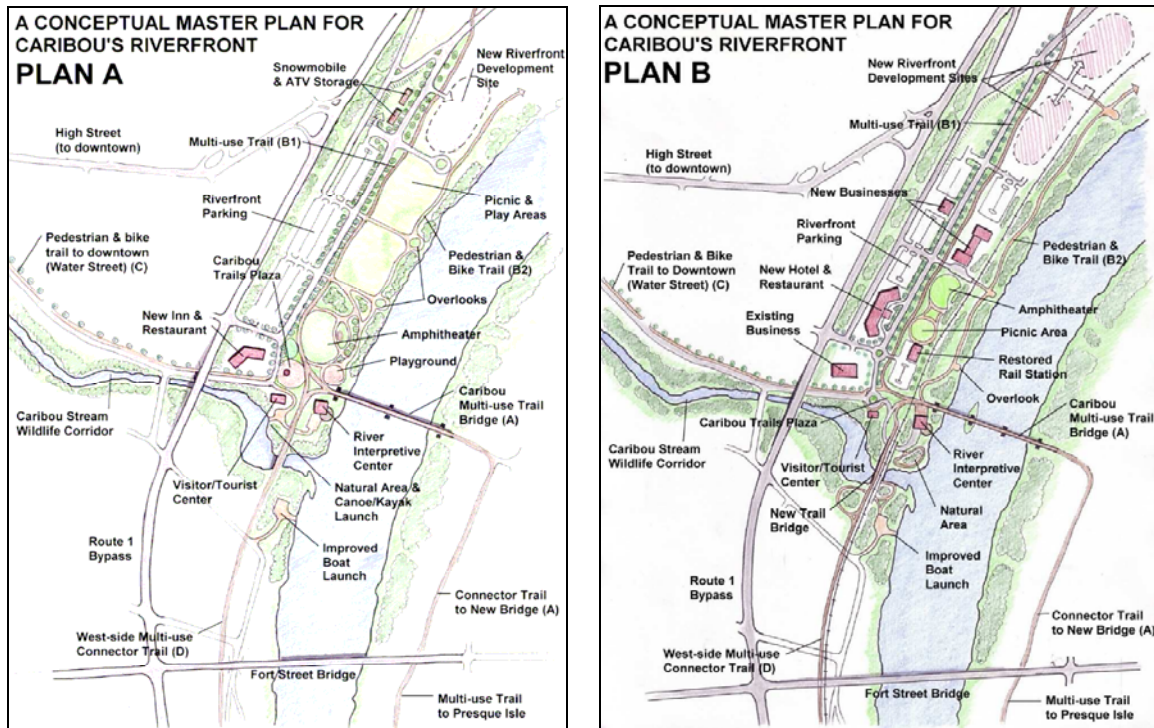


*General locations  
for TIF District  
expansion*



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

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



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

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

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

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

## 7. Lyndon Square District

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

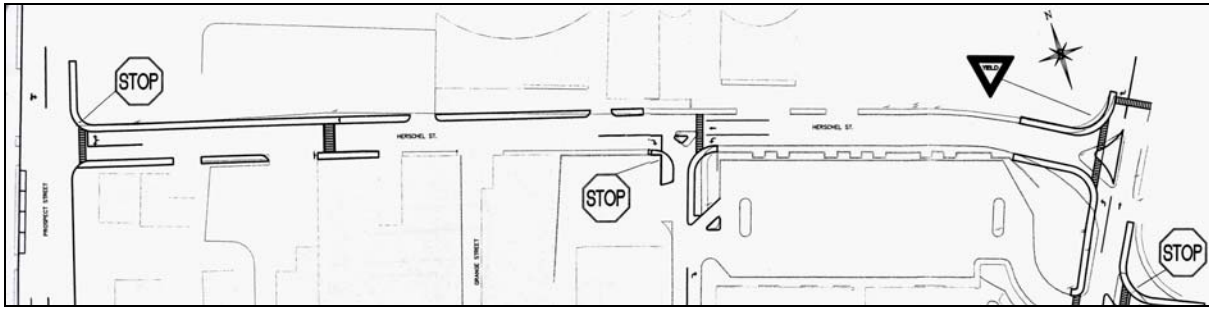
In conjunction with the proposed roadway and traffic circulation improvements for Herschel Street, other streetscape elements should be added to enhance this corridor. The sidewalks along the north side of the road need to be rehabilitated and their connectivity improved (see illustration below). Improvements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



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

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





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



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

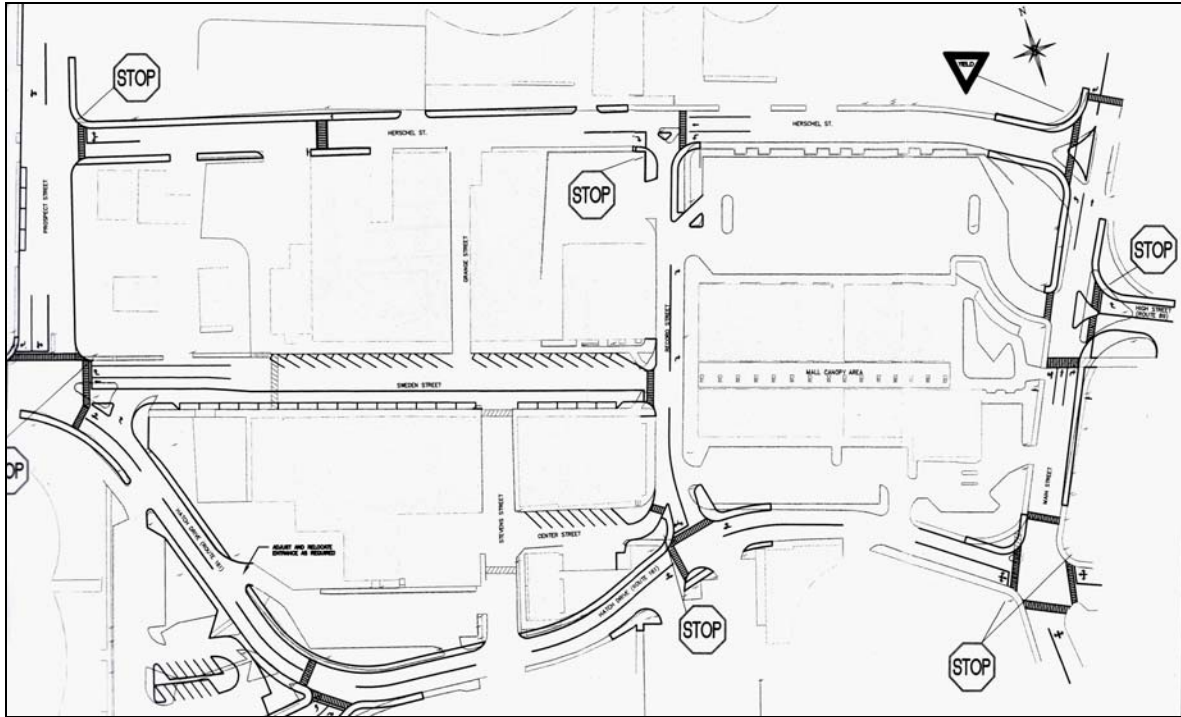
- ♦ **Priority:** Work with building owners along Herschel Street on building/façade improvements or redevelopment opportunities.



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



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



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

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

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

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

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

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

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



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

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



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



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



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

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

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



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

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

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

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



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

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

## 8. High Street Area

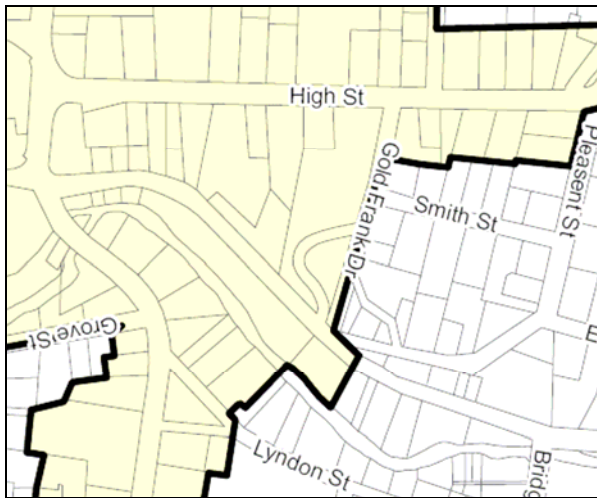
- ♦ **Priority:** Make sidewalk, crosswalk, streetscape and landscaping improvements to High Street, in conjunction with the proposed roadway and access management improvements and needed infrastructure improvements.

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

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



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



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

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

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



## 9. Bennett Drive & Van Buren Road

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

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



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

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

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



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



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

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

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



## VI PHASING & FUNDING

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

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

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

\*Dependent upon MDOT schedule/funding

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

Grant/Funding Sources:

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

# VII APPENDIX

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## Contents:

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

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

**Introduction and Background**

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

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

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

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

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

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

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

## **Financial Plan**

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

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

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

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

### **Sources of anticipated revenues**

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

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

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

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

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

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

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

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

### **Real property assembly costs**

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

### **Professional service cost**

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

### **Administrative cost**

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

### **Relocation Cost**

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

### **Organizational costs**

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

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

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

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

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

### **Training costs**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Benefits to the City of Caribou will include:

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

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

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

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



In addition, the Downtown TIF District Plan includes:

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

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

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

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

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

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

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

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

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

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

the building owner; roadway work conducted by MDOT and utility work conducted by the respective utility companies.

Qualified Costs identified within the Plan include:

- Parking lot and streetscape improvements;
- Signage;
- Roadway, traffic, crosswalk, pedestrian and intersection improvements;
- Trail design and construction connected to the Downtown areas;
- Construction and modification of public infrastructure;
- Façade Program
- Engineering and planning
- Marketing and economic development

TIF revenue from the Skyway Plaza project are being deposited into a Project Cost Account for direct payment to the company for authorized project costs, and revenues from the remainder of the District will be placed into a separate Project Cost Account for direct payment by the City for authorized project costs as outlined within the Plan.

### **Physical Description of District**

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The parcel map illustrating the subject property and proposed Caribou Downtown Tax Increment Financing District is included as Exhibit D. The 635-acre District area, which represents the locally approved Downtown TIF District, provides the City an opportunity to utilize Tax Increment Financing as a local tool to directly assist in economic development to realize the long-term economic benefits of retaining major employers, improving buildings and infrastructure, and fostering new private investment without the need for the community to rely solely on other State assistance programs for projects to proceed.

Also included in Exhibits “A” and “B” are the listings of parcels by map and lot of the requested amendment parcel of 368 acres, with assessed real estate values as of March 31, 2007 and the amended value of the original parcel as of March 31, 2005.

There are 50,747 acres of land within the City of Caribou, and the city had been previously approved for 267.18 acres under its TIF District designation. The amended proposed Downtown Development and Tax Increment Financing District of approximately 635 acres represents 1.25% of the Town’s acreage, but as an approved Downtown Tax Increment Financing District it is not subject to inclusion toward the 5% limit on TIF District area or assessed value to the total City area and value as stated in Title 30-A §5223-3.D.

### **Statistical and Financial Data**

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A financial pro-forma estimating net revenues and fiscal impacts of the program throughout the 30 year life of the District is set forth in Exhibit E. State and County tax and subsidy impact are based upon the following methodologies:

### **Tax Shift Formulas & Methodologies**

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Required in any application for designation as a tax increment financing district is the calculation of tax shifts that result from the creation of the District. These tax shifts are noted in the following basic

formulae that use local property tax valuation as a basis for calculation. These formulae provided by DECD are:

- Municipal Share of County Taxes
- Revenue Sharing
- Education Costs

The following is the process used to derive these tax shifts.

### **County Tax Shift:**

In order to produce this result, information was obtained from the Maine Revenue Services and Aroostook County Government. First, the most recent County State Valuation was obtained. The average Captured Assessed Value for the District for the life of the project was then determined. The averaged Captured Assessed Value was then divided by the Current County State Valuation.

The estimated average county tax over the life of the District was determined. To arrive at this number, the County Tax for the City for the last five years was obtained. The average change was then determined and projected to the middle of the District's life. This projected tax was multiplied by the factor developed above to arrive at the County Tax Shift.

$$\frac{(Captured Assessed Value)}{(Captured Assessed Value + Current County State Valuation)} \times Estimated Average Annual County Tax$$

### **Revenue Sharing Shift**

The total Municipal Revenue Sharing amount was obtained from the State Treasurer in order to complete the following formula:

#### **Step One:**

$$\frac{Municipal Population \times Local Property Tax Levied}{State Local Valuation} = Current Factor$$

#### **Step Two:**

$$\frac{Municipal Population \times Local Property Tax Levied}{State Local Valuation + Captured Assessed Value} = Adjusted Factor$$

#### **Step Three:**

$$\frac{Current Factor}{Adjusted Factor} = 1.X$$

#### **Step Four:**

$$1.X - 1.0 = .X$$

#### **Step Five:**

$$.X(Total Municipal revenue Sharing Amount) = Revenue Sharing Shift$$

### **Education Tax Shift**

State law requires that an estimate be made of how much of a loss in State aid to education a community would experience had the Caribou Downtown Development and Tax Increment Financing District not

been created. The premise for this requirement is that if the TIF did not exist and the development still occurred, other taxing jurisdictions would benefit by the City paying more *and receiving less*.

There is no direct tax shift created by the establishment of a TIF District. All taxing jurisdictions in Caribou School Department continue to receive school aid funds as before the establishment of a TIF District. However, because the establishment of the TIF District *freezes* the tax base for the purpose of funding the Development Program, those revenues derived from the new development in the CDTIF District aren't counted toward the Town's valuation.

Historically, the methodology used to determine the fiscal impact from the establishment of a TIF District was to multiply the Captured Assessed Value by the constant .009. The result would be an annual and cumulative "Education Tax Shift" for the proposed district. Changes in the distribution of State funding for education have required TIF applicants to develop other methodologies that more accurately reflect the "Education Shift."

It is recognized and anticipated that the incremental growth of the Net New Revenues realized from the Net Captured Assessed Value will not be adequate in the short term to fund the "qualified costs" identified in the District Plan. The City will be applying for grant funding to complement the TIF revenues and it is hoped that the infrastructure improvements will spur the new development needed to grow the Fund to a reasonable amount.

### Statutory Limits

The following is intended to provide a comparison of statutory requirements as they relate to the Caribou Downtown Tax Increment Financing District (CDTIFD) in Caribou.

Column "A" presents the appropriate citation from State Law that imposes a specific limit as it relates to Tax Increment Financing. Column "B" defines the limit, and Column "C" describes the circumstances of the Caribou Downtown Tax Increment Financing District Project.

A	B	C
30-A MRSA §5252, sub§4	"The development program must not exceed 30 years from the date of the designation of the CDTIFD.	The CDTIFD shall not exceed <b>30</b> years.
30-A MRSA §5252	Bonds sold in conjunction with a tax increment financing district must mature within 20 years of the date of the sale.	There are no bonds issued in conjunction with the approved TIF Development Program activities.
30-A MRSA §5253, sub§1	The aggregate value of indebtedness supported by tax increment financing within any county may not exceed \$50,000,000.	Aroostook County's aggregate value of indebtedness is less than \$50,000.
30-A MRSA §5253, sub§1¶A	At least 25% of the real property within a development district must be blighted, in need of rehabilitation, redevelopment, or conservation, or suitable for industrial sites.	This condition does not apply to CDTIFD as an approved downtown TIF district.
30-A MRSA §5253, sub§1¶B	The total area of a single development district may not exceed 2% of the total acreage of the municipality.	This condition does not apply to CDTIFD as an approved downtown TIF district.

30-A MRSA §5253, sub§1¶B	The total area of all development districts may not exceed 5% of the total acreage of the municipality.	The CDTIFD is the only TIF District in Caribou and is exempt from this condition (see previous).
30-A MRSA §5253, sub§1¶C	The aggregate value of all tax increment financing districts may not exceed 5% of the total value of equalized taxable property within the municipality.	This condition does not apply to CDTIFD as an approved downtown TIF district.
30-A MRSA §5254, sub§4¶A	Real property within a tax increment financing district shall be taxed equally with other property in the municipality.	The City shall apply the same valuation methodology currently in use for the City of Caribou
30-A MRSA §5254, sub§4¶B	Tax increments shall be expended only in accordance with the development program.	The City assures by virtue of this application that it will expend tax increments only in accordance with its development program and as identified within the District Plan as “qualified costs.”



Tax Increment  
Financing  
Tax Shift Formulas

Caribou Downtown Tax Increment Financing District - Exhibit E

County Tax Shift

1. Estimated Average County Tax for past 10 Years

	County Tax	Percent Change	County Valuation	Percent Change	Municipal Valuation	Percent Change	Mil Rate	Percent Change	Original OAV			New OAV
1997	\$257,821.00		\$2,765,800,000		248,150,200.00		20.00			\$27,412,500.00		\$21,619,600.00
1998	\$260,792.00	1.15%	\$2,937,300,000	6.20%	249,670,600.00	0.61%	19.75	-1.25%	Combined OAV as of March 31st, 2007	\$49,032,100.00		
1999	\$248,820.00	-4.59%	\$3,017,050,000	2.72%	247,980,300.00	-0.68%	21.00	6.33%				
2000	\$240,392.00	-3.39%	\$3,148,250,000	4.35%	250,814,400.00	1.14%	21.25	1.19%				
2001	\$258,694.00	7.61%	\$3,157,100,000	0.28%	252,013,100.00	0.48%	22.50	5.88%	Length of TIF		30	
2002	\$307,577.00	18.90%	\$3,167,930,000	0.34%	254,249,500.00	0.89%	22.52	0.09%				
2003	\$324,073.00	5.36%	\$3,203,250,000	1.11%	258,157,800.00	1.54%	23.25	3.24%				
2004	\$331,884.00	2.41%	\$3,315,000,000	3.49%	262,221,700.00	1.57%	23.50	1.08%				
2005	\$338,517.00	2.00%	\$3,443,700,000	3.88%	264,344,000.00	0.81%	25.50	8.51%				
2006	\$334,800.00	-1.10%	\$3,642,500,000	5.77%	257,356,400.00	-2.64%	24.50	-3.92%				
2007	\$342,323.00	2.25%	\$3,839,300,000	5.40%	273,045,350.00	6.10%	24.00	-2.04%				
10Yr Avg Rate Growth		3.06%		3.36%		0.9817%		1.91%				

## Caribou Downtown Tax Increment Financing District - Exhibit E

[illegible]



<b>Tax Shift Estimates</b>
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	<b>TIF Year</b>	<b>Total</b>	<b>Education</b>	<b>Revenue</b>	<b>County</b>
			<b>Shift</b>	<b>Sharing</b>	<b>Tax</b>
				<b>Shift</b>	<b>Shift</b>
	1	\$99,638.52	\$3,575.37	\$96,020	\$42.80
	2	\$105,550.48	\$7,173.65	\$98,291	\$85.77
	3	\$111,500.27	\$10,794.90	\$100,576	\$128.92
	4	\$117,487.97	\$14,439.15	\$102,877	\$172.25
	5	\$123,513.66	\$18,106.46	\$105,191	\$215.76
	6	\$129,577.42	\$21,796.86	\$107,521	\$259.45
	7	\$135,679.31	\$25,510.40	\$109,866	\$303.32
	8	\$141,819.41	\$29,247.12	\$112,225	\$347.37
	9	\$147,997.79	\$33,007.04	\$114,599	\$391.62
	10	\$154,214.51	\$36,790.22	\$116,988	\$436.05
	11	\$160,469.62	\$40,596.68	\$119,392	\$480.67
	12	\$166,763.20	\$44,426.46	\$121,811	\$525.48
	13	\$173,095.29	\$48,279.58	\$124,245	\$570.48
	14	\$179,465.94	\$52,156.08	\$126,694	\$615.68
	15	\$185,875.22	\$56,055.98	\$129,158	\$661.08
	16	\$192,323.15	\$59,979.30	\$131,637	\$706.67
	17	\$198,809.80	\$63,926.08	\$134,131	\$752.46
	18	\$205,335.18	\$67,896.32	\$136,640	\$798.45
	19	\$211,899.35	\$71,890.05	\$139,165	\$844.65
	20	\$218,502.34	\$75,907.29	\$141,704	\$891.05
	21	\$225,144.18	\$79,948.05	\$144,258	\$937.66
	22	\$231,824.88	\$84,012.34	\$146,828	\$984.48
	23	\$238,544.49	\$88,100.17	\$149,413	\$1,031.50
	24	\$245,303.01	\$92,211.56	\$152,013	\$1,078.74
	25	\$252,100.46	\$96,346.50	\$154,628	\$1,126.19
	26	\$258,936.86	\$100,505.00	\$157,258	\$1,173.86
	27	\$265,812.22	\$104,687.07	\$159,903	\$1,221.74
	28	\$272,726.54	\$108,892.70	\$162,564	\$1,269.84
	29	\$279,679.82	\$113,121.89	\$165,240	\$1,318.17
	30	\$286,672.06	\$117,374.64	\$167,931	\$1,366.71
<b>Totals</b>		<b>\$5,716,263</b>	<b>\$1,766,755</b>	<b>\$3,928,769</b>	<b>\$20,739</b>

## CARIBOU DOWNTOWN DISTRICT REVITALIZATION PLAN SUMMARY FROM THE DECEMBER WORKSHOP

*The following summary comes from the two group/consensus questionnaires and six individual questionnaires received, as well as notes from the group discussion at the workshop. Consultant notes/comments are in italics.*

### **All supported (no opposition noted):**

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- ◆ Road improvements for Herschel Street (curbs, access management, sidewalks)
- ◆ Parking lot improvements, Legion and Herschel lots
- ◆ Add landscaping, street trees, grass esplanades to Herschel Street
- ◆ Extend streetscape improvements (lampposts, sidewalks, benches, etc.) along Water Street
- ◆ Make the proposed trail connection from the downtown along Water Street (to the river) a priority
  
- ◆ Add street trees, grass esplanades, landscaping to High Street
- ◆ Add pedestrian-scale lighting (lampposts), benches, or other streetscape amenities to High Street
  
- ◆ Extend streetscape elements (lampposts, benches, etc.) along lower/southern Bennett Drive, to the Recreation Center
- ◆ Add street trees, landscaping, and lampposts in front of the Recreation Center
  
- ◆ Add new gateways to the Downtown District, including informational/wayfinding signage
- ◆ Add new wayfinding signage throughout the Downtown District
  
- ◆ More funding for building improvements in the Bennett Drive and Van Buren Road Area

### **Supported, with some unsure (no opposition noted):**

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*Most of these items should have more/full support if further information and illustration is provided.*

- ◆ Road & sidewalk improvements for Sweden Street, west of Prospect Street (towards the courthouse) *(groups supported; one unsure)*
- ◆ Add planters or plantings and benches to Downtown Mall *(one group unsure; one individual unsure)*
- ◆ Include trees, landscaping, and lampposts in front of the new Recreation Center *(groups supported; one unsure)*
- ◆ Provide bike lanes & bike racks throughout the Downtown District *(groups supported; two unsure) (one group and several individuals noted that this was supported but was not a priority)*
- ◆ More funding for building improvements in the High Street Area *(groups supported; one unsure)*

### **Mixed support:**

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*Some of these items may be more supported if further information and illustration is provided. Some may be determined to be too low a priority or too mixed in public support to include in the Plan at this point. The next steps in the project development will focus on flushing these out.*

- ◆ Extend streetscape improvements (pedestrian-scale lighting/lampposts, benches, etc.) west along Sweden Street *(groups supported; one not supporting)*



- ♦ Make changes to Record Street traffic direction and intersections (at Hatch and Herschel) a priority

*This was split between the two groups at the workshop, one supporting and one not supporting. The individual questionnaires reflected more a split between “support” and “unsure”. Comments from the discussion included concern over spending a lot of money on something that will confuse people and perhaps would not have enough benefit to warrant the cost.*

- ♦ Make changes to Sweden Street traffic direction and intersection (at Hatch and Prospect) a priority

*A nearly identical split (groups and individuals) to the Record Street traffic/roadway issue, with about the same concerns & discussion.*

- ♦ Make improvements to the park/plaza at the east end of the Downtown Mall

*One group did not support this, however each the individual questionnaires were in support – it is unclear why this got marked as one group opposing.*

- ♦ Road improvements for High Street (curbs, access management, sidewalks)

One group supported, one did not; all but one individual indicated support, the one exception indicating unsure, not opposed. Discussion surrounded some opposition to the proposed center turning lane to be added on High Street, not to sidewalk and access management/curb cut improvements; this could explain the opposition (being to the third lane, not the general need for road and sidewalk improvements).

- ♦ Consider center islands/medians in some areas of Bennett Drive and Van Buren Road to improve pedestrian crossings and/or add landscaping

One group supported, one did not; individuals were split between support and don't support. Comments on issues with this included that there would be a problem with snowmobiles. This type of proposed road improvement is typically a bit controversial.

- ♦ Explore more options for traffic calming in the Downtown District

One group supported, one did not; individuals tended towards support, though some did not support or were unsure. The case for more traffic calming was not really made at the workshop, and may be a low priority anyway; emphasis would be on traffic and pedestrian safety generally.

- ♦ More funding for building improvements in the Downtown Mall Area

One group supported, one did not; individuals were split between support and don't support. Discussion included the fact that funding has been offered to downtown building owners and businesses for building/façade improvements, and there has been very little response and interest.

- ♦ More emphasis on Downtown marketing & promotion

Both groups supported; individuals were split between support and don't support. Discussion on this item was fairly minimal, not thoroughly addressed in the workshop presentation or during small groups (people ran out of time).

## Other comments & discussion points:

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- ♦ *Improve Herschel Street & Prospect Street so they're better defined*
- ♦ *Can the signs for Herschel Street parking lot be made two-sided?*
- ♦ *Traffic backs up at Prospect – Prospect/Herschel intersection too wide, add center island*
- ♦ *Herschel parking lot – light poles cause visible barrier to pedestrians; make signs two-sided; limit crosswalks*
- ♦ *Visibility for ATX crosswalk (across Herschel Street) – the parking space on Herschel are a problem [block visibility]*
- ♦ *Cooling fan on ATX building/roof noisy in downtown – need sound barrier*
- ♦ *Handicapped parking for Post Office poorly located – difficult location*
- ♦ *Add center islands at intersections*
- ♦ *Better signage for one-way streets – need more signage [wayfinding] everywhere in town*
- ♦ *No problems with current traffic flow, one-way is only for a couple of blocks*
- ♦ *Review WBRC draft for plans for Penny's building and parking impact*
- ♦ *Take down "no loitering" signs from Downtown Mall*
- ♦ *More planters, a few more benches/better benches*
- ♦ *Need careful placement/location for benches – i.e. businesses not wanting benches out front of their buildings*
- ♦ *Like large amounts of green space*
- ♦ *Benches by Memorial at Fire Department*
- ♦ *Information/map kiosks for visitors*
- ♦ *Use "paper (half) street" to improve Collins Pond access? down to Washburn Street*
- ♦ *City center trail markers for Collins Pond Trail – small color-coded signs labeling various walking trails around town*
- ♦ *Can South Main Street be included in the Plan? (Not in the TIF District)*
- ♦ *Not supportive of 3rd lane/turning lane on High street*
- ♦ *More landscaping – too harsh an area; trees & plantings*
- ♦ *Lower Bennett Drive – utility poles "should" be on the other side of the street*
- ♦ *Use a push-button overhead stop signal for pedestrian crossings on Bennett? (Like Presque Isle has)*

## **Caribou Downtown Revitalization**

### **Oct. 31, 2007 Committee Meeting Notes**

*Meeting of the Caribou Community Development Advisory Committee, with Kent Associates and Wright-Pierce*

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#### General Comments

- ♦ MDOT needs convincing to make the needed roadway/intersection improvements a priority – this Plan can help do that, should emphasize the need for these improvements
- ♦ The Downtown Mall area has become more offices & services, while Bennett Drive has attracted retail – should there be more of a blending of commercial types in the Downtown Mall and Bennett Drive areas? Downtown Mall also has more entertainment/cultural uses
- ♦ Need more pedestrian “resting points”/benches across/through the downtown area – plenty of sidewalks to get around, but some folks may need to rest while getting from here to there – some issues with building owners not wanting benches out front of their buildings
- ♦ The City needs to make some major investments in the Downtown to get real results, not just put in a little money here and there or wait for state/federal funding to pay for infrastructure
- ♦ What investments have other communities made to get the best “bang for their buck”? Where should Caribou make investments... (every community is different, different solutions/investments may not translate to Caribou...)
- ♦ This fall state bond funding for riverfront development may be voted on, potential for Caribou waterfront area redevelopment – TIF for the riverfront area (not the downtown TIF; a separate TIF district to be established for the Birdseye site, could be expanded (?), part of Pine Tree Zone)
- ♦ Need to maximize the Downtown Plan’s power to leverage grants/investment, like with MDOT

#### Lyndon Square/Downtown Mall Area (including High Street transition area)

- ♦ Sweden Street (west of Lyndon Square/Downtown Mall) in need of road improvements; also look at extending streetscape from downtown west along Sweden Street
- ♦ Intersection improvements (*see Downtown Traffic Circulation Study*) deferred by MDOT – a priority was to make Record Street two-way, improve intersection at Herschel St. & Hatch Drive
- ♦ High Street also a deferred MDOT project (full reconstruction, expand to three lanes) – the engineering is complete, now is a good time to work streetscape improvements into the plans, and make this section a priority
- ♦ Should have continuity of streetscape (lighting, etc.) between the Downtown Mall and High Street
- ♦ Lights along Sweden Street are too high – replace with lower, more pedestrian scale lights and use taller lights elsewhere
- ♦ Wayfinding (signage) is a problem, drivers/visitors are confused and can’t easily find their way around (or into) the downtown (difficult even to give someone directions) – part of the problem is traffic flow & intersections, part is the poor signage (new signage needed, too much signage “clutter” should be avoided)
- ♦ Crosswalks – a new design this year, testing durability (vinyl vs. paint & glass beads)

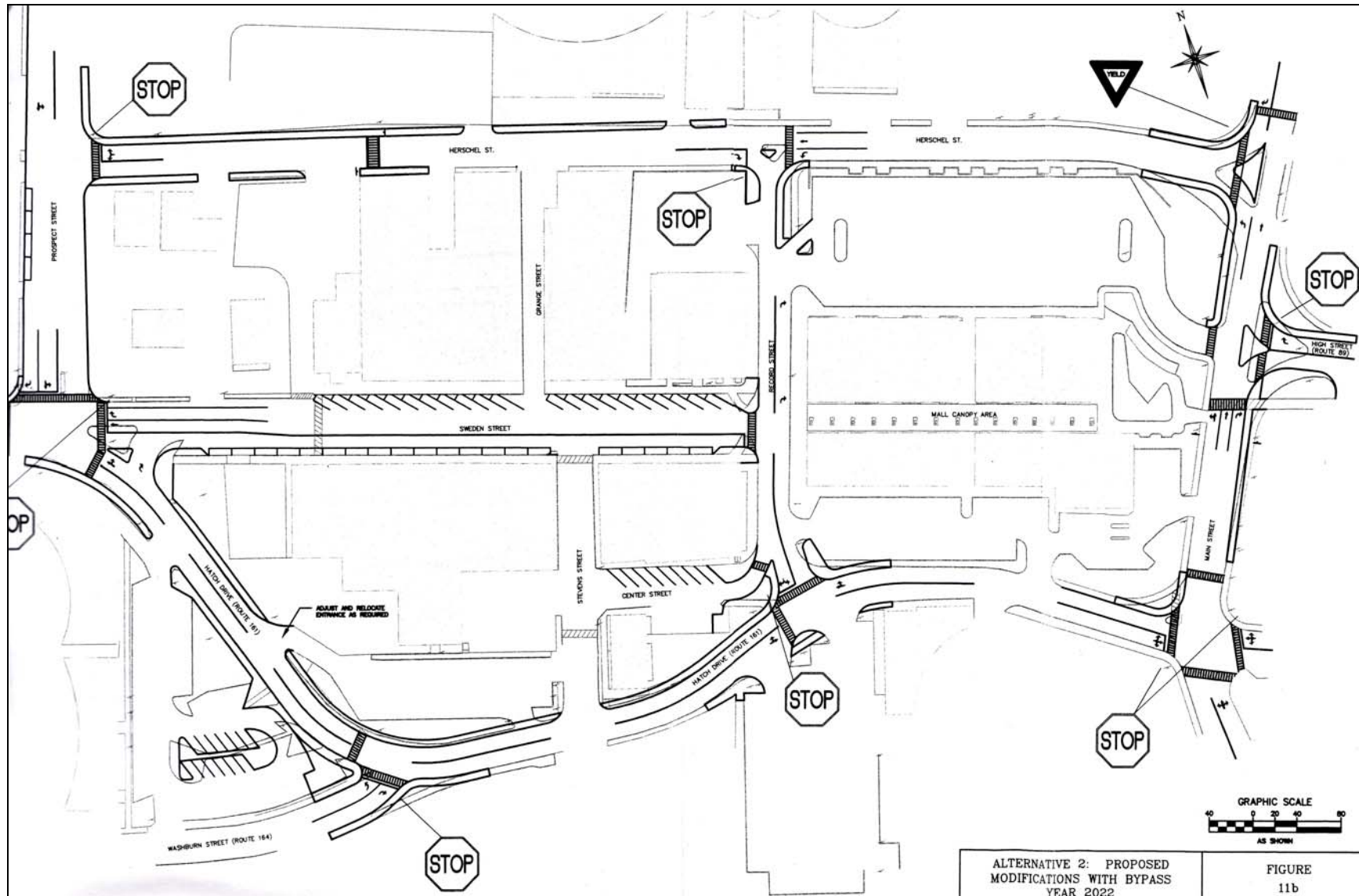
- ♦ Sidewalks should have an esplanade/grass verge between the sidewalk and the road, needed for snow “storage”
- ♦ Parking adjacent to fire station off High Street, City has land, investigate options
- ♦ Proposed bypass for Rt. 161, route for trucks and non-destination/non-local traffic – so will it benefit or hurt downtown? Corridor options being discussed in the community (examine this issue in the plan)
- ♦ Incorporate the Trails Plan, trail connections proposed, into the Downtown Plan
- ♦ Potential of Water Street, historic downtown buildings, trails/riverwalk opportunity, GoldFrank Drive as a pedestrian route – Water Street needs sidewalk & other improvements, parking issues
- ♦ Is there an opportunity for more residential in the downtown? More mixed use, upper floor residential? Is this allowed by the current zoning, are there parking issues?
- ♦ Future of old J.C. Penny’s Building? (WBRC architects) plans, status?
- ♦ Identify deteriorated buildings (blight), opportunities for rehab/improvements
- ♦ Focus on empty buildings, vacant office/commercial spaces – what programs are in place, what’s needed

### **Bennett Drive Area**

- ♦ Expand study area/TIF district to include more of the Schools/Recr. Center area (e.g. Glenn Street, future children’s museum) – make part of the downtown planning effort
- ♦ Extend downtown streetscape along Bennett Drive, at least to the Schools/Recr. Center
- ♦ The new Recr. Center a major hub, particularly for pedestrian traffic – revisit the Trails Plan, examine pedestrian connectivity & safety, include Glenn Street, connections to Collins Pond
- ♦ Intersection of High St. & Bennett Drive, difficult for vehicles and pedestrians, needs to be improved
- ♦ Expansion of TIF around hospital?

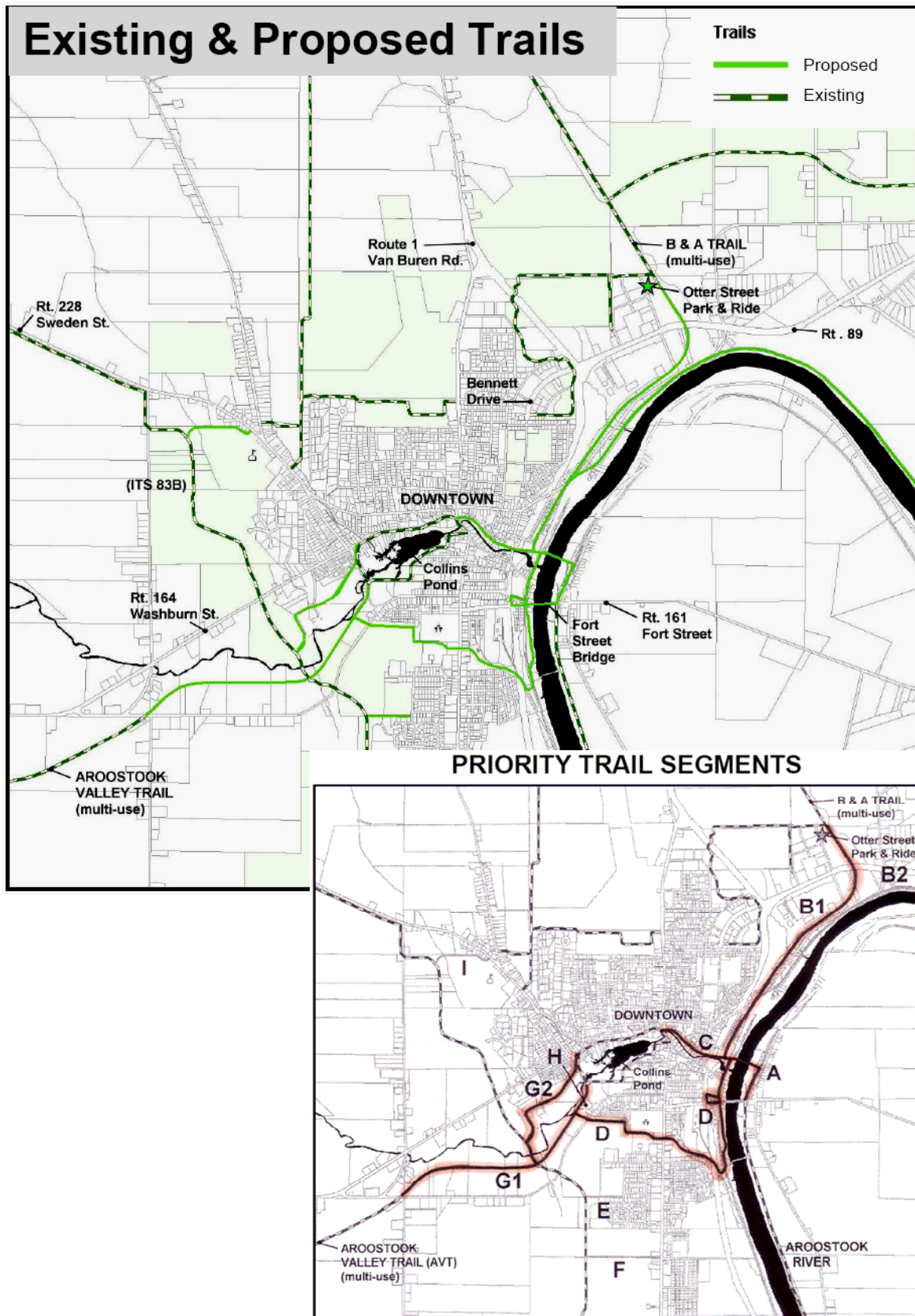
## PROPOSED TRAFFIC IMPROVEMENTS

2003 Caribou Downtown Traffic Circulation Study (Erdman Anthony & Associates, Inc.)

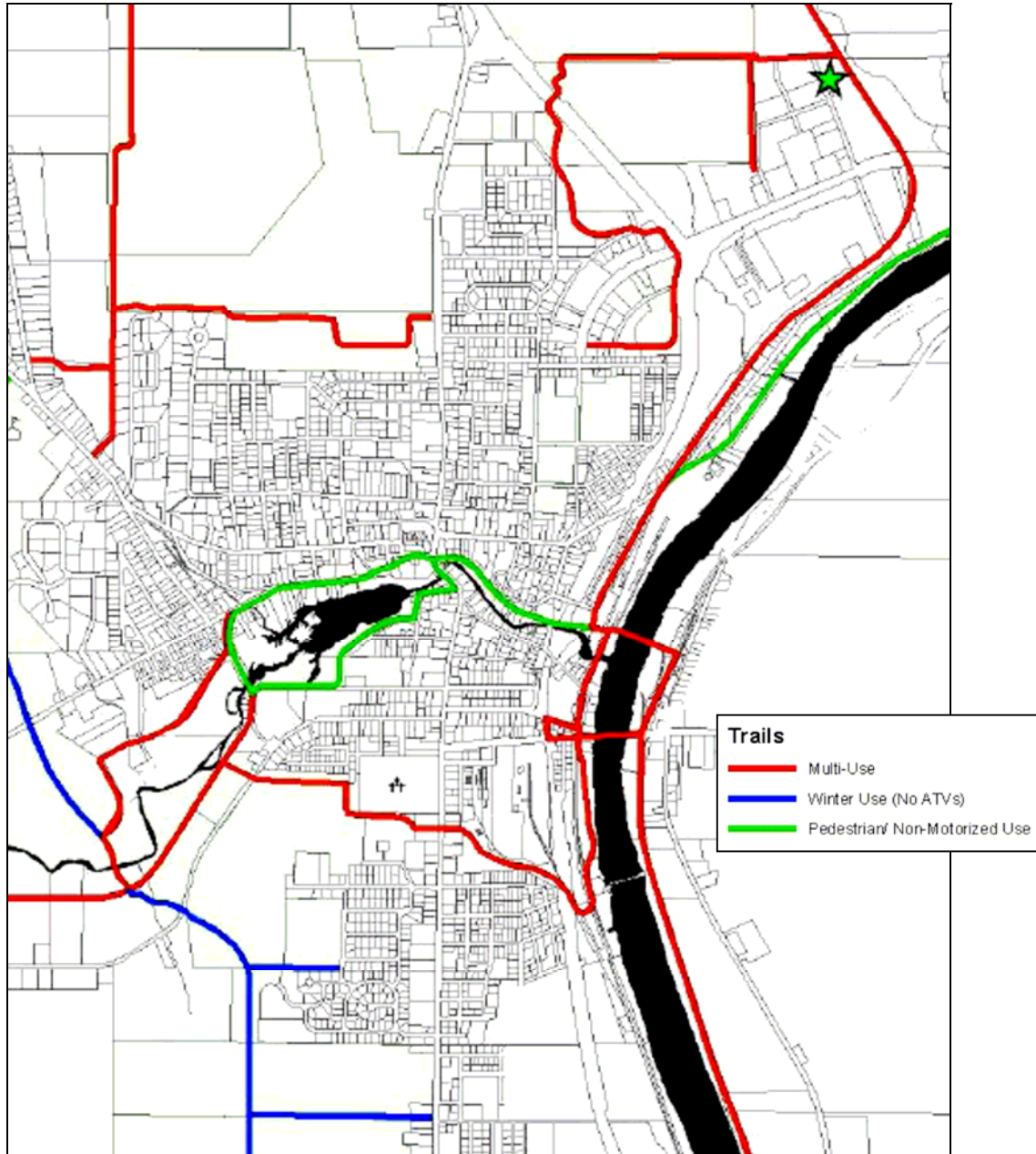




**Planned Downtown Trails  
from the 2004 Caribou Recreational Trails Plan**



## TRAIL TYPE/USE



**Downtown Revitalization  
Available Commercial Properties  
November 2007**

1. 82 Hershel Street  
Hershel Street Market  
Glen Barnett
2. 31 Hershel Street  
St. Peter's Construction and Apartments  
Gary St. Peter
3. 60 Sweden Street  
Caribou Mini Mall  
Dana Cassidy
4. 57 Sweden Street  
County Federal Credit Union
5. 46 Sweden Street  
Neal Sleeper
6. 25 Sweden Street Suite A  
CSS Development INC.
7. 14 Sweden Street  
TD Banknorth  
Second Floor  
June Gallant
8. 14 Sweden Street  
Third Floor  
Hugh Kirkpatrick
9. 7 Hatch Drive

Vaughn Reality  
Philip and Janice St. Peter

10. 43 Hatch Drive  
One Vaugh Place  
Second and Third Floor  
Philip and Janice St. Peter
11. 1 Water Street  
Puay Lim Fern
12. 9 Water Street  
Tails End Dog Grooming  
Sharon and Brian Bickford
13. 33 Water Street  
Trading Post and Pawn Shop  
Tony and Edward Disy
14. 124 High Street  
Lehrle Keiffer
16. 118 Bennett Drive  
Suite # 1-4  
Dana Cassidy
17. 159 Bennett Drive  
RLW Management  
Rick and Lisa Willey
18. 30 Skyway Plaza  
Space # 1-4  
Daniel Rosenberg
19. 14 Access Highway  
Northern Maine Finance Corporation

# Memorandum

**To:** Caribou Downtown Revitalization Planning Team  
**From:** Noreen Norton  
**Date:** January 31, 2008  
**Re:** Downtown Tax Increment Financing Recommendations

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The City of Caribou Downtown TIF was approved initially on March 30, 2006 and “re-approved” on March 26, 2007 based on additional information submitted to the Maine Department of Economic and Community Development (DECD). Upon completion, DECD is expecting to receive a copy of this approved or adopted Revitalization Plan to provide the basis of approved expenditures from the TIF project account. The City should include a cover letter with that submittal that summarizes the specific activities which are expected to be funded with TIF revenues.

After a careful review of the existing Downtown TIF District and the draft Revitalization Plan, I would make the following recommendations:

1. Amend the Downtown TIF District boundaries to include the entirety of the area identified as part of the downtown within the Revitalization Plan.
2. Amend the term of the Downtown TIF District from 15 years to 25 or 30 years.

## Boundaries:

The value the tax increment financing district lies largely in the ability to use sheltered revenues to fund projects that support economic development. The Revitalization Plan has identified several areas, such as the riverfront and along South Main Street. These are important areas of the City’s downtown which were not included in the initial TIF designation. By including these in the District, the City can implement the Revitalization Plan using TIF revenues to finance any of the investments identified in the Plan. Including these additional areas will also capture, within the TIF, the taxes on increased valuation in these areas.

## Term:

The Downtown TIF District is currently set up as a 15-year TIF. Due to the speculative nature of projecting new investment, a downtown TIF district typically approaches the limits of term allowed by statute. The projects outlined in the Revitalization Plan require expenditures by the City. By extending the term to twenty-five or thirty years, there is increased opportunity for the level of private investment to occur which will support the cost of the projects.

Implementing these recommendations will require a formal amendment process with a publicized Public Hearing, City Council vote, and application to DECD. This amendment process should be completed to allow submittal to DECD in advance of the March 1 annual TIF application deadline for 2009.