

**AGENDA  
SCARBOROUGH TOWN COUNCIL  
WEDNESDAY – DECEMBER 6, 2023  
HYBRID REGULAR MEETING – 7:00 P.M.**

**TO VIEW TOWN COUNCIL MEETING & OFFER PUBLIC COMMENT:**

<https://scarboroughmaine.zoom.us/j/82648387536>

**TO VIEW TOWN COUNCIL MEETING ONLY:**

<https://www.youtube.com/channel/UCD5Y8CFy5HpXMftV3xX73aw>

***NO NEW BUSINESS SHALL BE TAKEN UP AFTER 10:00 P.M.***

**Item 1.** Call to Order.

**Item 2.** Pledge of Allegiance.

**Item 3.** Roll Call.

**Item 4.** General Public Comments.

**Item 5.** Minutes: November 15, 2023 - Town Council Meeting.

**Item 6.** Adjustment to the Agenda.

**Item 7.** Items to be signed: a. Treasurer's Warrants.

**Item 8.** Town Manager Report.

**\*Procedure for Addressing Council [Councilor Chair will explain process]**

**Order No. 23-105, 7:00 p.m. Public hearing** and second reading on the request from 3iHoMe/POAH to enter into a Credit Enhancement Agreement with the Town of Scarborough, to develop a state of the art accessible apartment community in the Town Center at The Downs. [Tabled from the September 20th Town Council meeting.] [*Housing Alliance*]

**Order No. 23-117, 7:00 p.m. Public hearing** and second reading on the new request for a Cannabis Establishment License from Nickolas Levasseur, d/b/a Watchtower, LLC, located at 137 Pleasant Hill Road for an Adult Cannabis Products Manufacturing Facility. [Tabled from the October 18th & November 8th Town Council meeting.] [*Assistant Town Manager*]

**Order No. 23-128, 7:00 p.m. Public hearing** and second reading on the proposed amendments to Chapter 311 – the Schedule of Fees. [*Planning Director*]

**Order No. 23-129, 7:00 p.m. Public hearing** and second reading on the new request for a Cannabis Establishment License from Nickolas Levasseur, d/b/a Pine Point Medical, LLC, located at 137 Pleasant Hill Road for a Medical Cannabis Products Manufacturing Facility. [*Assistant Town Manager*]

**Order No. 23-130, 7:00 p.m. Public hearing** and action on the new requests for a Food Handlers License, Hana Group Franchising, LLC d/b/a Mai Sushi, located at 440 Payne Road, Casey Prentice d/b/a 58 Culinary, LLC, located at 15 Pleasant Hill Road and an outstanding renewal from Maine Baking Company, LLC d/b/a Pizza by Fire, located at 51 Dynamic Drive #4. [*Town Clerk*]

## **OLD BUSINESS:**

**Order No. 23-109.** Second reading on the Council Order approving the Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District and Development Program. [Tabled from the November 8th Town Council meeting.] *[Town Council]*

**Order No. 23-110.** Second reading on the Council Order approving the First Amendment to the Credit Enhancement Agreement between the Town of Scarborough, Maine and Crossroads Holdings LLC. [Tabled from the November 8th Town Council meeting.] *[Town Council]*

## **NEW BUSINESS:**

**Order No. 23-131.** First reading on the new request for a Cannabis Establishment License from Arthur Oliveira, d/b/a Rare, LLC., located at 10 Snow Canning Road for a Medical Cannabis Products Manufacturing Facility and schedule a public hearing and second reading. *[Assistant Town Manager]*

**Order No. 23-132.** First reading and schedule a second reading on the request to approve the expenditure, in an amount not to exceed, \$210,000, from the Land Acquisition Reserve Fund for the purpose of purchasing property located at 50 Hanson Road located more specifically identified by the Scarborough Tax Assessors Map R001/Lot 007, as recommended by the Parks and Conservation Land Board, and authorize the Town Manager to execute any and all documents as are necessary to protect the Town's interest. *[Parks and Conservation Land Board]*

**Order No. 23-133.** Act on the request from the Tax Collector for a waiver of foreclosure on the following properties: 332 Garnet Drive – MapT002/Lot 332 and 30 Matthews Way – Map T003/Lot 030 and authorize the Town Manager to sign the necessary documentation. *[Tax Collector]*

**Order No. 23-134.** Act on the request, pursuant to Title 23, M.R.S.A. §3025 and the requirements of Section 4, of the Scarborough Street Acceptance Ordinance, to approve the acceptance of public infrastructure, as noted and recommended by the Town Engineer. *[Town Engineer]*

**Order No. 23-135.** Act on the request from the Scarborough Housing Alliance to utilize \$200,000 from the Affordable Housing Initiative Fund to support the 3iHoMe Project. *[Town Manager]*

**Order No. 23-136.** Act on the request to terminate the Purchase Option Agreement between the Town of Scarborough and Crossroads Holdings LLC dated September 7, 2023, pursuant to Sections 2 and 11 of the Agreement. *[Town Manager]*

**Order No. 23-137.** Act on the Council Chair Appointments for 2024. *[Chairman McGee]*

**Item 9.** Non-Action Item.

**Item 10.** Standing and Special Committee Reports and Liaison Reports.

**Item 11.** Council Member Comments.

**Item 12.** Adjournment.



To: Scarborough Town Council  
From: Thomas J. Hall, Town Manager  
RE: Town Manager's Report  
Date: December 6, 2023

Below is an initial list of items that will be included in the Town Manager's Update at the regular public meeting of December 6, 2023. I will provide a verbal update on each of these items and will likely include other items of interest.

- **School Building Project Update** -
  - BOE/TC Workshop on 11/16/23 - Building Committee 11/28/23
  - Buyers Obligations under the Purchase Option Agreement -
    - Defeat of various items on November 15, 2023
    - Recommend Defeat of TIF/CEA provision - Order Nos. 109 and 110
    - Order No. 23-136 - Official "Cancellation of Option Agreement"
  - Cossroads' Requirement to Reserve Land for a School
- **Eastern Trail - Close The Gap** - Meet with new ETMD ED and Board President
  - Resumption of Key Stakeholder Meetings
- **Gorham Connector** - Public Engagement Start up
- **Dredge Update** - Dredge operations fully underway
  - Additional 30,000 CY - Total Dredge of 140,000 CY
  - Western Beach - Public to avoid
- **Pine Point Pier Improvements** - Update on crane replacement and pier
- **Financial Audit Complete** - Audit presentation scheduled for Dec. 20
- **Alger Hall Lease** - Workshop scheduled for December 20

- **School Impact Fee** - Hold for new School solution/estimated cost
  - Impact Fee Comparisons
  
- **GPCOG “Welcome and Congrats” Reception** -
  - Centerboard Yacht Club - Wednesday, December 13 at 5:30 PM - RSVP





## Comparison of Impact Fees: Schools

Town	School	Basis	Fee Structure	Potential For Reduced Fees	Adoption Date	Ability to Modify or Waive
Scarborough	Middle School, High School, Wentworth, & Primary Schools	Inflation Adjustment.	SF/\$5,210, 2 Family/\$1,990, Apt/\$1,310, Mobile Home in Park/\$1,310, Affordable Housing Unit/\$2,620	Deferred Fee for Current Over 55. no fee for replacement units, Exemption for permanently restricted senior housing	2002	Council
Gorham	New Middle School Facilities	Fee based on anticipated by number of bedrooms in units. For other types of units, number of students anticipated will be multiplied by \$8,492 per student	SF: 1 bed/0, 2 bed/\$424.60, 3 Beds/\$1,273.80, 4 beds/\$1,273.80, 5 or More/\$1,698.40. MF: 1 Bed/\$0, 2 Bed/\$169.84, 3 + beds/\$424.60	Permanently restricted Senior units (65+) exempted. 55+ restricted units pay 10% of fee	Began in 2002, repealed in 2009 due to Cost of Housing, Revised 2019.	
Westbrook	Renovation of Middle School and Saccharappa School Improvements - Fees failed at Council	Note- the fee schedule does not appear in the schedule of fees, so impact fee may not be in place. Fees were labeled as Draft. Fees Applies to new development, including additional units added to existing structures, Not required for replacement units	2 Bed SF/\$735 2 Bed MF/\$662 2 Bed Mobile/\$549 3 Bed SF/\$3,245 3 Bed MF/\$1,506 3 Bed Mobile/\$2,964 4 Bed SF/\$3,483 5+ Bed/\$4,084	Exemptions for Housing for units solely occupied by 62+	Enabling legislation passed but School and Sewer impact fees failed at 2nd reading	If developer makes off site improvements, Fees increase by inflation rate
York	Middle School and High School Authorized by voters in 1998	Based on new development or improvements leading to additional bedrooms	1 & 2 bed/\$0, 3 bed SF/\$1,700 3 bed apt/\$1,900, 4 bed SF/\$3400. 4 bed apt/\$3,400	Exemptions for elderly or congregate Housing	2011 updated	Board of Selectmen can revise annually

## Checklist of Towns with Impact Fees

Town	Impact Fees	School	Open Space, Parks & Rec	Public Safety	Transportation	Water/ Wastewater	Date of Ordinance Adoption	Notes
Scarborough	✓	✓			✓			<b>Not required for replacement units, Senior Housing exemption</b>
Brunswick	✓		✓		✓		3/7/22	Any activity, development, construction, or change of use shall be subject to one or more of the fees. Credit is given for existing uses
Cumberland	✓		✓				6/28/2001, amended 4/9/2012	Applicable to new Residential Growth only
Eliot	✓			✓				Per \$1,000 of improvements in excess of \$100,000
Freeport	✓				✓			Residential, Commercial, or Industrial by gross floor area or length of road construction
Gorham	✓	✓	✓			✓	2002, suspended in 2009 due to concern for affordability, reinstated 2019/2023 for Parks Impact Fee	School fee based on bedrooms, 55+ units are exempt/Parks fee based on SF residential people/unit and bedrooms in 2 or more units
Portland	✓		✓		✓	✓	12/19/18	Study conducted in 2018, Any new building or addition which results in new residential units, non residential SF or water/wastewater meters.
Kennebunk	✓			✓	✓		6/28/05	Per SQ Ft of habitable area of both residential and non residential/Transportation fee relates to Bicycle Facility Improvements (Construction of paved shoulders)
Saco	✓		✓	✓		✓		Based on Single Family residence
South Portland	✓						2022	Enabling legislation passed in December 2022
Westbrook	✓					✓	2016	Residential types by number of bedrooms Impact fee enabling ordinance, but school Impact fee failed at Council
Windham	✓		✓		✓			Sidewalks, Route 302 Road Improvements, Recreation
Wells	✓						2007	Based on # of Bedrooms, SqFt of Floor Area and Traffic Generated
York	✓	✓					1998/2000/2011	

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-105.** Move approval of the second reading on the request from 3iHoMe/POAH to enter into a Credit Enhancement Agreement with the Town of Scarborough, to develop a state of the art accessible apartment community in the Town Center at The Downs. [Tabled from the September 20th Town Council meeting.] [*Housing Alliance*]

*Housing Alliance*

*Ought to Pass*

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Sponsor

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Recommendation

*11/15/2023 – Vote: 6 Yeas, 1 Nay (Councilor Hamill)*

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First Reading/Vote

*12/06/2023*

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Public Hearing

*12/06/2023 – Vote:*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

**ACTION ITEM:** Order No. 23-105.

**SUBJECT:**

**7:00 p.m. Public hearing** and second reading on the request from 3iHoMe/POAH to enter into a Credit Enhancement Agreement with the Town of Scarborough, to develop a state of the art accessible apartment community in the Town Center at The Downs. [*Housing Alliance*]

**PURPOSE:**

Demonstrate local support for the project and improve the financial viability of the project.

**BACKGROUND:**

The project is within the Omnibus Downtown Tax Increment Financing District which allows for local approval of Credit Enhancement Agreement to incentives development within the District.

Applicant originally requested 60% reimbursement for the remainder of the TIF term (26 years). Based on feedback from the Town Council at the workshop of September 6, 2023, staff and the applicant reconsidered the request and now propose 50% reimbursement for 15 years. The modified request is incorporated into the proposed Credit Enhancement Agreement.

This project exists within the Downs Project for which there is an existing CEA to the Developer for 40% reimbursement. POAH's request of a 50% reimbursement would bring the total reimbursement to 90% for fifteen years, thereafter falling back to a 40% reimbursement. The 10% remaining is available to offset any "costs to serve", which, given the resident population of this facility is expected to be sufficient.

One of the stated purposes of the request is to obtain additional points to make the application for project funding more competitive. The application for funding through MaineHousing is due on September 21, 2023; however, due to the fact that public notice was not provided by the Town, the Town Council was unable to take final action as a public hearing must be held. The consequence of this is that the project was not eligible for an additional point in the ranking system. Nonetheless, the Applicant wishes to continue with the request as the reimbursement of property taxes paid will strengthen the underwriting for the project. With the revelation that time was not of the essence, the matter was tabled to the November 15, 2023 meeting in hopes that more clarity would be provided regarding the funding through MaineHousing.

**FISCAL IMPACT:**

Based on the revised pro-forma, it is estimated that the value of the 50% reimbursement over the 15-year term is \$774,312.

**STATUS / PROCESS TO DATE:**

- CEA Request followed TIF/CEA Policy

- Project reviewed by the Housing Alliance – recommended approval on 7/26/23
- Town Council Workshop on September 6, 2023
- First Reading scheduled for September 20, 2023, Tabled to November 15, 2023
- First Reading before the Town Council: November 15, 2023
- Public hearing and second reading before the Town Council: December 6, 2023

**PROPOSED ACTION:**

Recommend approval of the second reading on Order No. 23-105.

**ATTACHMENTS:**

- Memorandum from Karen Martin, SEDCO dated November 30, 2023
- Letter from POAH dated November 9, 2023
- CEA Application by POAH as the Developer for the 3iHoMe project.
- Letter of Support from the Scarborough Housing Alliance
- Revised Pro-Forma- using updated information
- Order approving the CEA
- Proposed Credit Enhancement Agreement reflecting final requested terms



**TO:** Scarborough Town Council  
**FROM:** Karen Martin, SEDCO Executive Director  
**DATE:** November 30, 2023  
**SUBJECT:** 3iHoMe

## Overview

In advance of the Council's public hearing and second reading for the 3iHoMe request for a credit enhancement agreement (CEA), staff wanted to outline the project and provide an update on funding from MaineHousing. This Memo provides a basic summary of the project, the applicant's request for reimbursement under the credit enhancement agreement and answers to some additional questions raised during the first reading. Where applicable, we reached out to the applicant for clarification on some questions.

## The Project

3iHoMe received site plan approval to build 51 units of affordable housing designed to serve people with mobility challenges.

The project is a partnership between a national nonprofit, Preservation of Affordable Housing (POAH), and a local nonprofit, 3iHousing of Maine.

The project will be located at The Downs on 1.3 acres in the Town Center area. In addition to the 51 units, there will be a community lounge, offices for administrative and support services and an area designed to demonstrate innovation in assistive technologies.

The project is projected to be completed in 2025.

## Affordability

3iHoMe is an affordable housing project with apartments available to people earning between 30% and 60% of the Area Median Income (AMI). According to the applicant, the distribution of units will be as follows:

Unit Type	Units	Bedrooms	AMI	Underwritten Rent
1BR	5	1	30%	\$1,543
2BR	3	2	30%	\$1,979
3BR	0	3	30%	\$2,496
1BR	15	1	50%	\$1,060
2BR	7	2	50%	\$1,265
3BR	1	3	50%	\$1,456
1BR	11	1	60%	\$1,282
2BR	6	2	60%	\$1,531
3BR	3	3	60%	\$1,763

Project wide, there are

31 1-bedroom apartments  
16 2-bedroom apartments  
4 3-bedroom apartments  
51 Total Units

### **Innovation**

The 3i HoMe project at The Downs is a universally designed apartment building with 51 individual apartments to promote independence for people with disabilities and mobility impairments through the application of innovative smart/assistive technologies and integrated home and community- based services.

This project is the first of its kind, a 100% affordable, 100% accessible and 100% independent property. As a first of its kind project, it will serve as a model for replication in other municipalities throughout Maine and beyond.

### **Use of Funds**

The proposed CEA will reimburse 50% of the property taxes paid to the Town back to 3iHoMe. These funds will be used to offset operating costs and to leverage investment. According to the applicant, for every \$1,000 of public investment, the project can leverage an additional \$15,000 in financing from other sources.

### **Approved Credit Enhancement Agreements (CEA's) for Housing in Scarborough**

Scarborough has participated in previous credit enhancement agreements for affordable housing.

Avesta Southgate CEA:	50% reimbursement (17 Years)
Bessey School 1:	100% reimbursement (30 Years)
Bessey Commons 2:	100% reimbursement (30 Years)
Avesta Route 1:	75% reimbursement (20 Years)
Oak Hill Senior Housing (Jocelyn Place):	75% reimbursement (20 Years)

*Source: Town of Scarborough Tax Commitment Report/FY 2024*

### **Compliance with the Comprehensive Plan**

The 3iHoMe project is consistent with the Town's Comprehensive Plan in the following ways:

- 1) 3iHome promotes diversity in housing opportunities
- 2) The Project adds new affordable homes
- 3) The Project is designed to be Passive House Certified, thus promoting long-term energy conservation and sustainability.

### **Status of the Project**

3iHoMe was submitted in September to MaineHousing for the 9% Low Income Housing Tax Credit program. Had the CEA been approved by September 20, 2023, the project would have been awarded additional points in the application process. While the

project was not able to leverage additional points, the CEA is still an integral part of the financing for the project as discussed above.

Results of MaineHousing funding awards should be available any day now. According to the applicant, should the project fail in this round of financing, they will resubmit in the Spring. If they need to resubmit, the CEA would again, play an important role in securing an award from MaineHousing.

### **CEA Details**

Attached to this memo is a projection of potential CEA revenues. **Please note that these are projections.** They do not obligate the Town to pay these amounts. **The amount of reimbursement is always based on the agreed upon percentage multiplied by the actual taxes paid.**

This table includes some updates from the previous estimate. The updates are as follows:

- 1) The assessed value has been adjusted based on the assumption of a revaluation occurring in year 6 of the Downtown Omnibus TIF. Overall, The Town Assessor now estimates that value will increase 40%, and the tax rate will decrease by 26.4%. Future revaluations will happen at 5-year intervals and will show a 10% increase in value and a 6.4% decrease in the tax rate. This new formula is being used in the update of the fiscal impact of The Downs, in process now.
- 2) The table includes two versions of reimbursement, including 50% for 15 years as discussed at the 11/15/2023 meeting and 60% for 24 years, which the applicant requested in a memo to the Council dated November 9, 2023.
- 3) The amount tax revenues received by the Town are included in the new table and reflects the drop in reimbursement for The Downs for in the last ten year of their CEA.

### **Follow-up questions**

Additional Information was requested from and provided by the applicant, based on questions from Councilors and the public at first reading.

#### ***Question: Is this a senior housing project?***

POAH Response: As the Town Manager noted during the November 15, 2023 Council meeting, the “senior” reference in the meeting materials appears to have been a simple clerical error on the Town’s part. The 3i team has been clear throughout the process that the project will not be age restricted.

#### ***Question: Will the assessed value of the property be based on the \$14 Million of construction costs?***

POAH Response: As the Town Manager stated during the 11/15/23 meeting, the \$16 million figure represents the estimated construction cost and is not the appropriate value for assessing purposes. Based on recent/ongoing experiences with other rent-restricted properties in town – such as Bessey Commons, Griffin Road, Southgate, and Village at Oak Hill – a value of just under \$100,000 per unit is more appropriate. For 3i that comes out to about \$4.97 million in 2023.



***Question: Will the 3iHoMe property include school-age children, placing an added burden on Scarborough taxpayers?***

POAH response: Based on conversations with prospective residents and what has been observed elsewhere, this property is unlikely to have a large number of school-age children. Some of the bigger apartments will likely be occupied by households that need extra space for extended-family caregivers or for home office use. At Harmon Apartments in Dorchester/Boston, which is a mixed-income 36-unit affordable family property with one- and two-bedroom apartments, there is currently one school-age child.

Staff Response: The Downs project was originally analyzed as a wholistic project where the balancing of a mix of uses would smooth out costs to serve. Residential and nonresidential development are intended to be managed to balance impacts on services. If you remove any one project from the whole, that project may or may not stand on its own in terms of a fiscal impact. This assessment is the same for the balance of the Town. Our nonresidential development offsets the costs of our residential development in The Downs and in the Balance of the Town.

***Question: Hasn't the town already committed \$200,000 from the Scarborough Housing Alliance?***

Staff Response: The Scarborough Housing Alliance recommended to the Town Council that \$200,000 from the Affordable Housing Initiative Fund be invested in 3iHoMe. This fund is comprised of fees paid by developers in lieu of building affordable housing as part of their projects. No taxpayer raised dollars are included. These developer payments go directly into a fund which can only be used to support affordable housing developments. Though the Scarborough Housing Alliance recommended the \$200,000 investment to the Council on April 26, 2023, the Council will formally consider authorizing these funds in order number 23-135 on the December 6, 2023 agenda.

***Question: Will all 51 of 3i's affordable units count toward the Downs' affordable housing requirement?***

POAH Response: No. Per the terms of the Scarborough Housing Alliance funding commitment, the investment is supporting 7 units that will be affordable to households at 50% of Area Median Income. Those 7 units will not count toward the Downs' affordability requirement.

***Question: Does the Downs stand to receive extra payments under the Purchase & Sale Agreement (P&S) in connection with 3i receiving a CEA?***

POAH Response: The P&S provision in question is actually intended to ensure that the Downs' existing CEA benefits will not be eroded since the Downs is relying on its CEA to fund infrastructure. Under no scenario does the Downs stand to receive any benefits beyond what they have already negotiated with the Town.

***Question: What is the status of 3i's MaineHousing application?***

POAH Response: The 3i team anticipates that MaineHousing will announce funding awards from the current competitive round sometime between late November and mid-December. If 3i does not receive an award through this round, they will re-apply in subsequent rounds – possibly as soon as early 2024. It is common for applicants to have to apply in multiple rounds before receiving an award, and the 3i team is confident that it will secure financing – either in the current round or in a future one.

Projected Value, Revenues and Reimbursements 3iHoMe: 5-Year Revaluations											
Original TIF Year	Year of CEA	Actual Year	Original Assessed Value	Projected Increased Assessed Value	Tax Rate	Tax Revenue	50% Reimbursement (15 Years) Considered by Council on 11/15/23	60% Reimbursement (24 Years) Requested by Applicant	Town Share with 50% Option at 15 Years	Town Share with 60% Option at 24 Years	
5		2024	\$ 19,600		\$ 15.97						
6		2025	\$ 19,600		\$ 11.75						
7	1	2026	\$ 19,600	\$ 6,980,400	\$ 12.11	\$ 84,508	\$ 42,254	\$ 50,705.09	10%	0%	
8	2	2027	\$ 19,600	\$ 6,980,400	\$ 12.47	\$ 87,044	\$ 43,522	\$ 52,226.24	10%	0%	
9	3	2028	\$ 19,600	\$ 6,980,400	\$ 12.84	\$ 89,655	\$ 44,828	\$ 53,793.02	10%	0%	
10	4	2029	\$ 19,600	\$ 6,980,400	\$ 13.23	\$ 92,345	\$ 46,172	\$ 55,406.82	10%	0%	
11	5	2030	\$ 19,600	\$ 7,678,440	\$ 12.38	\$ 95,078	\$ 47,539	\$ 57,046.86	10%	0%	
12	6	2031	\$ 19,600	\$ 7,678,440	\$ 12.75	\$ 97,930	\$ 48,965	\$ 58,758.26	10%	0%	
13	7	2032	\$ 19,600	\$ 7,678,440	\$ 13.14	\$ 100,868	\$ 50,434	\$ 60,521.01	10%	0%	
14	8	2033	\$ 19,600	\$ 7,678,440	\$ 13.53	\$ 103,894	\$ 51,947	\$ 62,336.64	10%	0%	
15	9	2034	\$ 19,600	\$ 7,678,440	\$ 13.94	\$ 107,011	\$ 53,506	\$ 64,206.74	10%	0%	
16	10	2035	\$ 19,600	\$ 8,446,284	\$ 13.04	\$ 110,179	\$ 55,089	\$ 66,107.26	10%	0%	
17	11	2036	\$ 19,600	\$ 8,446,284	\$ 13.44	\$ 113,484	\$ 56,742	\$ 68,090.48	10%	0%	
18	12	2037	\$ 19,600	\$ 8,446,284	\$ 13.84	\$ 116,889	\$ 58,444	\$ 70,133.19	10%	0%	
19	13	2038	\$ 19,600	\$ 8,446,284	\$ 14.25	\$ 120,395	\$ 60,198	\$ 72,237.19	10%	0%	
20	14	2039	\$ 19,600	\$ 8,446,284	\$ 14.68	\$ 124,007	\$ 62,004	\$ 74,404.30	10%	0%	
21	15	2040	\$ 19,600	\$ 9,290,912	\$ 13.74	\$ 127,678	\$ 63,839	\$ 76,606.67	40%	0%	
Subtotal (Years 1-15)						\$ 1,570,966	\$ 785,483	\$ 942,580	\$ 195,400	\$ -	
22	16	2041	\$ 19,600	\$ 9,290,912	\$ 14.15	\$ 131,508	\$ -	\$ 78,904.87	90%	30%	
23	17	2042	\$ 19,600	\$ 9,290,912	\$ 14.58	\$ 135,453	\$ -	\$ 81,272.02	90%	30%	
24	18	2043	\$ 19,600	\$ 9,290,912	\$ 15.02	\$ 139,517	\$ -	\$ 83,710.18	90%	30%	
25	19	2044	\$ 19,600	\$ 9,290,912	\$ 15.47	\$ 143,702	\$ -	\$ 86,221.48	90%	30%	
26	20	2045	\$ 19,600	\$ 10,220,004	\$ 14.48	\$ 147,956	\$ -	\$ 88,773.64	90%	30%	
27	21	2046	\$ 19,600	\$ 10,220,004	\$ 14.91	\$ 152,395	\$ -	\$ 91,436.85	90%	30%	
28	22	2047	\$ 19,600	\$ 10,220,004	\$ 15.36	\$ 156,967	\$ -	\$ 94,179.95	90%	30%	
29	23	2048	\$ 19,600	\$ 10,220,004	\$ 15.82	\$ 161,676	\$ -	\$ 97,005.35	90%	30%	
30	24	2049	\$ 19,600	\$ 10,220,004	\$ 16.29	\$ 166,526	\$ -	\$ 99,915.51	90%	30%	
Subtotal (Years 16-24)						\$ 1,335,700		\$ 801,419.85	\$ 1,202,130	\$ 400,710	
Years 1-15							\$ 785,483	\$ 942,580	\$ 195,400	\$ -	
Years 16-24							\$ -	\$ 801,420	\$ 1,202,130	\$ 400,710	
Years 1-24							\$ 785,483	\$ 1,744,000	\$ 1,397,530	\$ 400,710	

#### Assumptions:

1. Projections are much less likely to be accurate farther into the future and are for demonstrative purposes only.
2. Projections show anticipated increased assessed values, captured assessed values, and revenues related to the increased assessed value.
3. Projections assume a tax rate increase of 3% each year, except for revaluation years which are decreased
4. Revaluations happen every 5 years with 40% increase in Year 6, 10% increases in value in subsequent reval years
5. Projections assume the project will be complete in year 2026
6. Original Assessed Value is \$19,600 which is removed from year 1 of the CEA Value. All subsequent years are based off the value in Year 1 where the Original Assessed value was removed
7. This scenario assumes The Downs receives 40% reimbursement through year 14 of this CEA and 10% for the balance of the CEA period. Note the drop in reimbursement may occur earlier.
8. These projections do not represent an obligation in the CEA - Reimbursements are bound by the agreed upon percentage of the actual taxes collected.

## IN TOWN COUNCIL ORDER #23-105

**WHEREAS**, the Town of Scarborough (the "Town"), pursuant to Chapter 206 of Title 30- A of the Maine Revised Statutes, as amended (the "Act"), designated a specified area within the Town as the **Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District** and adopted a development program for the District pursuant to the Act on November 28, 2018 and the State of Maine Department of Economic and Community Development (the "Department") approved the District and Development Program on March 29, 2019; and

**WHEREAS**, on June 30, 2021 and March 22, 2022, the Town adopted amendments to the Development Program, approved by DECD on July 20, 2021 and April 12, 2022, respectively (collectively the "District" and the "Development Program"); and

**WHEREAS**, the Development Program authorizes the Town Council to enter into future credit enhancement agreements with any party owning or developing property in the District so long as such credit enhancement agreement is the subject of a public hearing held by the Town Council and the Town Council votes to approve such agreement(s); and

**WHEREAS**, the District is a so-called "omnibus" district which means that the Town Council is permitted to enter into credit enhancement agreements with any party owning or developing property so long as the Town Council holds a public hearing prior to the approval of any such credit enhancement agreement; and

**WHEREAS**, there is a need for economic development and affordable housing in the Town of Scarborough, in the surrounding region, and in the State of Maine; and

**WHEREAS**, there is a need to improve and broaden the tax base of the Town; and to improve the general economy of the Town and the surrounding region; and

**WHEREAS**, Preservation of Affordable Housing, LLC (the "Developer") has proposed to construct a senior affordable housing development project for residents with disabilities and mobility impairments known as 3i HoME within the District and has proposed a credit enhancement agreement be approved by the Town and entered into by the Town and the Developer to provide the Developer's project with the best chances for success; and

**WHEREAS**, the Town desires to enter into a credit enhancement agreement with the Developer; and

### **ORDERED AS FOLLOWS:**

**Section 1.** The Town Manager is hereby authorized and directed to enter into the specific credit enhancement agreement with Preservation for Affordable Housing, LLC in substantially the form as presented to the Town Council and consistent with the procedural requirements that are described in the Development Program.

Dated:



November 9, 2023

Scarborough Town Council  
259 US Route 1  
Scarborough, ME 04074

**Subject: Credit Enhancement Agreement Request & Project Update - 3iHoME**

Dear Councilors,

Preservation of Affordable Housing, Inc. (POAH) and 3i Housing of Maine (3iHoME) are co-developers of the 51-unit affordable rental housing community for the mobility-disabled which is planned for the Scarborough Downs Town Center. Following is a brief recap of where the project stands:

- The Scarborough Planning Board granted site plan approval earlier this year.
- The Scarborough Housing Alliance has committed \$200,000 to support affordability.
- In September our team submitted an application to the Maine State Housing Finance Authority (MSHA) for “9%” Low Income Housing Tax Credits and mortgage financing. This is a highly competitive process, and we anticipate that awards will be announced sometime between late November and mid-December.
- If awarded funding through current MSHA round, we will target a late 2024 construction start and would anticipate a spring or summer 2026 opening.

While the timing of MSHA’s funding round means that the CEA will not earn points for our pending application, the CEA is critical to project economics. Without it, the project’s Net Operating Income (property rental revenues minus operating expenses, including local taxes) would be reduced – resulting in a substantial erosion of supportable long-term mortgage financing. It is my understanding that the version of the CEA currently in front of the Council, as tabled from the September 20, 2023 meeting, is for 50% over 15 years. The 3i team respectfully requests that the Council reconsider our original request of 60% for the duration of the underlying Downs CEA (which runs to 2048), as this would optimize the amount of lender financing which can be secured. Every dollar that we can leverage is important, especially in a challenging development environment of rising interest rates and high construction costs.

I will be in attendance at the November 15, 2023 Town Council meeting, and would be happy to answer any questions as appropriate. Thank you for your continued consideration.

Sincerely,

Cory Fellows  
Vice President, Real Estate Development

cc: Thomas Hall, Town Manager  
Paul Linet, 3i Housing of Maine

**CREDIT ENHANCEMENT AGREEMENT**  
**between**  
**THE TOWN OF SCARBOROUGH, MAINE**  
**and**  
**PRESERVATION OF AFFORDABLE HOUSING, LLC**

**DATE: \_\_\_\_\_, 2023**

## TABLE OF CONTENTS

<b>ARTICLE I DEFINITIONS .....</b>	<b>1</b>
Section 1.1. <u>Definitions</u> .....	1
Section 1.2. <u>Interpretation and Construction</u> .....	3
<b>ARTICLE II DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS .4</b>	
Section 2.1. <u>Creation of Development Program Fund</u> .....	4
Section 2.2. <u>Captured Assessed Value; Deposits into Development Program Fund</u> .....	4
Section 2.3. <u>Use of Monies in Development Program Fund</u> .....	4
Section 2.4. <u>Monies Held in Segregated Account</u> .....	5
Section 2.5. <u>Liens</u> .....	5
<b>ARTICLE III PAYMENT OBLIGATIONS.....5</b>	
Section 3.1. <u>Company Payments</u> .....	5
Section 3.2. <u>Failure to Make Payment</u> .....	5
Section 3.3. <u>Obligations Unconditional</u> .....	6
Section 3.4. <u>Limited Obligation</u> .....	6
<b>ARTICLE IV PLEDGE AND SECURITY INTEREST.....7</b>	
Section 4.1 <u>Pledge of and Grant of Security Interest in 3i HoME Project Cost</u> <u>Subaccount</u> .....	7
Section 4.2 <u>Perfection of Interest</u> .....	7
Section 4.3. <u>Further Instruments</u> .....	8
Section 4.4 <u>No Disposition of Developer Project Cost Subaccount</u> .....	8
Section 4.5. <u>Access to Books and Records</u> .....	8
<b>ARTICLE V DEFAULTS AND REMEDIES .....</b>	<b>8</b>
Section 5.1. <u>Events of Default</u> .....	8
Section 5.2. <u>Remedies on Default</u> .....	9
Section 5.3. <u>Remedies Cumulative</u> .....	10
Section 5.4 <u>Agreement to Pay Attorneys' Fees and Expenses</u> .....	10
<b>ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION.....10</b>	
Section 6.1. <u>Effective Date and Term</u> .....	10
Section 6.2. <u>Cancellation and Expiration of Term</u> .....	10
<b>ARTICLE VII ASSIGNMENT AND PLEDGE OF INTEREST.....11</b>	
Section 7.1. <u>Pledge and/or Assignment</u> .....	11
Section 7.2. <u>Transfer</u> .....	11
<b>ARTICLE VIII MISCELLANEOUS.....11</b>	
Section 8.1. <u>Successors</u> .....	12
Section 8.2. <u>Parties-in-Interest</u> .....	12
Section 8.3. <u>Severability</u> .....	12
Section 8.4. <u>No Personal Liability of Officials of the Town or Developer</u> .....	12
Section 8.5. <u>Counterparts</u> .....	12

Section 8.6.	<u>Governing Law.</u>	13
Section 8.7.	<u>Amendments.</u>	13
Section 8.8.	<u>Integration.</u>	13
Section 8.9.	<u>Dispute Resolution.</u>	13
Section 8.10.	<u>Reserved.</u>	13
Section 8.11.	<u>Notices.</u>	13

## Exhibits

Exhibit A: Map of District

Exhibit B: Map of Developer Property

**THIS CREDIT ENHANCEMENT AGREEMENT** dated as of \_\_\_\_\_, 2023, between the Town of Scarborough, a municipal corporation located in Scarborough, County of Cumberland and State of Maine, with offices at 259 U.S. Route 1, Scarborough, Maine 04070 (hereinafter the “Town”), and Preservation of Affordable Housing, LLC, a \_\_\_\_\_ limited liability company registered to do business under the laws of Maine, (hereinafter the “Developer”) with principal place of business of 2 Oliver Street, Suite 500, Boston, Massachusetts 02109.

**WITNESSETH THAT**

**WHEREAS**, the Town designated the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District (the “District”) pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Town Council at a meeting of the Town Council held on November 28, 2018 (the “Vote”) and pursuant to the same Vote adopted a development program and financial plan for the District (the “Development Program”), and received the approval of the District and the Development Program by the Maine Department of Economic and Community Development (“DECD”) on March 29, 2019; and

**WHEREAS**, on June 30, 2021 and March 22, 2022, the Town adopted amendments to the Development Program, approved by DECD on July 20, 2021 and April 12, 2022, respectively (collectively the “Development Program”), which increased the acreage of the District by adding a parcel and adjusted the Town’s capture within the District to one hundred percent (100%) of the assessed value above the original assessed value on District property; and

**WHEREAS**, the District is a so-called “omnibus” district which means that the Town Council is permitted to enter into credit enhancement agreements with individual property owners in the District as it sees fit for up to the full term of the District for up to 100% of the captured assessed value so long as the Town Council holds a public hearing prior to the approval of any such credit enhancement agreement; and

**WHEREAS**, at a meeting of the Town Council held on September 20, 2023, the Town Council authorized a credit enhancement agreement with the Developer in the name of and on behalf of the Town; and

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

**ARTICLE I  
DEFINITIONS**

**Section 1.1. Definitions.**

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

“Act” means chapter 206 of Title 30-A of the Maine Revised Statutes and regulations adopted thereunder, as amended from time to time.



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

“Captured Assessed Value” means the amount, stated as a percentage, of the Increased Assessed Value of the Developer Property that is retained in the District in each Tax Year during the term of the District, as discussed in Section 2.2 hereof.

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

“Current Assessed Value” means the then-current assessed value of the Developer Property located in the District as determined by the Town Tax Assessor as of April 1 of each Tax Year during the term of this Agreement.

“Developer” shall have the meaning given such term in the first paragraph hereto.

“Developer Property” means the 1.32-acre portion of Map/Lot R052, Lot 004 within the District owned by the Developer and subject to this Agreement as depicted as Lot 6 on the Subdivision Plan/Town Center Subdivision prepared by Owen Haskell, Inc. dated June 7, 2023, signed by the Planning Board, and attached as Exhibit B hereto.

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

“Development Program Fund” means the Downtown Omnibus Development Program Fund described in the Financial Plan section of the Development Program and established and maintained pursuant to Article II hereof and 30-A M.R.S.A § 5227(3)(A). The Development Program Fund shall consist of a Project Cost Account with at least two subaccounts: the 3i HoME Project Cost Subaccount and the Town Project Cost Subaccount.

“District” shall have the meaning given such term in the first recital hereto, which is more specifically comprised of approximately 948.13 acres of real property and identified on Exhibit A hereto.

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

“Fiscal Year” means July 1 to June 30 each year or such other fiscal year as the Town may from time to time establish.

“Increased Assessed Value” means, for each Fiscal Year during the term of this Agreement, the amount by which the Current Assessed Value for such year exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any given Tax Year, there is no Increased Assessed Value in that year.

“3i HoME Project Cost Subaccount” means that portion of the Project Cost Account of the Development Program Fund set aside for the Developer as described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article II hereof.

“Original Assessed Value” means \$19,600, the taxable assessed value of the Developer Property as of March 31, 2018 (April 1, 2017).

“Project” means the approximately 51-unit senior affordable housing development for residents with disabilities and mobility impairments known as 3i HoME to be developed by the Developer on the Developer Property.

“Property Taxes” means any and all *ad valorem* property taxes levied, charged or assessed against real property located in the District by the Town, or on its behalf.

“State” means the State of Maine.

“Tax Increment Revenues” means that portion of all real property taxes assessed and paid to the Town in any Tax Year, in excess of any state, or special district tax, upon the Captured Assessed Value.

“Tax Payment Date” means the later of the date(s) on which property taxes levied by the Town are due and payable from owners of property located within the Town, or are actually paid to the Town with respect to taxable property located within the District.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. § 5246, as amended, to wit: April 1 to March 31.

### **Section 1.2. Interpretation and Construction.**

In this Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely

for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.

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

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

## **ARTICLE II**

### **DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS**

#### **Section 2.1. Creation of Development Program Fund.**

The Town hereby confirms the creation and establishment of a segregated fund in the name of the Town designated as the “Development Program Fund” pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5250-A. The Development Program Fund shall be used in part to fund payments as described in this Agreement. The Development Program Fund is pledged to and charged with the payment of costs in the manner and priority provided in 30-A M.R.S.A. § 5227 and as set forth in Section 3.1(b) below. The Development Program Fund shall include a project cost account (the “Project Cost Account”) which shall consist of a Town cost subaccount (the “Town Project Cost Subaccount”) pledged to and charged with payment of costs of the Town’s project costs, and a developer cost subaccount (the “3i HoME Project Cost Subaccount”) pledged to and charged with payment of the costs of reimbursement consistent with this Agreement.

#### **Section 2.2. Captured Assessed Value; Deposits into Development Program Fund.**

(a) Beginning with the 2026-2027 Fiscal Year on July 1, 2026 and ending with the 2040-2041 Fiscal Year on June 30, 2041 (hereinafter “CEA Years”), the Town shall retain in the Developer Property one hundred percent (100%) of the Increased Assessed Value as Captured Assessed Value.

(b) For each of the CEA Years, the Town shall deposit into the Development Program Fund contemporaneously with each payment of Property Taxes during the term of this Agreement an amount equal to one hundred percent (100%) of that portion of the property tax payment on the Increased Assessed Value in the Developer Property. Contemporaneously therewith, in each CEA Year, the Town shall deposit the Tax Increment Revenues relating to fifty percent (50%) of the Increased Assessed Value into the 3i HoME Project Cost Subaccount of the Project Cost Account, with the remaining Tax Increment Revenues relating to fifty percent (50%) of Increased Assessed Value into the Town Project Cost Subaccount for use by the Town to fund the cost of

Town projects and/or other project cost subaccounts related to other credit enhancement commitments as described in the Development Program.

**Section 2.3. Use of Monies in Development Program Fund.**

All monies in the Development Program Fund that are allocable to and/or deposited in the 3i HoME Project Cost Subaccount shall in all cases be used and applied to fund fully the Town's payment obligations to the Developer, as described in Articles II and III hereof, but in all cases the Developer must use such monies for approved project costs under the Act.

**Section 2.4. Monies Held in Segregated Account.**

All monies required to be deposited with or paid into the 3i HoME Project Cost Subaccount under the provisions hereof and the provisions of the Development Program, and any investment earnings thereon, shall be held by the Town for the benefit of the Developer.

**Section 2.5. Liens.**

The Town shall not create any liens, encumbrances or other interests of any nature whatsoever, nor shall it hypothecate the 3i HoME Project Cost Subaccount described in Section 2.1 hereof or any funds therein, other than the interest in favor of the Developer hereunder in and to the amounts on deposit; provided, however, that nothing herein shall prohibit the creation of property tax liens on property in the District in accordance with and entitled to priority pursuant to Maine law.

**ARTICLE III  
PAYMENT OBLIGATIONS**

**Section 3.1. Company Payments.**

(a) The Town agrees to pay the Developer up to all amounts then on deposit in the 3i HoME Project Cost Subaccount of the Development Program Fund, on or before thirty (30) days following the Tax Payment Date.

(b) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the property taxes assessed against the portion of the District constituting the Developer Property remain unpaid, the property taxes actually paid by Developer with respect to such Tax Payment Date shall, first, be applied to taxes due on account of Original Assessed Value; and second, shall constitute payment of property taxes with respect to Increased Assessed Value, to be applied first to payment in full of the amount to be deposited in the Development Program Fund for the Town's use or to the general fund for the year concerned in accordance with Section 2.3; and third, to the extent of funds remaining, to payment of the Developer's share of the Tax Increment Revenues for the year concerned, to be deposited into the 3i HoME Project Cost Subaccount. In any case where a portion of the property taxes assessed against the portion of the District constituting the Developer Property remain unpaid for any reason other than a bona fide valuation dispute, no payment of the Developer's share of the Tax Increment

Revenues for the year concerned will be deposited into the 3i HoME Project Cost Subaccount until such property taxes assessed against the portion of the District constituting the Developer Property are paid in full.

(c) Notwithstanding anything to the contrary contained herein, the Town shall have no deposit or payment obligations hereunder for any CEA Year in which the Developer has not maintained Project compliance with the current definition of “Affordable Housing” in the Town of Scarborough Zoning Ordinance, Chapter 405, Section VI attached hereto for reference as Exhibit C. The Developer shall provide to the Town an annual certification of its compliance with this Section 3.1 (c).

### **Section 3.2. Failure to Make Payment.**

(a) In the event the Town should fail to, or be unable to, make any of the payments at the time and in the amount required under the foregoing provisions of this Article III including in the event that the amount deposited into the 3i HoME Project Cost Subaccount is insufficient to reimburse the Developer for the full amount due to the Developer under this Agreement, the amount or installment so unpaid shall continue as a limited obligation of the Town, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. The Developer shall have the right to initiate and maintain an action to specifically enforce the Town’s obligations hereunder, including without limitation, the Town’s obligation to deposit Tax Increment Revenues to the 3i HoME Project Cost Subaccount and its obligation to make payment out of the 3i HoME Project Cost Subaccount to the Developer.

(b) Any payment from the Town to the Developer not paid within thirty (30) days following the Tax Payment Date, as specified in Section 3.1 above, shall be subject to payment of interest by the Town at the same rate applicable to refunds of abated property taxes. The provision in this section 3.2(b) of an interest rate on late payments by the Town shall not limit Developer’s right under section 5.2 below to collect or require immediate payment of past due Town payments.

### **Section 3.3. Obligations Unconditional.**

Subject to compliance with the terms and conditions of this Agreement, the obligations of the Town to make payments described in the Agreement in accordance with the terms hereof shall be absolute and unconditional, and the Town shall not suspend or discontinue any payment hereunder or terminate this Agreement for any cause, other than by court order or by reason of a final judgement by a court of competent jurisdiction that the District is invalid or otherwise illegal.

### **Section 3.4. Limited Obligation.**

The Town’s obligations of payment hereunder shall be limited obligations of the Town payable solely from Tax Increment Revenues pledged therefor under this Agreement. The Town’s obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the Town, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of Tax

Increment Revenues payable to the Developer hereunder, whether or not actually deposited into the 3i HoME Project Cost Subaccount in the Development Program Fund. This Agreement shall not directly, indirectly or contingently obligate the Town, the State of Maine, or any other Town or political subdivision to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the pledge of the Tax Increment Revenues established under this Agreement.

## **ARTICLE IV PLEDGE AND SECURITY INTEREST**

### **Section 4.1 Pledge of and Grant of Security Interest in the 3i HoME Project Cost Subaccount.**

In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Developer by the Town, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the Town's covenants and agreements contained herein, the Town does hereby grant a security interest in and pledge the 3i HoME Project Cost Subaccount described in Section 2.1 hereof and all sums of money and other securities and investments therein to the Developer.

### **Section 4.2 Perfection of Interest.**

(a) To the extent deemed necessary or desirable by the Developer, the Town will at such time and from time to time as requested by Developer establish the Developer Project Cost Subaccount described in Section 2.1 hereof as a segregated fund under the control of an escrow agent, trustee or other fiduciary selected by Developer so as to Perfect Developer's interest therein. The cost of establishing and monitoring such a fund (including the cost of counsel to the Town with respect thereto) shall be borne exclusively by the Developer. In the event such a fund is established under the control of a trustee or fiduciary, the Town shall cooperate with the Developer in causing appropriate financing statements and continuation statements naming the Developer as pledgee of all such amounts from time to time on deposit in the fund to be duly filed and recorded in the appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder.

(b) In the event Developer requires the establishment of a segregated fund in accordance with this Section 4.2, the Town's responsibility shall be limited to delivering the amounts required by this Agreement to the escrow agent, trustee or other fiduciary designated by the Developer. The Town shall have no liability for payment over of the funds concerned to the Developer by any such escrow agent, trustee or other fiduciary, or for any misappropriation, investment losses or other losses in the hands of such escrow agent, trustee or other fiduciary. Notwithstanding any change in the identity of the Developer's designated escrow agent, trustee or other fiduciary, the Town shall have no liability for misdelivery of funds if delivered in accordance with Developer's most recent written designation or instructions actually received by the Town.

**Section 4.3. Further Instruments.**

The Town shall, upon the reasonable request of the Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the Town; and provided further that the cost of executing and delivering such further instruments (including the reasonable and related costs of counsel to the Town with respect thereto) shall be borne exclusively by the Developer.

**Section 4.4 No Disposition of Developer Project Cost Subaccount.**

Except as permitted hereunder, the Town shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the 3i HoME Project Cost Subaccount and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

**Section 4.5. Access to Books and Records.**

(a) All non-confidential books, records and documents in the possession of the Town relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into Development Program Fund shall at all reasonable times and upon reasonable notice be open to inspection by the Developer, its agents and employees.

(b) All non-confidential books, records, lease agreements and documents in the possession of the Developer relating to the District, the Development Program, this Agreement and the monies, revenues and receipts used from the Development Program Fund shall at all reasonable times and upon reasonable notice be open to inspection by Town, its agents and employees.

## **ARTICLE V DEFAULTS AND REMEDIES**

**Section 5.1. Events of Default.**

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

(a) Any failure by the Town to pay any amounts due to the Developer when the same shall become due and payable;

(b) Any failure by the Town to make deposits into Development Program Fund as and when due;

(c) Any failure by the Town or the Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the Town

or the Developer to be observed or performed, which failure is not cured within thirty (30) days following written notice thereof;

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

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

(f) If any secured lender of the Developer other than the Town accelerates the indebtedness owed to it and commences foreclosure proceedings which are not dismissed within ninety (90) days following the commencement of the foreclosure proceedings;

(g) If any written representation or warranty given to the Town by the Developer is knowingly incorrect or incomplete in any material respect, other than statements made about or in agreements with the Town that were later changed by mutual consent; and

(h) If the Developer fails to maintain surety bonding during the initial construction period at the levels and terms as may be required from time to time by the Developer's secured lenders.

## **Section 5.2. Remedies on Default.**

Subject to the provisions contained in Section 8.9, whenever any Event of Default described in Section 5.1 hereof shall have occurred and be continuing, the nondefaulting party, following the expiration of any applicable cure period, shall have all rights and remedies available to it at law or in equity, including the rights and remedies available to a secured party under the laws of the State of Maine, and may take whatever action as may be necessary or desirable to collect the amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the nondefaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce



any rights or remedies available hereunder. Further, the non-defaulting party may elect to terminate this Agreement upon 30 days' written notice to the defaulting party.

**Section 5.3. Remedies Cumulative.**

Subject to the provisions of Section 8.9 below concerning dispute resolution, no remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

**Section 5.4 Agreement to Pay Attorneys' Fees and Expenses.**

Subject to the provisions of Section 8.9 below concerning dispute resolution, in the event the Town or the Developer should default under any of the provisions of this Agreement, and the nondefaulting party shall require and employ attorneys or incur other expenses or costs for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the Town or the Developer herein contained, the defaulting party shall, on demand therefor, pay to the nondefaulting party the reasonable fees of such attorneys and such other reasonable costs and expenses so incurred by the non-defaulting party.

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

**Section 6.1. Effective Date and Term.**

Notwithstanding any other provision of this Agreement, this Agreement is effective upon its execution and delivery by the parties hereto, and shall remain in full force until June 30, 2041 or sooner upon the payment of all amounts due to the Developer hereunder and the performance of all obligations on the part of the Town hereunder, unless even sooner terminated pursuant to any other applicable provision of this Agreement.

The Town may terminate this Agreement by delivering written notice of such termination to the Developer in the event that the Developer does not receive a certificate of occupancy for the project by December 31, 2025.

**Section 6.2. Cancellation and Expiration of Term.**

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

## **ARTICLE VII ASSIGNMENT AND PLEDGE OF INTEREST**

### **Section 7.1. Pledge and/or Assignment.**

The Town hereby acknowledges that the Developer may from time to time pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing improvements by or on behalf of the Developer within the District, although no obligation is hereby imposed on the Developer to make such assignment or pledge. Recognizing this possibility, the Town does hereby consent and agree to the pledge and assignment of all the Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for financing such development, on one or more occasions during the term hereof. The Town agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by such prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder. The Town agrees to execute and deliver any other documentation as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to such pledgee or assignee such rights and/or remedies as the Developer or such pledgee or assignee may reasonably deem necessary for the establishment, perfection and protection of its interest herein without the need for additional approval or action by the Town Council. The Developer shall pay the Town's costs of counsel with respect to any such pledge or assignment documentation.

### **Section 7.2. Transfer**

Except as provided in Section 7.1 hereof, and except for the purpose of securing financing for improvements by or on behalf of the Developer within the District or for an assignment to a successor entity, an affiliate entity or any other entity controlled by the Developer, the Developer shall not transfer or assign any portion of its rights in, to and under this Agreement without consent of the legislative body of the Town, which consent shall not be unreasonably withheld or delayed.

## **ARTICLE VIII MISCELLANEOUS**

**Section 8.1. Successors.**

In the event of the dissolution, merger or consolidation of the Town or the Developer, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred. Notwithstanding this Subsection 8.1, unless the Town affirmatively approves of such action, the Town shall have the unilateral right to terminate this Agreement upon the dissolution, merger or consolidation of the Developer, and if it exercises such right shall not be obligated to comply with this Agreement thereafter.

**Section 8.2. Parties-in-Interest.**

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the Town and the Developer any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the Town and the Developer.

**Section 8.3. Severability.**

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

**Section 8.4. No Personal Liability of Officials of the Town or Developer.**

(a) No covenant, stipulation, obligation or agreement of the Town contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the Town in his or her individual capacity, and neither the Town Council nor any official, officer, employee or agent of the Town shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement the Developer contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future officer, agent, servant or employee of the Developer in his or her individual capacity, and no official, officer, employee or agent of the Developer shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

**Section 8.5. Counterparts.**

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

**Section 8.6. Governing Law.**

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

**Section 8.7. Amendments.**

This Agreement may be amended only with the concurring written consent of both of the parties hereto.

**Section 8.8. Integration.**

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

**Section 8.9. Dispute Resolution.**

In the event of a dispute regarding this Agreement or the transactions contemplated by it, the parties hereto will use all reasonable efforts to resolve the dispute on an amicable basis. If the dispute is not resolved on that basis within sixty (60) days after one party first brings the dispute to the attention of the other party, then either party may refer the dispute for resolution by one arbitrator mutually agreed to by the parties, and judgment on the award rendered by the arbitrator may be entered in any Maine state court having jurisdiction. Any such arbitration will take place in Scarborough, Maine or such other location as mutually agreed by the parties. The parties acknowledge that arbitration shall be the sole mechanism for dispute resolution under this Agreement. Provided however, that in the event the parties are unable to agree, within a reasonable period, on the selection of an arbitrator, either party may file suit to resolve the dispute in any court having jurisdiction within the State of Maine. This arbitration clause shall not bar the Town's assessment or collection of property taxes in accordance with law, including by judicial proceedings, including tax lien thereof.

**Section 8.10. Reserved.**

**Section 8.11. Notices.**

All notices, certificates, requests, requisitions or other communications by the Town or the Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the Town:

Town Manager  
Town of Scarborough  
P.O. Box 360  
Scarborough, Maine 04070-0360

With a copy to:

Philip Saucier, Esq.  
Bernstein Shur  
100 Middle Street  
P.O. Box 9729  
Portland, Maine 04104-5029

If to the Developer:

Preservation of Affordable Housing, LLC  
Vitalia Shklovsky  
2 Oliver Street, Suite 500  
Boston, Massachusetts 02109

With a copy to:

Drummond Woodsum  
Lisa R. (Magnacca) Whitt, Esq.  
84 Marginal Way, Suite 600  
Portland, ME 04101

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

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

WITNESS:

TOWN OF SCARBOROUGH

\_\_\_\_\_

By: \_\_\_\_\_

Name: Thomas Hall

Its Town Manager Duly Authorized by the Town  
Council September 20, 2023

WITNESS:

PRESERVATION OF AFFORDABLE HOUSING,  
LLC

BY: \_\_\_\_\_, its \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

DRAFT

Exhibit A: Map of District

DRAFT



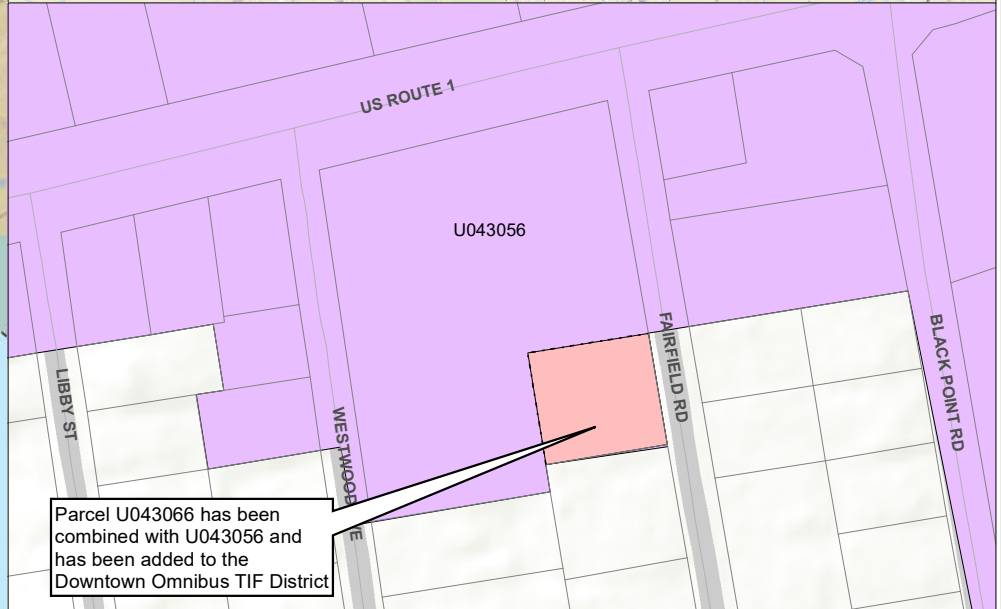
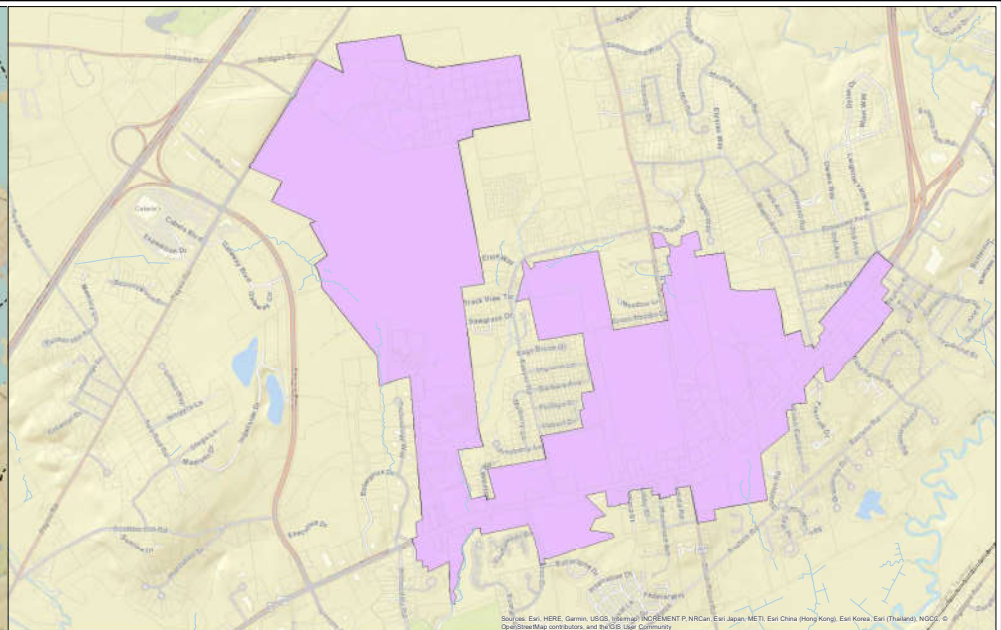
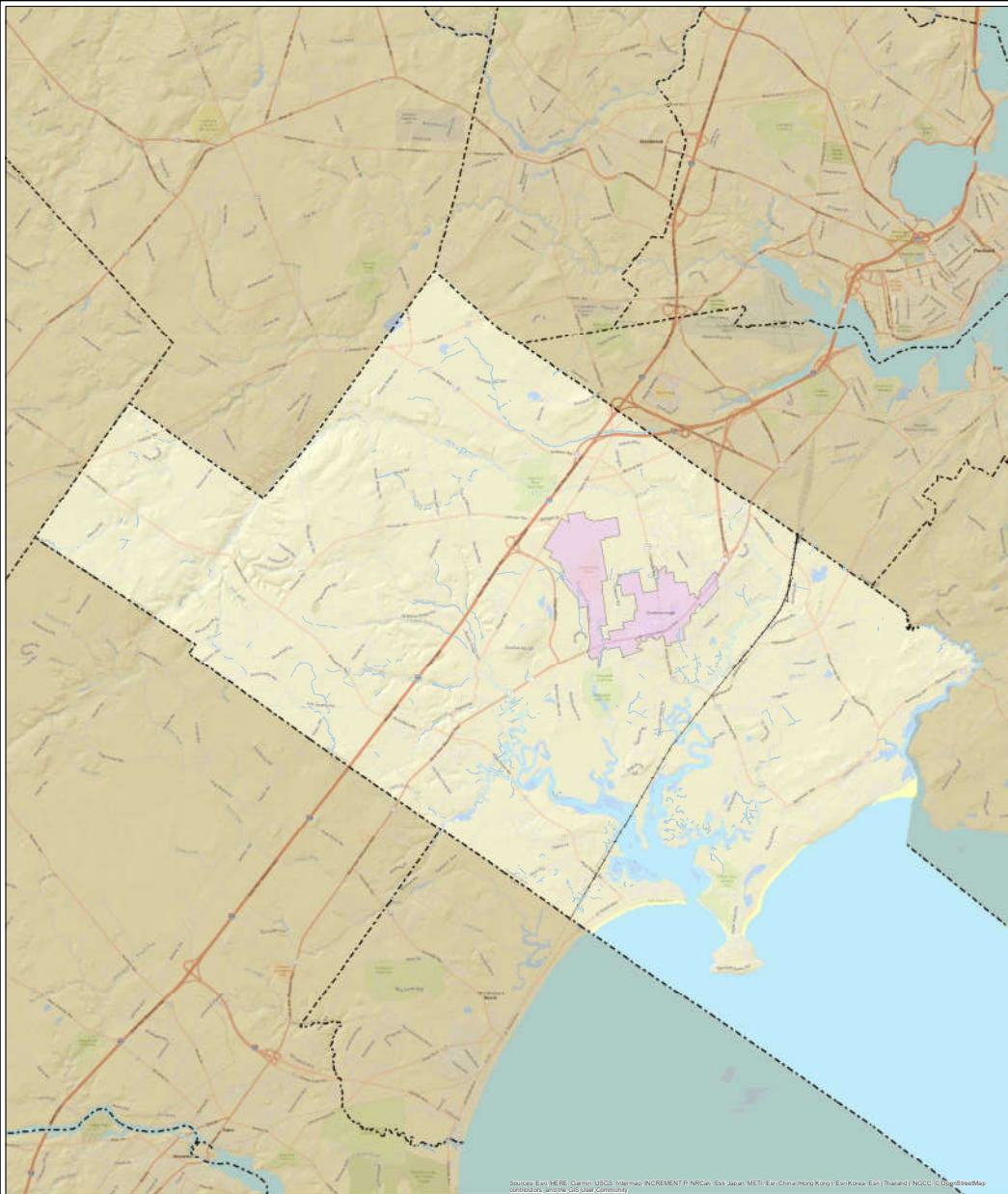


Exhibit B: Map of Developer Property  
Exhibit C: Definition of Affordable Housing from  
Zoning Ordinance, Town of Scarborough, Chapter 405, Section VI

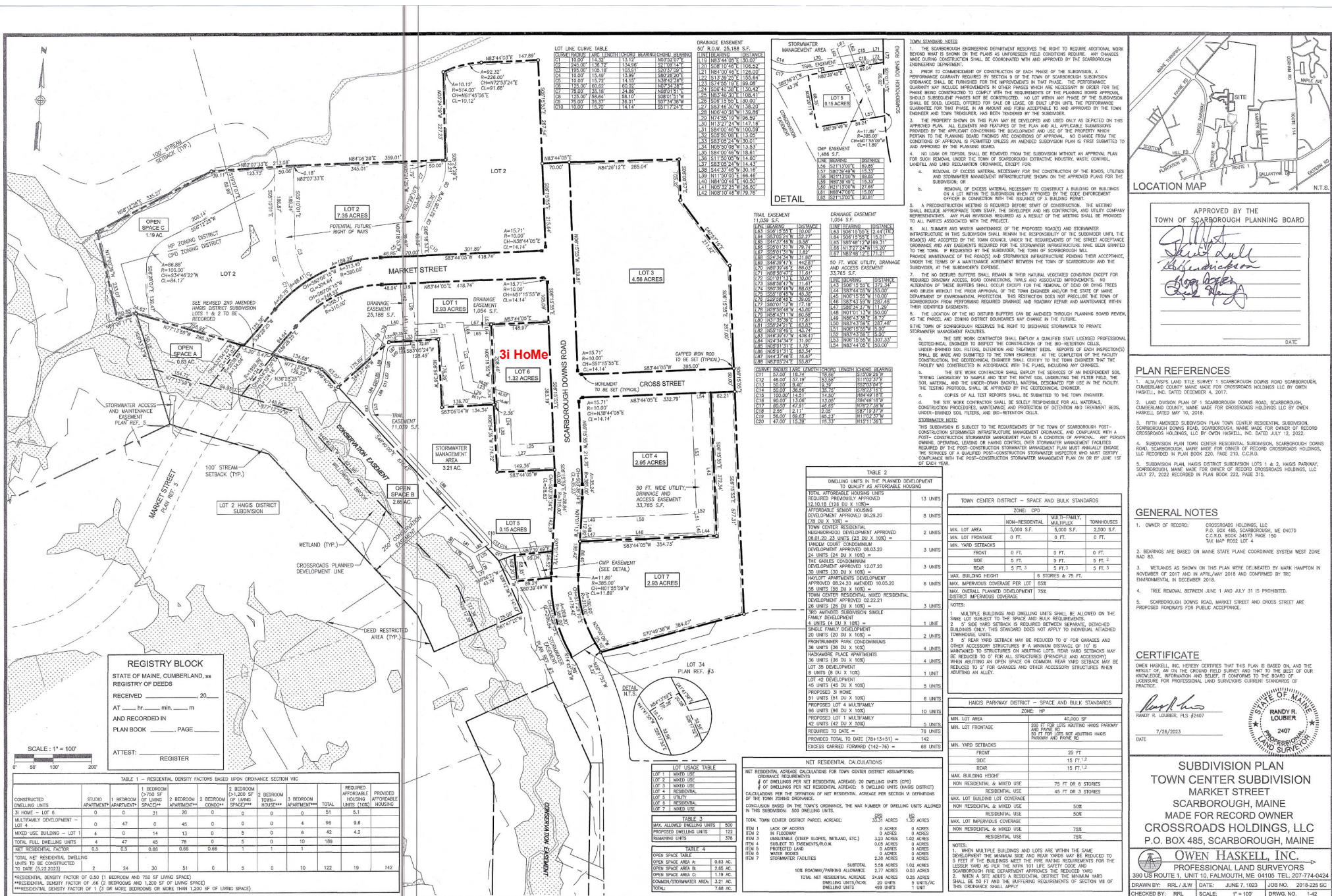
Affordable Housing: [Adopted 11/03/2004] [Amended 05/03/2006][Amended 12/03/2014][Amended 12/19/18][Amended 07-17-19]

Affordable Housing means decent, safe and sanitary living accommodations that are affordable to households, in accordance with following provisions:

- A. An Owner-Occupied Affordable Housing Unit is a unit which (i) is occupied by its owner; (ii) is owned by Qualifying Household and (iii) has a maximum sales price that is reasonably anticipated to result in Annual Housing Costs that are less than or equal to 30% of the Imputed Income Limitation applicable to the unit.
- (I) A Qualifying Household is one with a total household income that, at the time of purchase, is 80% or less than the most recently published Median Family Income for the Portland, Maine Metropolitan Statistical Area, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development (the “MFI Standard”).
- (II) Annual Housing Costs shall equal the sum of (i) the total annual payments of principal and mortgage interest, (ii) the total property insurance premium, (iii) the real estate taxes due (iv) any homeowners association or condominium fees that are due; and (v) a reasonable estimate of the annual cost of any additional water, sewer, heat, hot water and electricity in the home.
- (III) The total annual payments of principal and mortgage interest referred to in A(I)(i) may, in the absence of other reasonable estimates, be estimated based on the assumed interest rate and loan term established by the U.S. Department of Housing and Urban Development for housing affordability limits. In the case of a unit which has one or fewer bedrooms, the Imputed Income Limitation referred to in A(iii) shall be 80% of the MFI Standard for a household of two (2) people. In the case of a unit which has more than one bedrooms, the Imputed Income Limitation referred to in A(iii) shall be 80% of the MFI standard for a household of four (4) people.
- B. A Renter-Occupied Affordable Housing Unit is a unit which is leased A Renter-Occupied Affordable Housing Unit is a unit which is leased by a Qualifying Household at an Annual Gross Rent that is less than or equal to 30% of the Imputed Income Limitation applicable to the unit.

- (I) A Qualifying Household is one with a total household income that, at the time of move-in, is 80% or less than the most recently published Median Family Income for the Portland, Maine, MSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development (the “MFI Standard”). To remain a Qualifying Household, the household’s income must remain at or below 140% of the income limitation described in the preceding sentence.
- (II) (Annual Gross Rent shall equal twelve (12) times the sum of (i) monthly rent due to the landlord, (ii) any required monthly payments to the landlord for additional services or facilities and (iii) a reasonable estimate of the monthly utility costs (not including television, internet or telephone) that the household is responsible for paying. In the case of a unit which does not have a separate bedroom, the Imputed Income Limitation used to determine the maximum annual gross rent shall be 80% of the MFI Standard for a household of one (1) person. In the case of a unit which has one or more bedrooms, the Imputed Income Limitation used to determine the maximum annual gross rent shall be 80% of the MFI standard for a household with a size equal to one and one half (1.50) people per bedroom.







**Preliminary Application for a Credit Enhancement Agreement  
In an Existing Tax Increment Financing District**



**I. Contact**

- a. **Name of Company:** Preservation of Affordable Housing, LLC
- b. **Name of Company Representative:** Vitalia Shklovsky
- c. **Contact Information:**
  - i. Address: 2 Oliver Street, Suite 500 | Boston, MA 02109
  - ii. Phone: 508-308-5097
  - iii. Email: [vshklovsky@poah.org](mailto:vshklovsky@poah.org)

**II. Project Name and Location**

The project is named 3i HoME and will be located at the corner of Downs Road and Market Street within The Downs in Scarborough, ME.

### **III. Brief Description of Project**

#### **a. Purpose of Project:**

The purpose of 3i HoME is to provide much needed community-based, independent living options for people with mobility disabilities in a well-designed, technology-enabled development.

#### **b. Physical Description:**

**Land area:** 1.3 Acres

**Square Footage:** The building, as designed by The Architectural Team, Inc., is expected to have an approximately 16,830 SF footprint and overall have a +/- 67,845 SF of space within four stories.

**Uses within the Structures:** Within the structure of the building, there will be 51 residential units, a community lounge, administrative and support services offices, as well as a mobility demonstration area for individuals to show off and innovate on assistive technologies. The bedroom mix will include 31 one-bedroom, 16 two-bedroom, and 4 three-bedroom apartments.

#### **c. Relevant Infrastructure to be Built:**

There will be one four-story wood frame building, as well as a driveway and parking lot, and sidewalk along Downs Road.

#### **d. Phasing of the project, including the year of completion of each phase**

3i HoME will be developed in one phase with the project completing in 2025.

#### **e. Estimated Assessed Value of the Improvements to the Property, including all infrastructure, building and lot improvements**

\$14,658,139 is the value of the construction work at 3i, including the infrastructure, building, and lot. It does not include any land value or soft costs.

#### **f. Total new jobs and the types of jobs that will occur because of the Scarborough project**

The development of 3i HoME will result in hundreds of new permanent and temporary jobs. In the long-term, the building staff will include property managers, custodians, and supportive services staff. The supportive service staff will provide references to local providers of healthcare and other social services, which will augment the local existing economy. In addition to these positions, this \$15M construction project will create between 250 and 300 short-term design and construction related jobs. These positions will include structural, civil, and mechanical engineering positions, contractors, architects, electricians, plumbers, HVAC technicians, construction workers, construction inspectors, carpenters, elevator technicians, and roofers that will all help with the creation of 3i HoME.

#### **g. Timing/Phasing of the new jobs**

For any design and construction related jobs, these will be created during the construction of the building which is happening 2024-2025. For custodians, property managers, and supportive services personnel, these jobs will be created post construction and last in perpetuity.

**h. Estimated Number of Cars/Vehicles/Equipment to be registered in Scarborough (if any)**

N/A

**IV. Regional and State Impacts of Company and Role of the Scarborough Facility in the Company's Mission and Vision**

Preservation of Affordable Housing (POAH), a national nonprofit with 25 years of experience in preserving, creating, and managing affordable healthy homes, has partnered with a local nonprofit, 3i Housing of Maine, in this first project of its kind in Maine. The 3i HoME project at the Scarborough Downs is a universally designed apartment building with 51 individual homes to promote independence for people with disabilities and mobility impairments through the application of innovative smart/assistive technologies and integrated home and community-based services. Already, dozens of people with disabilities have expressed interest in this project and the parties anticipate that this unique project will become a model for replication in other municipalities throughout Maine and beyond. The Credit Enhancement Agreement would assist POAH and 3i Housing of Maine to achieve the goal of creating affordable housing consistent with their shared principles of promoting economic security, equity, and access to opportunity for all.

**V. Credit Enhancement Proposal**

**a. Requested percentage reimbursement of net new property taxes for the increased value associated with item III-e above. If the reimbursement changes over time, please include a schedule which identifies the year, the value created, and the reimbursement percentage requested**

60%

TIF Year	Year	Value	Tax Rate	Tax Revenue	60%
5	2024				
6	2025				
7	2026	\$14,658,139	15.39	\$225,589	\$135,353.26
8	2027	\$14,658,139	15.39	\$225,589	\$135,353.26
9	2028	\$14,658,139	15.39	\$225,589	\$135,353.26
10	2029	\$14,658,139	15.39	\$225,589	\$135,353.26
11	2030	\$14,658,139	15.39	\$225,589	\$135,353.26
12	2031	\$14,658,139	15.39	\$225,589	\$135,353.26
13	2032	\$14,658,139	15.39	\$225,589	\$135,353.26
14	2033	\$14,658,139	15.39	\$225,589	\$135,353.26
15	2034	\$14,658,139	15.39	\$225,589	\$135,353.26
16	2035	\$14,658,139	15.39	\$225,589	\$135,353.26

17	2036	\$14,658,139	15.39	\$225,589	\$135,353.26
18	2037	\$14,658,139	15.39	\$225,589	\$135,353.26
19	2038	\$14,658,139	15.39	\$225,589	\$135,353.26
20	2039	\$14,658,139	15.39	\$225,589	\$135,353.26
21	2040	\$14,658,139	15.39	\$225,589	\$135,353.26
22	2041	\$14,658,139	15.39	\$225,589	\$135,353.26
23	2042	\$14,658,139	15.39	\$225,589	\$135,353.26
24	2043	\$14,658,139	15.39	\$225,589	\$135,353.26
25	2044	\$14,658,139	15.39	\$225,589	\$135,353.26
26	2045	\$14,658,139	15.39	\$225,589	\$135,353.26
27	2046	\$14,658,139	15.39	\$225,589	\$135,353.26
28	2047	\$14,658,139	15.39	\$225,589	\$135,353.26
29	2048	\$14,658,139	15.39	\$225,589	\$135,353.26
30	2049	\$14,658,139	15.39	\$225,589	\$135,353.26
				<b>SUM</b>	<b>\$3,248,478.13</b>

**b. Duration of CEA**

25 years

**c. Brief Explanation of why the company is requesting a CEA. How will these funds be used to complete the project?**

Preservation of Affordable Housing is requesting the CEA to offset operating costs. In the summer of 2023, we will be submitting a funding application to MaineHousing for 9% Low Income Housing Tax Credits and other subsidy. The CEA will not only help secure a competitive score for the 9% funding round, but it will also offset operating costs to support long-term debt.

**d. Brief Explanation of any public investments in streetscape, trails, infrastructure, that will benefit others**

The development of sidewalks and vegetation along Downs Road in The Downs will help enhance the pedestrian experience in Town Center and aid in the feeling of community.

**e. What will be extraordinary about this project? Potential topics to discuss: sustainability, quality of development, architecture, landscaping, quality jobs, role in the community, etc.**

3i HoME will be the first of its kind: a 100% Affordable, 100% Accessible, and 100% Independent property. The purpose of this development is to enable people with disabilities and mobility impairments to live independently by incorporating innovative assistive technologies. This first-of-its kind, totally accessible, universally designed affordable housing development will serve as a model for future developments, as households with physical disabilities often turn to assisted living or other institutional facilities. The design of 3i HoME is a focal point of this development. 3i HoME will be designed with very high standards of



accessibility and sustainability, to ANSI 2017 standards, allowing residents to live comfortably and independently. When complete, the property will create a new model for people with disabilities to move through the world on their own terms rather than being relegated to institutional placement.

Of important note is the sense of community that this development's design will build for persons with disabilities within the larger Scarborough landscape. Its user-focused design includes a "Woonerf" edge at the entrance to the parking lot which eliminates mobility barriers (the curb), creates a seamless transition between the site and the building, and supports social space between the parking lot and the building. The location within the Town Center will enable these households to access and enjoy the many amenities and daily services that the Downs will offer, without having to deal with getting into and out of cars for those daily activities. The proximity to the Town Center will promote a sense of community for residents by prioritizing the pedestrian experience and not make them feel like second-class citizens who cannot enjoy the outdoors because of their abilities. The building's Juliet-style balconies on the ground floor will allow residents of those homes to interact with the street rather than feel closed off. Furthermore, the corner plaza at the main entrance to the building will have movable furniture, lighting, and other streetscape elements that will also enhance the pedestrian experience for residents and passers-by alike, further solidifying the sense of community. By inviting both residents and members of the public to enjoy this plaza, 3iHome will encourage the idea of building friendships and bridges among people with and without disabilities. The parking lot will accommodate cars, handicapped vehicles, and plus-size handicapped vans with subtle striping and without any glaring signage that might otherwise feel ostracizing. The sidewalks are designed with understated ramping to encourage the quiet movement of wheelchairs instead of loud bumps. 3iHome will truly create the sense of independent yet integrated living for people with disabilities.



3iHome will also aim to certify as Passive House, with no fossil fuels in its mechanical systems and high-performance, super-insulated building envelopes. The idea behind this energy efficiency is to promote inclusivity among all households, regardless of ability, to live sustainably on this planet, a lifestyle that should not be a privilege to those without means or ability. Passive House design also provides for outstanding acoustical insulation, ensuring quiet

enjoyment within the building even when the Town Center is active with concerts or other events.

## **VI. Compliance with the Town's Comprehensive Plan**

### **Diversity and Character**

One of Scarborough's core vision statements from the Comprehensive Plan is to support the diversity and character of existing and emerging neighborhoods, centers, and open spaces. 3i HoME is a part of the larger development, The Downs, which is an upcoming development that will create a community of residents, retail centers, open spaces and so much more. Targeting families and individuals with disabilities as primary residents, 3i HoME will diversify the neighborhood at The Downs.

### **Home Affordability and Availability**

3i HoME serves to enable disabled persons to live independently in a first-of-its-kind fully accessible, universally designed building where all homes will be affordable below 60% of Area Median Income. The property will feature assistive smart-home technology, community-based services, indoor and outdoor amenities, and direct access to the mixed-use Town Center at Scarborough Downs. Housing that is 100% affordable, accessible, and integrated into the new Town Center will serve an incredible need for households with physical disabilities who might otherwise have to find homes at assisted living facilities, which are costly and often require public subsidy. The affordable homes will involve 31 one-bedrooms, 16 two-bedrooms, and 4 three-bedrooms.

### **Energy, Resources, and Climate**

The Town of Scarborough has committed to long-term energy conservation and promotes the use of renewable energy. POAH has a strong track record of incorporating sustainable development practices and the 3i HoME development is no different. Designed to be Passive House Certified, one of the highest standards of sustainability, 3i HoME will not rely on fossil fuels and will include super-insulated envelopes, airtight construction, high-performance glazing, heat recovery ventilation, and other efficient development practices.



August 30, 2023

Mr. Jonathan Anderson, Chair  
Scarborough Town Council  
259 U.S. Route 1  
Scarborough, ME 04070

Re: Letter of Support  
3iHoME/POAH CEA Request

Dear Chairman Anderson:

Over the past several months, the Scarborough Housing Alliance has been tracking the proposal by 3iHoME/POAH to develop a state of the art affordable, inclusive, accessible apartment community in the Town Center at The Downs. This innovative proposal has drawn diverse resources supporters and is implementing best practices in design, technology and sustainability.

To be feasible, the proposal requires an allocation of competitive funds from MaineHousing; in today's funding environment, the support of a local tax agreement is critical to receiving such funding. To this end, 3iHoME/POAH has requested a Credit Enhancement Agreement (CEA) from the Town of Scarborough.

The Scarborough Housing Alliance enthusiastically endorses the approval of the CEA by Town Council.

In endorsing the approval of the CEA, the Alliance is moved by the following:

1. The proposal contributes to Scarborough's Comprehensive Plan goals.
2. The proposal will meet a demonstrated need for affordable housing.
3. The proposal design utilizes modern principles of sustainability.
4. This CEA is critical for the project to receive MaineHousing funding which is the primary source of funding required to make this project viable.
5. The project is uniquely innovative, will serve a vastly underserved population and will be a landmark project in the Town of Scarborough.
6. The development team is capable, nationally recognized and motivated by mission and quality outcomes with a record of success and stewardship.

Thank you for your continued support of efforts like these to deliver high quality affordable housing to the Town of Scarborough. If you have any questions about our recommendation prior to your vote, please do not hesitate to reach out to me directly.

Sincerely yours,



Bryan J. Shumway  
Chairman

## Members

Eric Boucher  
Secretary

Leroy Crockett

William Donovan

Phillip LaRou, Jr.

Robert Nadeau

Micaela Sargent

Bryan Shumway  
Chairman

## Liaisons

Jean Marie Catarina  
Town Council Rep.

Liam Gallagher  
HR Director

Tom Hall  
Town Manager

## Projected Value, Revenues and Reimbursements

### 3iHoMe: 5-Year Revaluations at 10% increase

Original TIF Year	Year of CEA	Actual Year	Original Assessed Value	Projected Increased Assessed Value	Tax Rate	Tax Revenue	50% Reimbursement
5		2024	\$ 19,600		\$ 15.97		
6		2025	\$ 19,600		\$ 14.37		
7	1	2026	\$ 19,600	\$ 4,980,400	\$ 14.80	\$ 73,731	\$ 36,865
8	2	2027	\$ 19,600	\$ 4,980,400	\$ 15.25	\$ 75,943	\$ 45,566
9	3	2028	\$ 19,600	\$ 4,980,400	\$ 15.71	\$ 78,221	\$ 46,933
10	4	2029	\$ 19,600	\$ 4,980,400	\$ 16.18	\$ 80,568	\$ 48,341
11	5	2030	\$ 19,600	\$ 5,478,440	\$ 14.56	\$ 79,762	\$ 47,857
12	6	2031	\$ 19,600	\$ 5,478,440	\$ 15.00	\$ 82,155	\$ 49,293
13	7	2032	\$ 19,600	\$ 5,478,440	\$ 15.45	\$ 84,619	\$ 50,772
14	8	2033	\$ 19,600	\$ 5,478,440	\$ 15.91	\$ 87,158	\$ 52,295
15	9	2034	\$ 19,600	\$ 5,478,440	\$ 16.39	\$ 89,773	\$ 53,864
16	10	2035	\$ 19,600	\$ 6,026,284	\$ 14.75	\$ 88,875	\$ 53,325
17	11	2036	\$ 19,600	\$ 6,026,284	\$ 15.19	\$ 91,541	\$ 54,925
18	12	2037	\$ 19,600	\$ 6,026,284	\$ 15.65	\$ 94,288	\$ 56,573
19	13	2038	\$ 19,600	\$ 6,026,284	\$ 16.12	\$ 97,116	\$ 58,270
20	14	2039	\$ 19,600	\$ 6,026,284	\$ 16.60	\$ 100,030	\$ 60,018
21	15	2040	\$ 19,600	\$ 6,628,912	\$ 14.94	\$ 99,029	\$ 59,418
<b>Total</b>						<b>\$ 1,302,808</b>	<b>\$ 774,312</b>

### Assumptions:

1. Projections are much less likely to be accurate farther into the future and are for demonstrative purposes only.
2. Projections show anticipated increased assessed values, captured assessed values, and revenues related to the increased assessed value.
3. Projections assume a tax rate increase of 3% each year, except for revaluation years which are decreased by 10%
4. Revaluations happen every 5 years with of 10% increases in value
5. Projectons assume the project will be complete in year 2026
6. Original Assessed Value is \$19,600 which is removed from year 1 of the CEA Value. All subsequent years are based off the value in Year 1 where the Original Assessed value was removed

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-117.** Move approval of the second reading on the new request for a Cannabis Establishment License from Nickolas Levasseur, d/b/a Watchtower, LLC, located at 137 Pleasant Hill Road for an Adult Cannabis Products Manufacturing Facility. [Tabled from the October 18th & November 8th Town Council meeting.] *[Assistant Town Manager]*

*Assistant Town Manager*

*Ought to Pass*

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Sponsor

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Recommendation

*10/18/2023 – Vote: 7 Yeas*

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First Reading/Vote

*12/06/2023*

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Public Hearing

*12/06/2023 – Vote:*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

<b>ACTION ITEM: Order No. 23-117</b>
<b>SUBJECT:</b> <b>7:00 p.m. Public hearing</b> and second reading on the new request for a Cannabis Establishment License from Nickolas Levasseur, d/b/a Watchtower, LLC, located at 137 Pleasant Hill Road for an Adult Cannabis Products Manufacturing Facility. [Tabled from the October 18th & November 8th Town Council meeting.] <i>[Assistant Town Manager]</i>
<b>PURPOSE:</b> Approve adult use cannabis manufacturing licenses for the establishment listed above.
<b>BACKGROUND:</b> Application has been received and the facility will be inspected prior to the public hearing and second reading.
<b>FISCAL IMPACT:</b> \$2,500 (+)
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• The application is under review</li><li>• First reading before Town Council: October 4, 2023</li><li>• Public Hearing and second reading before the Town Council: October 18, 2023 – tabled to November 8, 2023</li><li>• Public Hearing and second reading before the Town Council: October 18, 2023 – tabled to December 6, 2023</li><li>• Public hearing and second reading before the Town Council: December 6, 2023</li></ul>
<b>PROPOSED ACTION:</b> Recommend approval of second reading on Order No. 23-117.
<b>ATTACHMENTS:</b>

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-128.** Move approval of the second reading on the proposed amendments to Chapter 311 – the Schedule of Fees. *[Planning Director]*

*Planning Director*

*Ought to Pass*

---

Sponsor

---

Recommendation

*11/15/2023 – Vote: 7 Yeas*

---

First Reading/Vote

*12/06/2023*

---

Public Hearing

*12/06/2023 – Vote:*

---

Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

<b>ACTION ITEM: Order No. 23-128</b>
<b>SUBJECT:</b> 7:00 p.m. Public hearing and second reading for amendments to Chapter 311, the Town of Scarborough Schedule of Fees Ordinance to address the proposed Town of Scarborough Temporary Event Overflow Parking Ordinance. <i>[Planning Director]</i>
<b>PURPOSE:</b> To review the proposed fees for the new proposed ordinance Chapter 602B Town to create a mechanism to allow for temporary event parking.  The new Chapter 602B Town of Scarborough Temporary Event Overflow Parking Ordinance enables temporary parking for events with specific parameters to follow, staff review requirements a public hearing process and an annual renewal process.  Staff proposes an application fee of \$300 per day(s) requested for the permit, with a not to exceed amount of \$5,000.
<b>FISCAL IMPACT:</b> N/A
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• First reading before the Town Council: November 15, 2023</li><li>• Public hearing and second reading before the Town Council: December 6, 2023</li></ul>
<b>PROPOSED ACTION:</b> Recommend approval of the second reading on Order No. 23-128.
<b>ATTACHMENTS:</b> <ul style="list-style-type: none"><li>• Chapter 311 Proposed Amendments</li></ul>

**SUBJECT:**

7:00 p.m. Public hearing and second reading for amendments to Chapter 311, the Town of Scarborough Schedule of Fees Ordinance to address the proposed Town of Scarborough Temporary Event Overflow Parking Ordinance. *[Planning Director]*

**PURPOSE:**

To review the proposed fees for the new proposed ordinance Chapter 602B Town to create a mechanism to allow for temporary event parking.

The new Chapter 602B Town of Scarborough Temporary Event Overflow Parking Ordinance enables temporary parking for events with specific parameters to follow, staff review requirements a public hearing process and an annual renewal process.

Staff proposes an application fee of \$300 per day(s) requested for the permit, with a not to exceed amount of \$5,000.

**FISCAL IMPACT:** N/A**STATUS / PROCESS TO DATE:**

- First reading before the Town Council: November 15, 2023
- Public hearing and second reading before the Town Council: December 6, 2023

**PROPOSED ACTION:**

Recommend approval of the second reading on Order No. 23-128.

**ATTACHMENTS:**

- Chapter 311 Proposed Amendments



## Chapter 311 – the Town of Scarborough Schedule of Fees Ordinance

BE IT HEREBY ORDAINED, by the Town Council of the Town of Scarborough, Maine, in Town Council assembled, that the following changes to Chapter 311 – the Town of Scarborough Schedule of Fees Ordinance, be and hereby is amended, by adding the following new section (additions are underlined; deletions are struck through):

<u>Chapter 602B – Temporary Overflow Parking Ordinance</u>	<u>Fee</u>
<u>Parking Permit Fee</u>	<u>\$300</u> <del>\$500</del> <u>per day</u> <u>requested</u> <u>Not to Exceed \$5,000</u>

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-129.** Move approval on the second reading on the new request for a Cannabis Establishment License from Nickolas Levasseur, d/b/a Pine Point Medical, LLC, located at 137 Pleasant Hill Road for a Medical Cannabis Products Manufacturing Facility. *[Assistant Town Manager]*

*Assistant Town Manager*

*Ought to Pass*

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Sponsor

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Recommendation

*11/15/2023 – Vote: 7 Yeas*

---

First Reading/Vote

*12/06/2023*

---

Public Hearing

*12/06/2023 – Vote:*

---

Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: November 15, 2023

<b>ACTION ITEM: Ordinance No. 23-129.</b>
<b>SUBJECT:</b> First reading on the new request for a Cannabis Establishment License from Nickolas Levasseur, d/b/a Pine Point Medical, LLC, located at 137 Pleasant Hill Road for a Medical Cannabis Products Manufacturing Facility and schedule a public hearing and second reading. <i>[Assistant Town Manager]</i>
<b>PURPOSE:</b> Approve medical use cannabis manufacturing licenses for the establishment listed above.
<b>BACKGROUND:</b> Application has been received and the facility will be inspected prior to the public hearing and second reading.
<b>FISCAL IMPACT:</b> \$2,500 (+)
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• The application is under review</li><li>• First reading before Town Council: November 15, 2023</li></ul>
<b>PROPOSED ACTION:</b> Recommend to move approval of the first reading Order No. 23-129 and schedule the public hearing and action for Wednesday, December 6, 2023.
<b>ATTACHMENTS:</b>

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-130.** Move approval on the new requests for a Food Handlers License, Hana Group Franchising, LLC d/b/a Mai Sushi, located at 440 Payne Road, Casey Prentice d/b/a 58 Culinary, LLC, located at 15 Pleasant Hill Road and an outstanding renewal from Maine Baking Company, LLC d/b/a Pizza by Fire, located at 51 Dynamic Drive #4. *[Town Clerk]*

*Town Clerk*

*Ought to Pass*

\_\_\_\_\_  
Sponsor

\_\_\_\_\_  
Recommendation

*N/A*

\_\_\_\_\_  
First Reading/Vote

*12/06/2023*

\_\_\_\_\_  
Public Hearing

*12/06/2023 – Vote:*

\_\_\_\_\_  
Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: November 8, 2023

**ACTION ITEM: Order No. 23-130.**

**SUBJECT:**

**7:00 p.m. Public hearing** and action on the new requests for a Food Handlers License, Hana Group Franchising, LLC d/b/a Mai Sushi, located at 440 Payne Road, Casey Prentice d/b/a 58 Culinary, LLC, located at 15 Pleasant Hill Road and an outstanding renewal from Maine Baking Company, LLC d/b/a Pizza by Fire, located at 51 Dynamic Drive #4. *[Town Clerk]*

**PURPOSE:**

To allow the applicants to conduct business according to the license requested and the Ordinances of the Town of Scarborough.

**BACKGROUND:**

The first two businesses are new in Scarborough. Once this business has received their Occupancy Permit, the Food Handlers License will be issued.

The third business is a renewal. The deadline to renew a Food Handlers License was June 30<sup>th</sup>. The Town Clerk's Office made several attempts to contact the owner to remind him that he was not in compliance with local the local Ordinance and at this point the request would be going back to the Town Council for review. We received the application on November 2<sup>nd</sup>.

**FISCAL IMPACT:**

\$220.00 per application

**STATUS / PROCESS TO DATE:**

- Applications has been reviewed and found to be complete and are on file in the Town Clerk's Office.
- Public hearing and final action: December 6, 2023.

**PROPOSED ACTION:**

Recommend approval of the requests from Hana Group Franchising, LLC and Casey Prentice and further recommend approval of the Maine Baking Company with the caveat that if they are late in renewing their license in the future there will be a \$300 fine assessed in addition to their license fee of \$220.

**ATTACHMENTS:**

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-109.** Move approval of the second reading on the Council Order approving the Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District and Development Program. [Tabled from the November 8th Town Council meeting.] [*Town Council*]

*Town Council*

*Ought not to Pass*

---

Sponsor

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Recommendation

*10/18/2023 – Vote: 6 Yeas, 1 Nay (Councilor Hamill)*

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First Reading/Vote

*10/04/2023*

---

Public Hearing

*12/06/2023 – Vote:*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

**ACTION ITEM: Order No. 23-109.****SUBJECT:**

Second reading on the Council Order approving the Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District and Development Program. [Tabled from the November 8<sup>th</sup> Town Council meeting.] *[Town Council]*

**PURPOSE:**

To modify the boundary of the [Scarborough Downtown Omnibus Tax Increment Financing District](#) (hereinafter the “TIF District”) to include an adjacent additional parcel (37.09 acres), more specifically referred to as RO53-004 by the Scarborough Tax Assessor. After the boundary modification, the total acreage of the TIF District will be 985.22 acres.

**BACKGROUND:**

The Town entered into a Purchase Option Agreement (the “Agreement”) with Crossroads Holdings, LLC for the purchase of 21.87 acres for a new Unified Primary School. As part of the Agreement, and a condition of Closing, the Town agreed to consider a number of additional actions, including the expansion of the TIF District to include this additional parcel.

Subsequent discussions have identified additional parcels that should be considered for the TIF district. The inclusion of additional parcels would be a substantive change that would require the Order to return to first reading. Given the termination of the Purchase Option Agreement and the therefore the removal of the obligations thereunder, and the fact that further consideration should be given to expand the TIF boundary further, it is recommended that this item be defeated in its current form.

**FISCAL IMPACT:**

The likely fiscal impact in terms of creation of new taxable value is negligible since the school site will be tax exempt.

**STATUS / PROCESS TO DATE:**

- Notice of Public Hearing published, documents available for public review
- Town Council Public Hearing; October 4, 2023
- First reading before the Town Council: October 18, 2023 and second reading/adoption on November 8, 2023
- Public hearing and second reading before the Town Council: November 8, 2023 [Tabled to the December 8<sup>th</sup> TC meeting]
- Public hearing and second reading before the Town Council: December 6, 2023

**PROPOSED ACTION:**

Recommend defeat of this Order to allow the Finance Committee and staff to further review the TIF boundary and recommend an expansion to the boundary at a later date.

**ATTACHMENTS:**

- Order No. 23-109
- Third Amendment to Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District Development Program



**IN TOWN COUNCIL  
ORDER #23-109**

**Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District and Development Program**

**WHEREAS**, the Town of Scarborough (the "Town") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to amend the specified area within the Town designated as the *Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District* (the "Downtown District") and amend the development program (the "DowntownDevelopmentProgram") for the Downtown District; and

**WHEREAS**, the Downtown District was first approved by DECD on March 29, 2019 and a Credit Enhancement Agreement ("the CEA") with Crossroads Holdings, LLC ("the Developer") was approved by the Town Council on November 28, 2018 pursuant to the Downtown District and Development Program; and

**WHEREAS**, the First Amendment to the District was approved by DECD on July 30, 2021; and

**WHEREAS**, the Second Amendment to the District was approved by DECD on April 12, 2022; and

**WHEREAS**, the Town desires to further amend the Downtown District to add an additional parcel to the District to capture additional value, and to allow a potential amendment to the CEA to include the additional parcel subject to a separate vote of the Town Council; and

**WHEREAS**, there is a need for economic development and affordable housing in the Town of Scarborough, in the surrounding region, and in the State of Maine; and

**WHEREAS**, there is a need to improve and broaden the tax base of the Town; and to improve the general economy of the Town and the surrounding region; and

**WHEREAS**, the Town has held public hearings on the Third Amendment to the Downtown District and its Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226 and contained in the Development Program, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town; and

**WHEREAS**, it is expected that approval will be obtained from the Maine Department of Economic and Community Development (the "Department") approving the amendment to the Downtown District.

**ORDERED AS FOLLOWS:**

**Section 1.** The Town of Scarborough hereby approves the **Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing**

**District and the Downtown Development Program** in such form and as presented to the Town Council, such amendment to be pursuant to the following findings, terms, and provisions.

**Section 2.** The Town Council hereby finds and determines that:

(a) The Third Amendment to the **Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District** will not result in the District falling out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) (Pursuant to Title 30-A M.R.S.A. Section 5223(3)(D), downtown tax increment financing districts are exempt from certain statutory requirements and thresholds, including valuation and acreage caps); and

(b) The Town Council has considered all evidence, if any, presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined that such adverse economic effect on or detriment to any existing business, if any, is outweighed by the contribution expected to be made through the Downtown District and the Downtown Development Program.

**Section 3.** The Town Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed amendment of the Downtown District and the proposed amendment to the Downtown Development Program for the District to the Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226.

**Section 4.** The foregoing amendment of the Downtown District and approval of the amendment to the Downtown Development Program shall automatically become final and shall take full force and effect upon receipt by the Town of approvals thereof by the Department, without requirement of further action by the Town, the Town Council, or any other party.

**Section 5.** The Town Manager, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the Downtown Development Program as the Town Manager, or his duly appointed representative, deems reasonably necessary or convenient in order to facilitate the process for review and approval of the amendment to the Downtown District and/or the Downtown Development Program by the Department, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Downtown District and the Downtown Development Program.

Dated: \_\_\_\_\_

**ECONOMIC DEVELOPMENT  
SCARBOROUGH, MAINE**

*An Application for a Municipal Development and Tax Increment Financing District*

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**THIRD AMENDMENT TO  
SCARBOROUGH DOWNTOWN OMNIBUS MUNICIPAL DEVELOPMENT AND  
TAX INCREMENT FINANCING DISTRICT DEVELOPMENT PROGRAM**

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*Presented to:*

**SCARBOROUGH TOWN COUNCIL**

**October 4, 2023**

## APPLICATION COVER SHEET

### MUNICIPAL TAX INCREMENT FINANCING

#### A. General Information

1. Municipality Name: Town of Scarborough		
2. Address: 259 U.S. Route 1, PO Box 360, Scarborough, ME 04070-360		
3. Telephone: 207-730-4031	4. Fax: 207-730-4033	5. Email: thall@scarboroughmaine.org
6. Municipal Contact Person: Thomas Hall, Town Manager		
7. Business Name:		
8. Address:		
9. Telephone:	10. Fax:	11. Email:
12. Business Contact Person:		
13. Principal Place of Business:		
14. Company Structure (e.g. corporation, sub-chapter S, etc.):		
15. Place of Incorporation:		
16. Names of Officers:		
17. Principal Owner(s) Name:		
18. Address:		

#### B. Disclosure

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

#### C. Employment Data

List the company's goals for the number, type and wage levels of jobs to be created or retained as part of this TIF development project (*please use next page*).

N/A

## **TABLE OF CONTENTS**

	<u>Page</u>
<b>I. Development Program Amendment Narrative .....</b>	<b>1</b>
<b>A. Introduction/Summary of the Third Amendment to the Scarborough Downtown Omnibus TIF Development Program.....</b>	<b>1</b>
<b>B. The Existing District and Development Program .....</b>	<b>1</b>
<b>C. Physical Description and Original Assessed Value.....</b>	<b>2</b>
<b>D. Special Procedural Explanation .....</b>	<b>2</b>
<b>II. Evidence of Public Hearing and Vote for Amendment.....</b>	<b>2</b>
<b>A. Notice of Public Hearing .....</b>	<b>2</b>
<b>B. Minutes of Public Hearing .....</b>	<b>2</b>
<b>C. Authorizing Votes .....</b>	<b>3</b>
<b>D. Statutory Requirements &amp; Thresholds form .....</b>	<b>3</b>

### **EXHIBITS:**

<b>EXHIBIT A</b>	<b>AMENDED MAPS OF THE DISTRICT</b>
<b>EXHIBIT B</b>	<b>AMENDED ASSESSOR'S CERTIFICATE</b>
<b>EXHIBIT C</b>	<b>NOTICE OF PUBLIC HEARING</b>
<b>EXHIBIT D</b>	<b>CERTIFIED COPY OF THE PUBLIC HEARING MINUTES</b>
<b>EXHIBIT E</b>	<b>TOWN COUNCIL ORDER</b>
<b>EXHIBIT F</b>	<b>STATUTORY REQUIREMENTS AND THRESHOLDS FORM</b>

## **I. Development Program Amendment Narrative**

### **A. Introduction/ Summary of the Amendment to the Scarborough Downtown Omnibus TIF Development Program**

The Town seeks its third amendment (the “Third Amendment”) to the Scarborough Downtown Omnibus Tax Increment Financing (the “TIF”) District (the “District”) and Development Program (the “Development Program”).

The Third Amendment seeks to add a 37.09 acre parcel located at tax map R053-004 to the District in order to make the area available to capture the increased assessed value within the District and for purposes of a potential amended credit enhancement agreement with Crossroads Holdings, LLC subject to a separate vote of the Town Council. The Town is seeking to build a new elementary school on approximately 21.87 acres partially within the existing District boundaries and partially within the new parcel to be added to the District.<sup>1</sup>

Through this Third Amendment, the Town intends to further encourage and facilitate economic development within the District and in the Town at large. To the extent this Third Amendment does not address provisions of the original Development Program as amended by the First and Second Amendment, such previously approved documents remain in full force and effect.

This Third Amendment is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the “TIF Statute”).

### **B. The Existing District and Development Program**

On November 28, 2018 the Town designated the Downtown Omnibus Municipal Development and Tax Increment Financing District and adopted the Development Program for the District. The Department of Economic and Community Development (“DECD”) approved the District and the Development Program on March 29, 2019. The Town created the District in order to capture new taxable investment primarily from commercial development occurring within downtown Scarborough including the redevelopment area known as Scarborough Downs, to enter into a credit enhancement agreement with the developer of such area, and to fund public facilities and improvements and Town economic development projects and activities. The original term of the District is thirty (30) years. The original acreage of the District was 947.91 acres and the original assessed value was \$95,622,900.

On June 16, 2021 the Town approved the First Amendment to the District and its Development Program. DECD approved the First Amendment to the District and Development Program on July 30, 2021. The purpose of this First Amendment was to adjust the acreage of the District from 947.19 acres to 948.13 acres by adding in a parcel identified as U043-66 on the

<sup>1</sup> The Developer has estimated that the increased assessed value (IAV) within the Amended District over the term of the TIF will not meaningfully change given that the parcel of land where the new school would be located, will become tax-exempt while some new development will occur on a portion of the newly added portion.

Town's tax maps. The acreage was added to make the area available for the Council to approve a credit enhancement agreement relating to an affordable rental housing project. The additional acreage did not change the original assessed value, due to the value of the parcel being zero dollars (\$0) as of April 1, 2020. A credit enhancement agreement for an affordable housing development project was approved by the Town at the same time as the First Amendment, pursuant to the Town Council's authority to authorize credit enhancement agreements with developers in the District.

On March 3, 2022 the Town approved the Second Amendment to the District and its Development Program. DECD approved the Second Amendment to the District and Development Program on April 12, 2022. The purpose of the Second Amendment was to adopt, designate and confirm that the Town would capture one hundred percent (100%) of the increased assessed value as captured assessed value and use the increased TIF revenues for municipal project costs.

### **C. Physical Description and Original Assessed Value**

Prior to this Amendment, the District was comprised of 948.13 acres and had an original assessed value of \$95,622,900. Following the addition of parcel R053-004, the District will be comprised of 985.22 acres and will have an original assessed value of \$95,819,300. Please see Exhibit A for amended maps of the District and Exhibit B for an amended Assessor's Certificate for the District.

### **D. Special Procedural Explanation**

Please note that this Amendment is also presented to the Town Council on the same date as a proposal for an Amendment to the Crossroads Holdings, LLC CEA. The amendment to the CEA seeks to add the additional acreage in order to capture the increased assessed value on the added parcel.

## **II. Evidence of Public Hearing and Vote for Amendment**

### **A. Notice of Public Hearing**

Attached as Exhibit C is a copy of the Notice of Public Hearing published in the \_\_\_\_\_, a newspaper of general circulation in the Town, a date at least ten (10) days prior to the public hearing. The public hearing was held on October 4, 2023, in accordance with the requirements of 30-A M.R.S.A. § 5226(1).

### **B. Minutes of Public Hearing**

Attached as Exhibit D, is a certified copy of the minutes of the public hearing held on October 4, 2023, at which time the proposed District was discussed by the public.

**C. Authorizing Votes**

Attached as Exhibit E is an attested copy of the Scarborough Town Council Order, which was approved by the Town Council at a Town Council meeting duly called and held on \_\_\_\_\_, 2023 adopting the Third Amendment to the Development Program.

**D. Statutory Requirements & Thresholds form**

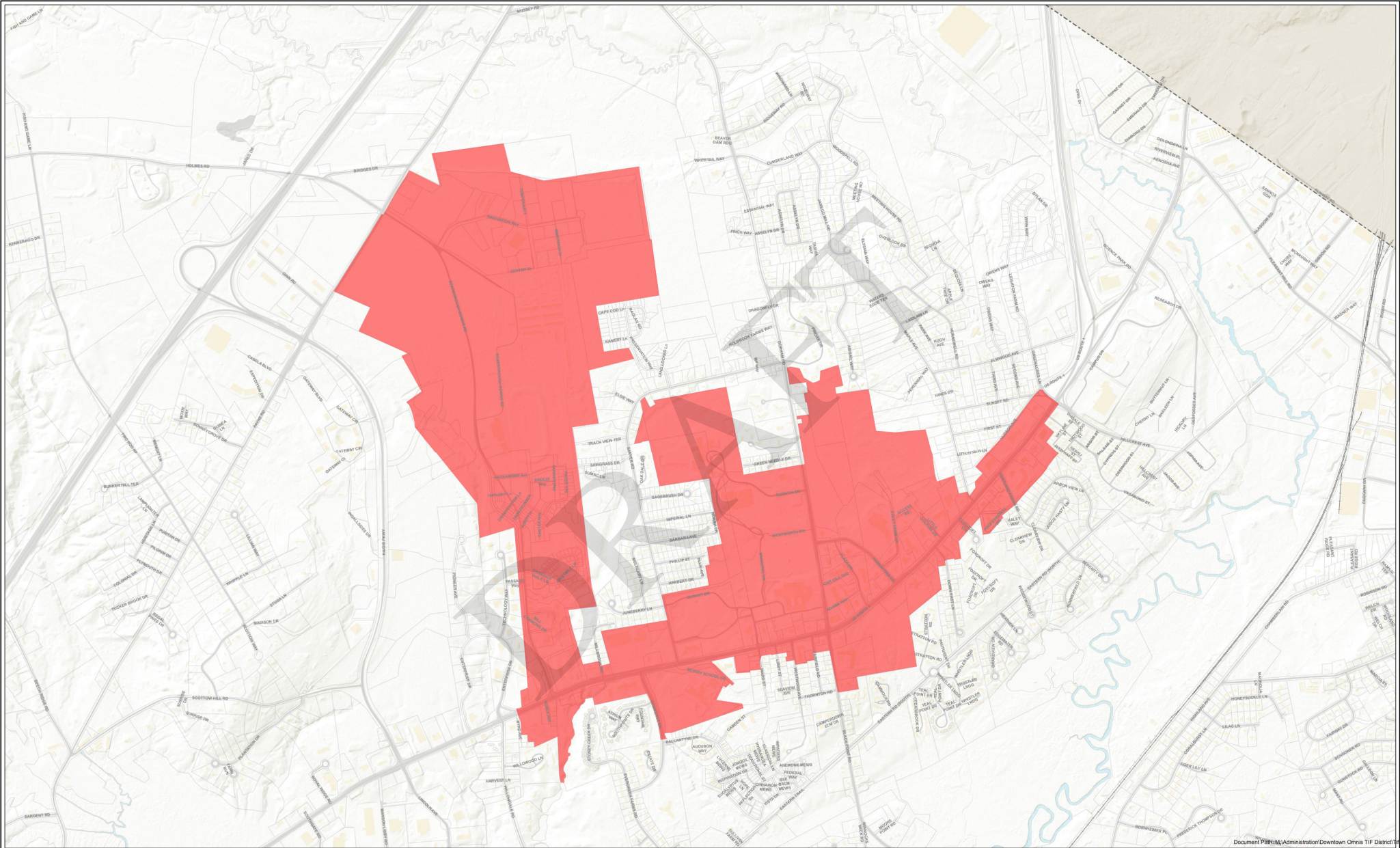
Attached as Exhibit F, is a completed statutory requirements and thresholds form for the District.



# **Exhibit A**

**(Amended Maps of the District)**

DRAFT



Document P:\98\1\Map\Administration\Downtown Omnibus TIF District\TIF District1



**Town Of  
Scarborough  
Maine**  
<http://www.scarborough.me.us/dpw/>

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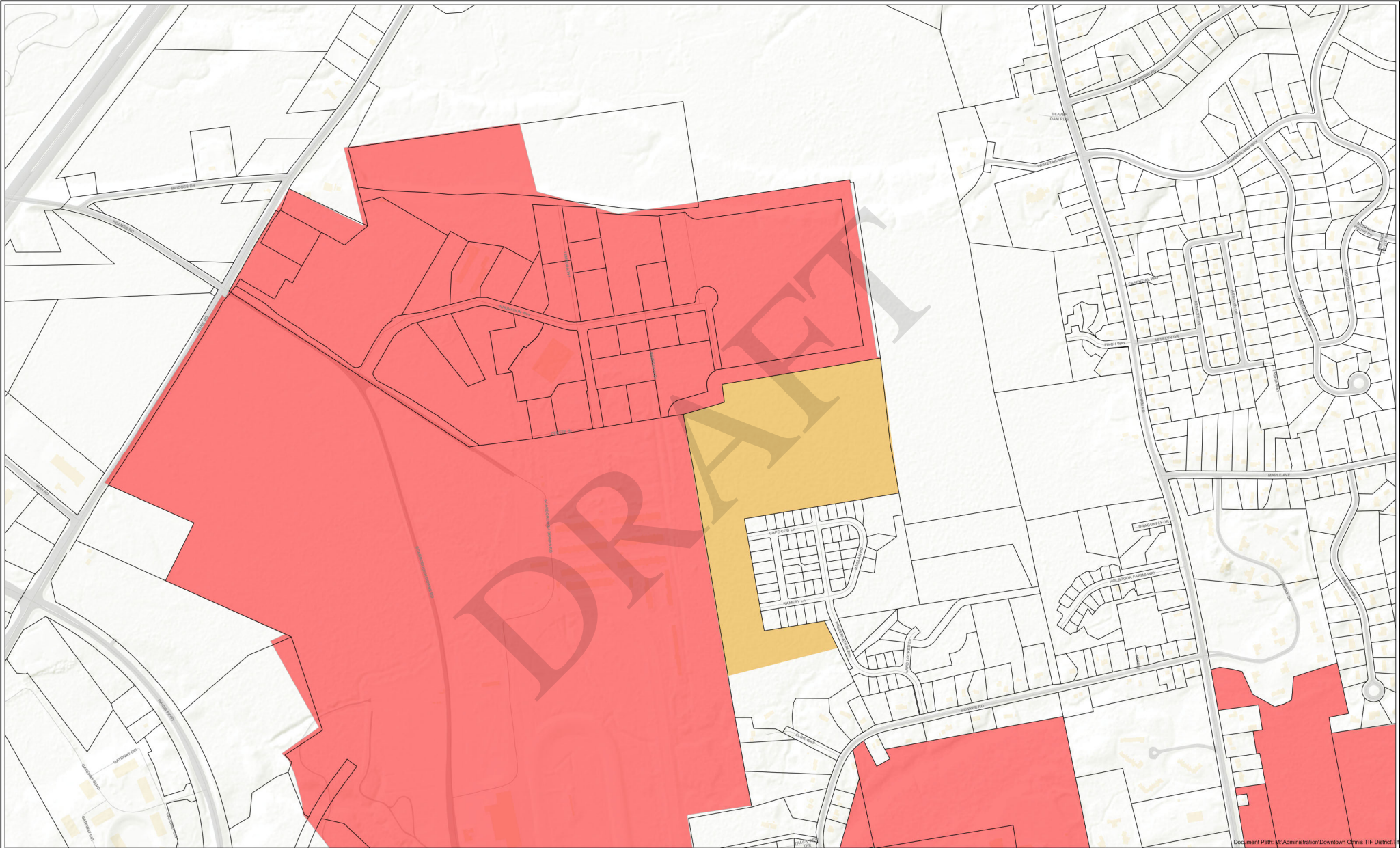
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Proposed TIF District  
Print Date: 9/25/2023

**EXHIBIT A**  
**Scarborough downtown Omnibus TIF district**  
**Total of 985.22 acres**



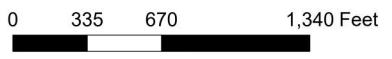


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**Town Of  
Scarborough  
Maine**  
<http://www.scarborough.me.us/dpw/>

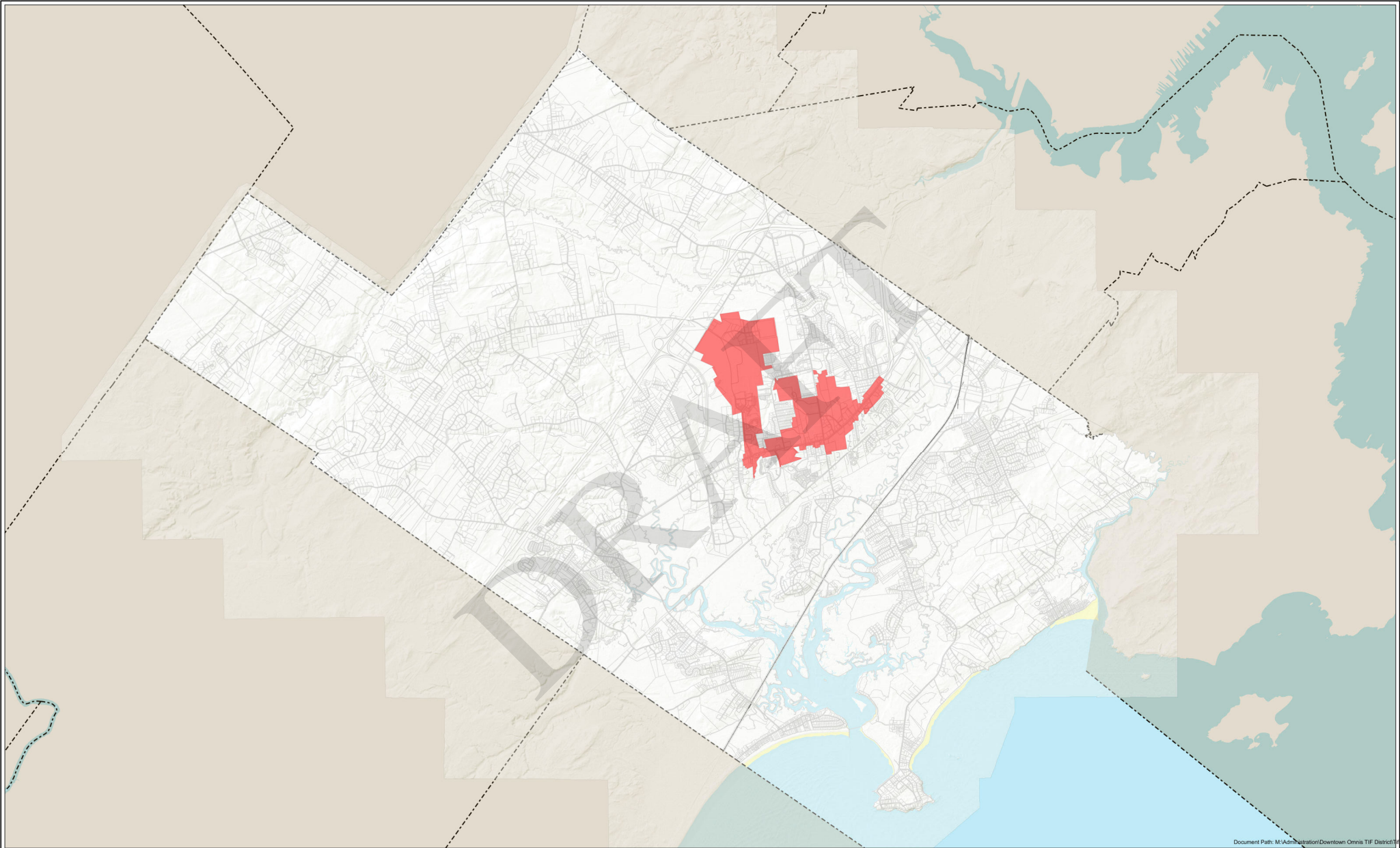
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Print Date: 9/25/2023

**EXHIBIT A**  
**Scarborough downtown Omnibus TIF district**  
**Total of 985.22 acres**






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**Town Of  
Scarborough  
Maine**  
<http://www.scarborough.me.us/dpw/>

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 Proposed TIF District  
**Print Date: 9/25/2023**

**EXHIBIT A**  
**Scarborough downtown Omnibus TIF district**  
**Total of 985.22 acres**

# **Exhibit B**

**(Amended Assessor's Certificate)**

DRAFT

**TOWN OF SCARBOROUGH THIRD AMENDMENT TO  
SCARBOROUGH DOWNTOWN OMNIBUS MUNICIPAL DEVELOPMENT AND TAX  
INCREMENT FINANCING DISTRICT ASSESSOR CERTIFICATE**

The undersigned Assessor for the Town of Scarborough does hereby certify pursuant to the provisions of M.R.S.A. Title 30-A § 5227(2), that the assessed value of taxable real property in the **Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District** as described in the Development Program to which this certificate is attached, was **\$95,622,900** as of March 31, 2018 (April 1, 2017). *[Note that the portion of the District added in the First Amendment had an original assessed value date of March 31, 2021 (April 1, 2020) and an original assessed value of \$0, and the portion of the District being added in the Third Amendment has an original assessed value date of March 31, 2023 (April 1, 2022) and an original assessed value of \$196,400].* A table showing the original assessed value by parcel is provided below.

IN WITNESS THEREOF, this Certificate has been executed this 25<sup>th</sup> day of Sept. 2023.



Nicholas Cloutier Assessor, Town of Scarborough

9/25/2023

Date

**ORIGINAL ASSESSED VALUE PARCEL TABLE**

<b>Tax Map and Lot Number</b>	<b>Acreage</b>	<b>Original Assessed Value as of March 31, 2018 (April 1, 2017)</b>
R052004	423.64	\$7,888,900
R053002	2.6	\$211,000
R053003	15	\$30,000
R058028D	16.23	\$82,800
R058032	16.3	\$752,800
R058032D	0.69	\$197,700
R058032E	0.69	\$162,200
R058032F	0.69	\$163,000
R058032H	0	\$28,400
R058032A	0.78	\$1,451,000
R058032B	0.9	\$425,200
R058032C	2.5	\$841,300
R058032J	0.68	\$493,700
R058032K	0.28	\$166,400
R058032M	1.5	\$795,600
R058032N	0.6	\$401,000
R058032P	1.6	\$834,300
R058032Q	1.19	\$561,600
R058032R	1	\$958,400
R058032S	4.7	\$500
R058032T	8	\$800

R059016	23.34	\$0
R059021	1.3	\$0
R059024	53.3	\$0
R059025	9	\$0
R059026	16	\$0
U039001	0.43	\$219,000
U039002	0.18	\$130,500
U039003	0.37	\$127,400
U039006	0.73	\$276,300
U039010	5.02	\$0
U039048	0.76	\$268,700
U039049	0.92	\$291,400
U039050	0.7	\$416,900
U040002	4.72	\$2,363,900
U040004	1.33	\$84,000
U040005	0.59	\$234,600
U040006	0.79	\$341,600
U040007	6.8	\$221,200
U040008	5.72	\$2,885,300
U040009	1.34	\$825,000
U040023	0.5	\$626,200
U040025	14.51	\$0
U040025A	1.27	\$0
U040031	0.9	\$150,300
U041001	1.85	\$2,002,400
U041002A	22	\$0
U041005	2.44	\$1,440,900
U041006	25.6	\$0
U041010	0.6	\$0
U041011	1.22	\$0
U041012	0.19	\$0
U041013	5.7	\$0
U042067	3.97	\$0
U043001	2.66	\$0
U043002	1.01	\$668,200
U043003	0.83	\$513,800
U043005	0.33	\$365,400
U043006	0.75	\$723,100
U043703	0.83	\$233,800
U043702	0.83	\$121,600
U043704	0.83	\$261,800
U043701	0.83	\$156,400
U043008	0.5	\$0
U043009	0.77	\$512,400

U043009A	1.44	\$0
U043010	0.42	\$337,200
U043011	1.38	\$179,500
U043033	0.19	\$190,700
U043034	0.19	\$177,400
U043035	0.18	\$278,500
U043040	0.59	\$238,500
U043042	0.31	\$0
U043043	0.23	\$238,700
U043054	0.25	\$217,900
U043054A	0.14	\$144,900
U043054B	0.19	\$167,900
U043055	0.24	\$226,200
U043056	2.18 <sup>1</sup>	\$0
U043069	0.2	\$0
U043077	0.56	\$285,300
U043078	0.55	\$432,000
U044001	1.51	\$1,521,600
U044002	1.6	\$1,115,500
U044003	0.99	\$1,169,200
U044004	0.64	\$192,000
U044005	0.19	\$219,500
U044006	0.8	\$388,100
U044007	3.32	\$1,400,000
U044007A	0	\$140,900
U044008	35.6	\$537,700
U044008A	1.41	\$696,100
U044008B	18.19	\$6,165,100
U044008C	0	\$317,700
U044008D	0.6	\$76,200
U044009	1.64	\$1,146,600
U044011	2.87	\$1,260,400
U044012	0.78	\$377,500
U044014	1.03	\$727,800
U044015	6.43	\$2,289,700
U044016	2.6	\$1,610,300
U044017	21.33	\$0
U044017A	8.3	\$7,979,600
U044018	1.26	\$500,800
U045001	2.31	\$309,800
U045001B	2.57	\$155,900
U045001A	2.57	\$1,761,000
U045002	0.42	\$252,800
U045003A	2.1	\$1,180,900
U045004	3.96	\$1,724,900

<sup>1</sup> This is a partial lot acreage – an additional .31 acres of Lot U043056 was added to the District in the First Amendment and noted below. The overall District acreage was increased by a total of .22 acres. As of April 1, 2020, the parcel currently identified as U043-56 was two separate parcels identified as U043-56 (2.27 acres) and U043-66 (.31 acres). When these two parcels merged following a real estate transaction occurring later in 2020, the two parcels merged into one lot now identified as U043-56. Given the updated survey undertaken in connection with this transaction, the Town was able to correct the acreage for the lot formerly identified as U043-56 from 2.27 acres to 2.18 acres. For this reason, the overall adjustment to the District acreage is the addition of .22 acres (following the addition of the .31 lot formerly known as U043-66 and the reduction in the acreage of the lot formerly identified as U043-56 from 2.27 acres to 2.18 acres).



U045004A	5.68	\$305,100
U045005	3.9	\$1,548,900
U045006	0.84	\$436,100
U045013A	1.5	\$1,041,600
U045013B	1.08	\$812,500
U045013C	2.1	\$1,937,300
U045017	0.71	\$801,700
U045018	0.5	\$245,300
U045018A	0.33	\$366,500
U045018B	0.93	\$499,100
U045019	0.51	\$390,700
U045020	0.95	\$406,400
U045022	1.17	\$788,800
U045025	1.02	\$420,800
U045035	0.23	\$194,500
U045036	0.39	\$265,000
U0452101	0.25	\$153,600
U046001	3.1	\$0
U046002	0.92	\$392,600
U046003	1.34	\$1,619,600
U046004	6.05	\$3,346,200
U047069	1.05	\$717,300
U047091	0.94	\$484,100
U047092	1.91	\$3,982,100
U047094	5.83	\$3,226,100
Roads	46.5	\$0
		<b>Original Assessed Value as of March 31, 2021 (April 1, 2020)</b>
U043056	.31 <sup>2</sup>	\$0
		<b>Original Assessed Value as of March 31, 2023 (April 1, 2022)</b>
R053004	<b>37.09</b>	\$196,400
<b>Totals</b>	<b>985.22</b>	<b>\$95,819,300</b>

<sup>2</sup> This is a partial lot the rest of which is noted in the table above. Because this .31 acres was added to the District in the First Amendment, it has a different Original Assessed Value date.

# **Exhibit C**

**(Notice of Public Hearing)**

**NOTICE OF PUBLIC HEARINGS  
TOWN OF SCARBOROUGH**

**Regarding**

**The Approval of the Third Amendment to the “Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District” and the Development Program therefor,  
and**

**The Approval of an Amendment to the Credit Enhancement Agreement between the Town of  
Scarborough  
and Crossroads Holdings, LLC**

Notice is hereby given that the Town of Scarborough will hold two public hearings at its Town Council Meeting on

**Wednesday, October 4, 2023**

**Via Zoom and in Person**

**At the Scarborough Municipal Building**

**located at 259 US-1, Scarborough, ME 04074 at 7:00 p.m.**

The purpose of the public hearings is to receive public comments on each of the items identified above, all pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The proposed Third Amendment to the Scarborough Downtown Omnibus TIF seeks to amend the District’s acreage by adding a portion to the area identified on Town of Scarborough Tax Map U053, Lot 4, in order to make it available for the Town Council to consider approval of an amendment to the credit enhancement agreement between the Town of Scarborough and Crossroads Holdings, LLC by also adding the new area.

A copy of the materials relating to the amendment to the Downtown Omnibus TIF District and the proposed credit enhancement agreement will be on file with the Town Clerk prior to the public hearings. All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time. Copies of the proposed applications are available at the Town Clerk’s Office and can also be obtained by calling the Town Clerk at 207-730-4000 during normal business hours and requesting that a copy be mailed to you. All interested persons are invited to participate in the public hearing and will be given an opportunity to be heard.

The Scarborough Town Council will hold these public hearings both remotely using Zoom and in person. Virtual meetings are allowed using emergency legislation approved by LD 2167; Title 1 M.R.S. §403A, that authorizes towns to conduct meetings online. If members of the public prefer to participate remotely, allow your computer to install the free Zoom app to get the best meeting experience.

**ZOOM MEETING INSTRUCTIONS:** The link to the on-line meeting will be posted on the ‘town calendar’ on the Town’s website: [scarboroughmaine.org](http://scarboroughmaine.org)

Public comments will be taken at the meeting and written comments should be submitted to [clerk@scarboroughmaine.org](mailto:clerk@scarboroughmaine.org).

# **Exhibit D**

**(Certified Copy of the Public Hearing Minutes)**

DRAFT

# **Exhibit E**

**(Town Council Order)**

DRAFT

**IN TOWN COUNCIL  
ORDER # \_\_\_\_\_**

**Third Amendment to the Scarborough Downtown Omnibus Municipal Development and  
Tax Increment Financing District and Development Program**

**WHEREAS**, the Town of Scarborough (the "Town") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to amend the specified area within the Town designated as the *Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District* (the "Downtown District") and amend the development program (the "Downtown Development Program") for the Downtown District; and

**WHEREAS**, the Downtown District was first approved by DECD on March 29, 2019 and a Credit Enhancement Agreement ("the CEA") with Crossroads Holdings, LLC ("the Developer") was approved by the Town Council on November 28, 2018 pursuant to the Downtown District and Development Program; and

**WHEREAS**, the First Amendment to the District was approved by DECD on July 30, 2021; and

**WHEREAS**, the Second Amendment to the District was approved by DECD on April 12, 2022; and

**WHEREAS**, the Town desires to further amend the Downtown District to add an additional parcel to the District to capture additional value, and to allow a potential amendment to the CEA to include the additional parcel subject to a separate vote of the Town Council; and

**WHEREAS**, there is a need for economic development and affordable housing in the Town of Scarborough, in the surrounding region, and in the State of Maine; and

**WHEREAS**, there is a need to improve and broaden the tax base of the Town; and to improve the general economy of the Town and the surrounding region; and

**WHEREAS**, the Town has held public hearings on the Third Amendment to the Downtown District and its Development Program in accordance with the requirements of 30-A M.R.S.A. § 5226 and contained in the Development Program, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town; and

**WHEREAS**, it is expected that approval will be obtained from the Maine Department of Economic and Community Development (the "Department") approving the amendment to the Downtown District.

**ORDERED AS FOLLOWS:**

**Section 1.** The Town of Scarborough hereby approves the **Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing**

**District and the Downtown Development Program** in such form and as presented to the Town Council, such amendment to be pursuant to the following findings, terms, and provisions.

**Section 2.** The Town Council hereby finds and determines that:

(a) The Third Amendment to the **Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District** will not result in the District falling out of compliance with any of the conditions of 30-A M.R.S.A. Section 5223(3) (Pursuant to Title 30-A M.R.S.A. Section 5223(3)(D), downtown tax increment financing districts are exempt from certain statutory requirements and thresholds, including valuation and acreage caps); and

(b) The Town Council has considered all evidence, if any, presented to it with regard to any adverse economic effect on or detriment to any existing business and has found and determined that such adverse economic effect on or detriment to any existing business, if any, is outweighed by the contribution expected to be made through the Downtown District and the Downtown Development Program.

**Section 3.** The Town Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed amendment of the Downtown District and the proposed amendment to the Downtown Development Program for the District to the Department for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226.

**Section 4.** The foregoing amendment of the Downtown District and approval of the amendment to the Downtown Development Program shall automatically become final and shall take full force and effect upon receipt by the Town of approvals thereof by the Department, without requirement of further action by the Town, the Town Council, or any other party.

**Section 5.** The Town Manager, or his duly appointed representative, is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the Downtown Development Program as the Town Manager, or his duly appointed representative, deems reasonably necessary or convenient in order to facilitate the process for review and approval of the amendment to the Downtown District and/or the Downtown Development Program by the Department, or for any other reason, so long as such revisions are not inconsistent with these resolutions or the basic structure and intent of the Downtown District and the Downtown Development Program.

Dated: \_\_\_\_\_

# **Exhibit F**

**(Statutory Requirements and Thresholds Form)**

DRAFT



**STATUTORY REQUIREMENTS AND THRESHOLDS**  
**SCARBOROUGH DOWNTOWN OMNIBUS | AMD-3**

<b>SECTION A.   Acreage Caps</b>		
1. Total <b>municipal</b> acreage;	34,560	
2. Acreage of <b>proposed</b> Municipal TIF District;	985.22	
3. <b>Downtown-designation</b> <sup>1</sup> acres in proposed Municipal TIF District;	985.22	
4. <b>Transit-Oriented Development</b> <sup>2</sup> acres in proposed Municipal TIF District;	0	
5. <b>Total acreage</b> [=A2-A3-A4] of proposed Municipal TIF District counted toward 2% limit;	0	
6. <b>Percentage</b> [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	0	
7. <b>Total acreage</b> of all <u>existing/proposed</u> Municipal TIF districts in municipality <b>including</b> Municipal Affordable Housing Development districts: <sup>3</sup>  Avesta Housing/2.78      Bessey School Affordable Housing (I&II)/7.15      BOR Zone/6.60* Downtown Omnibus/985.22      Haigis Parkway/375.8	Existing	392.33 <sup>4</sup>
	Proposed	985.22
	Total:	1,377.55
<b>30-A § 5223(3) EXEMPTIONS<sup>5</sup></b>		
8. Acreage of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	985.22	
9. Acreage of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts:	0	
10. Acreage of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	0	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> <sup>6</sup> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such acreage also factored in Exemptions 8-10 above:	0	
12. <b>Total acreage</b> [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	392.33	
13. <b>Percentage of total acreage</b> [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.14%	
14. <b>Real property</b> in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area;	0	0
b. In need of rehabilitation, redevelopment or conservation;	0	0
c. Suitable for commercial or arts district uses.	892.55	90.61%
<b>TOTAL (except for § 5223 (3) exemptions a., b. <u>OR</u> c. must be at least 25%)</b>		90.61%

\*Please note that the original acreage for the BOR TIF in 2009 was mistakenly recorded as 6.0 acres when the parcel comprising the lot is actually 6.6 acres.

<sup>1</sup> Before final designation, the Commissioner will seek advice from MDOACF and MDOT per 30-A § 5226(2).

<sup>2</sup> For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

<sup>3</sup> For AH-TIF acreage requirement see 30-A § 5247(3)(B). Alternatively, Section B. must exclude AH-TIF valuation.

<sup>4</sup> Although this district already exists, the SR&T includes its entire acreage in the "proposed" category only.

<sup>5</sup> Downtown/TOD overlap nets single acreage/valuation caps exemption.

<sup>6</sup> PTZ districts approved through December 31, 2008.

**STATUTORY REQUIREMENTS AND THRESHOLDS  
SCARBOROUGH DOWNTOWN OMNIBUS | AMD-3**

SECTION B.   Valuation Cap		
1. <b>Total TAXABLE</b> municipal valuation—use most recent April 1;	\$5,142,583,176	
2. <b>Taxable Original Assessed Value (OAV)</b> of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;	\$95,819,300	
3. <b>Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality <u>excluding</u> Municipal Affordable Housing Development districts:</b> BOR Zone/\$2,312,000      Haigis Parkway/\$8,563,500      Downtown Omnibus/\$95,819,300	Existing	\$10,875,500
	Proposed	\$95,819,300
	Total:	\$106,694,800
<b>30-A § 5223(3) EXEMPTIONS</b>		
4. <b>Taxable OAV</b> of an <u>existing/proposed</u> <b>Downtown</b> Municipal TIF district;	\$95,819,300	
5. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Transit-Oriented Development</b> Municipal TIF districts:	0	
6. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Community Wind Power</b> Municipal TIF districts:	0	
7. <b>Taxable OAV</b> of all <u>existing/proposed</u> <b>Single Taxpayer/High Valuation</b> <sup>7</sup> Municipal TIF districts:	0	
8. <b>Taxable OAV</b> in all <u>existing/proposed</u> Municipal TIF districts <b>common to</b> Pine Tree Development Zones per 30-A § 5250-I (14)(A) <b>excluding</b> any such OAV also factored in Exemptions 4-7 above:	0	
9. <b>Total taxable OAV [=B3-B4-B5-B6-B7-B8]</b> of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$10,875,500	
10. <b>Percentage of total taxable OAV [=B9÷B1]</b> of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	.211%	

COMPLETED BY			
PRINT NAME	Philip Saucier, Esq.		
SIGNATURE		DATE	
<p>If this form has <b>not be completed by the municipal or plantation assessor</b>, the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.</p>			
PRINT NAME	Nicholas Cloutier, CMA		
SIGNATURE		DATE	9/25/2023

<sup>7</sup> For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-110.** Move approval of the second reading on the Council Order approving the First Amendment to the Credit Enhancement Agreement between the Town of Scarborough, Maine and Crossroads Holdings LLC. [Tabled from the November 8th Town Council meeting.]  
*[Town Council]*

*Town Council*

*Ought not to Pass*

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Sponsor

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Recommendation

*10/18/2023 – Vote: 5 Yeas, 2 Nays (Councilor Cloutier & Hamill)*

---

First Reading/Vote

*10/04/2023*

---

Public Hearing

*12/06/2023 – Vote:*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

**ACTION ITEM: Order No. 23-110.****SUBJECT:**

Second reading on the Council Order approving the First Amendment to the Credit Enhancement Agreement between the Town of Scarborough, Maine and Crossroads Holdings LLC, and schedule the second reading for Wednesday, November 8, 2023. [Tabled from the November 8<sup>th</sup> Town Council meeting.] *[Town Council]*

**PURPOSE:**

To amend the [Credit Enhancement Agreement](#) between the Town of Scarborough, Maine and Crossroads Holdings, LLC (hereinafter “the CEA”) to include an adjacent additional parcel (37.09 acres), more specifically referred to as RO53-004 by the Scarborough Tax Assessor, which is contemplated to be included the Scarborough Downtown Omnibus Tax Increment Financing District with the adoption of Order No. 23-109.

**BACKGROUND:**

The Town entered into a Purchase Option Agreement (the “Agreement”) with Crossroads Holdings, LLC for the purchase of 21.87 acres for a new Unified Primary School. As part of the Agreement, and a condition of Closing, the Town agreed to consider a number of additional actions, including amending the CEA to include the additional parcel.

At the November 15, 2023 regular public meeting, the Town Council defeated a number of the obligations under the Option Agreement and Order No. 23-136 confirms the termination of the Purchase Option Agreement.

**FISCAL IMPACT:**

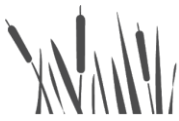
Based on the Developer’s suggested development scheme of this area and the fact that the school site( 21.87 acres of the total parcel of 37.09 acres) will be tax exempt, the likely fiscal impact of including this additional acreage in the CEA will be negligible.

**STATUS / PROCESS TO DATE:**

- Notice of Public Hearing published, documents available for public review
- Public Hearing - October 4, 2023
- Anticipated adoption process includes 1<sup>st</sup> reading on October 18, 2023 and second reading/adoption on November 8, 2023
- Public hearing and second reading before the Town Council: November 8, 2023  
[Tabled from the November 8<sup>th</sup> Town Council meeting]
- Public hearing and second reading before the Town Council: December 6, 2023

**PROPOSED ACTION:**

Recommend defeat of this order to remain consistent with prior actions related to the Purchase Option Agreement.



**ATTACHMENTS:**

- Order No. 23-110
- First Amendment to the Credit Enhancement Agreement between the Town of Scarborough, Maine and Crossroads Holdings, LLC

**IN TOWN COUNCIL  
ORDER # 23-110**

**Approval of the First Amendment to the Credit Enhancement Agreement with  
Crossroads Holdings, LLC**

**WHEREAS**, the Town of Scarborough (the "Town") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to amend the specified area within the Town designated as the *Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District* (the "Downtown District") and amend the development program (the "Downtown Development Program") for the Downtown District; and

**WHEREAS**, the Downtown District was first approved by DECD on March 29, 2019 and a Credit Enhancement Agreement ("the CEA") with Crossroads Holdings, LLC ("the Developer") was approved by the Town Council on November 28, 2018 pursuant to the Downtown District and Development Program; and

**WHEREAS**, the First Amendment to the District was approved by DECD on July 30, 2021; and

**WHEREAS**, the Second Amendment to the District was approved by DECD on April 12, 2022; and

**WHEREAS**, the Town desires to further amend the Downtown District a third time to add an additional parcel to capture additional value and to authorize a potential amendment to the CEA to include the additional parcel, subject to a separate vote of the Town Council; and

**WHEREAS**, there is a need to improve and broaden the tax base of the Town; and to improve the general economy of the Town and the surrounding region; and

**WHEREAS**, the Town has held a public hearing on the Third Amendment to the Downtown District and its Development Program, and on the amendment to the CEA, in accordance with the requirements of 30-A M.R.S.A. § 5226 and contained in the Development Program, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town; and

**WHEREAS**, it is expected that approval will be obtained from the Maine Department of Economic and Community Development (the "Department") approving the amendment to the Downtown District.

**WHEREAS**, the Town and the Developer desire and intend that this amendment to the Credit Enhancement Agreement be and constitute such credit enhancement agreement contemplated by and described in the Development Program as amended.

**ORDERED AS FOLLOWS:**

The Town Manager is hereby authorized and directed to enter into the specific amendment to the credit enhancement agreement with Crossroads Holdings, LLC in substantially the form as presented to the Town Council and consistent with the procedural requirements that are described in the Development Program.

Dated:

**FIRST AMENDMENT TO THE  
CREDIT ENHANCEMENT AGREEMENT**

**between**

**THE TOWN OF SCARBOROUGH, MAINE**

**and**

**CROSSROADS HOLDINGS LLC**

**DATED:** \_\_\_\_\_



**THIS FIRST AMENDMENT TO THE CREDIT ENHANCEMENT AGREEMENT** dated as of \_\_\_\_\_, 2023, is between the Town of Scarborough, Maine (the “Town”), a municipal corporation and political subdivision of the State of Maine, and Crossroads Holdings LLC (the “Developer”), a Maine Limited Liability Company.

**WITNESSETH THAT**

**WHEREAS**, the Town designated the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District (the “District”) pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Town Council at a meeting of the Town Council held on November 28, 2018 (the “Vote”) and pursuant to the same Vote adopted a development program and financial plan for the District (the “Development Program”) which was subsequently approved by the Department of Economic and Community Development (“DECD”) on March 29, 2019; and

**WHEREAS**, pursuant to the terms of the Development Program, the Town entered into a credit enhancement agreement with the Developer on December 12, 2018 for a period of 30 years, through the Town’s 2048-2049 tax year (the “2018 CEA”); and

**WHEREAS**, On June 16, 2021 and March 3, 2022, the Town adopted additional amendments to the Original Development Program in order to adjust the acreage of the district and approve a one hundred percent (100%) capture of the increased assessed value as captures assessed value and use the increased TIF Revenues for municipal project costs; DECD approved the First Amendment on July 30, 2021 and the Second Amendment on April 12, 2022; and

**WHEREAS**, On \_\_\_\_\_, 2023 the Town adopted a Third Amendment to the Development Program in order to add an additional parcel to the District; and

**WHEREAS**, the Town anticipates the approval of the Third Amendment to the District and the Development Program by the Maine Department of Economic and Community Development; and

**WHEREAS**, on \_\_\_\_\_, 2023 the Town Council also authorized execution of the First Amendment to the Credit Enhancement Agreement (the “First Amendment”) contemplated by the Development Program with the Developer in the name of and on behalf of the Town; and

**WHEREAS**, the Town and the Developer desire to amend the 2018 CEA to reflect the additional parcel of land in the District; and

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

1. Scope of Amendment. Except as amendment by this First Amendment, the 2018 CEA shall, in all other aspects, remain in full force and effect and is hereby ratified, confirmed and approved, the terms of which (as amended hereby) are incorporated herein by reference.

2. Definitions. The following definitions in Section 1.1. of the 2018 CEA are amended as follows:

“Development Program” shall have the meaning given such term in the Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District Development Program ~~recitals hereto~~.

“District” shall have the meaning given such term ~~in the first recital hereto~~, in the Third Amendment to the Scarborough Downtown Omnibus Municipal Development and Tax Increment Financing District Development Program, which is more specifically comprised of approximately ~~955.06~~ 985.22 acres and identified on Exhibit A to the Development Program and any future improvements to such real property.

“Original Assessed Value” means \$7,462,100 (which includes \$7,265,700, the taxable assessed value of the Developer Property as of March 31, 2019 (April 1, 2018) included in the original CEA together with \$196,400 for Parcel R053004 (March 31, 2023 (April 1, 2022)).

3. Exhibits. Exhibits A and B in the 2018 CEA are replaced by the new Exhibits A and B attached to this Amendment.
4. Due Authorization.
- a. The Town has full corporate power, authority and legal right to execute and deliver and to perform and observe the terms and provisions of this Amendment. This Amendment has been duly authorized, executed and delivered by the Town.
  - b. The Developer has full corporate power, authority and legal right to execute and deliver and to perform and observe the terms and provisions of this Amendment. This Amendment has been duly authorized, executed and delivered by the Company.

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

WITNESS:

TOWN OF SCARBOROUGH

\_\_\_\_\_

By: \_\_\_\_\_

Name: Thomas Hall

Its Town Manager, authorized pursuant to  
Town Council vote on \_\_\_\_\_

DRAFT

WITNESS:

CROSSROADS HOLDINGS LLC

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its \_\_\_\_\_

DRAFT

**EXHIBIT A**

DRAFT

**EXHIBIT B**

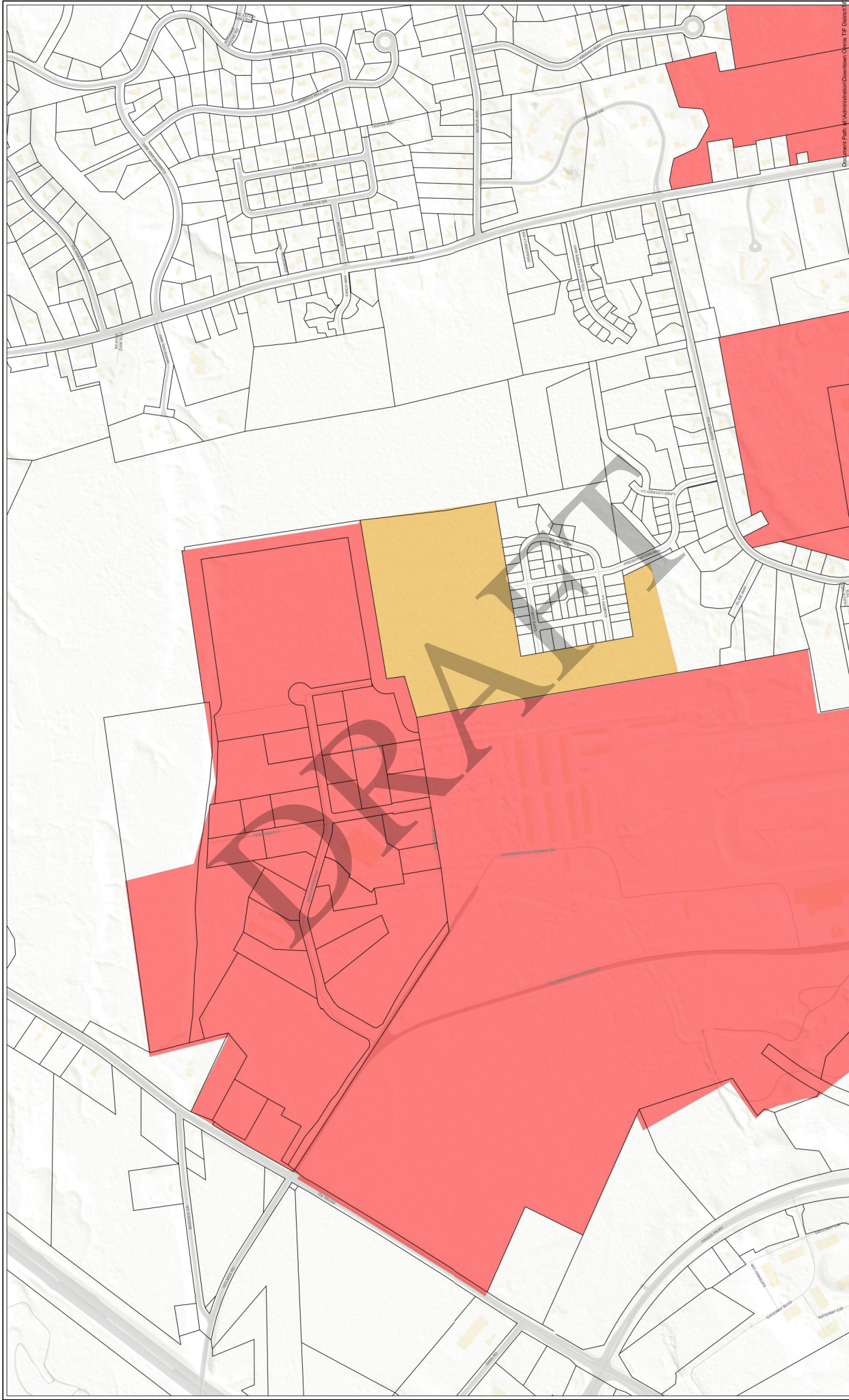
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**EXHIBIT A**

DRAFT







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# EXHIBIT A

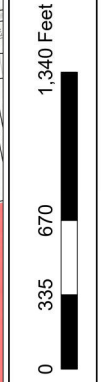
Scarborough downtown Omnibus TIF district

Total of

Address to Omnibus TIF District

Scarborough TIF District

Print Date: 9/25/2023



Disclaimer: The data contained within the Scarborough GIS is intended as a public resource of general information. The Town of Scarborough makes no warranty or representation as to the accuracy, completeness, or timeliness of the data. The data is provided "as is" and is not intended for use in any legal proceeding, for engineering, or any other purpose that requires a high degree of accuracy. The data is provided for general information only and is not intended for use in any legal proceeding, for engineering, or any other purpose that requires a high degree of accuracy. The data is provided for general information only and is not intended for use in any legal proceeding, for engineering, or any other purpose that requires a high degree of accuracy.

Town of Scarborough  
Maine  
<http://www.scarborough.me.us/gis/>








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**Town Of  
Scarborough  
Maine**  
<http://www.scarborough.me.us/dpw/>

Disclaimer: The data contained within the Scarborough GIS is intended as a public resource of general information. The Town of Scarborough makes no warranty or representation as to the accuracy, timeliness or completeness of any of the data, and shall assume no liability for the data contained, for omissions, or any decision made or action taken or not taken in reliance upon any of the data. Parcel data is intended for general map reference only and is a general representative of approximate lot configuration, and is not intended for boundary determination, legal description, delineation, or transfer. Any service utility information shown is intended for general information only. Other utilities may be present, and the appropriate utility owner should be contacted for detailed information. GIS data is not intended for engineering design. Field verification is recommended.



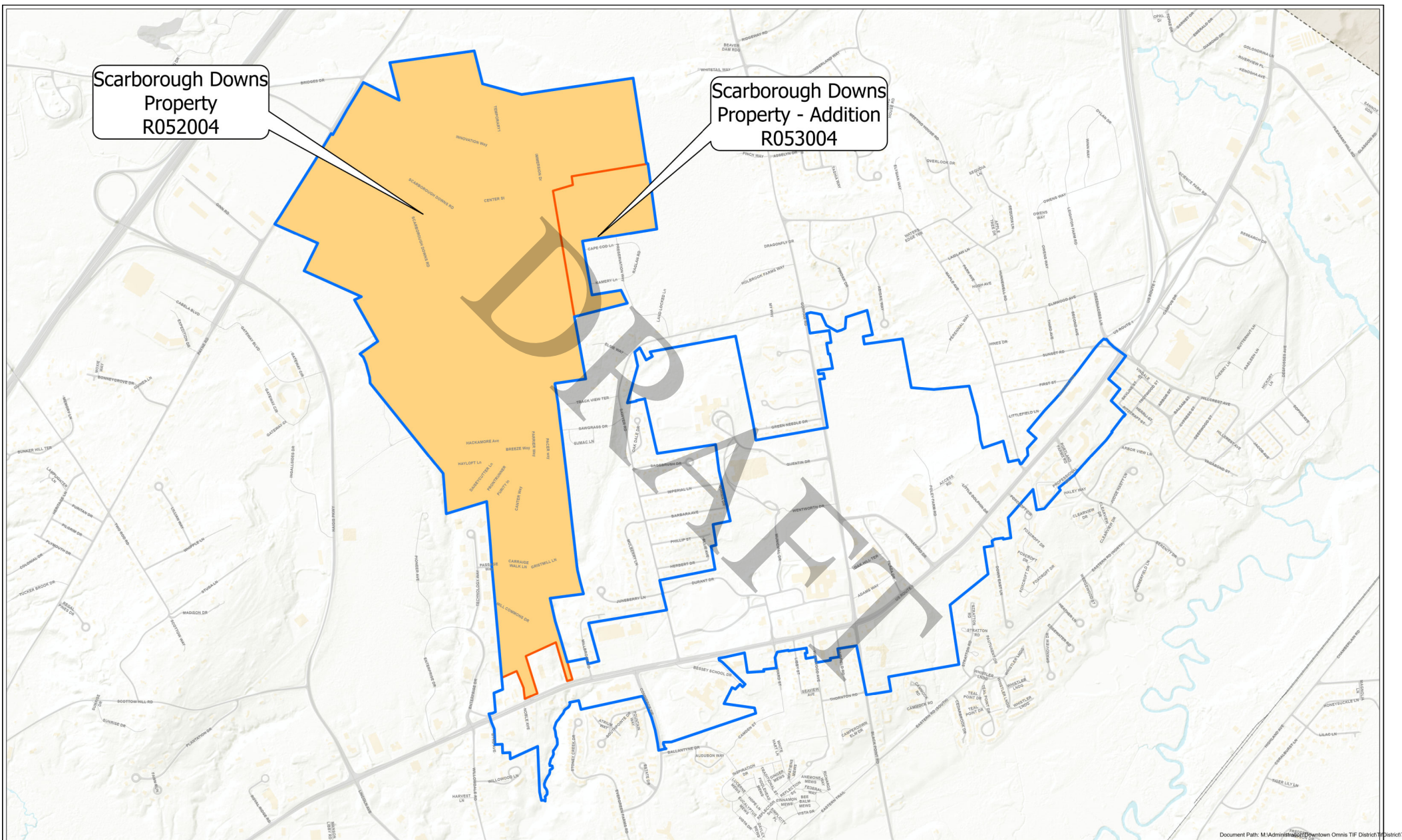
 Proposed TIF District  
**Print Date: 9/25/2023**

**EXHIBIT A**  
**Scarborough downtown Omnibus TIF district**  
**Total of**

**EXHIBIT B**

DRAFT





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**Town Of  
Scarborough  
Maine**  
<http://www.scarborough.me.us/dpw/>

Disclaimer: The data contained within the Scarborough GIS is intended as a public resource of general information. The Town of Scarborough makes no warranty or representation as to the accuracy, timeliness or completeness of any of the data, and shall assume no liability for the data contained, for omissions, or any decision made or action taken or not taken in reliance upon any of the data. Parcel data is intended for general map reference only and is a general representative of approximate lot configuration, and is not intended for boundary determination, legal description, delineation, or transfer. Any service utility information shown is intended for general information only. Other utilities may be present, and the appropriate utility owner should be contacted for detailed information. GIS data is not intended for engineering design. Field verification is recommended.

0 500 1,000 2,000 Feet



 The Downs Property  
 Downtown Omnis TIF District  
Print Date: 9/27/2023

**EXHIBIT B**  
**Credit Enhancement Agreement**  
**Total of 985.22 Acres**

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-131.** Move approval of the first reading on the new request for a Cannabis Establishment License from Arthur Oliveira, d/b/a Rare, LLC., located at 10 Snow Canning Road for a Medical Cannabis Products Manufacturing Facility and schedule a public hearing and second reading for Wednesday, December 20, 2023. *[Assistant Town Manager]*

*Assistant Town Manager*

*Ought to Pass*

---

Sponsor

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Recommendation

*12/06/2023 – Vote:*

---

First Reading/Vote

*12/20/2023*

---

Public Hearing

*12/20/2023 – Vote:*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

<b>ACTION ITEM: Order No. 23-131.</b>
<b>SUBJECT:</b> First reading on the new request for a Cannabis Establishment License from Arthur Oliveira, d/b/a Rare, LLC., located at 10 Snow Canning Road for a Medical Cannabis Products Manufacturing Facility and schedule a public hearing and second reading. <i>[Assistant Town Manager]</i>
<b>PURPOSE:</b> Approve a Medical Cannabis Products Manufacturing license for the establishment listed above.
<b>BACKGROUND:</b> Application has been received and the facility will be inspected prior to the public hearing and second reading.
<b>FISCAL IMPACT:</b> \$2,500 (+)
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• The application is under review</li><li>• First reading before Town Council: December 6, 2023</li></ul>
<b>PROPOSED ACTION:</b> Recommend approval of second reading on Order No. 23-131.
<b>ATTACHMENTS:</b>

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-132.** Move approval of the first reading on the request to approve the expenditure, in an amount not to exceed, \$210,000, from the Land Acquisition Reserve Fund for the purpose of purchasing property located at 50 Hanson Road located more specifically identified by the Scarborough Tax Assessors Map R001/Lot 007, as recommended by the Parks and Conservation Land Board, and authorize the Town Manager to execute any and all documents as are necessary to protect the Town’s interest and schedule a second reading for Wednesday, December 20, 2023. [*Parks and Conservation Land Board*]

*Parks and Conservation Land Board*

*Ought to Pass*

---

Sponsor

---

Recommendation

*12/06/2023 – Vote:*

---

First Reading/Vote

*N/A*

---

Public Hearing

*12/20/2023 – Vote:*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: August 16, 2023

<b>ACTION ITEM: Order No. 23-132.</b>
<p><b>SUBJECT:</b></p> <p>First reading and schedule a second reading on the request to approve the expenditure, in an amount not to exceed, \$210,000, from the Land Acquisition Reserve Fund for the purpose of purchasing property located at 50 Hanson Road located more specifically identified by the Scarborough Tax Assessors Map R001/Lot 007, as recommended by the Parks and Conservation Land Board, and authorize the Town Manager to execute any and all documents as are necessary to protect the Town's interest. <i>[Parks and Conservation Land Board]</i></p>
<p><b>PURPOSE:</b></p> <p>To assist in the preservation of land for open space within the Town of Scarborough for public benefit.</p>
<p><b>BACKGROUND:</b></p> <p>The Scarborough Land Trust is a non-profit community-based organization and conserve land where natural resources, scenic vistas and historical significance offer unique value to the community.</p> <p>In November of 2019 the voters approved an additional \$2.5 million for land conservation and historic preservation. The Parks and Conservation Land Board was created to evaluate properties for conservation and recommend to the Town Council on the use of land bond monies for the purpose of acquisition and stewardship of conserved lands.</p>
<p><b>FISCAL IMPACT:</b></p> <p>\$2,500,000 Voter Approved Land Bond (TC Order #19-060)</p> <p>(\$ 396,099) Alger Hall Building (649 US Rt 1) TC Order #21-052</p> <p>(\$ 200,000) Libby Property (196 Gorham Rd) TC Order #21-088</p> <p>(\$ 140,000) 91 Burnham Road TC Order #22-113</p> <p>(\$ 260,000) 80 Beech Ridge Road TC Order #23-053</p> <p><u>(\$ 130,000)</u> Gorham Road (located at the end of Finch Way) TC Order #23-083</p> <p><b>\$1,373,907 Unspent Land Bond Funds</b></p> <p>(\$210,000) 380 Payne Road, approved per TC Order #22-066 – did not close</p>
<p><b>STATUS / PROCESS TO DATE:</b></p> <ul style="list-style-type: none"> <li>Letter of Recommendation from the Parks &amp; Conservation Land Board: November 21, 2023.</li> <li>First Reading – Town Council: December 6, 2023</li> </ul>
<p><b>PROPOSED ACTION:</b></p> <p>Recommend approval of the second reading on Order No. 23-132.</p>
<p><b>ATTACHMENTS:</b></p> <ul style="list-style-type: none"> <li>Letter of Recommendation from the Parks and Conservation Land Board.</li> <li>Application Packet from the Scarborough Land Trust.</li> </ul>



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# PARKS AND CONSERVATION LAND BOARD

Town of Scarborough, Maine



## Board Members

Suzanne Foley-Ferguson

Rachel Hendrickson

Richard Murphy

Jane Palmer

November 21, 2023

Nick McGee, Town Council Chair  
Honorable Town Councilors and Town Manager  
Town of Scarborough, Maine

Dear Chairman McGee and Friends,

The Parks and Conservation Land Board met on November 2, 2023 and voted to recommend that the Town Council authorize \$210,000 be spent from already approved land bonds to assist the Scarborough Land Trust in purchasing 18 acres located at 50 Hanson Road. (Silver Brook Preserve)

Silver Brook Preserve will connect **+/-733 acres** of contiguous and diverse conserved lands in Scarborough and Buxton including Broadturn Farm, the acquisition of which is a familiar and spectacular success. (Appendix III-Map) This purchase of 18 additional acres will add to the momentum of conservation in that area. Large land blocks support the Town's goals of increasing access to land for recreation in the form of trails and connections, as well as protecting habitats for the greatest number of species. An additional 80 protected acres in Saco is also located in proximity to this parcel.

The "wow" factor of this property's **connectivity** is perhaps the most important factor to positively affect wildlife outcomes. That is because certain species require multiple habitats, for eating, roosting, and reproducing. As an example, the Little Brown Bat (*Myotis lucifugus*), endangered in Maine, can travel 100 miles from home base. Having found it located on the Broadturn Farm, it is likely that the bat travels throughout Scarborough, but in particular, uses this area for some or all of its' needs.

The land trust described the property in the application in detail (Appendix I-Application) and noted that the acreage is a combination of upland forest, wetlands and streams supporting populations of fish, reptiles, amphibians, birds, invertebrates and mammals. A total of 1,216 feet of frontage along the Silver Brook will be protected with this purchase. The parcel also provides habitat to deer, turkey, fox and other game species.

---

The PCLB reviewed the property in one meeting. The property evaluation score as compared to similarly sized parcels is below:


Whitten Property	6.4 acres	255 points
00 Gorham Road	11.5 acres	236 points
<b>50 Hanson Road</b>	<b>18 acres</b>	<b>252 points</b>
Libby I/Nonesuch	16.57 acres	543 points

The total project cost is \$273,346, so the Town's contribution to the project will be 77% of the project. (Appendix II-Budget) A community effort led by the Trust will fundraise the remaining portion of the project. As an example, Bass Pro/Cabela awarded a \$3,000 grant towards the project. This project is beautiful for all of the aforementioned reasons, and the photos attached provide a glimpse of what will be protected (Appendix IV-Photos).

The Board recommends the purchase and that the development rights on the property be extinguished legally by attaching conditions to the contribution and/or placing a conservation easement on the property. These details are typically negotiated between town and land trust staff and other contributing organizations, and should be included in the Council's direction to the manager.

If you have any questions regarding this property, a representative will be available at your meeting. Scarborough continues to be a leader in conservation, and I am proud to help in that regard. I hope you will be as well.

Sincerely,



Suzanne A. Foley-Ferguson  
Chair, Scarborough Parks and Conservation Land Board

Attachments:

Appendix I - Application to the PCLB  
Appendix II - Project Budget  
Appendix III -Map of Parcel and Protected Adjacent Land  
Appendix IV-Photos

Town of Scarborough, Maine

## LAND ACQUISITION APPLICATION FORM

Property Name: Silver Brook Preserve Date: 7-21-23

Applicant Name: Scarborough Land Trust

**GENERAL INFORMATION:**

Property Address: 50 Hanson Rd

Scarborough, Maine 04074

Mailing Address: \_\_\_\_\_

Scarborough Land Trust

PO Box 237 Scarborough, ME 04074

Contact Person: Scott Kunkler

Phone # 207-289-1199 e-mail: skunkler@scarboroughlandtrust.org

Landowner(s) -please list full name of all owners (and lien holders, if any)

Roland Libby

Deed type: Warranty Deed Book / page# 7015/135

Current Assessed Value \$153,900

Recent appraised value (if available) \$220,000

Existing boundary survey? Y / ☒ N (circle) It is currently being updated

Potential boundary disputes? Y / ☒ N (circle) (if yes, attach explanation)

Any hazardous waste on the property? Y / ☒ N An environmental assessment will be completed.

**LAND DESCRIPTION:** Tax Map # R001 Lot # 007 Zoning District RF

Total Acres: 18 Proposed purchase acres: 18 Proposed easement acres N/A

Are there any buildings on the property? (Please circle) yes ☒ no

If yes, are they a part of the proposed purchase? Y / N

**BRIEF PROJECT DESCRIPTION:**

(Please provide information regarding the suitability for public acquisition, special features, and proximity to existing public lands; include the value to the people of Scarborough and any current or potential uses)

SLT is requesting funding to purchase and conserve ~18 acres of forested land located along Hanson Road. The purchase will protect ~12.7 acres of upland forests, 4.9 acres of wetlands, intermittent streams, and 1,216 ft. of frontage along Silver Brook. The wetland type, Palustrine forested, is considered a decreasing wetland type. Conserving wetlands are crucial to the protection of Silver Brook as well as for the survival of amphibians and other animals that depend upon them. Silver Brook is known by MDIFW to support a population of wild Brook Trout, as well as American Eel, Blacknosed Dace, Golden Shiner, Lake Chub, and White Sucker. MDIFW's website states, "Brook trout prefer cold water between 50 and 65 degrees. They thrive in clear, clean, well-oxygenated waters, and their populations are heavily influenced by their environment ... they are incredibly resilient in their undisturbed habitats." Protecting this property, which is heavily forested, will help keep the brook cool, clear, and clean, supporting the populations of wild trout. The upland forests, described as a Red Oak Northern Hardwoods White Pine Forest, provides critical terrestrial habitat and food sources for reptiles, amphibians, birds, mammals, and invertebrate, and act as an important migratory stopover for songbirds. The property also provides habitat for deer, turkey, fox, and other game species. A survey of bats on SLT's Broadturn Farm, located approximately ½ mile away, identified the Maine endangered Little Brown Bat (*Myotis lucifugus*). It is possible these bats are present on this property as well. The property abuts 19 acres of SLT-owned conservation lands, as well as 26 acres protected as open space by a HOA through the Town Planning process. This parcel in turn abuts Broadturn Farm and Preserve, in all connecting 733 acres of contiguous conserved lands, a substantial block spanning the Towns of Scarborough and Buxton. It is also in proximity to 80 acres of conserved lands in Saco. Vision #1 of the Town of Scarborough's Comprehensive Plan identifies the importance of our open space lands. As part of its action plan, the Town states, "significant natural resources, agricultural land, and open space should be protected, and an interconnected network of public open space developed where feasible." The purchase of this property will help to further this vision. SLT plans to provide for recreational opportunities such as hiking, skiing, snowshoeing, wildlife observation, hunting, and fishing. SLT will also provide educational programs for people of all ages that bring awareness of the values of Silver Brook, the forests and wetlands that surround it, as well as understand the property's role in mitigating the impacts of climate change.

**Q** Do you (the presenter) believe that there will be a willing seller(s) of this site?

Please explain: We will be executing a purchase and sale contract likely by the end of August. We have been in negotiations with the owner for approximately 6 months and have talked with the family about conservation for years.

Please attach the following:

- Site Location Map (map provided)
- Assessors Map (with abutting properties)
- Photo(s) (no more than 1 page please)

Directions to the property from Town Hall:

South on US Route 1 to Broadturn Rd. Go west on Broadturn to Hanson Rd. Turn left and go south to the property on the left.

LEAVE THIS BOX BLANK UNTIL FURTHER NOTICE

**Important Note:** The Town Council of the Town of Scarborough requires that all owners of land being proposed for town purchase are willing sellers and have full knowledge that their property is being presented to them for consideration. When and if the Parks and Conservation Land Board recommend a purchase, the owners of the property will be asked to sign below to indicate their willingness to sell. *A signed letter stating the above is also acceptable.*

\_\_\_\_\_  
Owner #1

\_\_\_\_\_  
date

**Site Description** (To be filled out by Applicant or Representative)

Directions: Please check all that apply to the parcel that is proposed for purchase. If unsure, leave blank.

- ☐ Rare, or endangered species
- ☒ Freshwater rivers, streams, vernal pools
- ☐ Ocean, tidal or estuary
- ☐ Working Farm or Forest
- ☒ Saltmarsh / other wetlands
  
- ☒ Creates link between public or protected parcels or trails
- ☒ Provides buffer for river, streams or brooks
  
- ☒ Public access to beaches, marshes, waterways, or other natural areas
- ☒ Public access to trails or other public lands
  
- ☐ Existing active recreation (ball fields, motorized vehicles, etc.)
- ☐ Potential active recreation
- ☐ Existing passive recreation (birding, hiking, horseback riding, skiing, etc.)
- ☒ Potential passive recreation
  
- ☐ Scenic views
- ☐ Historical significance (cemetery, monument, archeological site)
  
- Possibilities for
- ☒ Purchase
- ☐ Easement
- ☐ Donation

*Note: This is a quick summary of the Detailed Assessment Form that the committee will be using to evaluate your parcel. The detailed form is available upon request and is based on a point system. The full evaluation has subjective components, as well.*

**V** Site Visit Scheduled: (to be filled out by committee) \_\_\_\_\_

**Acquisition of 50 Hanson Rd- Silver Brook Preserve  
Scarborough Land Trust**

<i>Item - Expense</i>	<i>Estimate</i>	<i>Actual</i>
Purchase price of property		\$220,000
Appraisal		\$800
Environmental Review	\$2,200	
Survey	\$6,500	
Legal Fees	\$3,000	
Closing costs including title policy	\$2,500	
Stewardship		\$27,000
Land Protection Staff Costs	\$4,680	
Overhead and Administration	\$6,667	
<b>Total</b>		<b>\$273,347</b>

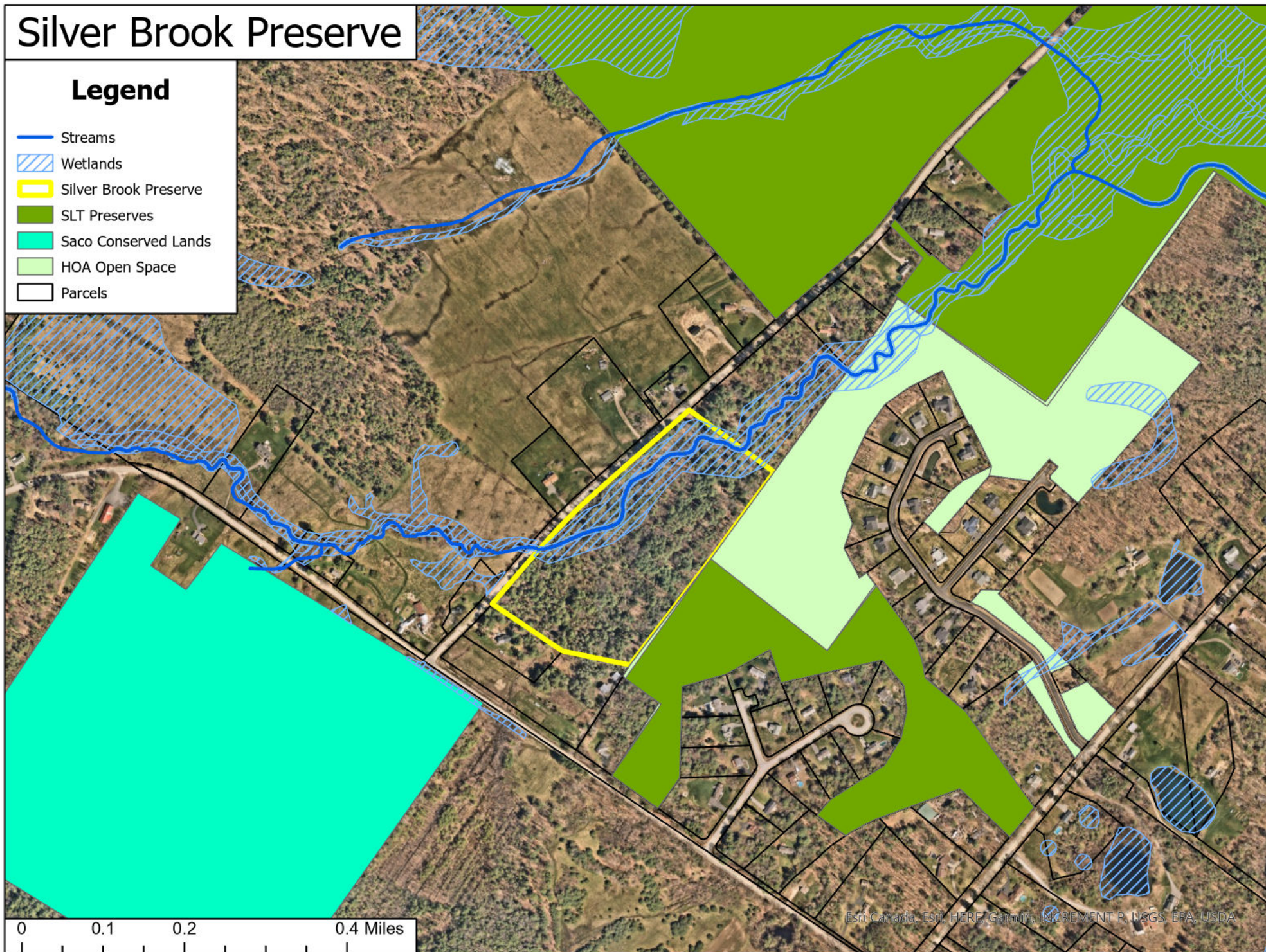
<i>Item - Revenue</i>	Town of Scarborough		
	SLT Funding	Land Bond	Total
Purchase price of property	\$10,000	\$210,000	\$220,000
Appraisal	\$800	\$0	\$800
Environmental Review	\$2,200	\$0	\$2,200
Survey	\$6,500	\$0	\$6,500
Legal Fees	\$3,000	\$0	\$3,000
Closing costs including title policy	\$2,500	\$0	\$2,500
Stewardship costs- Long-term	\$27,000	\$0	\$27,000
Land Protection Staff Costs	\$4,680	\$0	\$4,680
Overhead and Administration	\$6,667	\$0	\$6,667
<b>Totals</b>	<b>\$63,347</b>	<b>\$210,000</b>	<b>\$273,347</b>



# Silver Brook Preserve

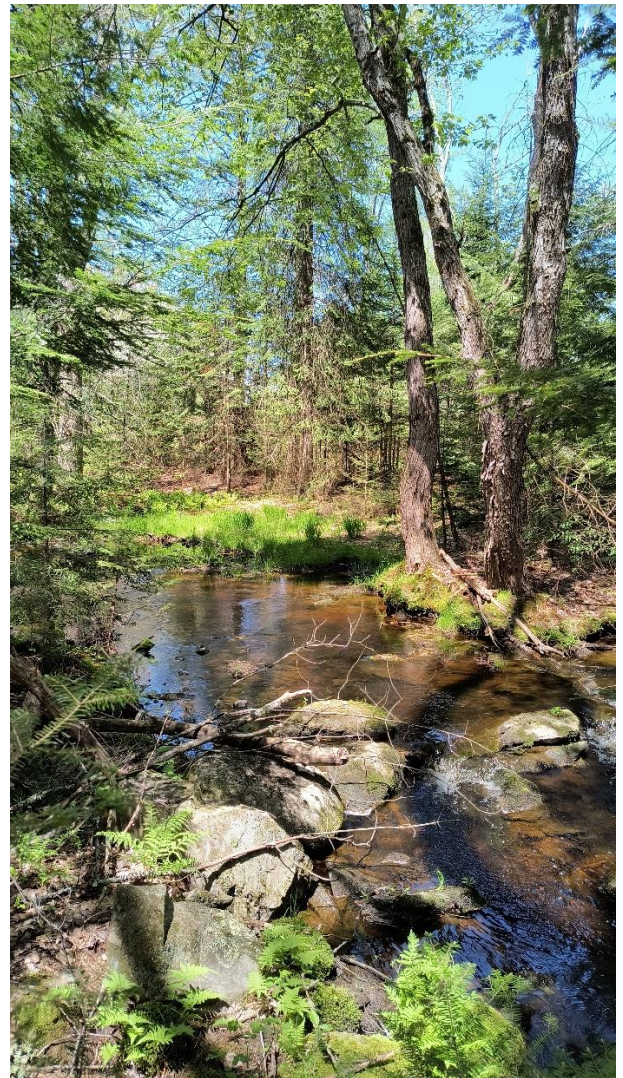
## Legend

- Streams
- Wetlands
- Silver Brook Preserve
- SLT Preserves
- Saco Conserved Lands
- HOA Open Space
- Parcels





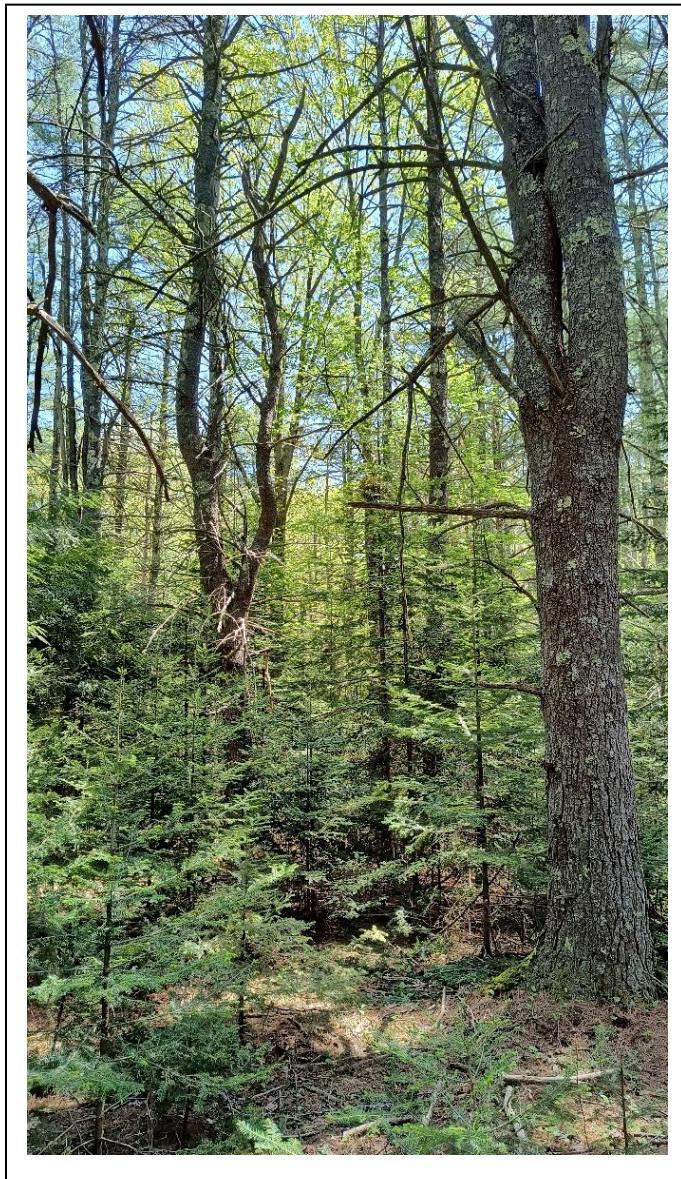
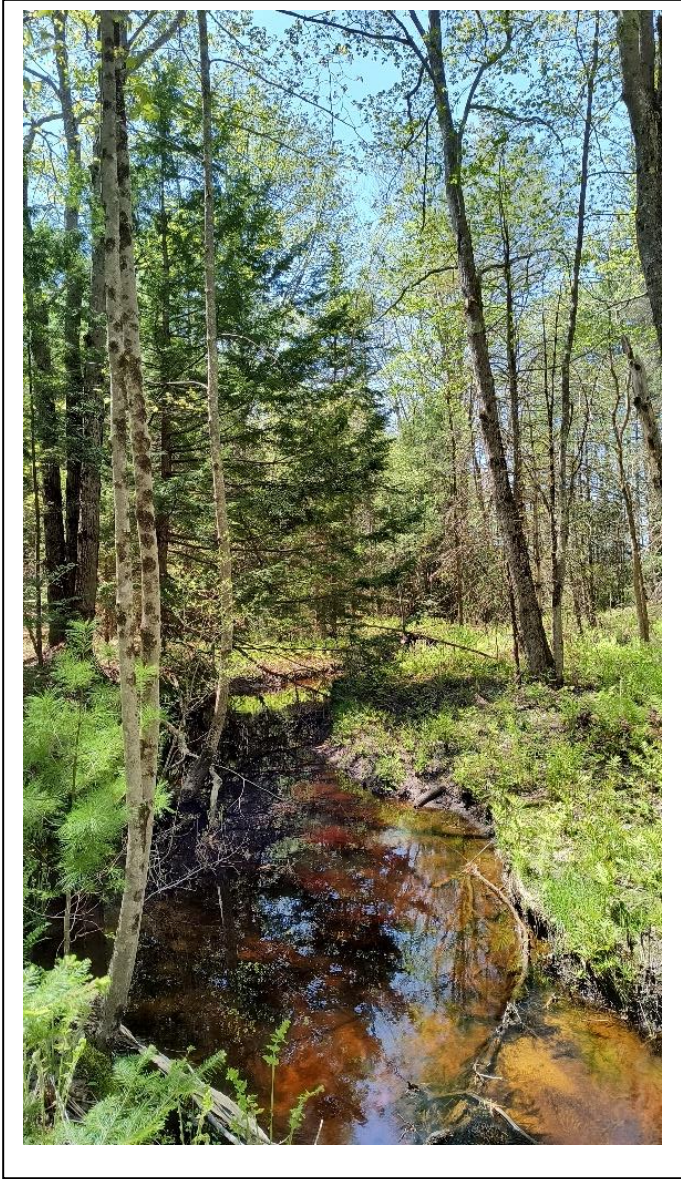
## Pictures- Silver Brook Preserve



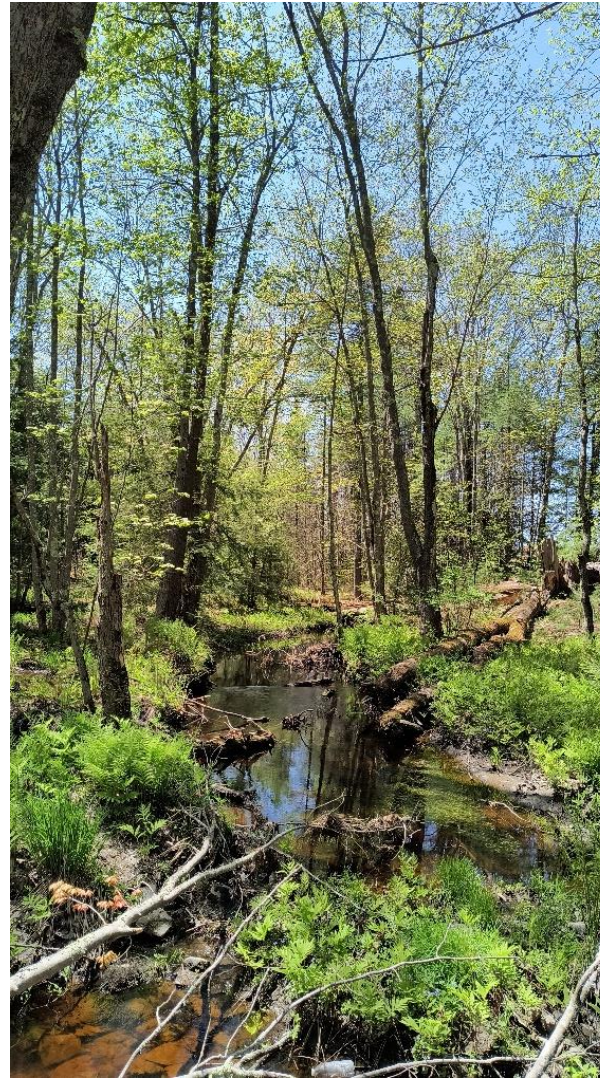
















**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-133.** Move approval on the request from the Tax Collector for a waiver of foreclosure on the following properties: 332 Garnet Drive – MapT002/Lot 332 and 30 Matthews Way – Map T003/Lot 030 and authorize the Town Manager to sign the necessary documentation.  
*[Tax Collector]*

*Tax Collector*

*Ought to Pass*

---

Sponsor

---

Recommendation

*12/06/2023 – Vote:*

---

First Reading/Vote

N/A

---

Public Hearing

N/A

---

Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

**ACTION ITEM: Order No. 23-133.**

**SUBJECT:**

Act on the request from the Tax Collector for a waiver of foreclosure on the following property: 332 Garnet Drive – MapT002/Lot 332 and 30 Matthews Way – Map T003/Lot030 and authorize the Town Manager to sign the necessary documentation. *[Tax Collector]*

**PURPOSE:**

The purpose to waive foreclosure on the above property to prevent the cost and liability for the Town of Scarborough to own mobile homes on rented land.

**BACKGROUND:**

The mobile home located at 332 Garnet Drive has back taxes from at least 2020 and the mobile home located at 30 Matthews Way has back taxes from at least 2021. Both mobile homes are scheduled for automatic foreclosure on December 28, 2023. The majority have such minimal assessed value that with a homestead exemption, they are no longer being taxed by the Town. Moreover, the Town does not wish to own these buildings as it would be financial liability to the Town.

**FISCAL IMPACT:** N/A

**STATUS / PROCESS TO DATE:**

- Single action before Town Council: December 6, 2023

**PROPOSED ACTION:**

Recommend approve of Order No. 23-133.

**ATTACHMENTS:**

- Memo from the Tax Collector.



To: Tom Hall

CC: Jennifer Lord

From: Lisa Saulle

Date: 11/22/2023

Re: Waiver of Foreclosures

Mr. Hall,

This is a request for the Council to waive Automatic Foreclosure on the following properties:

332 Garnet Dr Map T002/Lot 332

The 2021 assessed value for building only was \$57,200 with a deduction of \$25,000 for a Homestead Exemption. With a mil rate of \$15.02 in 2021, the total tax was \$483.64. This property has outstanding taxes from 2020 and is due to foreclose on 12/28/2023.

30 Matthews Way Map T003/Lot 030

The 2021 assessed value for building only was \$7,200. With a mil rate of \$15.02 in 2021, the total tax was \$108.14. This property has outstanding taxes from 2021 and is due to foreclose on 12/28/2023.

Thank you,

A handwritten signature in cursive script, appearing to read "Lisa Saulle".

Lisa Saulle  
Tax Collector

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-134.** Move approval on the request, pursuant to Title 23, M.R.S.A. §3025 and the requirements of Section 4, of the Scarborough Street Acceptance Ordinance, to approve the acceptance of public infrastructure, as noted and recommended by the Town Engineer. [*Town Engineer*]

*Town Engineer*

*Ought to Pass*

---

Sponsor

---

Recommendation

*12/06/2023 – Vote:*

---

First Reading/Vote

N/A

---

Public Hearing

N/A

---

Second Reading/Final Approval/Vote



## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

<b>ACTION ITEM: Order No. 23-134.</b>
<b>SUBJECT:</b>  Act on the request, pursuant to Title 23, M.R.S.A. §3025 and the requirements of Section 4, of the Scarborough Street Acceptance Ordinance, to approve the acceptance of public infrastructure, as noted and recommended by the Town Engineer. <i>[Town Engineer]</i>
<b>PURPOSE:</b>  To allow the transition of built roadways to go from private to public infrastructure as was planned and approved by the Planning Board, and as recommended by the Town Engineer. Approved roadway infrastructure will be the responsibility of the Town of Scarborough if approved by Town Council.
<b>BACKGROUND:</b>  Prior to any street being accepted by the Town Council, Town Staff must review materials that have been submitted by a developer to ensure they have met the requirements under the Town of Scarborough Ordinance and MRSA Title 23 §3025. Dedications and Acceptance.  The public infrastructure associated with any street must be inspected by the Town Engineer and a 3rd- party engineering consultant during construction. Based on these inspections and supplemental documentation provided by an applicant, it will be determined whether the work associated with a project is in compliance with the Planning Board Subdivision approval and the Street Acceptance Ordinance specifications and all necessary documents must be reviewed by Town staff, and are found to be satisfactory. The Public Works Director has final inspection of the streets prior to a recommendation of acceptance going to Town Council for consideration.
<b>FISCAL IMPACT:</b> N/A
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• Initial request by the Developer and the development of a punchlist of remaining items that were not in compliance began on September 26, 2023.</li><li>• Developer completed the list of outstanding items and provided the last pieces of documentation related to the formal Street Acceptance on November 28, 2023.</li><li>• Presented to Council for action: December 6, 2023.</li></ul>
<b>PROPOSED ACTION:</b>  Recommendation is to move approval of Order No. 23-134.
<b>ATTACHMENTS:</b> <ul style="list-style-type: none"><li>• Memo from the Town Engineer</li><li>• Deeds and Easements</li></ul>

# MEMO

**To:** Scarborough Town Council

**From:** Angela Blanchette, P.E. – Town Engineer

**Date:** December 6, 2023

**Re:** Street Acceptance – Downs Town Center Residential Subdivision (Phases 1 & 2)  
Portions of Scarborough Downs Road, Hackamore Avenue, & Frontrunner Way

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Pursuant to 23 MRSA 3025 and to the requirements of Section 4 of Scarborough Street Acceptance Ordinance, Crossroads Holdings, LLC petitions the Scarborough Town Council to accept the public infrastructure within the Scarborough Downs Town Center Residential Subdivision, as shown on the plan titled, Subdivision Plan Town Center Residential, approved by the Scarborough Planning Board and most recently amended (6<sup>th</sup> Amendment) on June 25, 2020. Phase 1 and 2 of this subdivision include a portion of the following streets: Scarborough Downs Road, Hackamore Avenue, and Frontrunner Way.

The total number of centerline road miles currently maintained by the Town of Scarborough is 181.7 miles. The acceptance of these streets as public infrastructure will increase the overall miles by 0.6 mile.

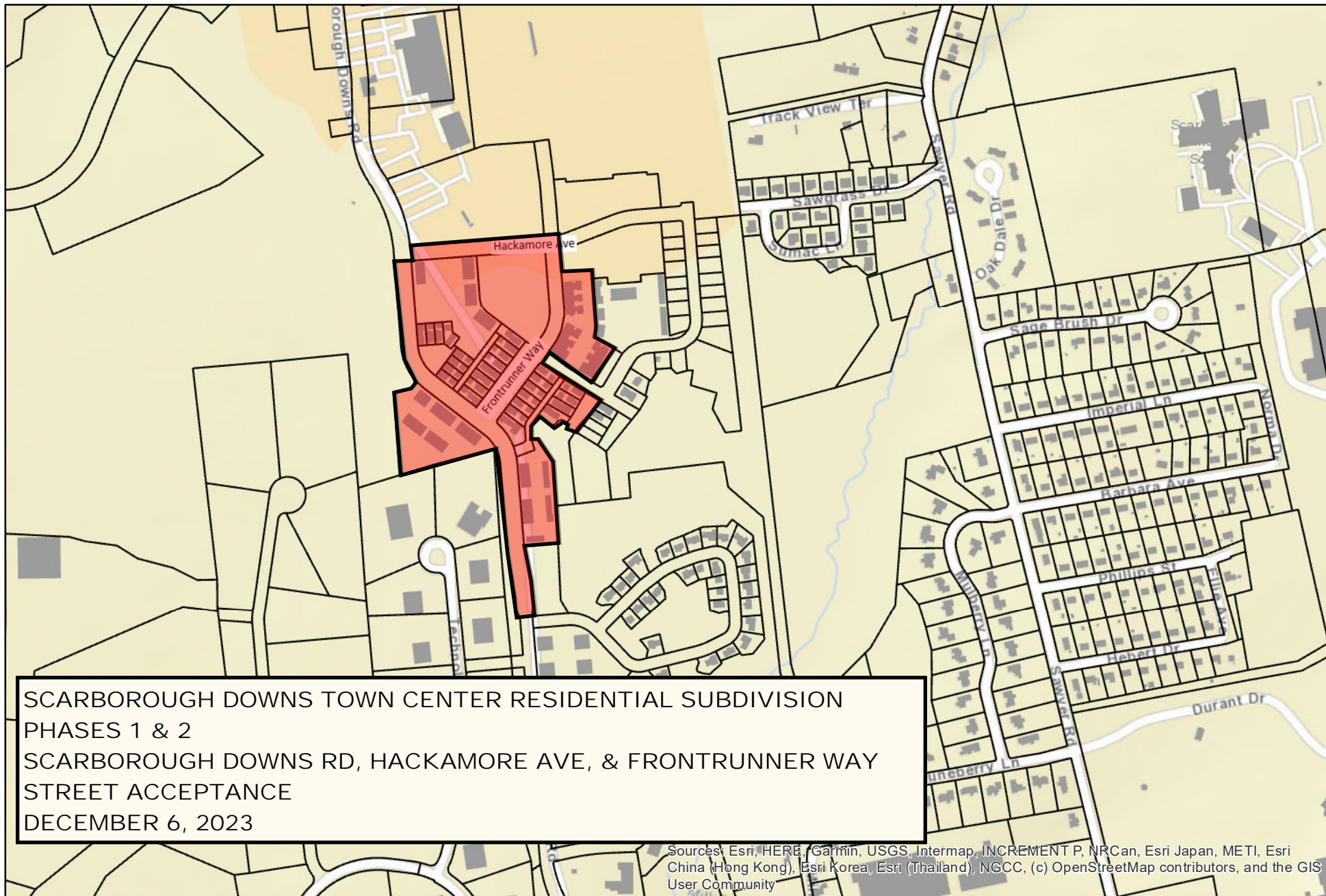
Town Staff has reviewed the submitted materials and has worked with Crossroads Holdings, LLC to provide a process to move forward to street acceptance of the highlighted portions of Scarborough Downs Road, Hackamore Avenue, and Frontrunner Way.

The public infrastructure associated with these streets have been inspected by this office, the Public Works Department, and a 3rd-party engineering consultant during construction. Based on these inspections, supplemental documentation, and escrow funds provided by the applicant, it has been determined that the work associated with this portion of the project meet the intent of the Planning Board Subdivision approval and the Street Acceptance Ordinance specifications. Further, all necessary documents have been submitted, reviewed by Town staff, and are found to be satisfactory.

Attached for your review is an excerpt from the Town's GIS database showing the location of the proposed public streets, as well as the associated deeds.

**Engineering & Technical Services**

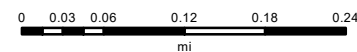
259 US Route One | PO Box 360 | Scarborough, ME 04070 | P: 207.730.4400 | [scarboroughmaine.org](http://scarboroughmaine.org)



**Town Of  
Scarborough  
Maine**  
<http://www.scarboroughmaine.org>

Disclaimer: The data contained within the Scarborough GIS is intended as a public resource of general information. The Town of Scarborough makes no warranty or representation as to the accuracy, timeliness or completeness of any of the data, and shall assume no liability for the data contained, for omissions, or any decision made or action taken or not taken in reliance upon any of the data. Parcel data is intended for general map reference only and is a general representative of approximate lot configuration, and is not intended for boundary determination, legal description, delineation, or transfer. Any service utility information shown is intended for general information only. Other utilities may be present, and the appropriate utility owner should be contacted for detailed information. GIS data is not intended for engineering design. Field verification is recommended.

1 in = 752 feet



## **WARRANTY DEED**

[Scarborough Downs Road, Scarborough]

KNOW ALL PERSONS BY THESE PRESENTS, that, **CROSSROADS HOLDINGS LLC**, a Maine limited liability company with mailing address of 175 Scarborough Downs Road, Suite 113, Scarborough, Maine 04074, for good and valuable consideration, grants to the **TOWN OF SCARBOROUGH**, a Maine municipal corporation, with a mailing address of P.O. Box 360, Scarborough, Maine 04070, with **WARRANTY COVENANTS**, the land in the Town of Scarborough, County of Cumberland and State of Maine, described as follows:

A certain road right of way known as "Scarborough Downs Road" situated northerly of but not adjacent to U.S. Route One in the Town of Scarborough, County of Cumberland, State of Maine, and being more particularly described as follows:

Beginning at intersection of the Easterly sideline of Scarborough Downs Road and the Northerly sideline of Gristmill Lane as shown on plan titled "Third Amended Subdivision Plan – Planned Development Area #1 The Downs – Mixed Residential Planned Development" Dated 1/6/2023 by Gorrill Palmer recorded in Plan Book 223, Page 94;

Thence, S 86°52'54" W along the accepted portion of Scarborough Downs Road as recorded in deed book 37895, page 110 a distance of 52.02 feet;

Thence, S 04°34'44" E continuing along the accepted portion of Scarborough Downs Road 2.46 feet;

Thence the following courses and distances through the land of Crossroads Holdings LLC:

N 21°42'58" W a distance of 40.66 feet;

N 04°34'38" W a distance of 50.05 feet;

Following a curve to the left which bears a radius of 717.12 feet, an arc length of 106.90 feet, a chord bearing of N 08°50'52" W, and a chord length of 106.80 feet;

Following a reverse curve to the right which bears a radius of 784.00 feet, an arc length of 118.12 feet, a chord bearing of N 08°48'07" W, and a chord length of 118.01 feet;

N 04°29'12" W a distance of 331.00 feet;

Following a curve to the left which bears a radius of 166.00 feet, an arc length of 138.71 feet, a chord bearing of N 28°25'29" W, and a chord length of 134.71 feet;

N 52°21'37" W a distance of 321.77 feet;

Following a non-tangent curve to the right which bears a radius of 239.00 feet, an arc length of 200.55 feet, a chord bearing of N 28°19'18" W, and a chord length of 194.72 feet;

N 04°16'56" W a distance of 356.69 feet;

N 85°43'04" E a distance of 70.00 feet to the Easterly sideline with Scarborough Downs Road;

S 04°16'56" E a distance of 356.70 feet;

Following a curve to the left which bears a radius of 169.00 feet, an arc length of 141.81 feet, a chord bearing of S 28°19'17" E, and a chord length of 137.69 feet;

S 52°21'37" E a distance of 323.54 feet;

Following a non-tangent curve to the right which bears a radius of 236.00 feet, an arc length of 195.41 feet, a chord bearing of S 28°12'28" E, and a chord length of 189.88 feet;

S 04°29'12" E a distance of 331.00 feet;

Following a curve to the left which bears a radius of 714.00 feet, an arc length of 107.57 feet, a chord bearing of S08°48'09"E, and a chord length of 107.47 feet;

Following a reverse curve to the right which bears a radius of 787.12 feet, an arc length of 117.34 feet, a chord bearing of S08°50'52"E, and a chord length of 117.23 feet;

S 04°34'38" E a distance of 50.05 feet;

S 13°28'59" W a distance of 19.42 feet;

S 04°34'44" E a distance of 19.24 feet to the point of beginning.

Containing 115,864 s.f. or 2.6 acres, more or less.

Reference is hereby made to a plan titled "Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated June 23, 2020, approved by the Town of Scarborough Planning Board on June 25, 2020, and recorded in the Cumberland County Registry of Deeds in Plan Book 220, Page 210, as amended by a plan titled "First Amended Subdivision Plan, Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated October 2, 2020, approved by the Town of Scarborough Planning Board on December 10, 2020, and recorded in the Cumberland County Registry of Deeds in Plan Book 220, Page 460, as further amended by a plan titled "Second Amended Subdivision Plan, Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated March 1, 2021, approved by the Town of Scarborough Planning Board on April 14, 2021, and recorded in the Cumberland County Registry of Deeds in Plan Book 221, Pages 348 and 349, as further amended by a plan titled "Third Amended Subdivision Plan, Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated September 9, 2021, approved by the Town of Scarborough Planning Board on September 9, 2021, and recorded in the Cumberland County Registry of Deeds in Plan Book 221, Pages 538, 539 and 540, as further amended by a plan titled "Fourth Amended Subdivision Plan Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated October 25, 2021, approved by the Town of Scarborough Planning Board on September 20, 2021, and recorded in the Cumberland County Registry of Deeds in Plan Book 221, Pages 654 through 656, as further amended by a plan titled "Fifth Amended Subdivision Plan Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated July 12, 2021, approved by the Town of Scarborough Planning Board, and recorded in the Cumberland County Registry of Deeds in Plan Book 222, Pages 443 through 445, as further amended by a plan titled "Sixth Amended Subdivision Plan Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated August 3, 2022, approved by the Town of Scarborough Planning Board, and recorded in the Cumberland County Registry of Deeds in Plan Book 222, Pages 446 through 448.

Notwithstanding the reference to the Second through Sixth Amended Subdivision Plans as more fully referred to above, the eighth call (i.e., N 04°29'12" W a distance of 331.00 feet) is more particularly shown on the First Amended Subdivision Plan, as the Second through Sixth Amended Subdivision Plans contained a technical error and showed the incorrect course and distance (i.e., N 04°35'58" W a distance of 335.08 feet).

Reserving to Crossroads Holdings LLC, its successors and assigns, the right, but not the obligation, to maintain, repair and replace the landscaping located within Scarborough Downs Road, Frontrunner Way and Hackamore Avenue.

The conveyance of Scarborough Downs Road is of the fee simple interest for highway purposes, and made without claim for damages.

Being a portion of the premises conveyed to Crossroads Holdings LLC by virtue of a Quitclaim Deed with Covenant from Davric Maine Corporation, dated January 3, 2018 and recorded in the Cumberland County Registry of Deeds in Book 34573, Page 150.

[SIGNATURE PAGE TO FOLLOW]



IN WITNESS WHEREOF, Crossroads Holdings LLC has caused this instrument to be signed and sealed its company name by \_\_\_\_\_, its Manager thereunto duly authorized this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

CROSSROADS HOLDINGS LLC

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name:  
Title: Manager

STATE OF MAINE  
COUNTY OF CUMBERLAND, SS

\_\_\_\_\_, 2023

Then personally appeared before me the above named \_\_\_\_\_, Manager of Crossroads Holdings LLC, and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of Crossroads Holdings LLC.

\_\_\_\_\_  
Notary Public  
Print name: \_\_\_\_\_  
Commission Expiration: \_\_\_\_\_



## **WARRANTY DEED**

[Frontrunner Way and Hackamore Avenue, Scarborough]

KNOW ALL PERSONS BY THESE PRESENTS, that, **CROSSROADS HOLDINGS LLC**, a Maine limited liability company with mailing address of 175 Scarborough Downs Road, Suite 113, Scarborough, Maine 04074, for good and valuable consideration, grants to the **TOWN OF SCARBOROUGH**, a Maine municipal corporation, with a mailing address of P.O. Box 360, Scarborough, Maine 04070, with **WARRANTY COVENANTS**, the land in the Town of Scarborough, County of Cumberland and State of Maine, described as follows:

Certain road rights of way known as "Frontrunner Way" and "Hackamore Avenue," situated northerly of but not adjacent to U.S. Route One, and easterly of Scarborough Downs Road, in the Town of Scarborough, County of Cumberland, State of Maine, and being more particularly described as follows:

Beginning at the intersection of the easterly sideline of Scarborough Downs Road and the southeasterly sideline of Frontrunner Way as shown on plan titled "Sixth Amended Subdivision Plan Town Center Residential Subdivision Scarborough Downs Road Scarborough, Maine, made for Crossroads Holding, LLC by Owen Haskell, Inc. dated August 3, 2022 recorded in the Cumberland County Registry of Deeds in Plan Book 222, Pages 446 through 448, inclusive;

Thence, along the easterly sideline of said Scarborough Downs Road following a non-tangent curve to the left which bears a radius of 236.00 feet, an arc length of 10.30 feet, a chord bearing of N 50°41'36" W, and a chord length of 10.30 feet;

Thence, N 52°21'37" W continuing along Scarborough Downs Road a distance of 69.21 feet to the northwesterly sideline of Frontrunner Way;

Thence the following courses and distance along said Frontrunner Way:

Following a non-tangent curve to the left which bears a radius of 10.00 feet, an arc length of 15.82 feet, a chord bearing of N 82°18'20" E, and a chord length of 14.22 feet;

N 36°58'17" E a distance of 387.76 feet;

Following a curve to the left which bears a radius of 170.00 feet, an arc length of 122.40 feet, a chord bearing of N 16°20'40" E, and a chord length of 119.78 feet;

N 04°16'56" W a distance of 234.41 feet;

Following a curve to the left which bears a radius of 10.00 feet, an arc length of 15.71 feet, a chord bearing of N 49°16'56" W, and a chord length of 14.14 feet to the southerly sideline of Hackamore Avenue;

Thence, S 85°43'04" W along the southerly sideline of said Hackamore Avenue 537.40 feet;

Thence, N 04°44'32" W across Hackamore Avenue 60.00 feet;

Thence the following courses and distances along Hackamore Avenue:

N 85°43'04" E a distance of 537.89 feet;

Following a curve to the left which bears a radius of 10.00 feet, an arc length of 15.71 feet, a chord bearing of N 40°43'04" E, and a chord length of 14.14 feet;

N 84°44'07" E a distance of 60.01 feet;

S 04°16'56" E a distance of 80.47 feet to the easterly sideline of said Frontrunner Way;

Thence the following courses and distances along the easterly and southeasterly sideline of Frontrunner Way:

S 04°16'56" E a distance of 234.96 feet;

Following a curve to the right which bears a radius of 230.00 feet, an arc length of 165.60 feet, a chord bearing of S 16°20'40" W, and a chord length of 162.05 feet;

S 36°58'17" W a distance of 389.01 feet;

With a compound curve to the left which bears a radius of 10.00 feet, an arc length of 15.08 feet, a chord bearing of S 06°14'04" E, and a chord length of 13.70 feet to the easterly sideline of said Scarborough Downs Road and the point of beginning.

Containing 84,372 square feet, or 1.94 acres, more or less

Reserving to Crossroads Holdings LLC, its successors and assigns, the right, but not the obligation, to maintain, repair and replace the landscaping located within Frontrunner Way and Hackamore Avenue.

The conveyance of Frontrunner Way and Hackamore Avenue is of the fee simple interest for highway purposes, and made without claim for damages.

Being a portion of the premises conveyed to Crossroads Holdings LLC by virtue of a Quitclaim Deed with Covenant from Davric Maine Corporation, dated January 3, 2018 and recorded in the Cumberland County Registry of Deeds in Book 34573, Page 150.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Crossroads Holdings LLC has caused this instrument to be signed and sealed its company name by \_\_\_\_\_, its Manager thereunto duly authorized this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

CROSSROADS HOLDINGS LLC

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name:  
Title: Manage

STATE OF MAINE  
COUNTY OF CUMBERLAND, SS \_\_\_\_\_, 2023

Then personally appeared before me the above named \_\_\_\_\_, Manager of Crossroads Holdings LLC, and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of Crossroads Holdings LLC.

\_\_\_\_\_  
Notary Public  
Print name: \_\_\_\_\_  
Commission Expiration: \_\_\_\_\_

## **EASEMENT DEED**

[Town Center Residential Subdivision, Scarborough]

KNOW ALL PERSONS BY THESE PRESENTS that **CROSSROADS HOLDINGS LLC**, a Maine limited liability company with a principal place of business and mailing address at 175 Scarborough Downs Road, Suite 113, Scarborough, Maine 04074 (hereinafter "Grantor") for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby GIVE, GRANT, BARGAIN, SELL and CONVEY unto the **TOWN OF SCARBOROUGH**, a Maine municipal corporation with a principal place of business and mailing address of 259 U.S. Route 1, P.O. Box 360, Scarborough, Maine 04070, its successors and assigns forever (hereinafter "Grantee"), the following rights and easements:

### **Multi-Use Path and Emergency Access Easement**

A non-exclusive perpetual right and easement for pedestrian and emergency access over the area designated as "Multi-Use Path and Emergency Access Easement," that runs between Frontrunner Way and Hackamore Avenue, and which is more particularly shown on the Subdivision Plan.

### **Drainage Easements**

Non-exclusive perpetual rights and easements over the areas designated as (i) "Drainage Easement" extending from the westerly sideline of Scarborough Downs Road and located on Open Space Area C as shown on the Subdivision Plan, (ii) "30' Drainage Easement" situated westerly of Lot 2 and located on Open Space Area C as shown on the Subdivision Plan, (iii) "30' Drainage Easement," "20' Drainage Easement," and "Drainage Easement" situated on Lot 2 shown on the Subdivision Plan, and (iv) "Drainage & Access Easement" extending from the easterly sideline of Scarborough Downs Road over Hayloft Lane (Private) as shown on the Subdivision Plan, each being for the purpose of collection, diversion and flow of storm and surface waters, and the maintenance, repair and replacement of any storm water infrastructure and drainage pipes, with all necessary fixtures and appurtenances, from Scarborough Downs Road, together with a right of entry on foot or in vehicles, with all the equipment necessary or reasonably required to accomplish the purposes set forth herein.

### **Maintenance and Access Easements**

Non-exclusive perpetual rights and easements over the areas designated as (i) "10' Wide Maintenance Easement" extending from the westerly sideline of Scarborough Downs Road and located on Open Space Area C as shown on the Subdivision Plan, (ii) "Maintenance Easement" extending from the westerly sideline of Scarborough Downs Road, abutting the northerly sideline of Lot 2, and located on Open Space Area C as shown on the Subdivision Plan, (iii) "10' Wide Access Easement" from the westerly sideline of Scarborough Downs Road, over Lot 2 as shown on the Subdivision Plan, and (iv) "10' Wide Access and Maintenance Easement" over Lot 2 as shown on the Subdivision Plan, each being for the purpose of repair and replacement of Scarborough

Downs Road, and any road right of way, storm water infrastructure and drainage pipes, with all necessary fixtures and appurtenances, together with a right of entry on foot or in vehicles, with all the equipment necessary or reasonably required to accomplish the purposes set forth herein.

For purposes of this Easement Deed, and the rights and easements described above, the term "Subdivision Plan" means a plan titled "Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated June 23, 2020, approved by the Town of Scarborough Planning Board on June 25, 2020, and recorded in the Cumberland County Registry of Deeds in Plan Book 220, Page 210, as amended by a plan titled "First Amended Subdivision Plan, Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated October 2, 2020, approved by the Town of Scarborough Planning Board on December 10, 2020, and recorded in the Cumberland County Registry of Deeds in Plan Book 220, Page 460, as further amended by a plan titled "Second Amended Subdivision Plan, Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated March 1, 2021, approved by the Town of Scarborough Planning Board on April 14, 2021, and recorded in the Cumberland County Registry of Deeds in Plan Book 221, Pages 348 and 349, as further amended by a plan titled "Third Amended Subdivision Plan, Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated September 9, 2021, approved by the Town of Scarborough Planning Board on September 9, 2021, and recorded in the Cumberland County Registry of Deeds in Plan Book 221, Pages 538, 539 and 540, as further amended by a plan titled "Fourth Amended Subdivision Plan Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated October 25, 2021, approved by the Town of Scarborough Planning Board on September 20, 2021, and recorded in the Cumberland County Registry of Deeds in Plan Book 221, Pages 654 through 656, as further amended by a plan titled "Fifth Amended Subdivision Plan Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated July 12, 2021, approved by the Town of Scarborough Planning Board, and recorded in the Cumberland County Registry of Deeds in Plan Book 222, Pages 443 through 445, as further amended by a plan titled "Sixth Amended Subdivision Plan Town Center Residential Subdivision, Scarborough Downs Road, Scarborough, Maine," prepared for Crossroads Holdings, LLC by Owen Haskell, Inc., dated August 3, 2022, approved by the Town of Scarborough Planning Board, and recorded in the Cumberland County Registry of Deeds in Plan Book 222, Pages 446 through 448.

TO HAVE AND TO HOLD, the aforegranted rights and easements, with all the privileges and appurtenances thereof to the Grantee, its successors and assigns, to its and their use and behoof forever.

IN WITNESS WHEREOF, Crossroads Holdings LLC has caused this instrument to be signed and sealed its company name by \_\_\_\_\_, its Manager thereunto duly authorized this \_\_\_\_ day of \_\_\_\_\_, 2023.

CROSSROADS HOLDINGS LLC

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name:  
Title: Manage

STATE OF MAINE  
COUNTY OF CUMBERLAND, SS \_\_\_\_\_, 2023

Then personally appeared before me the above named \_\_\_\_\_, Manager of Crossroads Holdings LLC, and acknowledged the foregoing instrument to be his free act and deed and the free act and deed of Crossroads Holdings LLC.

\_\_\_\_\_  
Notary Public  
Print name: \_\_\_\_\_  
Commission Expiration: \_\_\_\_\_

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-135.** Move approval on the request from the Scarborough Housing Alliance to utilize \$200,000 from the Affordable Housing Initiative Fund to support the 3iHoMe Project.  
*[Town Manager]*

*Town Manager*

*Ought to Pass*

\_\_\_\_\_  
Sponsor

\_\_\_\_\_  
Recommendation

*12/06/2023 – Vote:*

\_\_\_\_\_  
First Reading/Vote

*N/A*

\_\_\_\_\_  
Public Hearing

*N/A*

\_\_\_\_\_  
Second Reading/Final Approval/Vote



## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

<b>ACTION ITEM: Order No. 23-135.</b>
<b>SUBJECT:</b> Act on the request from the Scarborough Housing Alliance to utilize \$200,000 from the Affordable Housing Initiative Fund to support the 3i Home project. <i>[Town Manager]</i>
<b>PURPOSE:</b> For the Town Council to take formal action on the recommendation of the Scarborough Housing Alliance to provide \$200,000 in grant support for the 3iHoMe project through its developer Preservation of Affordable Housing, LLC (POAH)
<b>BACKGROUND:</b> <p>On September 30, 2022 POAH expressed their intention to apply for \$200,000 in grant funding from the Affordable Housing/Workforce Housing Partnership Initiative, a program administered by the Scarborough Housing Alliance (SHA). In February 2023 a formal application was submitted and subsequently reviewed by the SHA. A joint letter from POAH and M&amp;R Holdings, Inc. dated March 6, 2023, provided clarification to the grant application regarding how the application qualifies for consideration given the inclusionary zoning requirement in the CPD district.</p> <p>At their public meeting of April 26, 2023, the SHA unanimously recommend approval of a \$200,000 grant award to the 3iHome project. The Town Council must act on the recommendation and authorize the use the funds from the Affordable Housing Initiative Fund.</p>
<b>FISCAL IMPACT:</b> The current approximate balance of Affordable Housing Initiative Fund is \$525,000
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• Single action before Town Council: December 6, 2023.</li></ul>
<b>PROPOSED ACTION:</b> Recommend approval of Order No. 23-135.
<b>ATTACHMENTS:</b> <ul style="list-style-type: none"><li>• Letter from POAH dated September 30, 2022 expressing intent to apply.</li><li>• Application dated February 2023</li><li>• Letter from PAOH and M&amp;R Holdings dated March 6, 2023.</li><li>• Copy of Housing Alliance minutes from April 26, 2023</li></ul>



September 30, 2022

Mr. Thomas Hall, Town Manager  
Town of Scarborough  
259 US Route One  
PO Box 360  
Scarborough, ME 04070-0360

RE: Proposal for Affordable/Workforce Housing Partnership Initiative at 3i HoME at the Downs

Dear Mr. Hall:

I am writing to request your consideration for our affordable housing development proposal at Scarborough Downs in response to the Town's above-mentioned RFP. Together with 3i HoME, Preservation of Affordable Housing is proposing to build 51 units of independent, affordable rental housing for individuals and households with disabilities. The site is located at the future Town Center of the Scarborough Downs development, to be built by Crossroads (M&R Holdings). Our development will provide much-needed independent living for people with disabilities in a well-designed, technology-enabled property.

3i HoME, short for 3i Housing of Maine, is a Maine-based non-profit founded by Paul Linet with a mission of enabling people with disabilities to live independently. The three "i"s stand for innovative, independent, and integrated. This first-of-its-kind fully accessible, universally designed affordable housing project in Maine will serve as a model for future developments for the disabled, as state and federal governments shift from long-term care/institutional placement to the housing plus model of home and community-based services. The apartments will be designed with assistive smart-home technology and meet at least ANSI 2017 standards, exceeding MaineHousing accessibility standards and building code requirements. This independent living model of community-based services and assistive technologies will reduce the frequency of hospitalizations and emergency department visits. Amenities will include laundry facilities, lounges, a library, and outdoor landscaped areas, and a mobility and technology workshop that will maintain mobility equipment for residents and members of the public. Leasing preference will be given to households where at least one person has a physical disability. All the apartments will be income-restricted, with households earning no more than 60% Area Median Income ("AMI"). The 51 units will include 31 one-bedrooms, 16 two-bedrooms, and four three-bedroom units. To build this important development, the team is requesting \$200,000 in subsidy from the Town of Scarborough, to be used for construction.

If you have questions, please contact me at [cfellows@poah.org](mailto:cfellows@poah.org) or (207) 671-0587.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Cory Fellows', with a long horizontal flourish extending to the right.

Cory Fellows  
Vice President, Real Estate Development  
Preservation of Affordable Housing, Inc.

Attachments: Project Narrative  
(Description, Development Team, Town Assistance, Schedule, References)  
Site Plans  
POAH Company Profile  
Pro Forma



### **3i HoME at The Downs**

## **Proposal to Town of Scarborough Affordable/Workforce Housing Partnership Initiative**

**February 2023**

### **1. Proposed Project Description**

3i HoME and Preservation of Affordable Housing have partnered to propose a 51-unit affordable rental development for persons with disabilities at The Downs in Scarborough, Maine. The Project's goal is to provide much-needed community-based, independent living options for people with disabilities in a beautiful, well-designed, technology-enabled property. 3i HoME, short for 3i Housing of Maine, is a Maine-based non-profit founded by Paul Linet with a mission of enabling people with disabilities to live independently. The three "i"s stand for innovative, independent, and integrated. We anticipate that this first-of-its-kind totally accessible, universally designed affordable housing project in Maine will serve as a model for future development – particularly as the state and federal governments shift from long-term care/institutional placement to the "housing-plus" model of home and community-based services. The property will attain this goal with fully accessible apartments designed with assistive smart-home technology, community-based services, indoor amenities, and proximity to the mixed-use Town Center of the Scarborough Downs. Such services and technologies will reduce the frequency of hospitalizations and emergency department visits and will enable residents to live more independently and engage with their community.

#### **Independent Living for the Disabled**

POAH and 3iHoME have chosen to partner on this development as the demand for independent housing for adults with disabilities could not be more pressing. Having had first-hand experience as a companion, caregiver, and advocate for a partner with a disability, Paul Linet knows what it's like to look for housing that provides access, support, and dignity all at once. That's why 3i at the Downs will be a first-of-its-kind property for this population – housing that does not feel like assisted living but instead offers independence, where residents can move about freely on their own and not rely on caretakers to open doors or hold beverages. Paul has been featured in local press coverage about this project, in the [Portland Press Herald](#), [Bangor Daily News](#), and other outlets. The response to this coverage has validated Paul's sense of the number of disabled people seeking fully accessible and integrated housing. More than 15 people have reached out since August, asking when the building will open and inquiring about applications and wait-lists. These inquiries, which have primarily involved individuals seeking housing, seem to align with our planned unit mix – which consists primarily of one- and two-bedroom homes.



## **Design**

The Project will be located at the corner of Downs Road and Market Street within The Downs “town center” development. The four-story apartment building will have a ground-floor common area and 51 rental apartments, with a majority as one-bedrooms. In the lease-up, preference will be given to households where at least one person has a physical disability. All the apartments will be income-restricted, with households earning no more than 60% Area Median Income (“AMI”). The apartments will be accessible, meeting at least an ANSI 2017 standard. This exceeds the applicable Maine Housing accessibility standards and building code requirements, which would only require accessible units. On the ground floor and throughout the building will be amenities serving the residents ranging from central laundry and storage to lounges and a library. The ground floor will include a high-visibility mobility and technology hub which will serve as a workshop to maintain/repair mobility equipment for residents and members of the public.

The outdoor amenities will include landscaped areas for residents to interact with friends, family, and neighbors. In addition, residents will have access to the considerable amenities offered within The Downs, including a planned community center, sports complex, town center with restaurants and retail stores, considerable green space, and recreational opportunities.

## **Location**

Corner of Downs Road and Market Street at Scarborough Downs, Scarborough, ME 04074

## **Type of Housing**

The project will be a four-story multifamily apartment building, dedicated to individuals and households with disabilities. The project will not be age restricted. All 51 units will be accessible, with a minimum standard of ANSI 2017.

## **Unit Mix and Affordability**

Note – The \$200,000 in requested funding from the Scarborough Housing Alliance would allow for 7 more units at 50% AMI than would otherwise be feasible. We therefore propose that the SHA funding be attached to those 7 additional lower-income units.

<b>Size</b>	<b>50% AMI</b>	<b>60% AMI</b>	<b>TOTAL</b>
1BR	19	12	31
2BR	10	6	16
3BR	1	3	4
<b>Total</b>	<b>30</b>	<b>21</b>	<b>51</b>



## **Parking**

Parking at 3i HoME at The Downs will be approximately 1:1. There will be 39 surface-level parking spaces in a dedicated parking lot for the property, and 13 more on-street parking spots. Most of these spaces will be reserved for residents of the property, while the rest of the spaces will be reserved for service providers and visitors. Of the 39 parking lot spots, almost a third will be van-accessible, more than half will be standard accessible, and the remainder will be standard spots.

## **Related Development: Scarborough Downs**

The Downs is a 524-acre mixed-use development at the site of the former Scarborough Downs racetrack and adjoining area, providing housing, a town center containing retail businesses, an innovation district offering many employment opportunities, and considerable indoor and outdoor recreation areas. 3i HoME at The Downs is located near the center of The Downs, making the amenities, services, and businesses readily accessible to the residents of the Project.

## **Approvals**

This portion of land and Crossroads Holdings, LLC have a DEP permit (#L-27956-TG-L-N) for this area. Additionally, there is another permit (#L-27956-TG-U-N) which modifies the tributary watershed to the Gravel Wetland. The NRPA Tier III and ACOE General Permit do not apply to 3iHoME at The Downs, as there are no wetlands or natural resources within the lot. Additionally, Crossroads Holdings, LLC has a masterplan approval for this portion of development. The masterplan, however, does need to be amended considering the new layout of the site. The planned 3i housing is a permitted use under the site's zoning designation. The project will require Site Plan Approval from the Scarborough Planning Board, and our team anticipates initiating that process by January 2023.

## **Environmental Conditions**

Haley Ward conducted a Phase I assessment in August 2022, which found a REC, a 1,000-gallon diesel fuel above-ground storage tank (AST). This AST was identified associated with the current use of a portion of the Subject Property as a diesel storage and refueling area. No CRECs or HRECs were identified in the assessment. The development team is conducting a Phase II ESA in the fall of 2022.

## **Dedication to Sustainability**

POAH strives to certify all its developments as Passive House, committing to energy efficiency via super-insulated envelopes, airtight construction, high-performance glazing, thermal-bridge-free



detailing, and heat recovery ventilation. The development team will strive to accomplish these aspects as much as feasibly possible.

## 2. Site Plan

The attached site plans by Aceto Landscape Architects show the conceptual layout and circulation of the 1.25-acre site.

## 3. Company Profile

Preservation of Affordable Housing (POAH) is a national nonprofit organization whose mission is to preserve, create and sustain affordable, healthy homes that support economic security, racial equity, and access to opportunity for all. POAH was formed in 2001 and has preserved or created over 12,000 affordable rental apartments. See the attached company profile for more information.

### Key Leadership

Cory Fellows, Vice President, Real Estate Development ([resume](#))

Vitalia Shklovsky, Senior Project Manager ([resume](#))

Jamie Carroll, Development Associate ([resume](#))

### Similar Projects Underway or Completed

- Brewster Woods, Brewster, MA – 30 units, \$14.5M TDC; 100% construction complete, 50% leased
- LeClair Village, Mashpee, MA – 39 units, \$32M TDC, closed Jan 2023
- The Loop at Mattapan, Boston, MA – 135 units, \$100M TDC; complete and in lease-up
- High Meadow Townhomes, Bourne, MA – 44 units, \$14M TDC; built in 2018
- Melpet Farms, South Dennis, MA – 27 units, \$11M TDC; built in 2015

## 4. Development Team

	Company	Contact	Similar Projects
<b>Co-Developer</b>	Preservation of Affordable Housing	Cory Fellows Vice President, Real Estate Development	Brewster Woods (30 units), 50% leased





		<a href="mailto:cfellows@poah.org">cfellows@poah.org</a>	
<b>Co-Developer</b>	3i HoME	Paul Linet Founder and CEO <a href="mailto:paul@3ihome.org">paul@3ihome.org</a>	
<b>Architect</b>	The Architectural Team	Gary Kane Principal <a href="mailto:gkane@architecturalteam.com">gkane@architecturalteam.com</a>	<p>Senior Housing: <a href="#">One Wingate Way</a>, Needham, MA (52 units)</p> <p>Veterans Housing: <a href="#">Valley Brook Village</a>, Lyons, NJ (62 units)</p> <p>Continuing Care: <a href="#">Atria McCandless</a>, McCandless, PA (172 units)</p>
<b>Landscape Architect</b>	Aceto Landscape Architecture	Nick Aceto Principal <a href="mailto:na@acetola.com">na@acetola.com</a>	Uplands Senior Housing, 40 units, Scarborough Downs, first phase completed 2021
<b>Civil Engineer</b>	Gorrill Palmer	Drew Gagnon Project Manager <a href="mailto:dgagnon@gorrillpalmer.com">dgagnon@gorrillpalmer.com</a>	<p>Uplands Senior Housing, 40 units, Scarborough Downs</p> <p>Maine Veteran's Home Hero's Way, Augusta, ME</p> <p>Hillcrest Retirement Community Expansion,</p>



			<p>Scarborough, ME</p> <p>American House at the Downs (senior care living), Scarborough, ME</p>
<b>Pre-Construction GC</b>	Landry French	<p>Kevin Freeman Director of Business Development <a href="mailto:kfreeman@landryfrenchconstruction.com">kfreeman@landryfrenchconstruction.com</a></p>	<p>Porter Station, Portland, ME (60 units, 6 stories, Passive House, for Avesta)</p> <p>Ridgeland Gardens, South Portland, ME (44 units, 4 stories, for South Portland Housing Authority)</p> <p>Mason Block, Portland, ME (27 units, 4 stories, for Reger Dasco)</p>
<b>Property Manager</b>	Preservation of Affordable Housing Communities (POAH-C)	<p>Robert Plante Regional Property Supervisor <a href="mailto:rplante@poahcommunities.com">rplante@poahcommunities.com</a></p>	



## 5. Preliminary Pro Forma

See below table of projected Sources and Uses of Funds and attached detailed budget.

Sources	Total	Per Unit	Uses	Total	Per Unit
Permanent Loan - MSHA (6.0%)	\$ 3,953,018	\$ 77,510	Acquisition	\$ 465,000	\$ 9,118
Deferred Loan - MSHA	\$ 3,060,000	\$ 60,000	Construction	\$ 16,509,342	\$ 323,713
Other Funds - MSHA / FHLB	\$ 1,536,278	\$ 30,125	Hard Cost Contingency	\$ 825,467	\$ 16,186
Soft Loan - Town of Scarborough	\$ 200,000	\$ 3,922	Soft Costs	\$ 2,690,344	\$ 52,752
Equity - Federal 9% LIHTC (\$0.87)	\$ 13,048,695	\$ 255,857	Reserves	\$ 557,937	\$ 10,940
Deferred Developer Fee	\$ 357,000	\$ 7,000	Paid Developer Fee	\$ 750,000	\$ 14,706
			Deferred Developer Fee	\$ 357,000	\$ 7,000
<b>Total Sources</b>	<b>\$ 22,155,090</b>	<b>\$ 434,314</b>	<b>Total Uses</b>	<b>\$ 22,155,090</b>	<b>\$ 434,314</b>

## 6. Town Assistance

Beyond this funding request, 3i HoME at the Downs would seek a credit enhancement agreement (50% Tax Increment Financing) from the Town, along with Town site plan approval.

## 7. Preliminary Schedule

September 2022	Schematic Design
June 2023	50% Design Development
	Town of Scarborough Zoning Approvals
July 2023	MSHA 9% LIHTC Full Application
December 2023	MSHA Funding Award
February 2024	Construction and Permanent Financing Commitments
March 2024	Construction Closing / Start
March 2025	Construction Completion
April 2025	Certificate of Occupancy / Leasing Completion
July 2025	Stabilization and Permanent Loan Conversion

## 8. References

- A. Melpet Farm, Dennis, MA  
Daniel Fortier, Town Planner  
508-760-6122



[dfortier@town.dennis.ma.us](mailto:dfortier@town.dennis.ma.us)

B. Whittier Phase I, Boston, MA  
Dana Whiteside, Deputy Chief of Staff  
Boston Planning and Development Agency  
617-918-4441  
[dana.whiteside@boston.gov](mailto:dana.whiteside@boston.gov)

C. Brewster Woods, Brewster, MA  
Jill Scalise, Housing Coordinator  
Town of Brewster  
2198 Main Street, Brewster, MA 02631  
508-896-3701 x1169  
[jwertz-scalise@brewster-ma.gov](mailto:jwertz-scalise@brewster-ma.gov)

## Building Tabulations

**Note: When completing this form, it will be necessary for the architect identified on the Applicant Information tab to provide you with this information on a building by building basis from the plans that they are preparing. You may print the next page and provide it (or e-mail it) to the Architect for them to complete.**

**Use this page for the aggregate the totals from each of the buildings in the project submitted by the Architect.**

Number of Building Tabulation Sheets

Number of

Building (s)

1

Total # Units

51

Total Dwellings

44,895 sq. ft.

Tenant Storage

sq. ft.

Office

sq. ft.

Social Area

4,300 sq. ft.

Community Laundry

sq. ft.

Community Kitchen

sq. ft.

Community Bathroom(s)

sq. ft.

Project Storage

sq. ft.

Project Maintenance

sq. ft.

Circulation

17,675 sq. ft.

Other (Describe)

sq. ft.

Total

66,870 sq. ft.

## UTILITY ALLOWANCE CALCULATIONS

Utility	Fuel	Paid By	Allowance by bedroom size				
			OBR	1BR	2BR	3BR	4BR
<b>Drop Down Menus</b>							
Heating	<input type="text"/>	<input type="text" value="Owner"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hot Water	<input type="text"/>	<input type="text" value="Owner"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Cooking	<input type="text" value="N/A"/>	<input type="text" value="Tenant"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Lighting	<input type="text" value="Electric"/>	<input type="text" value="Tenant"/>	<input type="text" value="\$29"/>	<input type="text" value="\$37"/>	<input type="text" value="\$49"/>	<input type="text" value="\$61"/>	<input type="text" value="\$76"/>
Water	<input type="text" value="N/A"/>	<input type="text" value="Owner"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Sewer	<input type="text" value="N/A"/>	<input type="text" value="Owner"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Trash	<input type="text" value="N/A"/>	<input type="text" value="Owner"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Air Cond.	<input type="text"/>	<input type="text" value="Owner"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total Utility Allowance for Unit			<input type="text" value="\$29"/>	<input type="text" value="\$37"/>	<input type="text" value="\$49"/>	<input type="text" value="\$61"/>	<input type="text" value="\$76"/>

**Attach a narrative which describes the method used to calculate the Utility Allowances. If applicant is also applying for Low Income Housing Tax Credits, demonstrate compliance with IRS regulations for determining utility allowances.**

- LIHTC Allocating Agency Utility Estimate
- Energy Consumption Model (Engineer model)
- UA through Rural Development (RD assisted units)
- Section 8 UA through local housing authority (PBV units)
- HUD approved UA (project based rental assistance units)
- Other Specify:

LIHTC Allocating Agency Utility Estimates can be found at the following web link (left click):

under Rent & Income Charts

## MaineHousing

## 3iHome at The Downs

Type	AMI	# of units	Maximum Allowable LIHTC Rent	Less Utility Allowance	Maximum Rent to Tenants	Proposed* Rent to Tenants	Total Monthly Rental Income	Total Annual Rental Income
0 BR	50%			\$29	\$0			
	60%			\$29	\$0			
	Mrk.		Market Rent (from Market Study)			\$0		
1 BR	50%	19	\$1,047	\$37	\$1,010	\$19,190	\$0	\$0
	60%	12	\$1,257	\$37	\$1,220	\$14,640	\$0	\$0
	Mrk.		Market Rent (from Market Study)			\$0		
2 BR	50%	10	\$1,257	\$49	\$1,208	\$12,080	\$0	\$0
	60%	6	\$1,509	\$49	\$1,460	\$8,760	\$0	\$0
	Mrk.		Market Rent (from Market Study)			\$0		
3 BR	50%	1	\$1,452	\$61	\$1,391	\$1,391	\$0	\$0
	60%	3	\$1,743	\$61	\$1,682	\$5,046	\$0	\$0
	Mrk.		Market Rent (from Market Study)			\$0		
4 BR	50%			\$76	\$0			
	60%			\$76	\$0			
	Mrk.		Market Rent (from Market Study)			\$0		
Total # units		51	Gross Rental Income			\$0	\$0	
Income from laundry								
Other Income:		If monthly amount is affected by Vacancy Loss					\$61,107	\$733,284
Total schedule income							\$61,107	\$733,284
Projected vacancy rent loss **		5%					(\$3,055)	(\$36,664)
Other Income:		Only if not affected by Vacancy Loss such as TIF income					\$4,299	\$51,590
Gross Effective Income							\$62,351	\$748,210

\* Rents restricted per MaineHousing rent chart or current rent from rent roll, whichever is less adjusted for utility allowances  
Tax Credit Rents can be found at the following web link (left click):

\*\* MaineHousing may increase or decrease to reflect area market conditions.



## ANNUAL OPERATING BUDGET

	Prior Year's Actual (If Existing Project)	Projected Annual Budget
<b>Administrative Expenses</b>		
Management Fees		\$31,824
Management Charges		\$17,801
Marketing Expenses		\$1,117
Legal Expenses		\$2,550
Auditing Expenses		\$12,500
Other Administrative Expenses	\$0	\$94,995
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	\$0	\$160,786
<b>Operating Expenses</b>		
Janitorial Payroll		\$0
Janitorial Supplies and Equipment		\$6,611
Janitorial Contractual Services		\$2,055
Fuel and Gas		\$0
Electricity		\$33,150
Water and Sewer		\$15,300
Garbage and Trash Removal		\$19,699
Vehicle and Equipment Expenses		\$0
Other Operating Expenses	\$0	\$0
<b>TOTAL OPERATING EXPENSES</b>	\$0	\$76,816
<b>Maintenance Expenses</b>		
Grounds Maintenance Payroll		\$0
Grounds Tools and Supplies		\$1,078
Grounds Contractual Services		\$21,760
Miscellaneous Ground Maintenance	\$0	\$0
<b>Sub-total Grounds Expenses</b>	\$0	\$22,837
Building Maintenance Payroll		\$39,000
Building Tools and Supplies		\$1,203
Building Contractual Services		\$24,449
Building Systems Maintenance		\$7,860
Miscellaneous Building Maintenance	\$0	\$0
<b>Sub-total Building Expenses</b>	\$0	\$72,512
<b>TOTAL MAINTENANCE EXPENSES</b>	\$0	\$95,350

**General Expenses:**

Property Taxes		\$86,700
Property and Liability Insurance		\$17,850
Resident Service Coordinator		\$15,000
Other General Expenses	\$0	\$0
<b>TOTAL GENERAL EXPENSES</b>	<b>\$0</b>	<b>\$119,550</b>
<b>Replacement Reserve</b>		<b>\$22,950</b>
<b>Total Commercial Expense</b>		<b>\$0</b>
<b>TOTAL BUDGETED EXPENSE</b>	<b>\$0</b>	<b>\$475,452</b>

Insert as many lines as necessary

Prior Year's Actual  
(If Existing Project)Projected  
Annual Budget

Notes:

**Other Administrative Expenses**

1	Property Manager Salary
2	Payroll Taxes (8% of payroll)
3	Workers Comp Insurance (8.5% of payroll)
4	Health Insurance & Other Benefits (\$7,600/FTE)
5	Retirement Benefits (3% of payroll)


\$62,000
\$8,080
\$8,585
\$13,300
\$3,030

**Total Other Administrative Expenses**

\$0

\$94,995

**Other Operating Expenses**

1	
2	
3	
4	
5	



**Total Other Operating Expenses**

\$0

\$0

**Miscellaneous Ground Maintenance**

1	
2	
3	
4	
5	



**Total Miscellaneous Ground Maintenance**

\$0

\$0

**Miscellaneous Building Maintenance**

1	
2	
3	
4	
5	



**Total Miscellaneous Building Maintenance**

\$0

\$0

**Other General Expenses**

1	
2	
3	
4	
5	



**Total Other General Expenses**

\$0

\$0

## Total Cost

**1 Site Costs:**

Earth Works	\$1,068,057
Site Utilities	
Lawns/Plantings	
Road/Walks	
Site Improvement	
Unusual Site Condition	

**TOTAL SITE COST**

\$1,068,057

**2 Structures:**

Main Buildings	\$13,232,581
Accessory Structures	

**TOTAL STRUCTURE**

\$13,232,581

**3 General Requirements:**

Supervision	\$807,259
Field Engineering	
Field Office	
Temp. Facilities	
Temp Utilities	
Cleaning/Rubbish	
Permits	

**TOTAL GEN REQMTS**

\$807,259

**4 TOTAL BUILDER OH & PROFIT**

\$571,548

**5 TOTAL BOND PREMIUM**

\$83,656

**6 CONSTRUCTION CONTINGENCY**

\$1,571,709

**Please explain Unusual site condition**

See attached narrative about adjustments to the Landry French cost estimate.

**NOTES for Construction Costs and Project Costs and Basis:**

--Builder overhead and profit **MUST** be identified

--Use of any "other" category must be accompanied by specific details on the next page of this application. This page can be expanded to accommodate as many line items as necessary.

--Acquisition costs must be supported by site control documentation and is subject to verification by an "As Is" appraisal

--Professional services such as legal or accounting which are performed by employees of the development entity should be documented in writing if they are to be allocated to any line item other than Developer Fee

-- Developer Fee & Consultants Fees: Consultants Fees do not include fees paid for services such as environmental studies, market studies, soils analysis, etc. Consultant fees do include fees for services normally conducted by the Developer such as obtaining site control, financing, regulatory approvals, and negotiating the syndication, among others.

-- Developer overhead and profit **MUST** be separately identified

**Please explain any other unique construction characteristics**

Supervision costs are characterized as "General Conditions" on the estimate. Construction contingency includes insurance, CM contingencies, and owner's 5% contingency. See cost breakdown for explanation.

## Project Costs and Eligible Basis

## Eligible Basis Calculations

Include Only Residential  
Depreciable Costs for:

	Total Cost	Residential Depreciable	Commercial Depreciable	Amortizable	Non-Amort	Acq Credit	Const/Reh
<b>7 TOTAL CONSTRUCTION:</b>	\$17,334,809	\$17,334,809					\$17,334,809
<b>8 SOFT COSTS:</b>							
Permits	\$97,737	\$97,737					\$97,737
Survey & Engineering	\$165,093	\$165,093					\$165,093
Architect/Design & Inspec	\$660,374	\$660,374					\$660,374
Project Legal	\$100,000	\$100,000					\$100,000
Title & Recording	\$35,500	\$35,500					\$35,500
Project Audit/Accounting	\$7,500	\$7,500					\$7,500
Const. Period Taxes	\$8,000	\$8,000					\$8,000
Const. Period Insurance	\$87,009	\$87,009					\$87,009
Other	\$120,000	\$120,000					\$120,000
<b>TOTAL SOFT COSTS:</b>	\$1,281,214						
<b>9 FINANCING FEES:</b>							
<b>Note: MaineHousing Fees will calculate automatically when loans on the Sources tab are completed</b>							
Const Loan Orig. Fee	\$0						\$0
Const Loan Interest	\$373,000	\$373,000					\$373,000
MaineHousing Loan Fees	\$230,800			\$230,800			\$0
Conventional Lender Permanent Loan Fees	\$0						\$0
Other	\$0	\$0					\$0
<b>TOTAL FINANCING FEES</b>	\$603,800						
<b>10 MISCELLANEOUS COSTS &amp; EXPENSES:</b>							
<b>Note: LIHTC Fees will recalculate automatically as the application is completed</b>							
Market Study	\$7,500			\$7,500			\$0
Property Appraisal	\$7,000	\$7,000					\$7,000
Environmental Study	\$254,718				\$254,718		\$0
LIHTC Process & Monitoring Fees	\$168,000			\$168,000			\$0
Relocation	\$0						\$0
F, F, & E	\$85,000			\$85,000			\$0
Other	\$128,112	\$128,112					\$128,112
<b>TOTAL MISCELLANEOUS</b>	\$650,330						

Notes:

Provide detail for Other Costs on next tab

Opinions on whether fees associated with the MH construction loan can be included in eligible basis vary. You should consult with your tax professional.

Provide detail for Other Costs on next tab

Provide detail for Other Costs on next tab



**11 ACQUISITION:**

**Note: Value of Buildings acquired to be razed and the cost of such demolition should be included as Land. The Net Present Value of lease payments made for any Land or Land and Buildings that are obtained through a long term capital lease should be included as Other.**

Structure	\$0					\$0	
Land	\$465,000				\$465,000		
Existing Reserve Account Balances	\$0						
Legal associated w/ acquisition	\$0					\$0	
Other	\$0	\$0				\$0	
<b>TOTAL ACQUISITION</b>	<b>\$465,000</b>						

Provide detail for Other Costs on next tab

**12 RESERVES**

**Note: Reserve amounts will calculate according to MaineHousing guidelines, if a different amount is used, higher or lower, please provide an explanation**

Operating Deficit Escrow	\$356,316				\$356,316		
Replacement Reserve	\$144,883				\$144,883		
Tax & Insurance Escrow	\$56,738				\$56,738		
Working Capital	\$50,000				\$50,000		
Other	\$0				\$0		
<b>TOTAL RESERVES:</b>	<b>\$607,937</b>						

Provide detail for Other Costs on next tab

**13 SYNDICATION:**

Organizational (Partnership)	\$0						
Bridge Loan Fees & Expenses	\$0						
Tax Opinion	\$50,000				\$50,000		
Accounting	\$0						
Legal	\$55,000				\$55,000		
<b>TOTAL SYNDICATION</b>	<b>\$105,000</b>						

**14 DEVELOPER FEE:**

Consultant Fees	\$0					\$0	
Developer Overhead	\$996,300	\$996,300				\$996,300	
Developer Profit	\$110,700	\$110,700				\$110,700	
<b>TOTAL DEVELOPER FEE</b>	<b>\$1,107,000</b>						

**TOTAL PROJECT COSTS**

**\$22,155,090**

**\$0**

**\$20,231,135**

Insert as many lines as necessary

Notes:

**OTHER SOFT COSTS:**

1	Sustainability / Passive House Certification Fee	\$50,000
2	Clerk of the Works / Owners Rep	\$50,000
3	Testing and Special Inspections	\$10,000
4	Security	\$10,000
5		
<b>TOTAL OTHER SOFT COSTS:</b>		<b>\$120,000</b>

**FINANCING FEES:**

1		
2		
3		
4		
5		
<b>TOTAL FINANCING FEES</b>		<b>\$0</b>

**MISCELLANEOUS COSTS & EXPENSES:**

1	Soft Cost Contingency	\$128,112
2		
3		
4		
5		
<b>TOTAL MISCELLANEOUS</b>		<b>\$128,112</b>

**ACQUISITION**

1		
2		
3		
<b>TOTAL ACQUISITION</b>		<b>\$0</b>

**RESERVES**

1		
2		
3		
4		
5		
<b>TOTAL RESERVES:</b>		<b>\$0</b>

**NON-HTC ELIGIBLE COSTS**

1	Municipal Impact Fees (traffic, sewer, municipal)	\$219,700
2	POAH Communities Setup / IT Costs	\$17,750
3	Utility Deposits	\$7,268
4	Letter of Credit Fee for Performance Guaranty	\$2,500
5	MaineHousing Application fees	\$7,500
<b>TOTAL NON-HTC ELIGIBLE COSTS</b>		<b>\$254,718</b>

Municipal Impact fees: \$20,500 traffic impact, \$144,000 sewer impact, \$55,200 municipal impact.  
 MaineHousing Fees: \$2,000 commitment fee, \$2,500 LIHTC application, \$2,000 site review, \$1,000 multifamily application



# MaineHousing

3iHome at The Downs

## Historic Tax Credits (HTC)

HTC Eligible ?

No

This is a drop down menu

Total Development Cost

Less:

Acquisition Costs	
Other	

Provide detail for Other Costs on previous tab

Historic Eligible Basis

Federal Historic Tax Credit

multiply by

20%

Total Federal HTC

\$0

Multiply by NET equity  
per \$1 of Credit

\$0.87

Equity Investment

\$0

State Historic Tax Credit

multiply by 25% or 35%

35%

Total State Historic Tax Credit

\$0

Multiply by NET equity  
per \$1 of Credit

\$0.88

Equity Investment

\$0

TOTAL HTC EQUITY

\$0

Eligible Basis before adjustments

LESS: portion of Federal grant  
used to finance qualifying  
development costs

Source:

LESS: amount of nonqualified

non-recourse debt

LESS: either nonqualifying units of  
higher quality OR nonqualifying  
excess cost of higher quality units

LESS: Historic Tax Credit

(Residential Portion only)

PLUS: portion of basis for  
homeless support services

Eligible Basis  
Acquisition

Eligible Basis  
Const/Rehab

\$0

\$20,231,135

Adjusted Eligible Basis

If improvements are eligible for 130%  
high cost or difficult development area  
adjustment, AND developer wishes to  
request such adjustment, insert value.

\$0

\$20,231,135

100%

130%

Total Eligible Basis

\$0

\$26,300,476

Multiply by applicable fraction

100%

100%

Qualified Basis

\$0

\$26,300,476

Multiply by est'd Tax Credit Percentage

9.00%

9.00%

Annual LIH Tax Credits

\$0

\$1,500,000

Total LIH Tax Credits - 10 years

\$0

\$14,999,998

Multiply by NET equity per \$1 of Credit

\$0.87

\$0.87

TOTAL LIHTC EQUITY

\$0

\$13,048,694

TOTAL EQUITY INVESTMENT

\$13,048,694

## For Tax-exempt Financing

DDA's and QCT's can be found  
at the following web link (left click):

<https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/fair-market-rents/fair-market-rents/qualified->

## Applicable Fraction

Total # Res Units	Total # L.I Units	Gross Res Unit Sq.Ft.	Gross L.I. Unit Sq.Ft.*
51	51	44,895	44,895

100%

100%

Total Prj. Sq. Ft.

66,870

\* If not 100% L.I., work w/ Architect  
determine Sq. Ft. in Market Units

Tax Credit Percentages can be found  
at the following web link (left click):

<https://www.novoco.com/resource-centers/affordable-housing-tax-credits/data-tools/fair-market-rents/fair-market-rents/tax-credit-percentages-2020>

## Reduction in Maximum LIHTC

Allocation resulting from  
excess sources and/or  
investor requirements

\$867,043

LIHTC Ltd. Partner Percentage

99.99%

## Sources of Funding

LENDER	AMOUNT	RATE	AMORT- IZATION TERM (YRS)	MONTHLY PAYMENT	SPECIAL TERMS/CONDITIONS (deferrals, balloons, adjustable rate, etc.)
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## CONSTRUCTION SOURCES OF FUNDS

## MaineHousing

0% Deferred Loan during construction:  50% of requested subsidy for 9% LIHTC Credits Any subsidy for Tax-exempt Applications during construction is at MaineHousing's discretion	0	0.00%	31	0	0% Deferred Payment Loan
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## Equity Available during Construction (Aggregate multiple contributions)

Syndicator's Name					
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## Grants Available during Construction

Grant*					
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## Other Permanent Loans Available during Construction, if any

City FEDHOME*			30	0	First Installment
AHP Capital Advance*			30	0	Deferred loan from GP - 100% during Construction
TIF Loan*			30	0	100% at PLC

## Conventional Construction Loan

			1		
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## General Partner Loan, if necessary

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TOTAL DURING CONSTRUCTION	0
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\* prefilled sources are for demonstration purposed only  
and can be replaced by actual funding sources

## SOURCES OF FUNDS AT PLC/STABILIZATION

Note: it is not necessary to repeat Permanent Source Advanced during Construction

## MaineHousing

0% Deferred Loan:  9% LIHTC applicants input 50% of the requested subsidy, remaining 50% is completed automatically Tax-exempt applicants input 100% of the subsidy	3,060,000	0.00%	30	0	Deferred Payment
Interest Bearing Loan	3,953,018	6.00%	30	19,765	Interest Only for 30 Years

## Conventional First Mortgage in lieu of MaineHousing (RD, HUD, FHLB) at PLC

AHP Subsidized Advance			30	0	
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## Other Loans at PLC

City FEDHOME*			30	0	Final Installment
AHP Capital Advance*			30	0	100% at CLC
TIF Loan*			30	0	100% at PLC
			40	0	
			30	0	

## Grants

Town of Scarborough	200,000				
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## Equity and Other Unsecured Debts

Gap (TBD Capital)	1,536,278				Payable from Surplus Cash
Deferred Developer Fee	357,000				Payable from Surplus Cash
LIHTC Investor TBD	13,048,794				osing, 30% at 50% completion, 25% at completion, 35% at

TOTAL AT PLC/STABILIZATION	22,155,090
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19,765
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POTENTIAL 50%  
PROBLEM, DISCUSS WITH  
MAINEHOUSING

Multiply by 12 months

X 12

TOTAL ANNUAL DEBT SERVICE
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237,181
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TOTAL PERMANENT SOURCES	22,155,090
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March 6, 2023

Thomas Hall  
Scarborough Town Manager  
259 U.S. Route 1  
Scarborough, ME 04070-0360

**Subject: 3iHome Scarborough Housing Alliance Application/ Affordability**

Dear Mr. Hall,

The purpose of this joint letter is to confirm the following:

- The \$200,000 in Scarborough Housing Alliance (SHA) funding requested in connection with the 51-unit 3i Housing of Maine (3iHome) project planned for the Scarborough Downs “town center” will be associated with seven (7) rental units which will be affordable to households at or below 50% of Area Median Income (AMI).
- The seven units to be supported by the SHA funding will not count toward M&R’s affordability requirements.

Please contact us with any questions. We look forward to continuing to work together and with the Town to bring this important development to fruition.

Sincerely,

Cory Fellows  
Vice President  
Preservation of Affordable Housing, Inc.

Dan Bacon  
Development Director  
M&R Holdings, Inc.

cc: Bryan Shumway, Scarborough Housing Alliance  
Paul Linet, 3i Housing of Maine

Scarborough Housing Alliance  
Meeting Minutes  
April 26, 2023, 6:00pm

Present via Zoom: Dick LaRou and Eric Boucher.

Present at Town Hall: Bill Donovan, Leroy Crockett, Micaela Sargent, and Bryan Shumway.

Excused: Bob Nadeau.

Guests: Jean-Marie Caterina, Town Council liaison (at Town Hall).

1. The meeting began at 6:07pm.
2. There were no prior meeting minutes to review.
3. The Alliance discussed the use of Affordable Housing Trust Funds for out-of-town initiatives as previously presented. This requires a change in the policy, specifically changing “within the Town” to “within Cumberland County” in paragraph B.5.a. of the policy. A motion was made by Leroy and seconded by Bill to recommend changing the text to “within Cumberland County.” All members voted in favor of the motion.
4. The developers of the 3i HOME project in The Downs have applied for \$200,000 of Affordable Housing Trust funds. The project will include 7 units of affordable housing that will not count toward the district’s required affordable units. With uncertainty as to the projects full financing structure and whether the use of Affordable Housing Trust funds was permitted within the ordinance, the Alliance made a motion to recommend to the Town Council to grant the project \$200,000 to be provided coincidental with the receipt of all other funding necessary to complete construction only if it was permissible in the ordinance. The motion was made by Bill and seconded by Micaela, with all members voting in favor.
5. The Alliance discussed some lessons learned from the resale of 33 Gristmill (an affordable for-sale unit) in The Downs noting some confusion around the selling and final sales price. The Alliance briefly discussed changing the term to “anticipated qualifying price” and the concepts of shared appreciation and calculating an implicit value of assets for potential buyers.
6. There were no public attendees.
7. The next meeting was not scheduled.

At 6:59pm, the Alliance adjourned its meeting with a motion by Bill, second by Leroy, and all in favor.

Respectfully submitted,

Eric Boucher  
Secretary

**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-136.** Move approval on the request to terminate the Purchase Option Agreement between the Town of Scarborough and Crossroads Holdings LLC dated September 7, 2023, pursuant to Sections 2 and 11 of the Agreement. *[Town Manager]*

*Town Manager*

*Ought to Pass*

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Sponsor

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Recommendation

*12/06/2023 – Vote:*

---

First Reading/Vote

*N/A*

---

Public Hearing

*N/A*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

**ACTION ITEM: Order No. 23-136.**

**SUBJECT:**

Act on the request to terminate the Purchase Option Agreement between the Town of Scarborough and Crossroads Holdings LLC dated September 7, 2023, pursuant to Sections 2 and 11 of the Agreement. *[Town Manager]*

**PURPOSE:**

To provide clear direction to the Town Manager to provide official written notice to the Seller of the Town's intent to cancel the Purchase Option Agreement with Crossroads' Holding, LLC

**BACKGROUND:**

At the regular public meeting of November 15, 2023, the Town Council defeated the majority of obligations under the Purchase Option Agreement, as an expression of the intent to terminate the Agreement.

For the purpose of providing a clear directive on the public record, specific action pursuant to the terms of the Agreement is recommended.

**FISCAL IMPACT:** N/A

**STATUS / PROCESS TO DATE:**

- November 15, 2023 – Defeat of various obligations under the Purchase Option Agreement - Resolution 23-005 and Order Nos. 23-104, 119, 120 and 122.

**PROPOSED ACTION:**

Recommend approval of Order No. 23-136 to make the intent of the Town Council clear.

**ATTACHMENTS:**

- Section 2 and Section 11 of the Purchase Option Agreement.

## **EXCERPTS OF PURCHASE OPTION AGREEMENT**

**2. TERM OF AGREEMENT.** This Agreement shall commence on the later date set forth below of the signatures of the Parties, and shall expire on March 29, 2024; provided, however, that if the Buyer is unable to secure the approval of the voters of the Town with respect to the Project at a referendum to be held on November 7, 2023, this Agreement shall be automatically extended to December 31, 2024, or closing on the Premises, whichever occurs sooner. Notwithstanding the foregoing, Buyer may terminate this Agreement at any time upon thirty (30) days prior written notice to Seller, whereupon this Agreement (and the Option) shall be of no further force and effect without recourse to the parties hereto, except for such obligations that by their express terms survive termination of this Agreement; provided, however, that in the event the Buyer terminates this Agreement pursuant to this Section 2, the Seller shall be released from all obligations under this Agreement and section 8.16 of the CEA. However, if the Buyer terminates due to Seller's failure to cure title issues under Paragraph 7.c, or Paragraph 14.c, or any other Seller Default, the Seller shall not be released of their obligation under Section 8.16 of the CEA. This Option Agreement does not extend the obligation under 8.15 of the CEA.

**11. CANCELLATION.** Notwithstanding anything contained herein to the contrary, Buyer shall have the right, at any time prior to the expiration of the Due Diligence Period to cancel this Agreement by written notice to Seller (the "Cancellation Notice"). The Option Fee shall be returned to Buyer, and this Agreement shall be of no further force and effect without recourse to the parties hereto, except for such obligations that by their express terms survive termination of their Agreement.



**AGENDA**  
**SCARBOROUGH TOWN COUNCIL**  
**WEDNESDAY – DECEMBER 06, 2023**  
**HYBRID REGULAR MEETING – 7:00 P.M.**

**Order No. 23-137.** Move approval on the Council Chair Appointments for 2024. [*Chairman McGee*]

*Chairman McGee*

*Ought to Pass*

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Sponsor

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Recommendation

*12/06/2023 – Vote:*

---

First Reading/Vote

*N/A*

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Public Hearing

*N/A*

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Second Reading/Final Approval/Vote

## Scarborough Town Council Meeting

Council Meeting Date: December 6, 2023

<b>ACTION ITEM: Order No. 23-137.</b>
<b>SUBJECT:</b> Act on the Council Chair Appointments for 2024. <i>[Chairman McGee]</i>
<b>PURPOSE:</b> To assign Council members to Standing Committee and liaisons to the various committees and boards.
<b>BACKGROUND:</b> These assignments are done on an annual basis, as soon as the new Chair has been elected.
<b>FISCAL IMPACT: N/A</b>
<b>STATUS / PROCESS TO DATE:</b> <ul style="list-style-type: none"><li>• Single action before Town Council: December 6, 2023.</li></ul>
<b>PROPOSED ACTION:</b> Recommend approval of Order No. 23-136.
<b>ATTACHMENTS:</b> <ul style="list-style-type: none"><li>• List of recommendations.</li></ul>

Committee Assignments

	Anderson	JMC	Cushing	Hamill	McGee	Shupe	Sither
Standing Committees	Finance (Chair)	Ordinance (Chair)	Fair Hearing (Chair)	Rules & Policies (Chair)		Appointments & Negotiations (Chair)	Communications (Chair)
	Communications	Appointments	Communications	Ordinance		Finance	Ordinance
	Rules & Policies	Fair Hearing	Finance	Fair Hearing		Rules & Policies	Appointments
Committees/Liaison	GPCOG	Firing Range	BOE	Shellfish	School Building Committee	Ad Hoc Comm Center	School Building Comm
	Library	Senior Advisory	Historic Preservation	Coastal Waters		Community Services	Sustainability
	Transportation	MMA	ZBA	Board of Assessment Review		Conservation Commission	Personnel Appeals
	SEDCO	Legislative Policy	EcoMaine	Sanitary District		Planning Board	ETA
	Chamber of Commerce	Long Range Planning	MMA	EcoMaine		Parks & Conservation	GPCOG
	Metro Coalition	ADA Advisory				Ad Hoc Open Space	
	PACTS	Housing Alliance					
	Long Range Planning	Ad Hoc Comm Center					

Assignments by Standing Committee			
	Finance	Communications	Rules & Policies
	Anderson (Chair)	Sither (Chair)	Hamill (Chair)
	Cushing	Cushing	Shupe
	Shupe	Anderson	Anderson
	Ordinance	Appointments & Negotiations	Fair Hearing Authority
	JMC (Chair)	Shupe (Chair)	Cushing (Chair)
	Hamill	JMC	JMC
	Sither	Sither	Hamill