

Information From  
Eaton Peabody:

“Maine’s Downtown Tax Increment  
Financing Program”

PowerPoint Presentation 4/7/2004

Contract & Bills - Bouchard

Contract & Bills - Downtown Amend # 2



# Maine's Downtown Tax Increment Financing Program

**Maine Downtown Center**

**Meet and Learn Session**

April 7, 2004

Presented by:

Noreen G. Copp, Economic Development Director

Eaton Peabody Consulting Group, LLC

[ncopp@eatonpeabody.com](mailto:ncopp@eatonpeabody.com)



# Downtown Tax Increment Financing

An economic development tool  
enhanced to promote revitalization of  
Maine downtown districts

# What is TIF?

*Tax Increment Financing*

TIF is a financing program whereby taxes on the incremental NEW value of development is used to fund the “development program”.

# What is TIF?

## *Tax Increment Financing*

- A **local** economic development project financing program, using real & personal property taxes
- A “shelter” against adverse adjustments to State subsidies and County taxes based on total valuation
- A flexible, powerful economic development tool

# Authorized Project Costs

## *Within the District...*

- Capital costs, including:
  - Construction, improvements and site work
  - Demolition, repair and remodeling
  - Acquisition of equipment
- Financing costs, including:
  - Premiums paid for early redemption of obligations
  - Interest paid for financing of project costs

# Authorized Project Costs

## *Within the District...*

- Professional Services, including:
  - Licensing and architectural
  - Planning, engineering and legal
- Other costs, including:
  - Reasonable administrative expenses
  - Relocation expenses
  - Organizational costs to establish district, like impact studies, and public information

# Authorized Project Costs

*Outside the District, but related to it...*

- Infrastructure improvements, including:
  - Sewage or water treatment plants
  - Sewer, water and electrical lines
  - Street amenities and fire station improvements
- Other improvements, including:
  - Public safety
  - Adverse impact mitigation



# Authorized Project Costs

*Outside the District, but related to it...*

- Economic Development Programs
- Environmental Improvement Plans
- Permanent Revolving Funds
- Employment Training (<20%)
- Quality Child Care

# Prohibited Project Costs

- The TIF statutes specifically prohibit the following project costs:
  - Those associated with buildings used predominately for the general conduct of government
    - [Downtown TIF Waiver]**
      - Maine State Government may occupy private facilities in a **downtown TIF district** and authorized project costs may include the construction or improvement of the facilities or buildings to be occupied
  - Public recreational purposes

# Components



## Traditional TIF

- Defined geographic boundaries
- Development program
- Financial plan

## Downtown TIF

- Downtown redevelopment plan
- Defined geographic boundaries
- Development program
- Financial plan

# Limitations/Conditions

## Traditional TIF

- At least 25% of district must be blighted, in need of rehabilitation, or suitable for commercial use

## Downtown TIF

- No limitation

# Limitations/Conditions

## Traditional TIF

- District may not exceed 2% of total acreage of municipality
- Total Acreage of all TIF districts may not exceed 5% of municipality

## Downtown TIF

- No limitation
- Not counted toward 5% municipal limitation

# Limitations/Conditions

## Traditional TIF

- The original assessed value of all TIF districts within a municipality may not exceed 5% of total value of taxable property as of April 1 preceding a district designation

## Downtown TIF

- Not counted toward municipal 5% limitation

# Limitations/Conditions

## Traditional TIF

- The aggregate value of general obligation debt financed by TIF proceeds in any county may not exceed \$50,000,000 (adjusted)

## Downtown TIF

- Limitation does not apply

# Limitations/Conditions

## Traditional TIF

- Only TIF proceeds generated by the activities within the district can be used to fund projects and activities within the district

## Downtown TIF

- TIF proceeds generated by other 'qualified' TIF districts within the municipality may be used to fund projects and activities within the downtown district



# Components



- **Downtown redevelopment plan**
- Defined geographic boundaries
- Development program
- Financial plan

# Downtown Redevelopment Plan



- Traditional central business district
- Commercial and office development
- Residential, multi-use plan
- Public, open space, cultural amenities
- Transportation, pedestrian, multi-modal
- Infrastructure, parking

# Downtown Redevelopment Plan



**Craig Freshley**

207-729-5607

Craig@Freshley.com

<http://www.Policy-Development.com>

# Components



- Downtown redevelopment plan
- **Defined geographic boundaries**
- Development program
- Financial plan

# Geographic Boundaries



- Consistent with downtown redevelopment plan
- “Traditional” central business district
- Center of socioeconomic interaction
- Multi-use including commercial, office, residential and public amenities

# Components



- Downtown redevelopment plan
- Defined geographic boundaries
- **Development program**
- Financial plan

# Development Program

- Capital cost – such as:
  - Acquisition of property & demolition of structures
  - Renovation / construction, site work
  - Parking development and debt service payments
  - Construction and modification of public infrastructure
  - Streetscape improvements
  - Signage program, Façade program

# Development Program

- Financing costs – such as:
  - Capitalization of a Community Development Financial Institution (CDFI) or other Revolving Loan Fund (RLF)
  - Site-specific credit enhancements
  - Common elevator program
  - Façade program
  - Municipal bonds issued to undertake qualified projects



# Development Program



- Professional Services – such as:
  - Engineers, architects, planners and consultants utilized in implementation of the development program
  - Downtown development planning as deemed necessary over the term of the TIF district

# Development Program



- Administrative costs – such as:
  - Operation of downtown manager program
  - Staff devoted to downtown efforts
  - Marketing: collateral material, advertisements
  - Promotions, events, festivals

# Development Program

- Credit enhancements for
  - Site-Specific Real Estate Projects
  - Use-Specific Projects, such as:
    - Specialty clothing and apparel
    - Fine dining, brew pub
    - Boutiques, art galleries, consumable goods
    - Certain national franchises
    - Lodging

# Development Program



- Other Requirements:
  - Relocation of displaced persons
  - Traffic improvement plan
  - Environmental controls
  - Operation plan
  - Duration – up to 30 years

# Components



- Downtown redevelopment plan
- Defined geographic boundaries
- Development program
- **Financial plan**

# Financing Plan



- Development Program Financing Plan
  - Cost of implementation (Project costs)
  - Sources (including TIF) of funding
- TIF Financing Plan
  - Estimated increase in assessed value
  - Estimated tax increment allocation
  - Tax shift calculation

# Costs of Implementation (Project costs)

ACTIVITY	TIF Proceeds	Other Sources	Total
Parking facilities and debt service	\$ 1,500,000.00		
DM/CRID staffing and operations	\$ 387,860.00		
CDFI capitalization	\$ 170,000.00		
Streetscape improvements	\$ 94,702.00		
Signage/kiosks	\$ 23,690.00		
Property acquisition/demolition	\$ 181,001.00		
Marketing/promotions/events	\$ 35,000.00		
Public infrastructure	\$ 521,852.00		
Planning services	\$ 15,000.00		
Professional services	\$ 15,000.00		
<b>TOTAL</b>			

# Financing Plan

<b>Overview -- Yearly TIF Revenues</b>	YR 1	YR 2	YR 3	YR 4	YR 17	YR 18	YR 19	YR 20	TOTAL
Bugaboos	37,716	37,716	37,716	37,716	37,716	37,716	37,716	37,716	754,320
anticipated develop. 1		13,530	13,530	13,530	13,530	13,530	13,530	13,530	257,070
anticipated develop. 2			13,530	13,530	13,530	13,530	13,530	13,530	243,540
Apgar					115,454	115,454	115,454	115,454	1,847,264
CMP					68,703	68,703	68,703	68,703	961,842
PJ					15,950	15,950	15,950	15,950	223,300
Eagles					48,007	48,007	48,007	48,007	528,077
Colonial					34,371	34,371	34,371	34,371	378,081
Marketplace	300,000	100,000	100,000	100,000					1,000,000
<b>TOTAL</b>	<b>337,716</b>	<b>151,246</b>	<b>164,776</b>	<b>164,776</b>	<b>347,261</b>	<b>347,261</b>	<b>347,261</b>	<b>347,261</b>	<b>6,193,494</b>
<b>CEA to developer - up to 50% of increment over 10 yrs.</b>									
Bugaboos	18,858	18,858	18,858	18,858					188,580
Apgar									577,270
CMP									343,510
PJ									79,750
Eagles					24,003	24,003	24,003		240,030
Colonial					17,185	17,185	17,185		171,850
<b>Total Per Year</b>	<b>18,858</b>	<b>18,858</b>	<b>18,858</b>	<b>18,858</b>	<b>41,188</b>	<b>41,188</b>	<b>41,188</b>		<b>1,600,990</b>
<b>Total Revenues - Municipal (italics indicate 10 year CEA agreements with developers of designated sites)</b>									
Marketplace	300,000	100,000	100,000	100,000					1,000,000
Bugaboos	<i>18,858</i>	<i>18,858</i>	<i>18,858</i>	<i>18,858</i>	37,716	37,716	37,716	37,716	565,740
antic. develop. 1		13,530	13,530	13,530	13,530	13,530	13,530	13,530	257,070
antic. develop. 2			13,530	13,530	13,530	13,530	13,530	13,530	243,540
Apgar					115,454	115,454	115,454	115,454	1,269,994
CMP					68,703	68,703	68,703	68,703	618,322
PJ					15,950	15,950	15,950	15,950	143,550
Eagles					24,003	24,003	24,003	48,007	288,037
Colonial					17,185	17,185	17,185	34,371	206,221
	318,858	132,388	145,918	145,918	306,071	306,071	306,071	347,261	4,592,474



# Financing Plan

- Municipal Bonds
  - Municipality establishes a Development Sinking Fund for debt service requirements
- Credit Enhancement Agreement (CEA)
  - TIF revenues placed in a Project Cost Account for direct payment to company for authorized project costs
- Municipal Economic Development
  - TIF revenues placed in a Project Cost Account for direct payment by town for authorized project costs

# Tax Shift

*How it works...*

- A municipality's total equalized assessed value is used to compute:
  - General Purpose Aid to Education (subsidy)
  - State Municipal Revenue Sharing (subsidy)
  - County Taxes (expense)
- State subsidies change inversely to value, county taxes change directly with value

# Tax Shift

*How it works...*

- As total value increases (through inflation and increased investment), education and revenue sharing subsidies will **decrease**, while county tax obligations **increase**
- Thus new tax revenues resulting from a development project are **reduced** through loss of subsidies and increased county taxes

# Tax Shift

*How it works...*

- TIF “shelters” captured new value by excluding it from the total municipal value reported to the state
- This allows the municipality to retain all or a portion of those new tax revenues otherwise lost to the county and state

# Tax Shift

*How it works...*

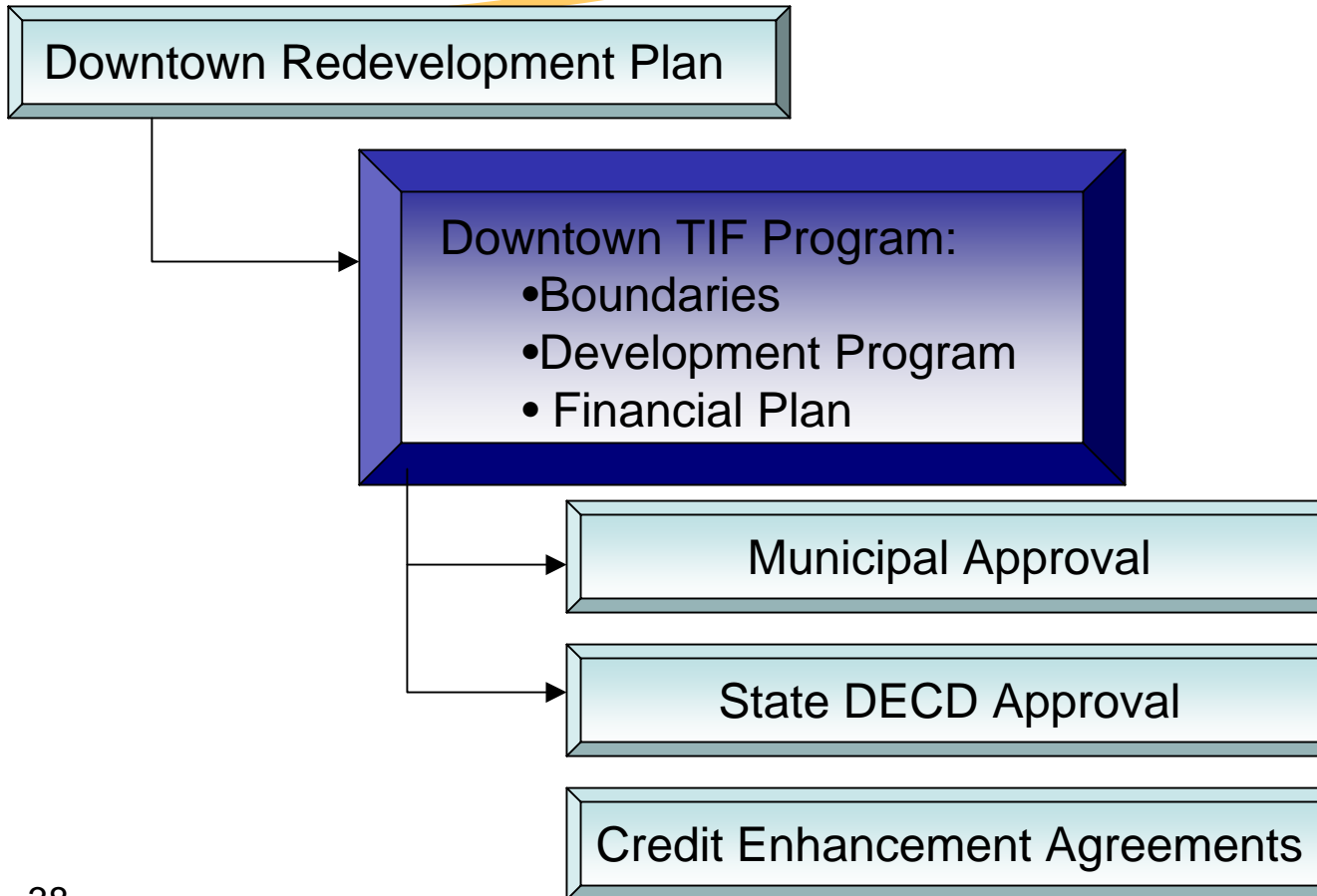
- The municipality achieves this “*sheltering*” effect by designating a specific geographic area as a **Municipal Development Tax Increment Financing District** and “capturing” the incremental value in the TIF district

# Tax shift calculation

## TAX SHIFTS

<b>Tax Shift Item</b>	<b>Average Annual Amount</b>	<b>Total for 20 years</b>
Educational Aid	\$15,807	\$316,140
County Tax	\$1,941	\$38,320
State/Municipal revenue sharing	\$3,379	\$67,580
<b>Total Annual Average Savings</b>	<b>\$21,127</b>	<b>\$422,540</b>

# Process



# TIF Guidelines (aka Policy)

- Requires a TIF “education”
- Requires public deliberation
- Articulates the will and values of the community
- Serves as a benchmark for the evaluation of projects requesting public investment
- Can serve as a negotiating tool



# TIF Guidelines (aka Policy)

*Good Guidelines will...*

- Support municipal priorities / land use policy
- Allow flexibility/community responsiveness
- Act as an economic development **incentive**, not an obstacle

# Tips for Effective TIFs

- Support local goals & objectives
- Put a decision-making process in place
- Establish guidelines around use of credit enhancement
- Allow as much flexibility as feasible
- Delineate boundaries thoughtfully
- Maximize shelter value

# TIF Facts



- 1985-1989: 16 districts designated
  - 1990-1994: 23 districts designated
  - 1995-1999: 104 districts designated
  - 2000-2003: 68 districts designated
- Total of 211 TIF districts designated by DECD and more than \$6.4 billion in captured value
  - 186 Active Districts in 82 Communities



# Maine's Downtown Tax Increment Financing Program

Presented by:

**Noreen G. Copp, Economic Development Director**

Eaton Peabody Consulting Group, LLC

77 Sewall Street, Augusta, Maine 04330

Telephone: 207-622-9820

[ncopp@eatonpeabody.com](mailto:ncopp@eatonpeabody.com)

a subsidiary of Eaton Peabody, Attorneys at Law



Police Chief Michael Gahagan, Interim City Manager, felt that it would be a good idea to have a rough idea of what the cost would be for consulting fees with Eaton Peabody.

Here are three previous scenarios for a guide:

Bouchard TIF                      Small development area / new TIF district

- Contract - February 5, 2013
- Invoices, totaling \$1,429.50

Downtown Amend # 2        No new parcels / new TIF features

- Contract - June 26, 2013
- Invoices, totaling \$6526.00

Downtown CEA              Review and advise for CEA in established TIF district (downtown)

- No contract found
- Invoice for \$661

February 5, 2013

Austin Bleess, City Manager  
City of Caribou  
25 High Street  
Caribou, ME 04736

**Re: TIF Services for the City of Caribou; Bouchard Potato Company**

Dear Austin:

I appreciate that you have chosen Eaton Peabody and Eaton Peabody Consulting Group to provide professional services for the City of Caribou to establish a tax increment financing district ("TIF") pertaining to improvements planned by the Bouchard Potato Company ("Project") in Caribou, Maine. I want to confirm our agreement with regard to the terms and conditions of our representation, including fees and payment of costs.

We understand the City of Caribou has already undertaken steps to establish a TIF District, and that its primary need is to review, analyze, and assemble existing information, as well as develop any other documents that may be necessary, in order to submit a TIF application to the Maine Department of Economic and Community Development. Reagan Laroche, Veronica Costa, and Rick McCarthy of our Eaton Peabody Consulting Group, whose hourly rates are \$80 (Raegan), \$60 (Veronica), and \$145 (Rick), will provide services to the City in this regard. Such services may include:

1. Review/analysis all documents and materials prepared by the City for the TIF application including, but not limited to, the Development Program, tax shift analysis, and Credit Enhancement Agreement ("CEA").
2. Preparation of any additional documents and materials necessary to complete the TIF application.
3. Completion and submission of a TIF application to the State of Maine Department of Economic and Community Development ("DECD"), including any necessary follow up.

I will also provide services as needed, which will include a legal review of the TIF application as well as the form of an associated credit enhancement agreement. My hourly rate is \$170. I may involve others at the law firm or the consulting group as the needs may require. Services of other attorneys and consultants will be billed at their hourly rate. We reserve the right to increase fees from time to time, usually on an annual basis.

Austin Bless  
February 4, 2013  
Page 2

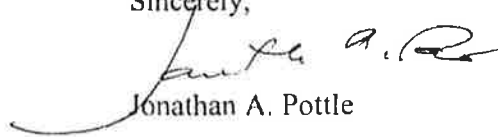
The firm and consulting group charge for all out-of-pocket expenses and disbursements such as filing fees, special order materials, appraisals, services of experts, photocopies, long distance phone charges, facsimile machine charges, postage, etc., at cost. Legal services not specifically addressed in this letter will be billed pursuant to this letter unless a new agreement is signed by us.

We utilize a computerized billing system which sends bills by the fifteenth of every month for all work performed and disbursements made during the preceding month. You will receive statements on a monthly basis and you further agree to notify us within fifteen days following receipt of that statement if you have any disagreement with respect to the balance due or the itemized statement.

We look forward to representing the City of Caribou in this matter. Please read this letter carefully and if you understand and agree with the terms of the engagement, please sign the enclosed copy of this letter where indicated and return it to me. Please keep the original of this letter, signed by me, in your file as a permanent record of our agreement.

Please advise should you have any questions or comments.


Sincerely,



Jonathan A. Pottle

I have read and understand this letter and agree, on behalf of the municipality identified below, to engage Eaton Peabody and Eaton Peabody Consulting Group.

**CITY OF CARIBOU**



By: Austin Bless  
Its: City Manager



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.14

April 5, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 356371  
Page 1  
PAH

I.D. #01-0373027

For Services Through March 31, 2013

Matter: Bouchard Potato Company TIF

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
03/05/13	RFL	Call to Austin; development plan review	1.70	\$55.00	\$93.50
03/06/13	RFL	Development plan work	1.00	\$55.00	\$55.00
03/07/13	RFL	Development program; email to Austin	2.10	\$55.00	\$115.50
03/08/13	RFL	Email to Austin; TIF Development Plan	2.90	\$55.00	\$159.50
03/09/13	RFL	Review Bouchard TIF application	1.30	\$55.00	\$71.50
03/11/13	RFL	TIF draft final review; send to Austin Bless	1.30	\$55.00	\$71.50
03/13/13	RFL	Finalize document and cover letter	1.20	\$55.00	\$66.00
03/14/13	RFL	TIF application to DECD	0.30	\$55.00	\$16.50
03/15/13	RFL	Phone call with Smitty re technical revisions	2.80	\$55.00	\$154.00
03/18/13	RFL	Draft assessor's certificate; email to Austin	0.90	\$55.00	\$49.50
03/19/13	RFL	Smitty revisions; emails to Austin	0.90	\$55.00	\$49.50
03/20/13	RFL	Technical revisions sent to Smitty; review CEA	2.70	\$55.00	\$148.50

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.





P.O. Box 1210, Bangor, Maine 04402-1210  
 Tele: (207) 947-0111 Fax: (207) 942-3040  
 eatonpeabody.com

Acct. No. 22852.14

April 5, 2013

City Of Caribou  
 25 High Street  
 Caribou, ME 04736

Invoice 356371  
 Page 2  
 PAH

I.D. #01-0373027

Date	Code	Description	Hours	Rate	Total
03/21/13	RFL	Review Smitty's drafts; email to Austin; email and call to Veronica; review CEA and email to Pottle	2.70	\$55.00	\$148.50
03/21/13	VC	Review draft approval and synopsis from DECD; forward corrections to RFL	0.30	\$45.00	\$13.50
03/25/13	JAP	Review CEA re consistency with revised TIF; phone conference with RFL re same	0.50	\$170.00	\$85.00
03/25/13	RFL	Call with Jon Pottle; review and edit CEA; review draft documents from Smitty	0.90	\$55.00	\$49.50
03/26/13	RFL	Call from Smitty; email to Austin	0.30	\$55.00	\$16.50
03/27/13	RFL	Email to Austin; email to Smitty	0.20	\$55.00	\$11.00

Total Fees for Professional Services \$1,374.50

Summary of Fees

Timekeeper	Hours	Rate	Dollars
JAP	0.50	170.00	\$85.00
RFL	23.20	55.00	\$1,276.00
VC	0.30	45.00	\$13.50
<hr/>			
Total	24.00		\$1,374.50

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.14

City Of Caribou  
25 High Street  
Caribou, ME 04736

April 5, 2013

Invoice 356371

Page 3

PAH

I.D. #01-0373027

---

**CURRENT BILLING FOR THIS MATTER**

-----  
**\$1,374.50**

**TOTAL DUE FOR THIS MATTER**

-----  
**\$1,374.50**

AB 601-387-00

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.14

April 5, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 356371  
Page 4  
PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$1,374.50</b>
MATTER BALANCE BROUGHT FORWARD	0.00
<b>TOTAL DUE FOR THIS MATTER</b>	<b>\$1,374.50</b>

Please Return This Page With Your Remittance

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
 Tele: (207) 947-0111 Fax: (207) 942-3040  
 eatonpeabody.com

Acct. No. 22852.14

May 8, 2013

City Of Caribou  
 25 High Street  
 Caribou, ME 04736

Invoice 357697  
 Page 1  
 PAH

I.D. #01-0373027

For Services Through April 30, 2013

Matter: Bouchard Potato Company TIF

<u>Date</u>	<u>Tmkr</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
04/01/13	RFL	Final copy of TIF to Austin with electronic approval letter from DECD Draft CEA to be reviewed and executed	1.00	\$55.00	\$55.00

Total Fees for Professional Services \$55.00

Summary of Fees

Timekeeper	Hours	Rate	Dollars
RFL	1.00	55.00	\$55.00
<b>Total</b>	<b>1.00</b>		<b>\$55.00</b>

**CURRENT BILLING FOR THIS MATTER**

**\$55.00**

AS 601-387-00

**TOTAL DUE FOR THIS MATTER**

**\$55.00**

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.14

May 8, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 357697

Page 2

PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$55.00</b>
<b>MATTER BALANCE BROUGHT FORWARD</b>	<b>0.00</b>
<b>TOTAL DUE FOR THIS MATTER</b>	<b>\$55.00</b>

Please Return This Page With Your Remittance

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.

**PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE CITY OF CARIBOU  
AND EATON PEABODY CONSULTING GROUP**

This Agreement is made on this 26 day of June 2013 by and between the City of Caribou (herein after "Client") and Eaton Peabody Consulting Group (herein after "EPCG").

The Client and EPCG agree as follows:

1. Scope of Services. EPCG staff will provide assistance to the Client in the amendment of its Downtown Tax Increment Financing ("TIF") District. Such services may include but are not limited to:

- a. Analysis of original development plan and amendment(s) to ensure compliance with the submission requirements of the Maine Department of Economic and Community Development ("DECD");
- b. Communication with DECD, as requested or required;
- c. Review of potential municipal development program projects;
- d. General guidance to the Client on the delivery of projects under the approved TIF;
- e. Finalization and submission of all necessary forms for completion of the TIF amendment application to DECD;
- f. Guidance on structuring Credit Enhancement Agreements for the Downtown District as requested or required.

Client is responsible for provision of local assessing records, tax maps, public advertising of meetings, recording of minutes, records of local votes, and other locally held or collected reports or items that may be identified by EPCG as necessary for completion of the TIF application.

2. Term of Agreement. EPCG is available to begin work on this Project upon return of this signed Professional Services Agreement. It is expected that work shall be concluded following a reasonable timeline that meets the Town's schedule.
3. Compensation. The EPCG team will be led by Raegan LaRochelle with support from Veronica Costa, and legal review provided by Eaton Peabody attorney Jonathan Pottle. Their services will be billed at an hourly rate. The rates for Raegan, Veronica and Jonathan are \$80, \$60 and \$170, respectively. In addition, EPCG will charge the Client for reimbursement of direct expenses such as mileage, printing and collateral/educational material production, advertising expenses and other reasonable expenses incurred. Payment is due upon receipt of an invoice, is current if paid within 30 days, and shall be subject to a late charge of 1½ % per month on amounts past due.
4. Insurance. EPCG represents and warrants that its employees are covered by workers compensation insurance and that EPCG has in force general liability insurance of \$1,000,000 per occurrence and \$2,000,000 in the aggregate and third party commercial crime coverage of \$500,000.

5. Conflict of Interest. EPCG agrees to inform the Client of any assignments that may create a conflict of interest. Should the Client determine that a conflict exists, it shall notify EPCG of its determination. Should EPCG choose to undertake work determined to be a conflict of interest, Client shall have the right to terminate this Agreement with written notice to EPCG as provided in section 7 of this agreement.
6. Amendment. Both parties to this Agreement understand the current assumptions supporting this Agreement may change and that the parties must therefore exhibit flexibility including a willingness to entertain and execute amendments. Amendments can only be executed with the mutual consent of the parties to this Agreement.
7. Termination. Client may terminate this Agreement at any time with written notice of such termination to EPCG. EPCG shall be compensated for all services rendered up to the date of receipt of written notification of termination.
8. Notices. All notices required or permitted under this Agreement shall be in writing and shall be deemed sufficiently served if sent by First Class mail addressed as follows, or such other address as they may designate from time to time:

If to Client:

Austin Bless, City Manager  
 City of Caribou  
 25 High Street  
 Caribou, Maine 04736

If to EPCG:

Rickmond K. McCarthy, Managing Director  
 Eaton Peabody Consulting Group  
 77 Sewall Street, Suite 3000  
 Augusta, Maine 04330

8. Amendment. Both parties to this Agreement understand the current assumptions supporting this Agreement may change and that the parties must therefore exhibit flexibility including a willingness to entertain and execute amendments. Amendments can only be executed with the mutual consent of the parties to this Agreement.
9. Disclaimer. EPCG is a wholly owned subsidiary of the law firm of Eaton Peabody. EPCG is not engaged in the practice of law and does not provide legal advice or services. Any legal services required by the Client in the performance of this Agreement will be provided by licensed attorneys practicing with Eaton Peabody.

In witness whereof, Client and EPCG have each caused this Agreement to be signed by their duly authorized representatives.

CITY OF CARIBOU



By: Austin Bless  
 Its: City Manager  
 Date: 6/26/13

EATON PEABODY CONSULTING GROUP



By: Rickmond K. McCarthy  
 Its: Managing Director  
 Date: 6/24/13



P.O. Box 1210, Bangor, Maine 04402-1210  
Tel: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

July 9, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 360463  
Page 1  
PAH

I.D. #01-0373027

For Services Through June 30, 2013

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
06/24/13	RFL	Email to Austin
06/28/13	RFL	Review current downtown plan

Total Fees for Professional Services \$208.00

**CURRENT BILLING FOR THIS MATTER** \$208.00

**TOTAL DUE FOR THIS MATTER** \$208.00

AB  
61-473-00

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.





P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

July 9, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 360463  
Page 2  
PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$208.00</b>
<b>MATTER BALANCE BROUGHT FORWARD</b>	<b>0.00</b>
<b>TOTAL DUE FOR THIS MATTER</b>	<b>\$208.00</b>

Please Return This Page With Your Remittance

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

August 12, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 361755  
Page 1  
PAH

I.D. #01-0373027

---

For Services Through July 31, 2013

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
07/02/13	RFL	Review original and amendment for DECD compliance, list of TIF fund opportunities
07/03/13	RFL	Call with Austin, look for DT development plan, gather information from city office
07/05/13	RFL	Tax shift analysis, email to Veronica, ABleess
07/10/13	RFL	Review spreadsheet and items needed from City, email Austin missing items
07/10/13	VC	Review original TIF and First Amendment documents; discuss Client's current needs with RFL; work on tax shifts
07/11/13	RFL	Spreadsheet, look up values on Municipal Return Statistical Summary
07/12/13	RFL	Spreadsheet for Austin to fill in, review of original application, amendment and downtown plan, emails to Austin.
07/15/13	RFL	Reviewing percentages for tax shift analysis
07/16/13	RFL	Review Caribou
07/16/13	VC	Review project status and discuss next steps with RFL; work on maps
07/19/13	RFL	Email to Austin
07/23/13	RFL	Call with Austin, review of acceptable TIF expenditures
07/26/13	RFL	TIF Investment Plan draft. Compare with directives from Downtown Development Plan.
07/26/13	VC	Finish maps
07/29/13	RFL	Caribou Downtown TIF Amendment 2 narrative

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tel: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct No. 22852.15

City Of Caribou  
25 High Street  
Caribou, ME 04736

August 12, 2013

Invoice 361755  
Page 2  
PAH

I.D. #01-0373027

---

Total Fees for Professional Services \$2,554.00

**CURRENT BILLING FOR THIS MATTER** \$2,554.00

**TOTAL DUE FOR THIS MATTER** \$2,554.00

13 6.1-473.00

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
 Tcle: (207) 947-0111 Fax: (207) 942-3040  
 eatonpeabody.com

Acct. No. 22852.15

September 10, 2013

City Of Caribou  
 25 High Street  
 Caribou, ME 04736

Invoice 362820  
 Page 1  
 PAH

I.D. #01-0373027

For Services Through August 31, 2013

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
08/08/13	RFL	Create clean draft of downtown development plan, write email to Austin re: next steps
08/15/13	RFL	Email to Austin, review amendment 2
08/16/13	RFL	Check status of TIF amendment, email to Austin
08/26/13	RFL	Prepare draft development plan, modify investment plan, email to Austin and Smitty, call to Austin.
08/26/13	VC	Review and assemble TIF package for RFL delivery to Client
08/28/13	RFL	Call with Smitty, email to Austin.
08/29/13	RFL	Call with Austin, call with Pottle, call with Smitty, work on table.
08/30/13	RFL	Email to Austin; review of investment plan and request for additional information for the development plan.

Total Fees for Professional Services \$962.00

**CURRENT BILLING FOR THIS MATTER \$962.00**

**TOTAL DUE FOR THIS MATTER \$962.00**

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tel: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

September 10, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 362820  
Page 3  
PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$962.00</b>
<b>MATTER BALANCE BROUGHT FORWARD</b>	<b>0.00</b>
<b>TOTAL DUE FOR THIS MATTER</b>	<b>\$962.00</b>

Please Return This Page With Your Remittance

AB G 1 -473-00

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
 Tele: (207) 947-0111 Fax: (207) 942-3040  
 eatonpeabody.com

Acct. No. 22852.15

October 7, 2013

City Of Caribou  
 25 High Street  
 Caribou, ME 04736

Invoice 364088  
 Page 1  
 PAH

I.D. #01-0373027

For Services Through September 30, 2013

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
09/03/13	RFL	Finalize development plan draft.
09/04/13	RFL	Review Veronica's edits
09/05/13	RFL	Draft investment plan sent to Austin, assemble Amendment 2 for public hearing.
09/06/13	RFL	Email to Austin, finalizing packet for City Council
09/06/13	VC	Add omnibus language to Amendment document
09/12/13	RFL	Call with Smitty, revision of Caribou draft.
09/13/13	RFL	Review and modify document based on Smitty's feedback.
09/17/13	RFL	Revise information for Austin. Send Austin email requesting other information.
09/20/13	RFL	Review downtown application. Prepare for submission.
09/23/13	RFL	Prepare second amendment for submission.
09/23/13	TLB	Photos for presentation
09/24/13	RFL	Finalize TIF amendment 2
09/24/13	VC	Review TIF district maps
09/26/13	VC	Prepare final application package for submission to DECD

Total Fees for Professional Services

\$1,316.50

**CURRENT BILLING FOR THIS MATTER**

**\$1,316.50**

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

October 7, 2013

City Of Caribou  
25 High Street  
Caribou, ME 04736

invoice 364088  
Page 2  
PAH

I.D. #01-0373027

---

**TOTAL DUE FOR THIS MATTER**

---

**\$1,316.50**

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

January 14, 2014

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 367781  
Page 1  
PAH

I.D. #01-0373027

For Services Through December 31, 2013

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
12/03/13	RFL	Review file and call to Smitty
12/05/13	RFL	Notes and call to Austin to set up time to talk.
12/06/13	RFL	Call with Austin. Follow up to collect Comprehensive plan, November 13, 2006 minutes, and correct Downtown Plan.
12/10/13	RFL	Review documents sent by Austin for Smitty.
12/10/13	VC	Review versions of Downtown Plan in response to DECD inquiry.
12/11/13	RFL	Review two downtown development plans. Email to Austin to set up a time to discuss next steps.
12/12/13	RFL	Call with Austin, organize and email additional documents requested by Smitty.

Total Fees for Professional Services \$542.00

**CURRENT BILLING FOR THIS MATTER** \$542.00

**TOTAL DUE FOR THIS MATTER** \$542.00

AB 6-1-473-00

Payment Due Upon Receipt

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.





P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpcabody.com

Acct. No. 22852.15

January 14, 2014

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 367781  
Page 2  
PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$542.00</b>
<b>MATTER BALANCE BROUGHT FORWARD</b>	<b>0.00</b>
<b>TOTAL DUE FOR THIS MATTER</b>	<b>\$542.00</b>

Please Return This Page With Your Remittance

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
 Tele: (207) 947-0111 Fax: (207) 942-3040  
 eatonpcabody.com

Acct. No. 22852.15

March 14, 2014

City Of Caribou  
 25 High Street  
 Caribou, ME 04736

Invoice 370260  
 Page 1  
 PAH

I.D. #01-0373027

For Services Through February 28, 2014

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
02/03/14	RFL	Email to Veronica with TIF material for Caribou. Email to Smitty confirming receipt.
02/03/14	VC	Compare DT TIF Investment Plan to DT District Plan and note appropriate references.
02/05/14	RFL	Final investment table reviewed and sent to Smitty with citations to Downtown District Plan.
02/06/14	RFL	Scanned originals and send package to Smitty
02/12/14	RFL	Prep for call. Call with Smitty. Call to Austin. Draft cost estimate justifications for MDACF.
02/13/14	RFL	Send Caribou DT Investment Plan cost justification.
02/14/14	RFL	Discuss Caribou with JPottle

Total Fees for Professional Services \$584.00

**CURRENT BILLING FOR THIS MATTER**

**\$584.00**

**TOTAL DUE FOR THIS MATTER**

**\$584.00**

AB G 1-473-00

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

March 14, 2014

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 370260  
Page 2  
PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$584.00</b>
<b>MATTER BALANCE BROUGHT FORWARD</b>	<b>0.00</b>
<b>TOTAL DUE FOR THIS MATTER</b>	<b>\$584.00</b>

Please Return This Page With Your Remittance  
Selected hourly rates increased effective January 1, 2014.  
If you have any questions about your bill, please contact your attorney.

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

April 8, 2014

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 371758  
Page 1  
PAH

I.D. #01-0373027

For Services Through March 31, 2014

Matter: Downtown TIF Amendment

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>
03/04/14	RFL	Review draft approval letter and advisories from DECD and relevant departments.
03/05/14	RFL	Discussion with Smitty about Caribou approval letter.
03/06/14	RFL	Left message for Austin Bless. Call with Austin.
03/07/14	RFL	Call with Austin. Review of Smitty's drafts. Make technical revisions to investment plan. Email to Smitty with final draft.

Total Fees for Professional Services \$360.00

**CURRENT BILLING FOR THIS MATTER**

**\$360.00**

**TOTAL DUE FOR THIS MATTER**

**\$360.00**

AB 6 1-473.00

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.15

April 8, 2014

City Of Caribou  
25 High Street  
Caribou, ME 04736

Invoice 371758  
Page 2  
PAH

I.D. #01-0373027

---

**REMITTANCE PAGE**

<b>CURRENT BILLING FOR THIS MATTER</b>	<b>\$360.00</b>
<b>MATTER BALANCE BROUGHT FORWARD</b>	<b>0.00</b>
<b>TOTAL DUE FOR THIS MATTER.</b>	<b>\$360.00</b>

Please Return This Page With Your Remittance  
Selected hourly rates increased effective January 1, 2014.  
If you have any questions about your bill, please contact your attorney.

*Payment Due Upon Receipt*  
Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
 Tele: (207) 947-0111 Fax: (207) 942-3040  
 eatonpeabody.com

Acct. No. 22852.16

March 27, 2015

City Of Caribou  
 25 High Street  
 Caribou, ME 04736

Invoice 395001  
 Page 1  
 PAH

I.D. #01-0373027

For Services Through February 28, 2015

Matter: Gagnon/Sitel CEA

<u>Date</u>	<u>Tmkpr</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
02/01/15	RFL	Review entire Sitel CEA draft; Suggest edits.	0.70	\$70.00	\$49.00
02/02/15	RFL	Confirm OAV values and OAV dates for Sitel CEA and Gagnon CEA; Email to JAP; Follow up call to JAP.	0.60	\$70.00	\$42.00
02/04/15	JAP	Finalize Gagnon CEA; email recommended edits to City Manager; follow-up conference with City Manager re: same	2.50	\$190.00	\$475.00
02/10/15	JAP	Review/revise Sitel CEA; email to City Manager re: same	0.50	\$190.00	\$95.00
<b>Total Fees for Professional Services</b>					<b>\$661.00</b>

Summary of Fees

Timekeeper	Hours	Rate	Dollars
JAP	3.00	190.00	\$570.00
RFL	1.30	70.00	\$91.00
<b>Total</b>			<b>\$661.00</b>

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.



P.O. Box 1210, Bangor, Maine 04402-1210  
Tele: (207) 947-0111 Fax: (207) 942-3040  
eatonpeabody.com

Acct. No. 22852.16

City Of Caribou  
25 High Street  
Caribou, ME 04736

March 27, 2015

Invoice 395001

Page 2

PAH

I.D. #01-0373027

---

**CURRENT BILLING FOR THIS MATTER**

-----  
**\$661.00**

**TOTAL DUE FOR THIS MATTER**

-----  
**\$661.00**

AB E 11-01-005-04

*Payment Due Upon Receipt*

Late Charge of 1-1/2% per Month on Accounts Overdue 30 Days.