



Town of Hampden

Planning and Development Committee

Wednesday September 20th, 2017, 6:00 pm

Municipal Building Council Chambers

Agenda

1. Approval of September 6th, 2017 Minutes
2. Committee Applications:
 - A. Brent Wells, application to appointment to Board of Appeals
3. Updates:
 - A. MRC/Fiberight
 - B. Staff Report
4. Old Business:
 - A. Update on the Business Park TIF; meeting with representatives from Sargent Corporation to discuss how best to market the Business Park for development
 - B. Update on Planning Department staffing
5. New Business:
 - A. Update on recent meeting regarding potential commercial development at northeast corner of Coldbrook Road and Route 202; discussion of potential to propose new TIF District to facilitate development
6. Zoning Considerations/Discussion:
 - A. Notice of upcoming Public Hearing by Marijuana Legalization Implementation Committee at State House regarding recreational marijuana policy – September 26th at 9 AM in the Appropriations and Financial Affairs Committee room (State House, Room 228, Augusta)
7. Citizens Initiatives
8. Public Comments
9. Committee Member Comments
10. Adjourn



Town of Hampden
Planning and Development Committee
 Wednesday September 6, 2017, 6:00 pm
 Municipal Building Council Chambers
Minutes - Draft

Attending:

Committee/Council

Ivan McPike-Chair
 Terry McAvoy
 David Ryder
 Dennis Marble
 Stephen Wilde
 Greg Sirois
 Mark Cormier

Staff

Angus Jennings, Town Manager
 Myles Block, Code Enforcement Officer

Chairman McPike called the meeting to order at 6 pm.

1. **Approval of August 16th, 2017 Minutes – Motion** to approve as submitted made by Councilor Marble with second by Councilor McAvoy; carried 6-0.
2. **Committee Applications:** None.
3. **Updates:**
 - A. **MRC/Fiberight** – Manager Jennings provided an update regarding the project timeline and there was discussion among the Committee members.
 - B. **Staff Report** – Manager Jennings summarized the materials in the meeting packet, including the update of ongoing/pending development activity.
4. **Old Business:** None
5. **New Business:**
 - A. **Update on the Business Park TIF** – The Committee did not have comments on the draft approval letter from DECD. Manager Jennings said that staff and consultant comments would be provided to DECD tomorrow and that final approval of the TIF District is expected soon. He recommended that, once the TIF District is final, Town representatives meet with Sargent and with Epstein Commercial Real Estate to ensure that all parties are familiar with the TIF District terms and how it will work in practice, and to ensure that we are coordinated in marketing the Business Park for development.
 - B. **Update on Planning Department staffing** – Manager Jennings summarized the work toward securing a contract planning resource while the Town Planner is unavailable.

6. **Zoning Considerations/Discussion:**
 - A. **Discussion on Zoning Districts**
 1. **District Boundaries**
 2. **Allowable Uses**

Manager Jennings led a discussion with the Committee regarding current boundaries and allowed/allowable uses in the three industrial zoning districts – Industrial Park, Industrial, and Industrial 2. A number of questions and inconsistencies were noted. Notes from the discussion will be provided to the Town Planner to inform continuing work to create a Table of Allowable Uses in favor of the current text-based standards.

7. **Citizens Initiatives:** *None.*
8. **Public Comments:** *None.*
9. **Committee Member Comments:** *None.*
10. **Adjournment:** *There was a **motion** and a **second** to adjourn at 7:35 pm. The motion carried unanimously.*

*Respectfully submitted –
Angus Jennings, Town Manager*



Check One: Initial Application
 Reappointment Application

TOWN OF HAMPDEN
APPLICATION FOR TOWN BOARDS AND COMMITTEES

NAME: Wells LAST Brent FIRST E MI

ADDRESS: 174 Old County Rd. STREET ME TOWN 04444 ZIP

MAILING ADDRESS (if different): _____

TELEPHONE: (207) 852-3191 HOME NA WORK

EMAIL: doshaw@gmail.com

OCCUPATION: currently on disability

BOARD OR COMMITTEE PREFERENCE:

FIRST CHOICE: Board of Appeals

SECOND CHOICE (OPTIONAL): Recreation Committee

How would your experience, education and/or occupation be a benefit to this board or committee? Because I am disabled, I am uniquely aware of access issues for disabled individuals that both the Board and the Committee are asked to respond to.

Are there any issues you feel this board or committee should address, or should continue to address? I am especially concerned about disability rights/access and would like to see both committees address this issue.

3 YEAR

BOARD OF ASSESSMENT REVIEW
PERSONNEL APPEALS BOARD
LURA HOIT MEMORIAL POOL
HARBOR COMMITTEE

DYER LIBRARY
RECREATION COMMITTEE
BOARD OF APPEALS
HISTORIC PRESERVATION COMMISSION

5 YEAR
PLANNING BOARD

FOR TOWN USE ONLY		Date Application Received: <u>SEP 05 2017</u>
COUNCIL COMMITTEE ACTION: <u>P & D</u>	DATE: <u>9/20/17</u>	
COUNCIL ACTION: _____	DATE: _____	
<input type="checkbox"/> NEW APPT	<input type="checkbox"/> REAPPOINTMENT	DATE APPOINTMENT EXPIRES: _____

**BI-WEEKLY CONFERENCE CALL
MRC & Fiberight Facility
September 5, 2017**

Attendees:

- | | |
|-------------------------------------|-----------------|
| ◆ Craig Stuart-Paul, Alan Iantosca | Fiberight |
| ◆ Greg Lounder | MRC |
| ◆ Victoria Eleftheriou, Lynn Muzzey | Maine DEP |
| ◆ Angus Jennings | Town of Hampden |
| ◆ Denis St. Peter, Kyle Sullivan | CES, Inc. |

Discussion Notes:

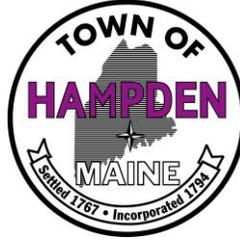
1. **Meeting Minutes** – No proposed changes to minutes of last conference call.
2. **Secondary Material Agreements** – Maine DEP asked about status of secondary material agreements (e.g., Huhtamaki) to take/use pulp. Fiberight mentioned that they were still working on them. Maine DEP suggested that the receiving facilities should talk to the Maine DEP if within the State of Maine, and for facilities out-of-state, they should talk to the regulatory agency within their state.
3. **Construction Schedule** – Fiberight and CES held a coordination meeting with the earthwork contractor (Sargent) and concrete contractor (Giles) to discuss schedules and resources. Sargent's preparation work was underway and Giles indicated that they would be prepared to start September 18th. DEP indicated that the Condition Compliance approval on the foundation plans was anticipated any day.
4. **Overall Project Schedule** – Fiberight mentioned the MRF was on-track. The 3D model was received last Friday for Fiberight review and if review and changes go quickly, the design will be provided to Maine DEP by mid-September. Fiberight mentioned on-going negotiation with a contractor to construct balance of the plant were going well, but were not able to publicly announce which contractor yet.
5. **Town of Hampden** – The Town indicated that things were going well from their perspective. All fees have been paid. The pavement subcontractor had issue with pavement, but is being resolved to the Town's satisfaction.
6. **Condition Compliance Application** – Maine DEP requested that CES send an email like the last time clarifying that the application for condition #5 ("final financial documents") was for both co-applicants Fiberight and MRC. MRC agreed.

Project List - Planning

Project Name	Location	What it is	Size ¹	PB Action/Date	Type
Fiberight	off Coldbrook	solid waste processing	153,800 sq ft	Approved	Site Plan
Hannibal Hamlin Place	Main Road N	expansion	2,800 sq ft	Approved	Site Plan
Pine Tree Food Equipment	Nadine's Way	new building/business	3,600 sq ft	Approved	Site Plan
Dennis Paper	Mecaw Rd	expansion	27,237 sq ft	Approved	Site Plan
Colonial Heights	off Constitution	phase 3 of subdivision (final plan)	11 new lots	Approved	Subdivision
Carver	Ballfield Rd	conversion of single family to two family	1 new unit	Approved	Conditional Use
Sky Villa	646 Main Road N	conversion of interior to 10 short term rehab beds	3,172 sq ft	Approved	Conditional Use
Brickle	326 Main Road N	conversion of single family to two family	1 new unit	Approved	Conditional Use
Southeast Development Co	Route 202/Coldbrook Rd	zoning map amendment; Resid A to Comm. Service	16 acres	Withdrawn	Zoning Map Amendmemt
Hamlin's Marina	Marina Road	new boat storage building	10,000 sq ft	Approved	Site Plan
Fiberight	348 Coldbrook Road	Site Plan Revision	153,800 sq ft	Approved	Site Plan
Springer Estates	Deer Hill Lane	Addition of land to existing lot within subdivision	1 Lot	10/11/2017	Minor Revision
H.O. Bouchard	Coldbrook Road	Expanded office building	1,232 sq ft	Pending	Site Plan (anticipated; not yet filed)
Hannaford	Western Ave.	Addition of ~250 SF external CLYNK bldg as accessory structure.	~250 sq ft	Pending	Site Plan (anticipated; not yet filed)

¹ Size refers to square footage of building (new or addition), number of new building lots, number of new units, or acreage.

Town of Hampden
 106 Western Avenue
 Hampden, Maine 04444



Phone: (207) 862-3034
Fax: (207) 862-5067
Email:
 townmanager@hampdenmaine.gov

TO: Planning & Development Committee
FROM: Angus Jennings, Town Manager
DATE: September 18, 2017
RE: Meeting regarding Business Park TIF and marketing

As you know we received the draft approval documents for the Business Park TIF District and Credit Enhancement Agreement from Maine DECD on Aug. 31. Staff and consultant responses were provided, and we expect to receive final DECD very soon.

In anticipation of final approval, I have invited representatives from Sargent Corp., along with David Hughes of Epstein Commercial Real Estate (who is under contract to market the Business Park properties) to meet this Wednesday. We will meet at 5:15 PM, prior to the P&D meeting, and have also included this discussion at the beginning of the P&D agenda.

Key questions for discussion include:

- Discussion of current market conditions for Business Park allowable uses, and prospects for site development.
- Once the TIF District is formally approved, should Epstein be directed to market the Town parcels (which are eligible for CEAs that would return funds to the developer) in a different way than the Developer parcels (for which the CEA returns funds to Sargent)? What is the level of support on the P&D Committee to consider potential CEA agreements (other than the CEA already executed with Sargent Corp.)?
- Review of anticipated steps/sequence/timeline once a developer does move forward on one (or more) Business Park parcels and either seeks directly (on Town parcels), or Sargent seeks (for Developer parcels), to execute a Credit Enhancement Agreement.
- Potential process/timeline to review and revise Business Park Covenants, Conditions and Restrictions. The most recent version, as amended by the Town Council at a Nov. 17, 2014 public hearing, is enclosed. "Revise Business Park design covenants" appears in the P&D Committee's prioritization matrix as "Important / Future." Since all parties will be assembled, I'd like to discuss how problematic current aspects of the document may be for prospective developers, and where this may fit in to our work plan for the remainder of FY18.



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



PAUL R. LEPAGE
GOVERNOR

GEORGE C. GERVAIS
COMMISSIONER

August 24, 2017

Angus Jennings
Town Manager
TOWN OF HAMPDEN
106 Western Avenue
Hampden, Maine 04444

RE: Hampden Business Park Omnibus Municipal Tax Increment Financing (TIF) District and Development Program (Program)

A P P R O V E D

Dear Angus,

The Maine Department of Economic and Community Development (DECD) reviewed and EFFECTIVE TODAY APPROVED the above referenced Municipal TIF District and Program. Based on the application, DECD notes/approves:

- a. District term of 30 years starting July 1, 2017 and ending June 30, 2047;
- b. District taxable Original Assessed Value of \$6,957,600 as of March 31, 2016 (April 1, 2015)—acreage 130.34;
- c. Real property Increased Assessed Value (IAV) capture of up to 100%;
- d. District revenues deposited/held in DEDICATED accounts and applied ONLY toward approved activities/projects,
 - i) Project Cost account[s] to reimburse Sargent Corporation for costs authorized by 30-A M.R.S.A. § 5225(1)(A) and DECD rules as amended from time to time AND/OR fund public activities/projects,
 - ii) Sinking Fund Account to retire associated public debt, if any;
- e. Sargent Corporation reimbursement limited to 50% of incremental taxes from NEW actual value of site improvements and building investment on each lot within the Developer Tract, beginning in a tax year of which a “triggering event (see Program, page 11-12 for definition)” has occurred for ten years or until Developer’s twenty-year period for tax reimbursements has expired;
- f. Company/Developer payments within sole Town Council discretion are limited to incremental taxes from NEW actual value of each lot within the Town Tract and may include up to 100% reimbursement during District term;
- g. AFTER EXECUTION, TOWN MUST FORWARD COPY of any associated credit enhancement agreement and its amendment(s) or assignment(s) to DECD—enclosing completed matching **Application Cover Sheet** with detailed private project description and (if Company and not Developer) **Employment Goals Form**;
- h. Any non-captured incremental property values resulting in General Fund revenue/deposits MUST be included/reported with Town equalized assessed value;
- i. Any future amendment MUST comply with 30-A M.R.S.A. §§ 5221-5235 and DECD rules;
- j. When District expires, or is terminated, HAMPDEN MUST NOTIFY DECD IN WRITING.



PAUL R. LEPAGE
GOVERNOR



GEORGE C. GERVAIS
COMMISSIONER

As further described in the Program, Town revenue allocation projected at \$227,500 may facilitate funding for an estimated \$11,400,000 in public costs and associated debt, if any, as further described in the Development Program. This funding MUST comply with already established Town appropriation process—with activities/projects due completion BEFORE/BY June 30, 2047. Approved public activities/projects costs are as follows:

WITHIN DISTRICT

- k. Capital costs of land acquisition or construction, improvements, public ways, infrastructure, buildings, structures, fixtures and equipment for public or commercial development district use, demolition/alteration of existing buildings and structures, site preparation and finishing work, associated fees/expenses \$360,000; Ψ ×
- l. Financing costs \$120,000;
- m. Professional service costs \$120,000;
- n. Administration including prorated municipal salaries \$600,000;
- o. Organization costs including impact studies \$120,000;

OUTSIDE DISTRICT

- p. Infrastructure improvements \$3,120,000; Ψ ◊
- q. Public safety such as installation of turning lanes/signalization and fire protection equipment \$960,000; ◊ ‡

WITHIN MUNICIPALITY

- r. Economic development programs/events \$1,800,000; # *
- s. Economic development program support \$960,000; # *
- t. Environmental improvement projects costs \$240,000; ◊ #
- u. Permanent revolving loan funds, investment funds and grants programs per § 5225(1)(C)(3) for costs authorized by 30-A M.R.S.A. § 5225 and DECD rules as amended from time to time \$1,200,000; #
- v. Costs of services and equipment to provide skills development and training \$960,000; Ψ #
- w. Costs relating to planning, design, construction, maintenance, grooming and improvements to new or existing recreational trails \$360,000; ◊ # *
- x. New or expanded transit service costs \$240,000; Ψ
- y. Grant matching related to 30-A M.R.S.A. §§ 5221-5235 economic development activities \$240,000. #

DECD notes while the Program may list multiple statutory citations with public project costs, in the application not all citations apply to all activities/projects described within each cost description. Hampden is obligated to verify proper authorization for each project cost to be undertaken. DECD also advises Town to plan for debt retirement to coincide with District term end of June 30, 2047.

MAINE IS OPEN FOR BUSINESS. Please contact Development Program Officer Tina Mullins with questions about this certification. With this approval, the Department extends best wishes for the success of your District.

Sincerely,

George C. Gervais
Commissioner



PAUL R. LEPAGE
GOVERNOR



GEORGE C. GERVAIS
COMMISSIONER

cc: Senator Andre E. Cushing III (SD-10)—128th Legislature
Representative David G. Haggan (HD-101)—128th Legislature
David Ledew, MRS Director Property Tax Division
Jaimie Logan, Governor's Account Executive
Noreen Norton, Rudman Winchell

◇ To the extent a project is outside the District, Hampden must prorate/allocate costs not directly related to or made necessary by establishment/operation of this District to other funding sources.

* Projects are common to development program of Dennis Paper & Foodservice.

Projects are common to development programs of Coldbrook Road & Emera Maine Hampden.

EXCLUDING FOLLOWING COSTS/FUNDING:

Φ Public park(s)

‡ Law enforcement (police)

Ψ Private residential distribution line(s)

× § 5225(1)(A)(1)(a)(i), (8) and (C)(7)(b) Transit-Oriented Development projects

MTIF: Application Synopsis for Commissioner Consideration

■ DISTRICT DATA:

MUNICIPALITY	Hampden		COUNTY	Penobscot		TERM	30
DISTRICT NAME	Hampden Business Park Omnibus						
ORIGINAL DISTRICT (OD): Y/N	Y	AMENDED: Y/N	N		#AMD		
DOWNTOWN EXEMPT: Y/N	N	PAPER MILL EXEMPT: Y/N	N		REAL CAPTURE%	100	
APPLICATION BASIS	<p>To finance infrastructure improvements within the Hampden Business Park and to finance various municipal economic development projects.</p> <p>District start July 1, 2017, ending June 30, 2047.</p> <p>District designated Feb 6, 2017.</p>						

Increased Assessed Value (IAV); Real/Personal Property (RE/PP)

■ COMPANY OR DEVELOPER DATA

ENTITY ADDRESS	Sargent Corporation 378 Bennoch Road, Stillwater, ME 04489					
PROJECT	Construction of infrastructure improvements to the Hampden Business Park which will make 20 lots over +/- 53 acres of new developable land available for investment.					
NEW INVSTMNT \$	3.5 million	FT JOBS NEW	n/app	-	-	-
NEW PAYROLL \$	n/app	AVG WAGE/YR	n/app	-	-	-
#NEW JOBS	n/app	FT JOBS RETAINED	n/app	-	-	-
AVGE WAGE \$	n/app	AVG WAGE/YR	n/app	-	-	-

Company (CO); Developer (DEV)

■ STATUTORY REQUIREMENTS

WITHIN ACREAGE CAP?	130.34	Y	MUNICIPAL BONDS ISSUED? Y/N/MAY	M
ON SUITABLE PROPERTY?		Y	TAX SHIFTS CALCULATED?	Y
OAV CERTIFIED?	\$6,957,600	Y	PUBLIC NOTICE AND HEARING?	Y
WITHIN VALUE CAP?		Y	PASSED BY MAJORITY VOTE? +/-	Y- (CHECKED TOWN WEBSITE)

■ PLANNED REVENUE DISTRIBUTION

TO GENERAL FUND (NON-TIF)?		
TO EDUCATION AND SERVICES FUND (NON-TIF)?	\$0	
FOR MUNICIPAL DEBT?	TBD	IF AMD, ANY BONDS TO DATE? n/app
FOR CREDIT ENHANCEMENT AGREEMENT?	Yes	

MTIF: Application Synopsis for Commissioner Consideration

REIMBURSEMENT SCHEDULE	<p>Sargeant Corporation- 50% generated from the IAV resulting from site improvements & building investment on each lot within the Developer Tract beginning in tax year of a "triggering event," on that lot & lasting for a period of up to ten years. The trigger event for each lot of the Developer Tract means the first Tax Year when the IAV resulting from site improvements and building development on that lot first equals at least \$500,000 for ten years or until Developer's 20-year period for reimbursements has expired.</p> <p>Omnibus feature: sole discretion of Town Council, up to the balance of District term with up to 100% reimbursement of TIF revenues to develop/company making investments within Town Tract of TIF district within Hampden Business Park.</p>	
FOR BONA-FIDE ECONOMIC DEVELOPMENT?	\$227,500	
PUBLIC PROJECTS/COSTS	<p>[\$] 11,400,000 (T1) Capital costs of land acquisition or construction, improvements, public ways, infrastructure, buildings, structures, fixtures and equipment for public or commercial development district use, demolition/alteration of existing buildings and structures, site preparation and finishing work, associated fees/expenses \$360,000; Ψ × Financing costs \$120,000; Professional service costs \$120,000; Administration including prorated municipal salaries \$600,000; Organization costs including impact studies \$120,000; (T2) Infrastructure improvements \$3,120,000; Ψ ◊ Public safety such as installation of turning lanes/signalization and fire protection equipment \$960,000; ◊ (T3) Economic development programs/events \$1,800,000; # * Economic development program support \$960,000; # * Environmental improvement projects costs \$240,000; Φ # Permanent revolving loan funds, investment funds and grants programs per § 5225(1)(C)(3) for costs authorized by 30-A M.R.S.A. § 5225 and DECD rules as amended from time to time \$1,200,000; # Costs of services and equipment to provide skills development and training \$960,000; Ψ # Costs relating to planning, design, construction, maintenance, grooming and improvements to new or existing recreational trails \$360,000; Φ # * New or expanded transit service costs \$240,000; Ψ Grant matching related to 30-A M.R.S.A. §§ 5221-5235 economic development activities \$240,000. #</p> <p><u>EXCLUDING ANY COSTS/FUNDING FOR:</u> Φ Public park(s) † Law enforcement (police) Ψ Private residential distribution line(s) × § 5225(1)(A)(1)(a)(i) and (A)(8) and (C)(7)(b) Transit-Oriented Development costs</p> <p>Projects unique to this District/Program? [] YES [x] NO: projects marked * are common to development program of Dennis Paper & Foodservice & # Projects common to development program of Coldbrook Road & Emera Maine districts.</p>	

Over TIF Term (OTT); §5225(1)(A-C) = Tier (T) 1-3

■ STAFF RECOMMENDATION

DEVELOPMENT PROGRAM OFFICER (DPO) REVIEWED APPLICATION AND OFFERS THIS OPINION:			
PDO RECOMMENDS COMMISSIONER APPROVAL? Y/N/OTHER		INITIALS	/ /
APPLICATION RECEIPT DATE	2/15/17	CHECK AFTER DATA ENTRY <input type="checkbox"/>	

Form revised 10/21/15.

RUDMAN • WINCHELL

COUNSELORS AT LAW

February 8, 2017

Laura (Smitty) Santini-Smith
Director, Tax Incentives Programs
Maine Department of Economic & Community Development
Burton M. Cross Building (Statehouse Station 59)
111 Sewall Street
Augusta ME 04333-0059

Dear sMitty,

Please find enclosed the original and one copy of an application for a municipal development and tax increment financing (TIF) district titled, the "**Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District**". We are seeking approval of this District prior to June 30, 2017 concurrent with the Town's fiscal year. It is proposed as a thirty (30) year district.

As permitted pursuant to Title 30-A M.R.S.A. § 5224.2.H, the Town has elected to start the designation of the TIF District and Development Program on July 1, 2017, the fiscal year following approval by the Commissioner of the Maine Department of Economic and Community Development.

Included as an Exhibit to the TIF District application is the "**Hampden Business Park Omnibus TIF Credit Enhancement Agreement**" with Sargent Corporation. This CEA would take effect on July 1, 2018 with a term of twenty (20) years.

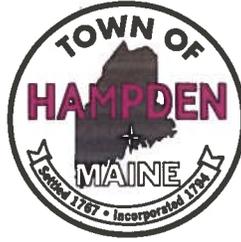
Thank you for your timely attention to this application. Please advise me if you require anything further to complete your review and to secure the Commissioner's approval. As always, I can be reached at 207.441.0609 or nnorton@rudmanwinchell.com.

Sincerely,



Noreen G. Norton

Town of Hampden
106 Western Avenue
Hampden, Maine 04444



Phone: (207) 862-3034
Fax: (207) 862-5067
Email:
townmanager@hampdenmaine.gov

February 7, 2017

Commissioner George Gervais
Maine Department of Economic & Community Development
Burton M. Cross Office Building
59 State House Station
Augusta, ME 04333-0059

**Re: Application for Approval of the Hampden Business Park Omnibus
Municipal Development and Tax Increment Financing District**

Dear Commissioner Gervais:

In accordance with Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, I am pleased to submit the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing ("TIF") District Development Program. A Council Resolution designating the District and Development Program was adopted by the Town Council on February 6, 2016. Record of municipal approval is included within the attached Development Program.

The Town is seeking Maine Department of Economic and Community Development approval prior to March 31, 2017 in order to secure the original assessed value as of March 31, 2016 (April 1, 2015). The proposed District is approved for a thirty (30) year term with a twenty (20) year credit enhancement period.

As allowed in §5224.2.H, upon approval by the Commissioner of the Maine Department of Economic and Community Development, the designation of this District and Development Program is to become effective the "subsequent" tax year, which begins July 1, 2017.

This letter further attests that all information contained in this TIF application is true and correct to the best of my knowledge. The Town of Hampden appreciates DECD's consideration of this application, and looks forward to approval once your review has been completed. This application was prepared with the assistance of Economic

Development Consultant Noreen Norton and she is prepared to answer any of your questions regarding this submittal (207) 441-0609. If I can be of further assistance, please don't hesitate to call my office at (207) 862-3034.

Sincerely,

A handwritten signature in black ink, appearing to read "Angus Jennings". The signature is fluid and cursive, with a large initial "A" and a long, sweeping tail.

Angus Jennings
Town Manager
Hampden, Maine

cc: Laura Santini-Smith, Tax Incentives Director, DECD
Noreen Norton

APPLICATION COVER SHEET

MUNICIPAL TAX INCREMENT FINANCING
--

A. General Information

1. Municipality Name: Hampden, Maine		
2. Address: 106 Western Ave, Hampden, ME 04444		
3. Telephone: 207-862-3034	4. Fax: 207-862-5067	5. Email: townmanager@hampdenmaine.gov
6. Municipal Contact Person: Angus Jennings, Town Manager		
7. Business Name: Sargent Corporation		
8. Address: 378 Bennoch Road, P.O. Box 435, Stillwater, ME 04489		
9. Telephone: 207-827-4435	10. Fax: 207-827-6150	11. Email: claite@sargent-corp.com bhartley@sargent-corp.com
12. Business Contact Person: 1 st . Chip Laite 2 nd Brent K Hartley		
13. Principal Place of Business: 378 Bennoch Road, Stillwater, Maine 04489		
14. Company Structure (e.g. corporation, sub-chapter S, etc.): Sub-chapter S		
15. Place of Incorporation: Maine		
16. Names of Officers: Pres. Herbert R. Sargent, VP Timothy M. Folster, VP/CFO Brent K. Hartley.		
17. Principal Owner(s) Name: SC Holdings		
18. Address: 378 Bennoch Road, Stillwater, Maine 04489		

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 checked="" type="checkbox"/> debt reduction	<input checked="" type="checkbox"/> other (list): infrastructure development	

**ECONOMIC DEVELOPMENT
HAMPDEN, MAINE**

An Application for a Municipal Development and Tax Increment Financing District

**HAMPDEN BUSINESS PARK OMNIBUS
MUNICIPAL DEVELOPMENT AND
TAX INCREMENT FINANCING DISTRICT**

Presented to:

TOWN OF HAMPDEN

DATED: February 6, 2017

TABLE OF CONTENTS

	<u>Page</u>
I. INTRODUCTION	1
A. Introduction to the Hampden Business Park Project	1
B. Tax Increment Financing – Hampden Business Park Project.....	1
C. Tax Increment Financing – Hampden Economic Development Program	3
II. DEVELOPMENT PROGRAM NARRATIVE.....	7
A. The Development District.....	7
1. Physical Description.....	7
2. Statutory Requirements and Thresholds	7
3. Duration.....	7
4. Original Assessed Value	8
B. The Projects	8
C. The Development Program	8
D. Operational Components	10
1. Public Facilities	10
2. Commercial Improvements.....	10
3. Relocation of Displaced Persons	11
3. Transportation Improvements	10
4. Environmental Controls	10
5. Plan of Operations.....	10
III. FINANCIAL PLAN.....	11
A. Increased Assessed Values & Credit Enhancement Agreements	11
B. Sources of Revenues.....	12
C. Public Indebtedness	13
D. Original Assessed Value.....	13
IV. STATUTORY REQUIREMENTS AND THRESHOLDS	13
V. TAX SHIFTS.....	13
VI. MUNICIPAL APPROVALS	13
A. Notice of Public Hearing	13
B. Minutes of Public Hearing Held by Town Council	13
C. Authorizing Votes.....	14

EXHIBITS:

- A-1 TIF District Map Showing District in Relation to Municipal Boundaries**
- A-2 Map Showing TIF District Boundary**
- B Statutory Requirements & Thresholds**
- C Assessor's Certification of Original Assessed Value**
- D-1 TIF Revenue/Captured Assessed Values Projections**
- D-2 Tax Shift Calculations**
- E Public Hearing Notice**
- F Public Hearing Minutes**
- G Town Council Resolution**

APPENDIX

- 1 Development Agreement**

I. Introduction

A. The Hampden Business Park Project

In 1999 the Town of Hampden voters approved several measures to create the “Hampden Business & Commerce Park”, a 132 acre, 37 lot business park off Route 202 and with immediate access to I-395 and I-95. A portion of the infrastructure was completed in 2002 and in 2003 the first building was erected. Seven additional sites have been built on since 2003.

In 2013, infrastructure to the interior portions of the Park remained incomplete. The estimated costs to complete roads, bridges, water, sewer and other utility services to the subdivision was over \$3 million. Without completion of the infrastructure improvements, many of the unsold lots could not be legally sold or developed. In response to a Request for Proposal issued by the Town, Sargent Corporation, a major earthwork construction and site preparation contractor submitted a proposal to Hampden to complete the infrastructure development in the Park in exchange for conveyance of the remaining unsold lots by the Town to Sargent Corporation.

In 2014 the Town of Hampden (“the Town”) entered into a Development Agreement with Sargent Corporation (“the Developer”) to advance infrastructure improvements within the Hampden Business Park. Through this partnership, Sargent would install roads and infrastructure within the Business Park making the land available for development.

The Developer initiated work on the infrastructure improvements within the Hampden Business Park project (“the Project”) in 2014 and the first phase of those infrastructure improvements is now nearing completion, which means that individual lots will soon be available for development.

B. Tax Increment Financing – Hampden Business Park Project

To ensure the success of the Project, the Development Agreement between the Town and the Developer included allowance for the creation of a Municipal Tax Increment Financing (“TIF”) district. The establishment of a TIF district, together with the execution of a credit enhancement agreement between the Town and the Developer, will help ensure the economic viability of the Project, ensure that benefit of this economic development will accrue specifically to the area in which the Project will be located and will help ensure that the Project will bring investment and jobs to the Town.

The Town seeks to support the Project as it will facilitate the timely development of individual parcels within the Business Park which will help to maintain a healthy tax base and attract and retain quality jobs and development in the community. The Town also seeks to invest in public infrastructure and undertake other economic development activities to retain and attract jobs and commercial investment throughout the Town. In order to fulfill these

goals, the Hampden Business Park property on Route 202 (Map 10-B, Lots 001, 002, and 004-038) including roads contained therein, have been proposed as the **“Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District”** (the **“District”**). Through the creation of the District, together with a credit enhancement agreement (the **“Credit Enhancement Agreement”**) between the Town and the Developer, a portion of the projected tax revenue generated from the real property taxes paid on the captured assessed value of the improvements made within the Developer Tract (as described herein) of the TIF District will be allocated to and used by the Developer to fund the Project and to pay current and future debt service associated with the improvements. These proposed investments are described more fully herein.

Additional credit enhancement agreements may be approved within the Town Tract of the business park through an Omnibus feature of the District described herein.

C. Tax Increment Financing – Hampden Economic Development Program

The Town intends to use its portion of tax revenue generated from the taxes on real property paid on the captured assessed value of the improvements made within the District (the **“TIF Revenues”**) to finance some or all of the costs of public improvement projects and future economic development programs and initiatives which collectively will improve the Town’s economy and increase the Town’s ability to stand out in a competitive marketplace as a dynamic place in which to grow a business. Anticipated Town Projects are described in **Table 1** below, such costs being authorized as project costs as defined under 30-A M.R.S.A. § 5225 and § 5230.

**TABLE 1
Town of Hampden TIF District Project Costs**

Project Description	Cost Estimate	Statutory Cite
Investments Within the District		
1. <u>Capital Costs including but not limited to:</u> <ul style="list-style-type: none"> • The acquisition or construction of land, improvements, public ways, infrastructure, buildings, structures, fixtures and equipment for public or commercial development district use. • The demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures and fixtures; • Site preparation and finishing work; • Fees and expenses including but not limited to 	\$360,000	30-A M.R.S.A. § 5225(1)(A)(1)(a),(b), (c), and (d)

Project Description	Cost Estimate	Statutory Cite
licensing, permitting expenses, project design and planning, engineering, architectural, legal and accounting expenses.		
2. <u>Financing Costs</u> : TIF Revenues may be used to finance any of the other projects listed herein. Such costs may include, but are not limited to, closing costs, issuance costs and interest paid to holders of evidences of indebtedness issued to pay for project costs and any premium paid over the principal amount of that indebtedness because of the redemption of the obligations before maturity.	\$120,000	30-A M.R.S.A. § 5225(1)(A)(2)
3. <u>Professional service costs</u> : including but not limited to, licensing, architectural, planning, engineering, consultant and legal expenses.	\$120,000	30-A M.R.S.A. § 5225(1)(A)(4)
4. <u>Administrative Costs</u> : A dedication of reasonable reimbursement from District revenues to defray administrative costs in connection with the implementation of the development program, including pro-rated municipal staff salaries.	\$600,000	30-A M.R.S.A. § 5225(1)(A)(5)
5. <u>Organizational Costs</u> : relating to the establishment of the district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs informing the public about the creation of the District and implementation of the project plans.	\$120,000	30-A M.R.S.A. § 5225(1)(A)(7)
Investments Made Necessary by District		
6. <u>Infrastructure Costs</u> : Improvements directly related to and made necessary by the Town Tract of the District including, but not limited to areas affected by the increased impervious surface area caused by the Project: watershed management, catch basin and culvert repair along Sucker Brook and/or its tributaries.	\$3,120,000	30-A M.R.S.A. § 5225(1)(B)(1)

Project Description	Cost Estimate	Statutory Cite
<p>7. <u>Public Safety</u>: As development occurs within the District significant increases in traffic are anticipated that will require measures to address safety concerns outside the District boundaries. TIF Revenues will be used to address those concerns through measures such as, but not limited to, installation of turning lanes, signalization, or other traffic control; or fire protection equipment & maintenance if development requires equipment not currently owned by the municipality.</p>	<p>\$960,000</p>	<p>30-A M.R.S.A. § 5225(1)(B)(2)</p>
<p>8. # <u>Portage to Downtown Projects</u>: Mitigation of Downtown Impacts: development of a Downtown Redevelopment Plan which is anticipated to lead to designation of a Downtown TIF District with 100% of revenues from captured assessed value reinvested in the Downtown according to its development program.</p> <p>While the Project is within the Town’s designated growth area and is zoned to encourage exactly the type of redevelopment proposed, the Town also recognizes that certain types of development that were traditionally downtown-based can dilute demand for downtown space and the long-term health of downtown when located elsewhere. The development which may occur within the Hampden Business Park represent such uses. When, <u>and only if</u>, the Downtown District is created, the Town will seek to mitigate some of the impacts of lost development by reinvesting some of the TIF revenues from this District into the Downtown District.</p>	<p>\$600,000</p>	<p>30-A M.R.S.A. § 5225(1)(B)(3)</p>

Project Description	Cost Estimate	Statutory Cite
Investments Related to Economic Development		
<p>9. <u>* / # Costs of funding economic development programs and/or events</u>: funding the development by the municipality of economic development programs and/or events marketing of the municipality as a business location and planning for economic development within the Town of Hampden, including but not limited to, Economic Development Strategic Planning, Feasibility Studies for a Downtown Development District, Downtown Redevelopment Plan, Transportation Planning, Broadband Feasibility Study, Utilities expansion feasibility etc.</p> <p>Pro-rated costs of staff salary or consultant fees to oversee the TIF program and to promote economic development within the Town.</p>	\$1,800,000	30-A MRSA §5225 (1)(C)(1)
<p>10. <u>* / # Economic Development Program Support</u> Pro-rated share of dues to organizations that provide economic development support to the Town, such as the Eastern Maine Development Corporation. Such funding may include additional economic development services and contracts.</p>	\$960,000	30-A MRSA §5225 (1)(C)(1)
<p>11. <u># Costs of funding environmental improvement projects</u> related to commercial activities in Hampden. Such projects could include impact studies and watershed management in areas that affect, or are affected by commercial development in Hampden.</p>	\$240,000	30-A MRSA §5225 (1)(C)(2)
<p>12. <u># Costs of funding to establish permanent economic development revolving loan funds, investment funds and grants.</u></p>	\$1,200,000	30-A MRSA §5225 (1)(C)(3)

Project Description	Cost Estimate	Statutory Cite
<p>13. # <u>Costs of services and equipment to provide skills development and training</u>, including scholarships to in-state educational institutions or to online learning entities when in-state options are not available, for jobs created or retained within Hampden.</p> <p>Expand Broadband Access to Hampden commercial and industrial areas to improve access to training and educational opportunities.</p>	\$960,000	30-A MRSA §5225 (1)(C)(4)
<p>14. */# <u>Costs relating to planning, design, construction, maintenance, grooming and improvements to new or existing recreational trails</u> determined by the department to have significant potential to promote economic development, including bridges that are part of the trail corridor, used all or in part for all-terrain vehicles, snowmobiles, hiking, bicycling, cross-country skiing or other related multiple uses. Trail systems are prevalent and active in Hampden, drawing visitors from surrounding communities. Hampden’s numerous recreational areas, with facilities and trails, serve as a destination for family picnicking and recreation. Opportunities are being continually explored to expand and enhance this asset.</p>	\$360,000	30-A M.R.S.A. § 5225(1)(C)(6)
<p>15. <u>Costs associated with a new or expanded transit service</u>, limited to transit service capital costs, including but not limited to: transit vehicles such as buses, ferries, vans, rail conveyances and related equipment; bus shelters and other transit-related structures; and benches, signs and other transit-related infrastructure.</p>	\$240,000	30-A M.R.S.A. § 5225(1)(C)(7)(a)
<p>16. # <u>TIF revenues to be used as match for applicable State and Federal Economic Development Grant Programs</u> To be used for purposes identified as authorized project costs in 30-A M.R.S.A. § 5225.</p>	\$240,000	30-A M.R.S.A. § 5230
Total Municipal Investment Plan Costs:	\$12,000,000	

***/#** Projects identified with an asterisk (*) share funding with Dennis Paper & Foodservice TIF and with a hashtag (#) share funding with Coldbrook Road & Emera Maine Hampden TIF; both currently active TIF Districts in the Town of Hampden.

II. Development Program Narrative

A. The Development District

The District consists of real property and facilities within the identified boundaries and will exist for a total of thirty (30) years. The Development Program described herein will serve the purpose of administering the District as a Municipal Development and Tax Increment Financing District pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the “Development Program”). Subsequent to the Town Council vote designating the District and adopting the Development Program, the designation of the District and adoption of this Development Program will become effective on July 1, 2017, the July following approval by the Commissioner of the Maine Department of Economic and Community Development (“DECD”) and end on June 30, 2047. The District is more fully described below in this Development Program and is depicted on the maps attached as Exhibit A. The Town plans to capture one-hundred percent (100%) of the increased assessed value of taxable real property located within the District. The Town will use the property taxes paid on such captured real property value to fund a CEA with the Developer of the Project, any subsequent CEAs with Developers of property within the District boundaries and to fund municipal projects described in detail in Table 1 herein.

1. Physical Description

The District will encompass a total of 130 +/- acres of property with a Developer Tract and a Town Tract.

Developer Tract: The Developer Tract is a 53+/- acre collection of twenty parcels within the Hampden Business Park found on Town tax maps 10-B.

Town Tract: The Town Tract is a collection of parcels within the Hampden Business Park found on Town tax maps 10-B (77.3 acres). Maps of the proposed District are presented in Exhibit A-1, a Locational Map and A-2, which provides detail of individual sections of the District. Note that Lot 10-B-003 is explicitly excluded because at the time of this application that lot is designated as a separate TIF District.

2. Statutory Requirements and Thresholds

The Statutory Requirements and Thresholds form addressing the acreage and valuation conditions for approval mandated by 30-A M.R.S.A. § 5223(3) is set forth in Exhibit B.

3. Duration of the Program

The District will be designated for a total of thirty (30) years, becoming effective on July 1, 2017, the July following approval by the Commissioner of the Maine Department of Economic and Community Development (“DECD”) and ending on June 30, 2047.

4. Certification of Original Assessed Value

The Original Assessed Value (“OAV”) of the District was six million, nine hundred fifty-seven thousand, six hundred dollars (\$6,957,600) as of March 31, 2016, (April 1, 2015). The Assessor’s Certificate of Original Assessed Value is included as Exhibit C.

B. The Project

The Project, as described herein, consists of the construction of infrastructure improvements to the Project. The District is designed to finance infrastructure improvements put into place within the Hampden Business Park which will make 20 lots over 53+/- acres of new developable land available for investment. The Project is to be completed in two phases. The Developer has the option of completing either phase first.

The Town intends to use tax increment financing to support the Project by allocating certain tax revenues generated by future new development within the District to the Project. Under the Development Program, the Town will make a portion of the incremental tax revenues from real property investments within the Developer Tract of the District available to the Developer pursuant to a Credit Enhancement Agreement, which Agreement will be consistent with the allocation of incremental tax revenue as detailed below in the Financial Plan section of this document and reflected in Exhibit D-1 attached. These revenues will be used by the Developer to pay costs of the Project directly or to pay debt service on funds borrowed privately by the Developer to finance the cost of the Project. By means of a Credit Enhancement Agreement between the Town and the Developer, a portion of the TIF Revenue generated solely from the property taxes paid on the captured assessed value of certain real property improvements made within the Developer Tract of the District will be allocated to and used by the Developer to fund the Project and to pay the current and future debt service associated with the improvements. The TIF Revenues will provide financial assistance for the Project itself, making it a more viable endeavor for the Developer.

C. The Development Program

The Town’s designation of the District and adoption of this Development Program creates a single municipal TIF district in order to capture the value of the taxable real property improvements to be made within the District and enable the use of a portion of the TIF Revenues to assist the Developer through a Credit Enhancement Agreement. It will also permit

a portion of the TIF revenues be used to finance various municipal economic development projects as set forth in Table 1 above.

This Development Program will run for a term of 30 years and will capture one-hundred percent (100%) of the increased assessed taxable real property value of the District. The Town will retain the tax revenues generated by the captured assessed taxable real property value for designated economic development purposes.

The Town will enter into a Credit Enhancement Agreement with the Developer, which will allocate to the Developer fifty percent (50%) of the TIF Revenues generated from the captured assessed value resulting from site improvements and building investment on each lot within the Developer Tract beginning in the tax year of a “triggering event,” on that lot and lasting for a period up to ten years, as set forth below in Section IV—Financial Plan. The Developer will use such TIF Revenues to offset the cost of its investment in the Project, as more fully discussed in this Development Program. Any TIF Revenues not allocated to the Credit Enhancement Agreement will be retained by the Town to fund municipal economic projects as described in this document.

Through the Omnibus feature of this TIF District, the Town reserves the right to negotiate and execute one or more future credit enhancement agreements for up to the balance of the term of the District with up to one hundred percent (100%) reimbursement of the TIF Revenues to a developer or company making investments within the Town Tract of the TIF District within the Hampden Business Park. Approval of such future credit enhancement agreements is at the sole discretion of the Hampden Town Council.

The Town will retain any portion of the TIF Revenues not designated to a credit enhancement agreement for economic development programs and projects as discussed in Table 1 above. By adopting this Development Program, the Town will underscore Hampden’s commitment to business retention and growth, support its growing reputation as a desirable Service Center Community (as recognized by State of Maine Rule) in which to locate a business and accomplish the following goals:

- Increase future tax revenues generated from investment within the District;
- Enhance money available to the Town for economic development projects;
- Create long-term, stable employment opportunities for area residents; and
- Improve the overall economy of the region and the State of Maine.

In addition, by creating the District, the Town will “shelter” the increase in municipal valuation that development in the District will bring about. This tax shelter will mitigate the impacts that the District’s increased assessed property value would have on the Town’s share

of state aid to education, municipal revenue sharing and its county tax assessment. An estimate of the tax shelter benefit is shown as Exhibit D-2 attached hereto.

This Development Program is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. Subsequent to a public hearing and Town Council vote, adoption of this Development Program will be effective on July 1, 2017, the Town's fiscal year immediately following approval by DECD.

D. Operational Components

1. Public Facilities

Please refer to Table 1 for the various public infrastructure improvements that TIF Revenues will be eligible to support. The Town will be responsible for these improvements. The infrastructure being installed by the Developer within the Town Tract of the Business Park will ultimately be turned over to the Town as completed Town roadway and public sewer, and the water infrastructure will be turned over to the Hampden Water District as public water.

2. Commercial Improvements Financed Through Development Program

The Developer Project consists of planning, permitting and construction of infrastructure improvements to the Hampden Business Park and includes erosion control, installation and construction of roads, storm and sanitary infrastructure, water lines and landscaping. The estimated direct cost for this project is approximately \$3.5 million.

By means of an Omnibus structure, the Town will have the flexibility to negotiate and execute future credit enhancement agreements with a developer or owner/company of property within the Town Tract of the District. Such credit enhancement agreements will be executed at the sole discretion of the Town Council and may provide a reimbursement of up to one hundred percent (100%) of the TIF Revenue generated for a term not to exceed the balance of the District term remaining at the time of approval.

3. Relocation of Displaced Persons

Not applicable.

4. Transportation Improvements

Please refer to Table 1. The Town will fund road and traffic improvements within the District and/or outside the District that are made necessary by the investments within the District.

5. Environmental Controls

The improvements made under this Development Program will meet or exceed all federal, state and local environmental laws, regulations and ordinances and will comply with all applicable land use requirements for the Town.

6. Plan of Operation

Upon completion of the infrastructure development, the Developer will execute any documents necessary to convey title to the completed infrastructure (roadways) to the Town. From that point the roads will be accepted as Town roads and the Town will be responsible for maintenance. The Developer holds an option to buy on each of the individual lots within the Developer Tract. These lots are currently owned by the Town. The Developer may exercise that option according to the terms of the Development Agreement dated April 24, 2014 and the Option to Purchase Real Estate Agreement executed and recorded with the Penobscot County Registry of Deeds Book 14359 Pages 86-89.

During the term of the District, the Town Manager or his/her designee will be responsible for all matters related to the lots and open space areas of the Business Park and all administrative matters within the purview of the Town concerning implementation and operation of the District.

III. Financial Plan

A. Increased Assessed Values & Credit Enhancement Agreements

Estimates of the increased assessed value of the District property, TIF Revenues to be generated by the District, and credit enhancement projections are shown in Exhibit D-1.

The Development Program provides that the Town will “capture” one-hundred percent (100%) of the increased assessed value over the Original Assessed Value on taxable real property of the District beginning on the July 1st after the Commissioner of DECD approves this TIF District and Development Program. The TIF Revenues so collected will fund tax reimbursements to the Developer pursuant to a Credit Enhancement Agreement and/or contribute to the funding of the approved municipal projects as described on Table 1 hereof. At the end of the TIF term all taxable real property value captured in the District will be added to the general tax rolls.

A twenty-year period for tax reimbursements to the Developer will begin on July 1, 2018, the tax year subsequent to the Town’s acceptance of Phase 1 infrastructure (as depicted on Exhibit A of the Development Agreement). Actual reimbursements to the Developer will begin when a “triggering event” occurs within any lot of the Developer Tract of the District. The “Triggering Event” for each lot of the Developer Tract of the District means the first Tax Year when the Increased Assessed Value resulting from site improvements and building

development on that lot first equals at least five-hundred-thousand dollars (\$500,000). The allocation to the Developer will be fifty percent (50%) of the TIF Revenues generated from the captured assessed value resulting from site improvements and building investment on each lot within the Developer Tract. The Developer will continue receiving reimbursements for each lot for which a Triggering Event has occurred for ten years or until the Developer's twenty year period for tax reimbursements has expired. For purposes of calculating reimbursement to the Developer, only the incremental new taxes resulting from site improvements and building development on that lot will be used. Incremental new taxes resulting from increases in land value will accrue to the Town portion of TIF revenues.

Through the Omnibus feature of this TIF District, the Town reserves the right to negotiate and execute one or more future credit enhancement agreements for up to the balance of the term of the District with up to one hundred percent (100%) reimbursement of the TIF Revenues to a developer or company making investments within the Town Tract of the TIF District within the Hampden Business Park. Approval of such future credit enhancement agreements is at the sole discretion of the Hampden Town Council.

Any TIF revenues not committed to a credit enhancement agreement will be retained by the Town to fund municipal TIF project costs as outlined in Table 1.

Upon each payment of property taxes by the property taxpayers in the District, the Town will deposit into a development program fund (the "Development Program Fund") the entirety of the property tax payments constituting TIF Revenues. The Development Program Fund is pledged to and charged with the payment of the project costs in the manner provided in 30-A M.R.S.A. § 5227(3). The Development Program Fund consists of two segregated accounts, a sinking fund account ("Sinking Fund Account") and a project cost account (the "Project Cost Account"). The Town will deposit the TIF Revenues necessary to pay debt service on any bonds issued to pay for District improvements, if any, into the Sinking Fund Account. The money in this account is pledged to and charged with the payment of interest and principal on municipal indebtedness related to the improvements in the District. The Town will deposit any additional TIF Revenues into (a) a subaccount or subaccounts of the Project Cost Account to be used for credit enhancement payments to the Developer and (b) to a subaccount of the Project Cost Account for other approved municipal projects outlined in this Development Program and not financed with Town indebtedness. Additional dedicated Development Program subaccounts will be created with each Omnibus credit enhancement agreement approved by the Town Council.

The Town has agreed to enter into a Credit Enhancement Agreement with the Developer spanning a period of twenty (20) years with tax reimbursements for any given lot in the Developer Tract occurring for no more than ten years. Because of the number of lots in the Developer Tract there is no way to anticipate the value or timing of investment on the lots.

Therefore, estimates of the increased assessed values of the District and the anticipated TIF Revenues generated by the District are projected based on one lot with investment at the Triggering Event level. Exhibit D presents estimates of the increased assessed values, the anticipated TIF Revenues generated by the District, that portion of the TIF Revenues to be applied to the District each year, and the estimated tax shifts of investment of \$500,000 on just one lot of the Developer Tract of the Project.

B. Sources of Revenues

The Developer will finance the Project through private funds. The Developer will be responsible for making all arrangements for, and payments with respect to, any additional indebtedness incurred to fund the Project.

Town Public Improvements that are not part of the Project will be financed with municipal resources including TIF revenues. The Town will be responsible for making all arrangements for, and payments with respect to, any additional indebtedness incurred to fund the Public Improvements.

C. Public Indebtedness

The Town does not anticipate funding municipal project costs through public indebtedness. The Town, however, reserves the right to incur bonded indebtedness for approved projects in the future, provided that the timing and funding of any bonded projects complies with all statutory requirements for paying bonded indebtedness with TIF Revenues.

D. Original Assessed Value

Certification by the Town's Tax Assessor of the Original Assessed Value of the District is set forth in Exhibit C.

IV. Statutory Requirements and Thresholds

The Statutory Requirements and Threshold limits addressing the conditions for approval mandated by 30-A M.R.S.A. § 5223(3) are set forth in Exhibit B.

V. TIF Projections and Tax Shifts

In accordance with 30-A M.R.S.A. § 5224(4), the tables set forth in Exhibit D-1 and Exhibit D-2 show, based on one Developer Tract lot being fully developed, for each year of the term of the District: (1) estimates of the increased assessed values of the District; (2) the portion of increased assessed values to be applied to the Development Program as captured assessed values; (3) the resulting tax increments (i.e., the TIF Revenues); and (4) the estimated tax shifts that are expected to result from the designation of the District. There is no reliable way to project investment value or timing of full development of the District.

VI. Municipal Approvals

A. Notice of Public Hearing

Attached as Exhibit E is a copy of the Notice of Public Hearing regarding the establishment of the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District and adoption of this Development Program for the District, published in the Bangor Daily News, a newspaper of general circulation in the Town, on January 27, 2017, a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing Held by Town Council

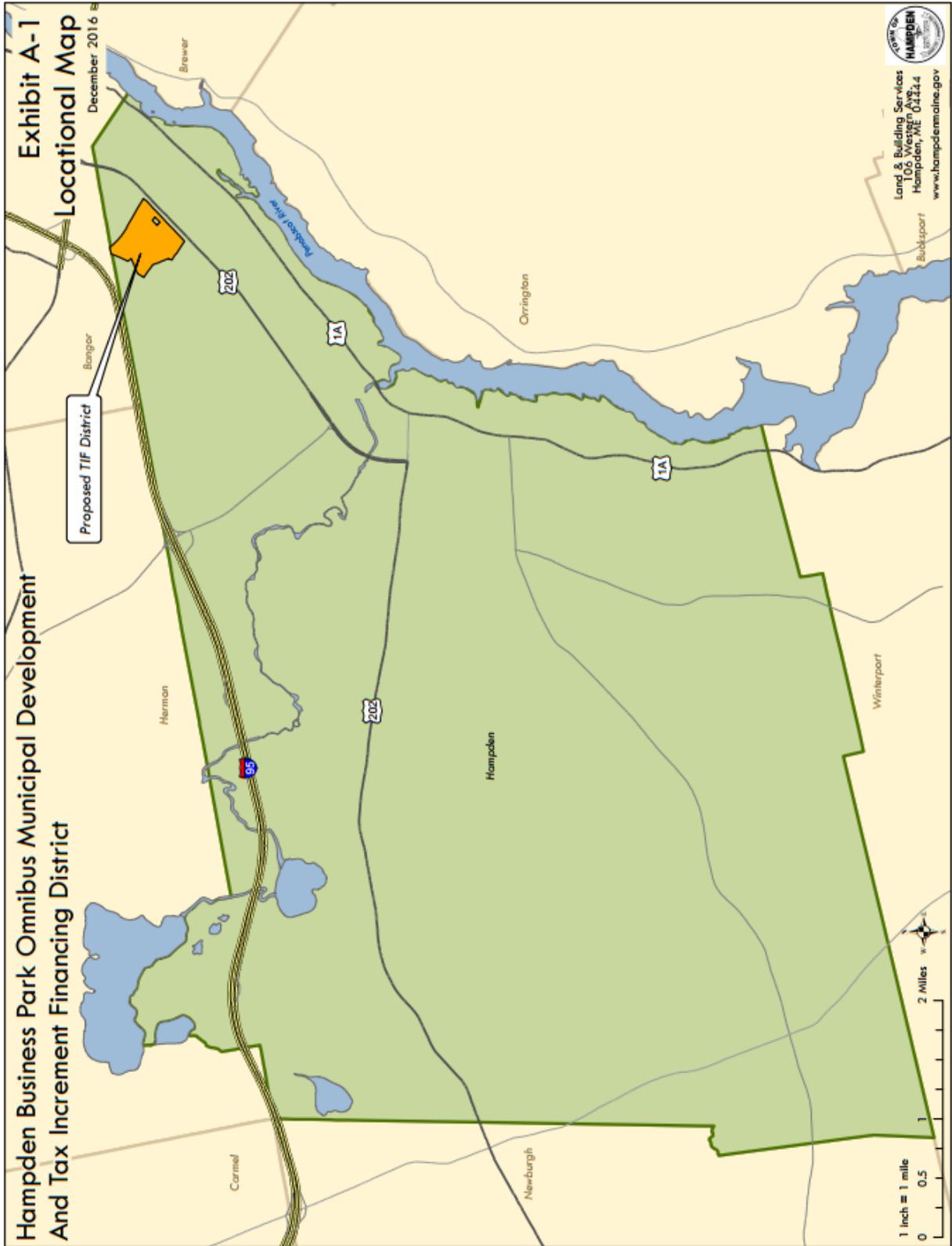
Attached as Exhibit F is a certified copy of the minutes of the public hearing held on February 6, 2017 at which time the proposed District and Development Program were discussed by the public.

C. Authorizing Votes

Attached as Exhibit G is a copy of the Hampden Town Council Resolution designating the District and adopting this Development Program, which Resolution was adopted by the Council at a meeting of the Council duly called and held on February 6, 2017.

EXHIBIT A-1

TIF DISTRICT MAP SHOWING DISTRICT IN RELATION TO MUNICIPALITY BOUNDARIES



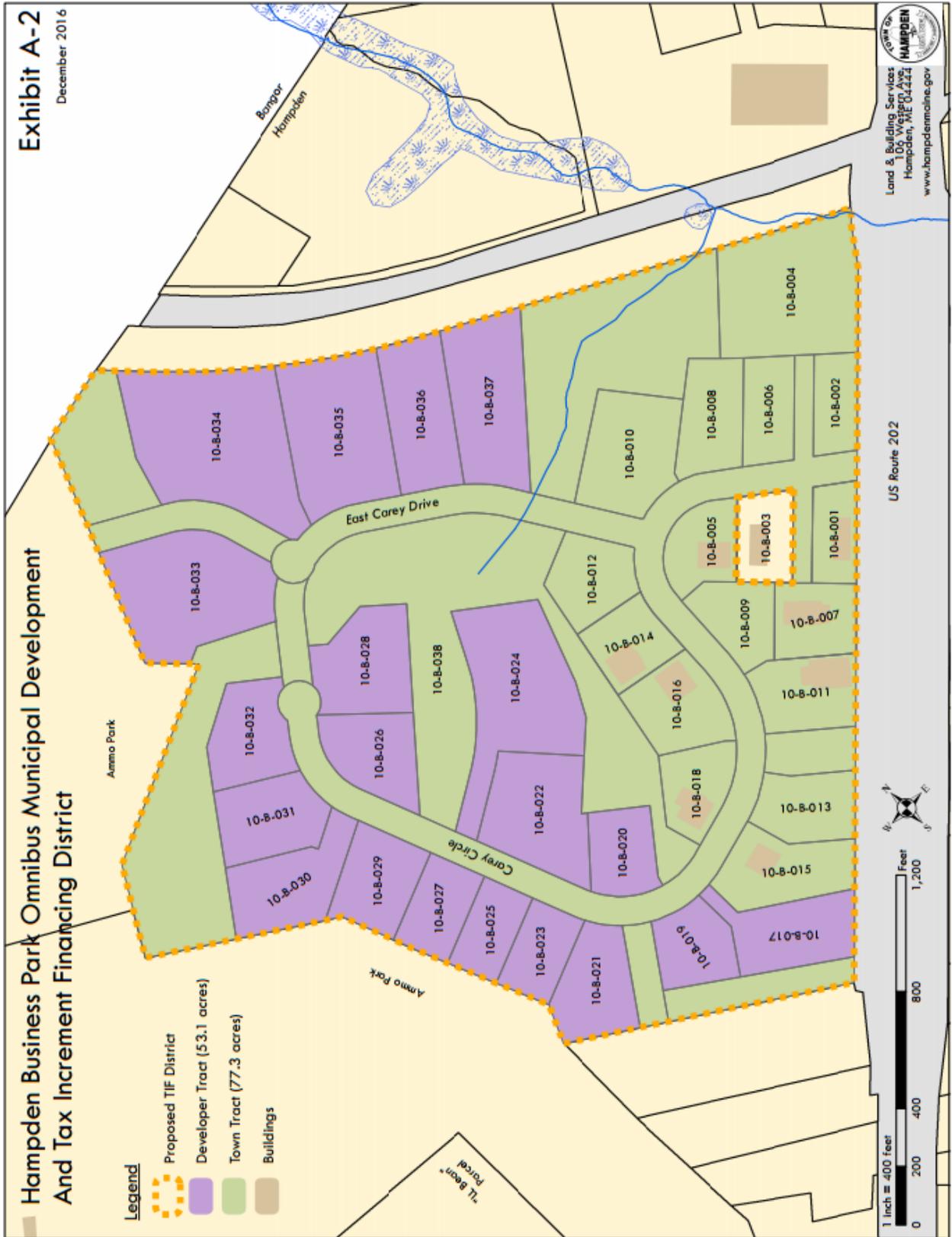


EXHIBIT B
STATUTORY REQUIREMENTS & THRESHOLDS

A. ACRE LIMITATION		
1. Total Acreage of Municipality		24,000
2. Total Acreage of Proposed Municipal TIF District		130.34
3. Total Downtown acres contained in the Proposed Municipal TIF District		-0-
4. Total Transit acres contained in the Proposed Municipal TIF District		-0-
5. Total acreage of Proposed Municipal TIF District counted towards 2% cap (A2-A3-A4)		130.34
6. Percentage of total acreage in proposed municipal TIF District (cannot exceed 2%) Divide A5 by A1		0.54%
7. Total acreage of all existing and proposed municipal TIF districts in the municipality. Add A2 to sum of all existing TIF district acreage. (240.56-1.53+A.5.) *		372.43
8. Total acreage of an existing or Proposed Downtown TIF District in the municipality.		0
9. Total acreage of all <u>existing</u> Pine Tree Development Zone TIF Districts in the municipality.		0
10. Total acreage of all existing or Proposed Transit TIF Districts in the municipality.		0
11. Total acreage of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap. Subtract A8+A9+A10 from A7.		372.43.
12. Percentage of total acreage in all existing and proposed Municipal TIF Districts (cannot exceed 5%) Divide A11 by A1.		1.55%
13. Total Acreage of all real property in the Proposed Municipal TIF District that is:		
(Note: a, b, or c must be at least 25%)		
	Acres	%
a. Blighted (Divide acres by	-	-
b. In need of rehabilitation/conservation (Divide acres by	-	-
c. Suitable for industrial/commercial site (Divide acres by	130.34	100%
TOTAL	130.34	100%
B. VALUATION LIMITATION		
1. Total Aggregate Value of Municipality (TAV) <i>Use most recent April 1st</i>		\$628,065,400
2. Original Assessed Value (OAV) of Proposed Municipal TIF District. <i>Use March 31st of tax year preceding date of municipal designation</i>		6,957,600
3. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality. <i>Add b2 to sum of all existing TIF district OAVs (3,132,100 – 84,200 +B.2.) *</i>		10,005,500
4. OAV of an existing or proposed Downtown TIF District in the municipality.		0
5. OAV of all <u>existing</u> Pine Tree Development Zone TIF Districts in the municipality.		0
6. OAV of all existing or Proposed Transit TIF Districts in the municipality.		0
7. Total OAV of all existing and Proposed Municipal TIF Districts in the municipality counted toward 5% cap. Subtract B4+B5+B6 from B3		10,005,500
8. Percentage of total OAV to TAV in all existing and Proposed Municipal TIF Districts (cannot exceed 5%). Divide B7 by B1		1.59%

*Total from Coldbrook Road/Emera TIF, less Hampden Properties TIF, plus proposed

ASSESSOR'S CERTIFICATE OF ORIGINAL ASSESSED VALUE

TOWN OF HAMPDEN

HAMPDEN BUSINESS PARK OMNIBUS MUNICIPAL DEVELOPMENT & TAX INCREMENT
FINANCING DISTRICT**ASSESSOR'S CERTIFICATE**

The undersigned Tax Assessor for the Town of Hampden, Maine, does hereby certify pursuant to the provisions of 30-A M.R.S.A. §5254 that the taxable assessed value of taxable real property in the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District, as delineated on a map included in the Development Program to which this Certificate is included, was \$ 6,957,600 as of March 31, 2016, (April 1, 2015).

As of the Original Assessed Value date, there was \$276,000 personal property which is exempt from taxation pursuant to the business equipment tax exemption within the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District.

IN WITNESS WHEREOF, This Certificate has been executed as of this 7th day of February, 2017.

TOWN ASSESSOR

By: Kelley J. Karter

Original Assessed Value for Individual Tax Map Lots

Tax Map and Lot Number	Acreage	Original Assessed Value as of March 31, 2016 (April 1, 2015)
Town Tract		
10-B-001	1.2	\$794,000
10-B-002	1.2	\$0
10-B-004	4.75	\$0
10-B-005	1.52	\$562,000
10-B-006	1.47	\$0
10-B-007	1.63	\$1,366,000
10-B-008	1.88	\$0
10-B-009	1.55	\$0
10-B-010	2.8	\$0
10-B-011	1.96	\$984,000
10-B-012	1.72	\$95,000

10-B-013	1.75	\$96,000
10-B-014	1.53	\$761,600
10-B-015	2.3	\$740,000
10-B-016	2.03	\$679,000
10-B-018	1.53	\$880,000
10-B-038	33.28	\$0
Roads	13.15	\$0
Total Town Tract	77.25	\$ 6,957,600
Developer Tract		
10-B-017	2.3	\$0.00
10-B-019	1.57	\$0.00
10-B-020	1.51	\$0.00
10-B-021	2.08	\$0.00
10-B-022	3.06	\$0.00
10-B-023	1.41	\$0.00
10-B-024	4.62	\$0.00
10-B-025	1.33	\$0.00
10-B-026	2	\$0.00
10-B-027	1.5	\$0.00
10-B-028	2.53	\$0.00
10-B-029	1.95	\$0.00
10-B-030	2.42	\$0.00
10-B-031	2.14	\$0.00
10-B-032	2.08	\$0.00
10-B-033	4.49	\$0.00
10-B-034	5.93	\$0.00
10-B-035	4.16	\$0.00
10-B-036	2.65	\$0.00
10-B-037	3.36	\$0.00
Total Developer Tract	53.09	\$ -0-
Total:	130.34	\$ 6,957,600

EXHIBIT D-1
INCREASED ASSESSED VALUE AND TIF REVENUE PROJECTIONS

EXHIBIT D-1

TOWN OF HAMPDEN
HAMPDEN BUSINESS PARK OMNIBUS TIF DISTRICT

Fiscal Year	Projected Cumulative Investment	Increased Assessed Value	Percent Value Captured	Projected Captured Assessed Value	Mil Rate	Gross New Taxes	Taxes on Captured Assessed Value	% TIF Rev to Company	TIF Revenues to Company	TIF Revenues to Town
7/1-6/31										
1 2017-2018	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
2 2018-2019	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
3 2019-2020	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
4 2020-2021	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
5 2021-2022	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
6 2022-2023	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
7 2023-2024	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
8 2024-2025	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
9 2025-2026	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
10 2026-2027	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	50.0%	\$ 4,550	\$ 4,550
11 2027-2028	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
12 2028-2029	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
13 2029-2030	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
14 2030-2031	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
15 2031-2032	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
16 2032-2033	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
17 2033-2034	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
18 2034-2035	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
19 2035-2036	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
20 2036-2037	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
21 2037-2038	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
22 2038-2039	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
23 2039-2040	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
24 2040-2041	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
25 2041-2042	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
26 2042-2043	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
27 2043-2044	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
28 2044-2045	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
29 2045-2046	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
30 2046-2047	\$ 500,000	\$500,000	100%	\$ 500,000	18.20	\$ 9,100	\$ 9,100	0.0%	\$ -	\$ 9,100
31 2047-2048										
32 2048-2049										
33 2049-2050										
Cumulative Avg. Annual		\$500,000		\$500,000		\$ 273,000	\$ 273,000		\$ 45,600	\$ 227,500
						\$9,100	\$9,100		\$1,517	\$7,583

Years 31 through 33 shown for tax shift purposes only.

EXHIBIT D-2
TAX SHIFT PROJECTIONS

TOWN OF HAMPDEN
HAMPDEN BUSINESS PARK OMNIBUS TIF DISTRICT

EXHIBIT D-2

		State/County Projected Tax Shift			
		EPS Education Shift	Revenue Sharing Shift	County Tax Shift	Total Tax Shift
1	2017-2018	\$ -	\$ -	\$ -	\$ -
2	2018-2019	\$ -	\$ -	\$ -	\$ -
3	2019-2020	\$ 1,383	\$ 417	\$ 519	\$ 2,319
4	2020-2021	\$ 2,767	\$ 417	\$ 532	\$ 3,716
5	2021-2022	\$ 4,150	\$ 417	\$ 546	\$ 5,114
6	2022-2023	\$ 4,150	\$ 417	\$ 560	\$ 5,128
7	2023-2024	\$ 4,150	\$ 417	\$ 575	\$ 5,142
8	2024-2025	\$ 4,150	\$ 417	\$ 590	\$ 5,157
9	2025-2026	\$ 4,150	\$ 417	\$ 605	\$ 5,172
10	2026-2027	\$ 4,150	\$ 417	\$ 621	\$ 5,188
11	2027-2028	\$ 4,150	\$ 417	\$ 637	\$ 5,204
12	2028-2029	\$ 4,150	\$ 417	\$ 653	\$ 5,221
13	2029-2030	\$ 4,150	\$ 417	\$ 670	\$ 5,237
14	2030-2031	\$ 4,150	\$ 417	\$ 687	\$ 5,255
15	2031-2032	\$ 4,150	\$ 417	\$ 705	\$ 5,273
16	2032-2033	\$ 4,150	\$ 417	\$ 723	\$ 5,291
17	2033-2034	\$ 4,150	\$ 417	\$ 742	\$ 5,310
18	2034-2035	\$ 4,150	\$ 417	\$ 761	\$ 5,329
19	2035-2036	\$ 4,150	\$ 417	\$ 781	\$ 5,348
20	2036-2037	\$ 4,150	\$ 417	\$ 801	\$ 5,369
21	2037-2038	\$ 4,150	\$ 417	\$ 822	\$ 5,389
22	2038-2039	\$ 4,150	\$ 417	\$ 843	\$ 5,411
23	2039-2040	\$ 4,150	\$ 417	\$ 865	\$ 5,432
24	2040-2041	\$ 4,150	\$ 417	\$ 887	\$ 5,455
25	2041-2042	\$ 4,150	\$ 417	\$ 910	\$ 5,478
26	2042-2043	\$ 4,150	\$ 417	\$ 934	\$ 5,501
27	2043-2044	\$ 4,150	\$ 417	\$ 958	\$ 5,526
28	2044-2045	\$ 4,150	\$ 417	\$ 983	\$ 5,550
29	2045-2046	\$ 4,150	\$ 417	\$ 1,008	\$ 5,576
30	2046-2047	\$ 4,150	\$ 417	\$ 1,034	\$ 5,602
31	2047-2048	\$ 4,150	\$ 417	\$ 1,061	\$ 5,629
32	2048-2049	\$ 4,150	\$ 417	\$ 1,089	\$ 5,656
33	2049-2050	\$ 4,150			\$ 4,150
Cumulative		\$ 120,350	\$ 12,524	\$ 23,102	\$ 155,976
Avg. Annual		\$ 3,882	\$ 417	\$ 770	\$ 5,199

Years 31 through 33 shown for tax shift purposes only.



TOWN OF HAMPDEN

PUBLIC NOTICE

Legal Notices

NOTICE OF PUBLIC HEARING
TOWN OF HAMPDEN MAINE
Regarding

A Municipal Tax Increment Financing Development Program for the District Known as the "Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District"

Notice is hereby given that the Hampden Town Council will hold a public hearing on

February 6th, 2017

at the
Council Chambers, Hampden, Maine,
The Public Hearing will be at 7:00 p.m.

The purpose of the public hearing is to receive public comments on the designation of the proposed Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District (the "District"), the Development Program and Financial Plan for said District, and a proposed credit enhancement agreement with the Developer, Sargent Corporation, all pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. The proposed Municipal Development and Tax Increment Financing District consists of approximately 130 acres of property located on Route 202, known as the Hampden Business Park and identified on Town Tax Map 10-B, Lots 001, 002, and 004-038; including the roads contained therein.

All interested persons are invited to attend the public hearing and will be given an opportunity to be heard at that time. Verbal and written comments received prior to the close of the public hearing will be included in the public hearing record.

Jan. 27, 2017



HAMPDEN TOWN COUNCIL
PUBLIC HEARING
HAMPDEN MUNICIPAL BUILDING
MINUTES

Exhibit F

MONDAY

FEBRUARY 6, 2017

7:00

Attending:

Mayor Ryder

Councilor Sirois

Councilor McPike

Councilor Wilde

Councilor Marble

Councilor Cormier

Councilor McAvoy

Town Manager Angus Jennings

Town Clerk Paula Scott

Pool Director Darcey Peakall

Trustees of the Lura Hoit Pool

Noreen Norton

Attorney Erik Stumpf

Chip Laite, Sargent Corp.

Brent Hartley, Sargent Corp.

Karen Brooks

Residents

1. PUBLIC HEARINGS –

- a. Consideration of a Municipal Tax Increment Financing Development Program for the District known as the “Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District” and a proposed credit enhancement agreement with the developer, Sargent Corporation, all pursuant to M.R.S.A. Title 30-A, Chapter 206– referred by Council –** Mayor Ryder opened the public hearing at 7:10 and called Noreen Norton to the podium to give a brief overview for the public. Noreen summarized the components of the TIF and explained the terms of the Credit Enhancement Agreement with the developer noting that the terms of the agreement were as set forth in the Development Agreement. She also explained the “shelter” benefit of the TIF to the Town that results because new valuation captured in the District is not used in calculating State Revenue sharing and school subsidy, and county taxes. At the conclusion of the overview, Chip Laite, the Resource Manager for Sargent Corporation approached the podium to give an update on the status of the development. The Carey Circle section is almost complete. The paving and sidewalks are in, with just a little more landscaping needed. They anticipate in spring to apply to turn that over to the Town. On the east side, the road base is all in and all utilities except for power and is ready to be paved. This also should be complete by summer. He thanked the Planning & Development committee, the Council, and especially Town staff. He stated it is a phenomenal project and it has taken a lot of working together to get where they are today. Councilor Marble questioned Noreen about the TIF revenue projections in the Development Program

NOTE: The Council will take a 5-minute recess at 8:00 pm.

MINUTES

and asked whether it was per district or per lot. Noreen explained that the projection is for one lot. Because the credit enhancement kicks in for each lot when new investment in building and site improvements reach the trigger valuation of \$500,000, and because we don't know what the future investment will be on any or all of the lots within the District, that value was chosen so that they could calculate the tax revenues on that value and the associated tax shift. If each of the 20 lots had an increase in value of \$1 million, then there would be a \$20,000,000 investment coming into the park and the District. Councilor McAvoy asked whether, since the CEA is for a 20 year period and the TIF is for a 30 year period, if that means that the benefit to Sargent ends after 20 years; to which Noreen confirmed. He asked if that meant that the new tax revenue going to the Town is still retained within the TIF. She stated that at the end of the term of the CEA, all incremental tax revenue goes to fund Town TIF projects. Noreen stated that the Town has the annual option to take any portion of its TIF revenues and put into the general fund, but that they would lose the associated shelter benefit. Councilor McAvoy asked whether the Town would be able to offset any Town expenses with the TIF. Noreen confirmed and stated that there are items such as a pro-rated portion of salaries for employees working on economic development, and certain road projects and other items that can be paid out of the TIF revenues that would otherwise be paid out of the general fund. There were no further questions and the public hearing closed at 7:22.

Respectfully Submitted,



Paula A. Scott, CCM
Town of Hampden

**HAMPDEN TOWN COUNCIL
ORDER # 2017-001**

WHEREAS, the Town of Hampden, Maine (the "Town") is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes as amended (the "Act"), to designate a specified area within the Town as the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District (the "District") and to adopt a development program (the "Development Program") for the District pursuant to the Act; and

WHEREAS, there is a need for economic development in the Town, 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

WHEREAS, designation of the District and adoption of the Development Program will help to improve and broaden the tax base in the Town and improve the economy of the Town and the region by attracting business development to the District; and

WHEREAS, there is a need to implement continued economic development initiatives in the planned District through the establishment of the District in accordance with the provisions of Act; and

WHEREAS, the Town desires to designate the District and adopt the Development Program; and

WHEREAS, it is expected that approval will be obtained from the State of Maine Department of Economic and Community Development (the "Department"), approving the designation of the District and adoption of the Development Program.

ORDERED AS FOLLOWS:

Section 1. The Town Council of the Town of Hampden Maine, as the legislative body of said Town pursuant to Article II, section 205 of the Hampden Town Charter, hereby designates the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District and hereby adopts the Development Program for said District; such designation and adoption to be pursuant to the following findings, terms, and provisions:

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

a. At least twenty-five percent (25%), by area, of the real property within the District, as hereinafter designated, is suitable for commercial uses; and

b. The total area of the District does not exceed two percent (2%) of the total acreage of the Town, and the total area of all development districts within the Town (including the proposed District) does not exceed five percent (5%) of the total acreage of the Town; and

c. The original assessed value of all existing and proposed tax increment financing districts (including the proposed District) does not exceed five percent (5%) of the total value of equalized taxable property within the Town as of April 1, 2015 (March 31, 2016); and

d. The designation of the District and adoption of the related Development Program will make a contribution to the economic growth and well being of the Town and the surrounding region, and will contribute to the betterment of the health, welfare and safety of the inhabitants of the Town, including a broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose. The Town has considered all evidence, if any, presented to them 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 District and the Development Program.

Section 3. The Town Manager, or his duly appointed representative, is hereby authorized, empowered and directed to submit the proposed designation of the District and the proposed 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 Town Manager, or his appointed representative, is hereby authorized and directed to enter into the Credit Enhancement Agreement contemplated by the Development Program with Sargent Corporation, SSR II, LLC and SSR, LLC, in the name of and on behalf of the Town, such agreement to be in such form and to contain such terms and provisions, not inconsistent with the Development Program, as the said Town Manager or his duly-appointed representative, may approve, his approval to be conclusively evidenced by his execution thereof.

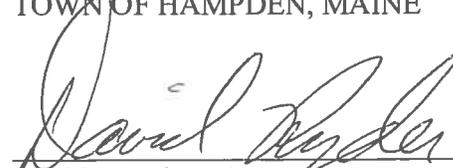
Section 5. The foregoing designation of the District and approval of the Development Program shall automatically become final upon receipt by the Town of approval of the designation of the District and adoption of the Development Program by the Department, without requirement of further action by the Town, the Town or any other party, and shall take effect in accordance with Title 30-A M.R.S. section 5224(2)(H) for the tax year subsequent to the Department's approval, beginning July 1, 2017.

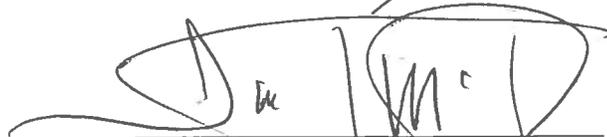
Section 6. The Town Manager or his duly appointed representative is hereby authorized and empowered, at his discretion, from time to time, to make such revisions to the Development Program as the Town Manager, or his duly appointed representative, deems reasonably necessary or convenient in order to facilitate the process for review and approval of the District and/or the 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 District and the Development Program.

Dated: February 6, 2017.

TOWN OF HAMPDEN, MAINE

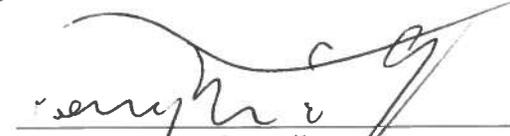
(By)


David I. Ryder, Mayor

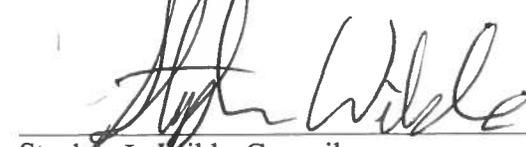

Ivan P. McPike, Deputy Mayor


Mark S. Cormier, Councilor


Dennis R. Marble, Councilor


Terry McAvoy, Councilor


Gregory J. Stois, Councilor


Stephen L. Wilde, Councilor

CREDIT ENHANCEMENT AGREEMENT

HAMPDEN BUSINESS PARK OMNIBUS TIF CREDIT ENHANCEMENT AGREEMENT

THIS CREDIT ENHANCEMENT AGREEMENT, dated this 8th day of February, 2017, is made by and between the **Town of Hampden**, a municipal corporation organized and existing under the laws of the State of Maine (hereinafter the “Town”), **Sargent Corporation**, a business corporation organized and existing under the laws of the State of Maine; **SSR, LLC**, a limited liability company organized and existing under the laws of the State of Maine; and **SSR II, LLC**, a limited liability company organized and existing under the laws of the State of Maine (hereinafter collectively referred to as “Sargent”),

WITNESSETH:

WHEREAS, on or about April 24, 2014, the Town and Sargent entered into a certain Development Agreement for completion of infrastructure improvements in the Town-owned Hampden Business and Commerce Park (hereinafter the “Park”), a true copy of which Development Agreement is attached to this Credit Enhancement Agreement as **Exhibit A** (hereinafter the “Development Agreement”);

WHEREAS, as partial consideration for Sargent’s completion of infrastructure improvements in the Park, section II(5) of the Development Agreement obligates the Town to designate a development district and tax increment financing (TIF) district for the Park, and to enter into a credit enhancement agreement with Sargent with respect to certain lots in the Park as specified in the Development Agreement; and

WHEREAS, on February 6, 2017, the Town designated the Hampden Business Park Omnibus Municipal Development District and Tax Increment Financing District (hereinafter the “District”), consisting of lots 001, 002 and 004 through 038, including roads contained therein, as depicted on Map 10-B of the Town of Hampden Assessor’s tax maps, in accordance with Chapter 206 of Title 30-A, Maine Revised Statutes, as amended, by vote of the Hampden Town Council (the “Vote”); and

WHEREAS, on the same date, the Council adopted a development program and financial plan (the “Development Program”) for the District; and

WHEREAS, on the same date, the Council approved the execution and delivery of a credit enhancement agreement with Sargent; and

WHEREAS, the Town and Sargent desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated and described in the Development Program and in section II(5) of the Development Agreement;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows.

ARTICLE I DEFINITIONS

Section 1.1 Definitions. For the purposes of this Credit Enhancement Agreement, the following terms shall have the meanings specified herein unless the context clearly requires otherwise:

"Agreement" or "Credit Enhancement Agreement" shall mean this Credit Enhancement Agreement between the Town and Sargent.

"Assessment Date" means April 1st of each calendar year, the date fixed by Maine law for valuation and municipal tax liability with respect to the ensuing Tax Year.

"Captured Assessed Value" means that portion of the Increased Assessed Value that is annually retained within the District for the purpose of funding the District Development Program, as provided in the approved Development Program for the District. For the purposes of the District and this Credit Enhancement Agreement, Captured Assessed Value does not include the taxable value of personal property and equipment located within the District. As provided in the Financial Plan of the Development Program, the Captured Assessed Value shall be equal to one hundred percent (100%) of the Increased Assessed Value for each of the thirty (30) Tax Years beginning July 1, 2017 and ending June 30, 2047.

"Current Assessed Value" means the taxable value of all real estate located within the District as of the annual Assessment Date. For the purposes of the District and this Credit Enhancement Agreement, Current Assessed Value does not include the taxable value of personal property and equipment located within the District.

"Development Agreement" means the agreement between the Town and Sargent dated April 24, 2014, for completion of infrastructure improvements in the Hampden Business Park, a true copy of which is attached to this Credit Enhancement Agreement as **Exhibit A**.

"Development Program" means the development program for the District adopted by the Hampden Town Council on February 6, 2017.

"Development Program Fund" means the development program fund described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article II hereof.

"District" means the Hampden Business Park Omnibus Municipal Development District and Tax Increment Financing District designated by the Town pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, adopted by the Hampden Town

Council on February 6, 2017. The District consists of the property described in section II(A)(1) and Exhibit A-2 of the Development Program and depicted in **Exhibit B** to this Credit Enhancement Agreement.

"Financial Plan" means the financial plan described in the "Financial Plan" section of the Development Program.

"Fiscal Year" (sometimes abbreviated "FY") means July 1 to June 30 each year or such other fiscal year as the Town may establish from time to time.

"Increased Assessed Value" means the amount, in any Tax year, by which the Current Assessed Value in the District exceeds the Original Assessed Value. If the Current Assessed Value within the District does not exceed the Original Assessed Value in any Tax Year, there is no Increased Assessed Value for that Tax Year.

"Original Assessed Value" means \$6,957,600.00, the assessed value of taxable real property and facilities located within the District, excluding taxable personal property and equipment, as of March 31, 2016 (= April 1, 2015).

"Project" means Sargent's completion of infrastructure development within the Park in accordance with the Development Agreement and as described in section I(A) of the Development Plan.

"Project Cost Account" means the Project Cost Account described in the Financial Plan Section of the Development Program and established and maintained pursuant to Article IV hereof.

"Property Taxes" means any and all ad valorem property taxes in excess of any county, state or special district taxes, levied, charged or assessed against real estate and facilities located in the District by the Town or on its behalf.

"Qualified Investments" shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law.

"Retained Tax Increment Revenues" means, in each Tax Year this Agreement remains in effect, the amount of Property Taxes assessed and collected with respect to the Captured Assessed Value in the District pursuant to the terms of the Development Program, for the purpose of funding the Development Program.

"Retained Tax Increment Revenues – Developer's Share" means, in each Tax Year that this Agreement remains in effect, the percentages of Retained Tax Increment Revenues to be returned to Sargent in accordance with this Credit Enhancement Agreement, for the purpose of defraying the Developer's costs of developing and building the Project, which may include Sargent's financing costs.

As provided in section II(5) of the Development Agreement, "Retained Tax Increment Revenues – Developer's Share" shall consist of fifty percent (50%) of the Retained Tax Increment Revenues from new taxable development (site improvements and building development) on Lots 17 and 19 through 37 as depicted in the final subdivision plan for the Hampden Business and Commerce Park, as amended, as referenced in the first recital of the Development Agreement; said Lots also being designated as Tax Map 10-B, Lots 017 and 019 through 037 in the Hampden Assessor's tax maps. Payment of Retained Tax Increment Revenues – Developer's Share to Sargent shall be for the periods, and subject to the prior conditions, set out in section II(5) of the Development Agreement. Incremental new taxes resulting from changes in land value not associated with site improvements and building development will accrue to the Town portion of Retained Tax Increment.

"Tax Payment Date" means the later of the date(s) on which Property Taxes assessed by the Town against Real Estate located in the District are due and payable or are actually paid.

"Tax Year" means the Town's annual July 1st through June 30th fiscal year.

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), limited liability companies, trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Except as expressly provided herein, and except in regard to the District approval dates and effective dates as provided in the Development Agreement, nothing in this Credit Enhancement Agreement shall be deemed to alter, modify or excuse performance of Sargent's or the Town's obligations under the Development Agreement. In the event of any ambiguity in the provisions of this Credit Enhancement Agreement relating to annual payments of tax increment revenues by the Town to Sargent, the provisions concerned shall be construed in a manner consistent with the terms and conditions of the Development Agreement and specifically section II(5) thereof.

(e) 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.

(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 "Hampden Business Park Omnibus Municipal Development District and Tax Increment Financing District Development Program Fund" (the "Development Program Fund") pursuant to, and in accordance with, the terms and conditions of the Development Program and Development Agreement. The Development Program Fund shall consist of a single Project Cost Account, which shall include a Developer Project Cost Sub-account and a Town Project Cost Sub-account.

Section 2.2 Deposits into Development Program Fund. The Town shall deposit into the Developer Project Cost Sub-account of the Development Program Fund within ten (10) days after each payment of Property Taxes with respect to Real Estate located in the District, an amount equal to that portion thereof constituting Retained Tax Increment Revenues - Developer's Share for the period to which the payment relates. The Town shall allocate the amounts so deposited to fund fully and pay the payments due to Sargent under section II(5) of the Development Agreement and Article III of this Credit Enhancement Agreement, both past due, if any, and coming due within the following 12 months. After payment by the Town of the amount(s) due to Sargent for each fiscal year, any revenue resulting from the investment of monies in the Developer Project Cost Sub-account that remains in the Sub-account at the end of the applicable fiscal year shall be transferred by the Town to the Town Project Cost Sub-account.

Section 2.3 Use of Monies in Developer Project Cost Sub-account. Monies deposited in the Developer Project Cost Sub-account shall be used and applied exclusively to fund the Town's payment obligations described in Article III hereof.

Section 2.4 Monies Held in Trust. All monies required to be deposited with or paid into the Developer Project Cost Sub-account of Development Program Fund to fund payments to Sargent under the provisions hereof and the provisions of the Development Program, but excluding any investment earnings thereon, shall be held by the Town in trust, for the benefit of Sargent.

Section 2.5 Investments. The monies in the Developer Project Cost Sub-account not immediately paid to Sargent shall be invested and reinvested in Qualified Investments as determined by the Town. The Town shall have discretion regarding the investment of such monies, provided such monies are invested in Qualified Investments. As and when any

amounts thus invested may be needed for disbursements, the Town shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The Town shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Developer Project Cost Sub-account.

Section 2.6 Liens. The Town shall not create any liens, encumbrances, or other interests of any nature whatsoever, nor shall it hypothecate the Developer Project Cost Sub-account of the Development Program Fund or any funds therein, other than the interest granted to Sargent hereunder in and to the amounts on deposit.

ARTICLE III PAYMENT OBLIGATIONS

Section 3.1 Credit Enhancement Payments. The Town agrees to pay to Sargent within thirty (30) days following each Tax Payment Date all amounts then on deposit in the Developer Project Cost Sub-account, excluding earnings thereon; provided however, that all payments made hereunder shall be used only to pay Sargent's Project Costs directly or to reimburse Sargent for payment of Project Costs (including payment or reimbursement of debt service on indebtedness incurred to finance such Project Costs).

Such reimbursement payments shall be made by the Town for a maximum of ten (10) tax years as to each qualifying lot, during the twenty (20) year period beginning with the Tax year starting July 1, 2018, and ending no later than June 30, 2038, subject to the requirements of section II(5)(b) of the Development Agreement. The Town shall make all such payments with respect to the District to Sargent, its successors and assigns. The obligation of the Town to make such payments shall be a limited obligation payable solely out of monies actually on deposit in the Developer Project Cost Sub-account of the Development Program Fund and shall not constitute a general debt or obligation on the part of the Town 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 any political subdivision thereof.

Section 3.2 Failure to Make Payment. In the event the Town should fail to or be unable to make any of the payments required under Section 3.1 hereof, the item or installment so unpaid shall continue from year-to-year as a limited obligation of the Town under the terms and conditions hereinafter set forth until the unpaid amount shall have been fully paid. In the event of such default by the Town, Sargent shall also 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 all Retained Tax Increment Revenues – Developer's Share to the Developer project Cost Sub-account of the Development Program Fund and to make payments to Sargent.

Section 3.3 Manner of Payments. The payments provided for in this Article III shall be paid in immediately available funds directly to Sargent in the manner provided hereinabove for its own use and benefit.

Section 3.3A Developer's Payment Obligations. Sargent agrees that during the term of this Agreement it shall pay, when due, all amounts lawfully assessed by the Town against Sargent as Property Taxes against Real Estate located in the District. Notwithstanding this obligation, the parties acknowledge that the intention of the parties' Development Agreement is that the Town shall continue to hold title to all unbuilt lots in the park until such time as they are sold to a third party or Sargent exercises its option to purchase the lot(s) concerned in accordance with the Development Agreement. Accordingly, Sargent shall become liable for payment of Property Taxes only with respect to those lots as to which it has exercised its option to purchase and has taken title from the Town, and continues to hold title as of April 1st prior to the Tax Year concerned.

If otherwise eligible to receive tax reimbursements with respect to any lot under the Development Agreement and this Credit Enhancement Agreement, Sargent shall not lose its eligibility on account of payment of the underlying property taxes by a third party purchaser of the lot(s) concerned. Provided, however, that Sargent may assign its right to receive tax reimbursements as to any lot to a third party purchaser of that lot, as an inducement to sale and development of the lot concerned, as provided in Article VII below.

In the event that Sargent or a third party purchaser of the lot concerned shall fail, for any reason, to pay the full amount of any such lawful Property Tax assessment when due, amounts actually paid by Sargent or such third party shall be applied as follows:

First, to payment of Property Taxes assessed against that portion of Real Estate located in the District constituting the Original Assessed Value of the District;

Second, to payment the Town's portion of Retained Tax Increment Revenues on Real Estate located in the District; and

Third, to payment of Retained Tax Increment Revenues – Developer's Share.

Section 3.3B Property Tax Valuation Appeals. Nothing in this Agreement shall be deemed to waive Sargent's right to appeal the Town's valuation or assessment of Real Estate or other Property located in the District and assessed against Sargent for tax purposes, in the same manner as provided by law for assessment and valuation appeals. Provided however, that in the event of a successful valuation appeal with respect to Real Estate located in the District, all amounts due to Sargent under this Agreement as property tax reimbursements shall be based upon the final valuation and tax amount actually paid for the Tax Year concerned, as determined through the appeals process.

Section 3.4 Obligations Unconditional. Except as directly provided herein, the obligations of the Town to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against Sargent. Except as otherwise expressly provided herein, the Town shall not suspend or discontinue any such payment or terminate this Agreement for any cause, including without limitation, any acts

or circumstances that may constitute failure of consideration or frustration of purpose or any damage to or destruction of the Project or any change in the tax or other laws of the United States, the State of Maine or any political subdivision of either thereof, or any failure of the Developer to perform and observe any agreement or covenant, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this Agreement or the Development Program.

Section 3.5 Limited Obligation. The Town's obligations of payment hereunder shall be limited obligations of the Town payable solely from monies on deposit in the Developer Project Cost Sub-account of the Development Program Fund, 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 Retained Tax Increment Revenues – Developer's Share payable to Sargent hereunder, whether or not actually deposited into the Developer Project Cost Sub-account of the Development Program Fund. This Agreement shall not directly or indirectly or contingently obligate the Town, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation or to levy or to make any appropriation for their payment, excepting the Town's obligation to levy property taxes upon the Project and the pledge of the Retained Tax Increment Revenues, and earnings thereon, established under this Agreement.

Section 3.6 Indemnity. Sargent agrees to defend, indemnify, pay, reimburse and hold the Town, its councilors, officers, agents and employees harmless from and against any and all claims, suits, liabilities, actions, proceedings and expenses, including, without limitation, attorneys fees and expenses and accountant's fees and expenses, arising out of this Agreement, the Development Program or any claim of illegality or invalidity of the Agreement or the Development Program or the Town's approval of the District, this Agreement or the Development Program or out of the Town's preparation and participation in this Agreement or the Development Program. Provided, however, that these indemnification provisions shall apply only to matters directly related to the validity of this Agreement or to the validity of payments to Sargent by the Town in accordance with this Agreement. The Town shall indemnify Sargent for same if Sargent is successful in any such claim of illegality or invalidity.

ARTICLE IV PLEDGE AND SECURITY INTEREST

Section 4.1 Pledge of Developer Project Cost Sub-account. In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to Sargent 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 to Sargent the Developer Project Cost Sub-account of the Development Program Fund to the extent of Sargent's rights under this Agreement to receive funds from such Project Cost Account and all sums of money and other securities and investments now or hereafter therein.

Section 4.2 Perfection of Interest. The Town shall cooperate with Sargent in causing appropriate financing statements and continuation statements naming Sargent as pledge of all amounts from time to time on deposit in the Developer Project Cost Sub-account of the Development Program 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.

Section 4.3 Further Instruments. The Town shall, upon the reasonable request of Sargent, at Sargent's sole expense, 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 impose any obligation or expense on the Town additional to the obligations and expenses contained elsewhere herein or constitute a pledge of the credit of the Town.

Section 4.4 No Disposition of Developer Project Cost Sub-account. Except as permitted hereunder, the Town shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Developer Project Cost Sub-account of the Development Program Fund and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part hereof not permitted hereby.

Section 4.5 Access to Books and Records. All 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 the Development Program Fund shall at all reasonable times be open to inspection by Sargent, 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 Sargent when the same shall become due and payable;
- (b) any failure by the Town to make deposits into the Development Program Fund and/or the Project Cost Account as and when due;
- (c) any failure by the Town or Sargent to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the Town or Sargent to be observed or performed, provided, however, that failure of Sargent to pay Property Taxes when due shall not constitute an event of default hereunder; or
- (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, marshalling 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 a petition in banking 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.

Section 5.2 Remedies on Default. Whenever any Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps:

- (a) The non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and
- (b) Sargent shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine.

Section 5.3 Remedies Cumulative. 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 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 relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the Town 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. Notwithstanding the application of any other provision hereof, in the event any party should default under any of the provisions of this Agreement and the non-defaulting 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 Sargent herein contained, the defaulting party shall, on demand thereof, pay to the non-defaulting party the reasonable costs and expenses so incurred by the non-defaulting party.

Section 5.5 Waiver of Sovereign Immunity. The Town hereby waives its sovereign immunity with respect to any actions or suits undertaken by Sargent, its successors or assigns, arising out of, resulting from or involving any alleged default by the Town hereunder or failure by the Town to observe or perform any of its obligations hereunder, it being understood and agreed that such waiver is a material inducement to Sargent entering into this Agreement and continuing its pursuit of the Project.

ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1 Effective Date and Term. This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof and shall expire upon the payment of all amounts due to Sargent hereunder and the performance of all obligations on the part of the Town and Sargent hereunder.

Section 6.2 Cancellation and Expiration of Term. At the termination or other expiration of this Agreement and following full payment of all amounts due and owing to Sargent hereunder or provision for payment thereof and of all other fees and charges having been made in accordance with the provisions to this Agreement, the Town and Sargent 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 DEVELOPER'S INTEREST

Section 7.1 Consent to Collateral Pledge and/or Assignment. The Town hereby acknowledges that it is the intent of Sargent to pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on Sargent to make such assignment or pledge. Recognizing this intention, the Town hereby consents and agrees to the pledge and assignment of any or all of Sargent's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Sargent hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof. For this purpose, the Town agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective pledge or assignee, including without limitation, recognition of the pledge or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledge or assignee the position of such assignee or pledge and the irrevocable and binding nature of this Agreement and provide to the pledge or assignee such rights and/or remedies as it may deem necessary for the establishing, perfection and protection of its interest herein.

The Town further consents to an assignment by Sargent of its right to receive tax reimbursements under this Agreement with respect to any particular lot or lots, to a third party purchaser or developer, as an inducement to said third party's purchase or development of the lot

or lots concerned, and subject to all provisions of the Development Agreement and this Credit Enhancement Agreement concerning eligibility for such tax reimbursement payments.

Section 7.2 Conditions of Assignments.

- (a) Except to the extent provided in section 7.1, Sargent shall not have the right to transfer or assign all or any portion of its rights in, to and under this Agreement, without the consent of the Town, which consent may be withheld at the discretion of the Town.
- (b) Any assignment by Sargent will require the Assignee to be bound by the terms and conditions of this Agreement. Prior to giving consent to any proposed assignment, documentation showing that the Assignee has agreed to this requirement shall be submitted to the Town.

**ARTICLE VIII
MISCELLANEOUS**

Section 8.1 Successors. The covenants, stipulations, promises and agreements set forth herein shall bind and inure to the benefit of the respective successors and assigns of the parties hereto.

Section 8.2 Parties in Interest. Except as otherwise expressly provided herein, nothing in this Agreement is intended or shall be construed to confer upon any person, firm or corporation, other than the Town and Sargent any right, remedy or claim; it being intended that this Agreement shall be for the sole and exclusive benefit of the Town and Sargent and their respective successors and assigns.

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. 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 members of the Town Council of the Town 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.

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 Notices. All notices, certificates, requests, requisitions or other communications by the Town or Sargent 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 Hampden
106 Western Avenue
Hampden, Maine 04444

If to Sargent:

Herbert R. Sargent, President
378 Bennoch Road / PO Box 435
Stillwater, ME 04489

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

Section 8.8 Amendments. This Agreement may be amended only with the concurring written consent of the parties hereto.

Section 8.9 Net Agreement. This Agreement shall be deemed and construed to be a "net agreement," and the Town shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, deductions or setoffs.

Section 8.10 Benefit of Assignees or Pledges. The Town agrees that this Agreement is executed in part to induce assignees or pledges to provide financing for the Project and accordingly all covenants and agreements on the part of the Town as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledge from time to time of Sargent's right, title and interest herein.

Section 8.11 Valuation Agreement. The Development Program makes certain assumptions and estimates regarding valuation, depreciation of assets, tax rates and estimated costs. The Town and Sargent hereby covenant and agree that the assumptions, estimates, analysis and results set forth in the Development Program shall in no way (a) prejudice the rights of any party to be used, in any way, by any party in either presenting evidence or making argument in any dispute which may arise in connection with valuation of or

abatement proceedings relating to Sargent's property for purposes of ad valorem property taxation or (b) vary the terms of this Agreement even if the actual results differ substantially from the estimates, assumptions or analysis.

Section 8.12. Development Agreement. The Development Agreement (**Exhibit A**), Development Program and Financial Plan for the District (**Exhibit B**) as approved by the Town shall be deemed to be part of and incorporated in this Agreement. Provided however, that in the event of any conflict between this Agreement and the Development Program or Financial Plan, the Development Agreement and this Agreement shall control, to the extent permitted by law, over any such inconsistent provisions of the Development Program or Financial Plan.

Section 8.13 Integration. This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, written or oral, between the Town and Sargent relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

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

WITNESS:

TOWN OF HAMPDEN



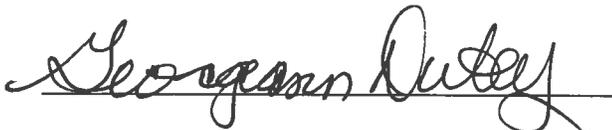
By: Angus Jennings

Its: Town Manager

SARGENT CORPORATION

SSR, LLC

SSR II, LLC



By: Herbert R. Sargent
President, Sargent Corporation
Managing Member, SR, LLC
Managing Member, SR II, LLC

- e. **Lura Hoit Pool Board Meeting Minutes – 8/12/2014**
- f. **Monthly Department Reports – October 2014**

C. PUBLIC COMMENTS – *Jeremy Jones, Partridge Road, requested that all interested residents attend the next meeting of the Services Committee to volunteer for an ad hoc committee to work on policies for the parks. He noted that there would also be some discussion of this topic at the Infrastructure Committee meeting on November 24th. Jim Davitt, 25 Summer Street, complimented the Town Clerk and the Town Manager on the job that they did on Election Day. He is the new State Rep for Hampden and he asked that anyone that had questions or needed assistance to contact him.*

D. POLICY AGENDA

1. NEWS, PRESENTATIONS & AWARDS - None

2. PUBLIC HEARINGS

- a. **Proposed Amendments to Declaration of Covenants, Conditions, and Restrictions for the Hampden Business and Commerce Park** – *Mayor Duprey opened the public hearing. There were no comments. The public hearing was closed. Motion by Councilor Sirois, seconded by Councilor Shakespeare to approve the proposed amendments to the Declaration of Covenants, Conditions, and Restrictions for the Hampden Business and Commerce Park. Unanimous vote in favor.*

3. NOMINATIONS – APPOINTMENTS – ELECTIONS

- a. **Official Return of Votes for Municipal Election – 11/4/2014** – *The Town Clerk reported the local election results. This item was for information only.*
- b. **William Estey – Application for Hampden Water District Board of Trustees – Referral to Infrastructure Committee** – *Councilor Shakespeare referred this item to the Infrastructure Committee.*
- c. **Robert White – Application for Hampden Water District Board of Trustees – Referral to Infrastructure Committee** - *Councilor Shakespeare referred this item to the Infrastructure Committee.*
- d. **Cynthia Hawkins – Application for Town Committees – Referral to Services Committee** – *Councilor Lawlis referred this item to the Services Committee.*

4. UNFINISHED BUSINESS

- a. **MRC Board of Directors Election Ballot** – *Motion by Councilor Lawlis seconded by Councilor Sirois to cast the vote for Ivan McPike. Unanimous vote in favor.*
- b. **Cemetery Maintenance Operations out for Bid – Infrastructure Committee Recommendation** – *Motion by Councilor Sirois, seconded by*

**AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR
THE HAMPDEN BUSINESS AND COMMERCE PARK**

This Amended and Restated Declaration is made this 17 day of September, 2015 by the Town of Hampden, a municipality situated in Penobscot County, Maine:

BACKGROUND:

- A. A Declaration of Covenants, Conditions, and Restrictions for the Hampden Business and Commerce Park dated October 7, 2002 was recorded in the Penobscot County Registry of Deeds on December 17, 2002 in Book 8503, Page 78.
- B. By Certificate of Amendments dated January 23, 2008, recorded in the Penobscot County Registry of Deeds on January 28, 2008 in Book 11274, Page 328, the Town of Hampden amended Section 4.2 and Section 4.4 of the original Declaration.
- C. On November 17, 2014, the Hampden Town Council adopted additional amendments to the original Declaration pursuant to Article VI, Section 6.1 of the Declaration.
- D. This Amended and Restated Declaration is issued for the purpose of restating the original Declaration, as amended through November 14, 2014, and shall apply prospectively from November 14, 2014.

RECITALS:

1. The Town of Hampden is the owner of that certain real property in the Town of Hampden, County of Penobscot, State of Maine, shown on a Final Subdivision Plan entitled Hampden Business and Commerce Park and recorded in the Penobscot County Registry of Deeds in Map File Nos. 2001-70 and 2001-71, as amended by the Final Subdivision Plan - Amendment No. 1 recorded in said Registry in Map File Nos. 2002-89 and 2002-90, Final Subdivision Plan, Amendment 2 (addition of Business Court and Commerce Court) on June 20, 2007, recorded in said Registry in Map File No. 2007-112 and Final Subdivision Plan Amendment 3 (Reconfiguration of Carey Circle) on September 10, 2014, recorded in said Registry in Map File Nos. 2014-60 and 2014-61. (Amended 11/17/14)

2. The Hampden Business and Commerce Park is being developed as a master planned Business and Commerce Park. It is the Town of Hampden's desire and intention to subject the real property in said Business and Commerce Park to certain covenants, conditions, and restrictions which are deemed to be real covenants which run with the land, for the benefit of the property, the Town of Hampden, and the owners or occupants of lots in the Hampden Business and Commerce Park. It is intended that said

covenants, conditions and restrictions shall bind and benefit not only said Town of Hampden, and the owners and/or the occupants, but also their respective successors, heirs, and assigns and that all lots in Hampden Business and Commerce Park shall be owned, held, used, sold, transferred, leased, and conveyed subject to the covenants, conditions, and restrictions set forth in this Declaration.

It is the intention of the Town of Hampden to further a plan of subdivision by means of the covenants, conditions, and restrictions set forth in this Declaration. Said covenants, conditions, and restrictions are intended to be common to all of the lots in the Hampden Business and Commerce Park, and any other land which the Town might wish to add in the future, and to enhance and protect the value, desirability, and attractiveness of all such lots to their mutual benefit except where otherwise noted. The design review provisions are limited to Phase 1 as defined, and not apply to the East Phase or West Phase of the subdivision. (Amended 11/17/14)

3. It is also the intention of the Town of Hampden to enhance the value of the property, to increase the job base and job diversity in the community, and to increase the Town's tax base by undertaking construction and management of the Business and Commerce Park and through the use of this Declaration. Limitations on use, preference for certain uses over other uses, a limitation on non-taxable uses, construction and appearance standards, and many other standards in this Declaration are designed toward these ends.

ARTICLE I DEFINITIONS

Unless the context otherwise specifies or requires, the terms defined in this article shall, as used in this Declaration, have the meanings herein set forth:

Declarant. The Town of Hampden and its successors and assigns.

Declaration. This Declaration of Covenants, Conditions, and Restrictions for Hampden Business and Commerce Park as it may from time to time be amended or supplemented.

Design Review Board. (Deleted 11/17/14)

Final Subdivision Plan - Subdivision Plan. The term Final Subdivision Plan or subdivision plan shall mean the Final Subdivision Plan approved by the Hampden Planning Board, on file at the Penobscot County Registry of Deeds in Map File Nos. 2001-70 and 2001-71, as amended by the: (1) Final Subdivision Plan - Amendment No. 1 recorded in said Registry in Map File Nos. 2002-89 and 2002-90, (2) Final Subdivision Plan, Amendment 2 (addition of Business Court and Commerce Court) on June 20, 2007, recorded in said Registry in Map File No. 2007-112 and (3) Final Subdivision Plan Amendment 3 (Reconfiguration of Carey Circle) on September 10, 2014, recorded in said Registry in Map File Nos. 2014-60 and 2014-61. (Amended 11/17/14)

Hampden Business and Commerce Park. The term "Hampden Business and Commerce Park" shall be synonymous with the term "subject property" and shall mean all of the real property now or hereafter made subject to this declaration, including but not limited to the property shown on the Final Subdivision Plan.

Improvement - Improvements. The term "improvement" or "improvements" shall include buildings, outbuildings, roads, driveways, parking areas, fences, screening walls and barriers, storage facilities, retaining walls, stairs, decks, water lines, sewers, electrical and gas distribution facilities, hedges, windbreaks; plantings, planted trees and shrubs, poles, signs, loading areas, and all other structures, installations, and landscaping of every type and kind, whether above or below the land surface.

Lot. The term "lot" shall mean any lot or other tract or parcel of land located within the subject property as shown on the Final Subdivision Plan. This definition does not preclude establishing improvements across interior lot lines of lots held in common ownership. (Amended 11/17/14)

Low Impact Outdoor Recreation. The term "low impact outdoor recreation" shall mean outdoor recreation, nature observation and study which is dispersed, traditional non-commercial outdoor activities that do not generally rely on buildings or spectator facilities, and may include hiking, bird watching, picnicking, cross-country skiing, snowmobiling, snow-shoeing, bicycling, horseback riding, primitive non-commercial camping, and outdoor education, including scientific and archeological research and observation.

Master Plan. The Hampden Business and Commerce Park master plan approved by the Town of Hampden Planning Board developed by WBRC Architects- Engineers dated April 27, 2001, a copy of which is on file at the Town Clerk's Office in Hampden, Maine. The plan shall include items identified on the Final Subdivision Plan as amended.

Occupant. A person or entity that is in possession of and is occupying or using any improvements located on a lot. The term includes, but is not limited to, an owner, lessee, optionee, or party in possession.

Owner. A person or entity that holds title to a lot as evidenced by records recorded in the Penobscot County Registry of Deeds.

Phase. This term shall represent certain lots within the Hampden Business and Commerce Park Subdivision and further identified on the Amendment 3 Final Subdivision Plan:

Phase 1. Phase 1 is lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, and 18 within the Hampden Business and Commerce Park Subdivision.

Phase, East. East Phase is lots 33, 34, 35, 36 and 37 within the Hampden Business and Commerce Park Subdivision.

Phase, West. West Phase is lots 17, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, and 32 within the Hampden Business and Commerce Park Subdivision. (Amended 11/17/14)

Record-Recorded-Recordation. The terms shall mean, with respect to any document, the recordation of said document in the Registry of Deeds of the County of Penobscot, State of Maine.

Sign. Any structure, devise, or contrivance, electric or non-electric, upon or within which any poster, bill, bulletin, printing, lettering, painting, devise, or other advertising of any kind whatsoever is used, placed, posted, tacked, nailed, posted, otherwise fastened or affixed.

Street. Any public or private way as shown on the Final Subdivision Plan.

Subject Property. Synonymous with the term "Hampden Business and Commerce Park", or any lot therein, and shall mean all of the real property now or hereafter made subject to this Declaration.

Substantial Completion. The date at which the building can be fully utilized for its intended purpose.

Visible from Neighboring Property and/or Street R/O/W. The term "visible from neighboring property and/or Street R/O/W" shall mean, with respect to any object on the lot, that as determined by the Design Review Board, such object is or would be visible from a point measured six (6) feet above the grade at the property line of any adjacent lot or street right of way, except that objects greater than 35 feet above grade are exempt from this definition.

Other Definitions. Any term not defined herein shall have its customary dictionary definition.

ARTICLE II PROPERTY SUBJECT TO THIS DECLARATION

2.1 GENERAL DECLARATION

Declarant hereby declares that all of that real property located in the Town of Hampden, County of Penobscot, State of Maine, as shown on the following plans:

Final Subdivision Plan entitled Hampden Business and Commerce Park recorded in the Penobscot County Registry of Deeds in Map Files No. 2001-70 and 2001-71, as amended by Final Subdivision Plan -Amendment No. 1 recorded in said Registry of Deeds in Map File Nos. 2002-89 and 2002-90;

Final Subdivision Plan, Amendment 2 (addition of Business Court and Commerce Court) on June 20, 2007, recorded in said Registry in Map File No.2007-112; and

Final Subdivision Plan Amendment 3 (Reconfiguration of Carey Circle) on September 10, 2014, recorded is said Registry in Map File Nos. 2014-60 and 2014-61. (Amended 11/17/14)

shall be sold, held, conveyed, encumbered, leased, rented, used, occupied, improved, maintained or transferred in whole or in part, subject to the limitations, restrictions, conditions, covenants, liens and provisions set forth in this Declaration, all of which are declared and agreed to be in furtherance of a general plan for the subdivision, improvement, and sale of said real property and are established for the purpose of enhancing and protecting the value, desirability, and attractiveness of the subject property and every part thereof. All of said limitations, restrictions, conditions, covenants, liens and provisions of this Declaration shall run with the land and shall be binding on all parties having or acquiring any right, title, or interest therein or any part thereof.

2.2 ADDITION OF OTHER REALTY

Declarant may, but shall have no obligation to, add at any time or from time to time additional land to the scheme of this Declaration. The addition of additional land to the scheme of this Declaration shall be made and evidenced by filing in the Penobscot County Registry of Deeds a supplementary Declaration with respect to the additional land to be added. Declarant reserves the right to so amend and supplement this Declaration without the consent of any party who may have any right, title, or interest to the subject property. Upon addition of additional land to the scheme of this Declaration, said additional land shall be and become subject to this Declaration.

ARTICLE III CONSTRUCTION OF IMPROVEMENTS

3.1 APPROVAL OF PLANS REQUIRED

The provisions of the Declaration of Covenants, Conditions, and Restrictions for the Hampden Business and Commerce Park outlined in Section 3.1 through 3.4 shall only apply to Phase 1, and do not apply to East Phase and West Phase as defined. No exterior improvements shall be commenced, erected, placed, altered, maintained, or permitted to remain on any lot, nor shall any addition, change or alteration of any improvements be made, until final plans and specifications shall have been submitted to and approved in writing by the Hampden Planning Board. Such final plans and specifications shall be submitted in accordance with Zoning Ordinance Article 4.1 Site Plan Review, as may be amended or replaced from time to time. Such plans and specifications shall be in such form and shall contain such information as may be reasonably required by the Planning Board or Town Planner, but shall in any event include those items listed in III.1.a and III.1.b of this paragraph. The Planning Board must make a positive finding that the standards contained herein are satisfied in addition to the standards contained in Article 4.1 Site Plan Review, as may be amended or replaced from time to time. (Amended 11/17/14)

A site development plan or plans shall include the nature, grading scheme, shape, composition, and location of all structures (including proposed front, rear, and side setback lines and all stream and wetland buffers), and all structures within three hundred (300) feet of any property line, and the number and location of all parking spaces and driveways, landscaping, buildings, lighting and signage accessory buildings, fences, storage areas, trash collection, antennas, and:

III.1.a. - A plan showing all landscaping elements for the particular lot, including botanical/common name, size, condition, and "hard" landscape elements, and;

III.1.b. - Building exterior elevations of each facade showing dimensions, all building windows and doors, materials, and exterior color scheme and any external mechanical systems, and;

III.1.c. (Deleted 11/17/14)

III.1.d. (Deleted 11/17/14)

III.1.e. (Deleted 11/17/14)

3.2 BASIS FOR APPROVAL

Approval shall be based, among other things, upon adequacy of site dimensions, adequacy of structural design, conformity and harmony of external design with neighboring structures, effect of location and use of proposed improvements upon neighboring lots, proper facing of main elevation with respect to nearby streets, adequacy of screening of mechanical, air-conditioning, or other roof-top installations, and conformity of the plans and specifications to the purpose and general plan and intent of this Declaration, and in reasonably close conformance with the approved Hampden Business Park master plan, as amended, and the final subdivision plan.

Plans that provide for metal-clad buildings will be approved only on the condition that such buildings are designed and built in accordance with the requirements of Section 4.4. (Amended 11/17/14)

Plans for plantings and landscape improvements will be approved only on the condition that materials, placement, and form are designed and built in accordance with the Landscaping Plans for the Hampden Business and Commerce Park. (Amended 11/17/14)

Declarant shall not arbitrarily or unreasonably withhold its approval of any plans and specifications. Except as otherwise provided in this Declaration, Declarant, by and through the Hampden Planning Board, shall have the right to disapprove any plans and specifications submitted hereunder on any reasonable grounds including, but not limited to, the following:

1. Failure to comply with any of the limitations, restrictions, conditions, and covenants set forth in this Declaration;

2. Failure to include information in such plans and specifications as may have been reasonably requested by the Planning Board;
3. Failure to reasonably comply with the Hampden Business and Commerce Park Master Plan;
4. Objection to the exterior design, the appearance of materials, or materials employed in any proposed structure;
5. Objection on the ground of incompatibility of any proposed structure or use with existing structures or uses upon other lots, or other property in the vicinity of the subject property;
6. Objection to the locations of any proposed structure with reference to other lots, or other property in the vicinity;
7. Objection to the grading or landscaping or parking plan for any lot;
8. Objection to the color scheme, finish, proportions, style of architecture, height, bulk, or appropriateness of any structure;
9. Any other matter that, in the judgment of the Planning Board, would render the proposed improvements or use inharmonious with the general plan for improvement of the subject property or with improvements located upon other lots or other property in the vicinity.
(Amended 11/17/14)

3.3 ACTION

Declarant, by and through the Planning Board, may approve plans and specifications as submitted, or as altered or amended, or it may grant its approval to the same subject to specific conditions, or it may deny approval. Upon approval or conditional approval by Declarant of any plans and specifications submitted, a copy of such plans and specifications, or the revised plans, together with any conditions, shall be deposited for permanent record with Declarant, and a copy of such plans and specifications, bearing such approval together with any conditions, shall be returned to the applicant submitting the same. If the Declarant fails to act within 10 business days from the date the plan is deemed complete, the plan is deemed denied. A time extension may be granted in writing by the applicant. (Amended 11/17/14)

3.4 APPEAL (Deleted 11/17/14)

3.5 PROCEEDING WITH WORK

Upon receipt of approval from Declarant pursuant to Section 3.3, the applicant, shall, as soon as practicable, satisfy any and all conditions of such approval and shall diligently proceed with the commencement of and shall diligently and continuously pursue the completion of all approved excavation and construction. In all cases, work shall commence within one (1) year from the date of approval, and if work is not so commenced, approval shall be deemed revoked unless Declarant, pursuant to written request made and received prior to the expiration of said one (1) year period, extends the period of time within which work must be commenced.

3.6 COMPLETION OF WORK

Any improvement commenced pursuant hereto shall be substantially completed within two (2) years from the date of Declarant's approval pursuant to Section 3.3, except that if such substantial completion is rendered impossible, or unless work upon the proposed improvements would impose a great hardship upon the applicant to whom Declarant's approval is given, due to strike, fire, national emergency, natural disaster, or other supervening force beyond the control of the applicant, Declarant may, upon written request made and received prior to the expiration of the two (2) year period, extend the period of time within which work must be completed. Failure to comply with this section shall constitute a breach of this Declaration and subject the party in breach to the enforcement procedures set forth in Article VII. Nothing in this paragraph shall be deemed to extend any construction start or completion date required by the Planning Board, Zoning Ordinance or other ordinance or regulation.

All disturbed areas on any Lot must be revegetated in accordance with good erosion practice methods within three (3) months if disturbed during the growing season and within nine (9) months if disturbed during the non-growing season.

All revegetation must be completely established within one year from the time of disturbance.

If all elements of the approved plans and specifications are not substantially completed in accordance with the terms and conditions of this Declaration or such terms and conditions as may be included in a deed of conveyance, the owner shall be assessed a late penalty of \$100 for each day beyond the completion deadline that the project is not substantially completed. Said late penalty shall be payable to Declarant, and the owner shall also be obligated to pay any of Declarant's reasonable costs incurred to collect the same, including reasonable attorney's fees and expenses.

Within sixty (60) days from substantial completion, the Owner shall submit two (2) copies of final record drawings to the Declarant, along with a set thereof in such electronic format as may be designated by Declarant.

3.7 DECLARANT NOT LIABLE

Nothing in this Declaration shall be deemed to constitute an undertaking by the Declarant to perform any particular act with respect to the subject property, nor to assume liability or indemnify any person for any damage, loss, or prejudice suffered or claimed by any person on account of:

- a. The approval or disapproval of any plans, drawings, and specifications, whether or not in any way defective.
- b. The construction of any improvement, or performance of any work, whether or not pursuant to approved plans, drawings, and specifications.

- c. The development or use of any lot within Hampden Business and Commerce Park, or enforcement or failure by the Declarant to enforce any of the covenants, conditions, or restrictions contained herein.

3.8 CONSTRUCTION WITHOUT APPROVAL

If any improvement shall be commenced, erected, placed, or maintained upon any lot, or any new use commenced upon any lot, other than in accordance with the approval by the Declarant pursuant to the provisions of this article, such improvement shall be deemed to have been undertaken in violation of this Declaration, then upon written notice from Declarant, any such improvement shall be removed or altered so as to conform to the approval by the Declarant, and any such use shall cease or be altered so as to conform to the approval by the Declarant within thirty (30) days after receipt of such notice. Thereafter, any party who remains in breach of the approval shall be subject to the enforcement procedures set forth in Article VII.

3.9 STARTING TIME AND REPURCHASE OPTIONS

- a. Lots are conveyed with the intent that the owner will build thereon, and not for purposes of speculation. Conveyance of lots shall be specifically made upon the condition that commencement of construction shall begin within one year from the date of said conveyance and that substantial completion of construction, including paving of access ways, walkways and parking lots and the grading and landscaping of the surrounding grounds, shall be substantially completed within two (2) years from the date of Declarant's approval pursuant to Section 3.3. In the event owner shall fail to commence construction within one (1) year from the date of conveyance, the Declarant may at its option and after written notice of 30 days, declare a violation of these covenants and upon tender of the original purchase price for the lot by Declarant to owner, the owner shall, notwithstanding any improvements to the lot, execute and deliver to the Declarant a deed conveying the subject lot to the Declarant. Owner shall have no right, remedy or recourse against the Declarant for the cost or value of any improvements, nor a cause or claim for unjust enrichment, quantum merit, or other similar relief.
- b. In the event any owner of land lying within the Hampden Business and Commerce Park shall desire to sell all or part of the land which at the time is unimproved, then the Declarant shall have the prior right and option to repurchase the unimproved premises proposed to be sold at the same price per acre paid by the Owner for said land when originally acquired from the Declarant.
- c. Prior to any sale of such premises, the owner of such lot, or the owner's successors or assigns, shall notify the Declarant in writing of intention to sell, describing the premises to be sold and the Declarant shall have sixty (60) days from the date of receipt of such notice to exercise its option, and in the absence of written notification sent by the Declarant of its election to exercise said option, such owner shall be free to sell such premises to any person and at any price deemed desirable by such owner.

- d. In the event of any repurchase by the Declarant under paragraphs a, b, and c hereof, the purchaser upon tender of the repurchase price, shall execute and deliver to the Declarant a Quitclaim Deed with Covenant to said premises conveying thereby marketable title to the same free and clear of all encumbrances, except those encumbrances contained in the original deed from Declarant.

3.10 RIGHTS RESERVED TO DECLARANT

- a. The property subject to this Declaration is also subject to the reservation to the Declarant for itself, its successors and assigns, of easements and rights of way ten (10) feet in width along all front lines of all lots and as may be shown on the final subdivision plan for all purposes relating to the installation and maintenance of utilities and/or for the installation and maintenance of drainage ways and structures. The areas encumbered by these easements are parallel, and interior to and adjacent to all lot boundaries and this reservation shall include the right of entry by men and machines. In addition, a 10' pedestrian easement is reserved along all property lines for the purposes of public pedestrian egress.
- b. In recognition of the fact that Declarant, or its successors and assigns, will be undertaking the work of constructing the Hampden Business and Commerce Park, nothing in this Declaration shall be understood or construed to prevent the Declarant, or its successors, assigns, employees, agents, contractors or sub- contractors, from doing whatever they may determine to be reasonably necessary or advisable for the completion of the work and the establishment of the Park, and the disposition of lots by sale, lease, or otherwise.

3.11 WETLAND DISTURBANCES

No disturbances may occur within any delineated wetlands as shown on the "Site Grading and Erosion Control Plan" (Sheets CGJOI and CGI02), prepared by WBRC Architects/ Engineers, dated March 16, 2001, and recorded in the Penobscot County Registry of Deeds in Map Files 2002-275 and 2002-276, respectively, other than filling as specifically shown on said plan, unless said plan is amended with the written approval of the Declarant, and with the requisite governmental approvals. Any such amendments to said plan must be recorded in said Registry. Costs of any such amendments, including permitting, shall be the responsibility of those seeking such amendment(s).

3.12 BUFFER AREAS AND OPEN SPACE

No disturbances may occur within any delineated stormwater buffer treatment areas or open space areas designated on the final subdivision plan, except for the removal of dead or dying trees or shrubs, and in accordance with the requirements of the Site Location of Development Permit or Natural Resource Protection Act Permit, as amended, unless said plan is amended with the written approval of the Declarant, the Hampden Planning Board and Maine Department of Environmental Protection (MDEP). Any such amendments for alternative treatment methods or areas must be recorded in said Registry. Costs of any such amendments, including permitting, shall be the

responsibility of those seeking such amendment(s). Exceptions to this restriction include the annual maintenance or mowing of non-wooded buffers, low impact outdoor recreation and recreational trail development within open space areas retained by the Declarant, and maintenance or repair of utilities within easements identified on the subdivision plan. In the event that MDEP requires that a Declaration be recorded in the Registry of Deeds, the more strict provisions shall apply.

ARTICLE IV DEVELOPMENT STANDARDS

4.1 GENERAL REQUIREMENTS

All improvements shall comply in every respect with all applicable laws and ordinances of the United States, the State of Maine, and the Town of Hampden, including zoning restrictions, landscaping, and site development standards under applicable Town of Hampden ordinances.

4.2 MINIMUM SETBACK (Amended 10/15/07)

Notwithstanding any lesser setback requirements under Town of Hampden zoning ordinances, no improvements of any kind, and no part thereof, shall be placed closer than permitted by Declarant to an interior property line or right-of-way, except as otherwise provided in Section 4.3.

- a. Front, side and rear setbacks – no buildings shall be placed outside the building area limit for each lot as depicted on the subdivision plan, or within 20’ of a property line.
- b. Building to parking setback– no less than 5’ between parking spaces and principal buildings, except no less than 20’ for entrance drives.
- c. Impervious area setbacks– no paved areas, parking spaces, loading spaces and associated driveways and access aisles shall be placed outside the impervious area limit for each lot as depicted on the subdivision plan, or within 20’ of the front property line or 10’ of the side and rear property lines, except for entrance drives.

4.3 EXCEPTIONS TO SETBACK REQUIREMENTS

The following improvements, or parts of improvements, are specifically excluded from the setback requirements set forth in Section 4.2:

- a. Walkways;
- b. Fences, subject to the requirements set forth in Section 4.7;
- c. Landscaping and irrigation systems;
- d. Low planters;
- e. Business park identification signs, directional and parking signs, and signs identifying the occupant of a lot, subject to the prior written approval of Declarant, compliance with the Town of Hampden's Zoning Ordinance, and the requirements of Section 4.5 of this Declaration;
- f. Lighting facilities, subject to the prior written approval of Declarant; and

- g. Underground utility facilities and sewers.

4.4 STRUCTURES AND ARCHITECTURAL STANDARDS

The provisions of this section shall only apply to Phase 1 of the Park. (Amended 11/17/14)

- a. All buildings and other site improvements shall be built in conformance with all applicable laws, including any building code adopted by the Town of Hampden or the State of Maine. (Amended 11/17/14)
- b. Building primary facades (front face of building) visible from Route 202 and the Business & Commerce Park contained in Phase 1 of the final subdivision plan's road network shall incorporate design elements which create visual interest. These primary facing facades shall not be blank walls, but shall incorporate windows, entry treatments, variations in plane, variation in roof shapes, and other architectural features to create visual interest, and to distinguish them from simple industrial structures. Development of continuous covered porches or arcades serving multiple businesses is encouraged. Building facades shall be designed and detailed to develop a human scale, present in the appearance of commercial storefront and recognizable entry elements. For the purposes hereof, the term human scale shall mean that the building facade shall use construction products or detailing which refer to modules or scale of the human body. (Amended 11/17/14)
- c. Color scheme and finish for all metal, including roofs, shall be pre-painted. Trim (window, doors, roof edge, eaves, etc.) shall be articulated by color different than the building's siding color. Generally, colors should relate to the setting (landscape). Bold hues and bright saturated colors shall be discouraged.
- d. Buildings less than 10,000 s.f. footprint shall be proportioned such that the roof eave to ridge heights do not exceed the building facade height (ground to eave). Building footprint shall be contained within the building area limits designated on the approved final subdivision plan.
- e. Roof slopes shall be 5"/12" minimum for buildings with footprints less than 10,000 s.f., and ¼"/12" for others. Provided, however, that roof slopes for metal frame buildings with footprints less than 10,000 s.f. shall be a minimum of 3"/12". Roof eaves shall be projected 6" minimum beyond the exterior of all wall surfaces and trimmed, and 12" beyond for buildings having less than 10,000 s.f. footprint. (Amended 10/15/07).
- f. Acceptable exterior materials include:
 - 1) Finished concrete.
 - 2) Finished masonry or masonry units, such as stone, brick, structural facing tile and ceramic tile.
 - 3) "Shallow" corrugated or flat metal panels.
 - 4) Aluminum/glass curtain wall systems.
 - 5) Wood siding, to include solid wood materials such as clapboards but not including pre-manufactured panels such as T1-11.
 - 6) Architectural grade vinyl siding.

- 7) Aluminum doors and window systems.
- 8) Exterior insulation finish systems (EIFS).

4.5 SIGNS

No sign shall be permitted on any lot unless approved by Declarant in writing.

No sign shall be approved other than signs identifying the building or the business of the occupant of a lot, business park identification signs, informational, and vehicular control signs, signs offering the lot for sale or lease, and temporary development signs. All signs must comply with the Hampden Zoning Ordinance and the following requirements:

- a. Freestanding Occupancy Identification Signs shall be no more than twelve (12) feet in height above the average grade elevation of the site around the sign; shall be located on the frontage facing the Hampden Business and Commerce Park access road, no more than twenty-five (25) feet nor less than eight (8) feet from the front property line; nor shall such signs be supported above the base or ground immediately beneath them by a single post. They shall be unlit, or indirectly lit by either back lighting through opaque sign facing or by spotlight. No neon, no intermittent or moveable character signs shall be permitted.
- b. Occupant Identification Signage on a Building shall not extend above a parapet or eaves line (or obscure such building line) and shall not be erected on more than two walls of any building.
- c. Deviations from these standards may be granted by the Declarant upon submission of a written request.

4.6 LANDSCAPING

Within ninety (90) days following completion of construction each lot shall be landscaped in accordance with the plans and specifications, except when the completion of the landscaping would impose a great hardship upon the applicant due to weather or climatic conditions. Declarant may, upon written request made and received prior to the expiration of the ninety (90) day period, extend the period of time within which work must be completed.

- a. The area of each lot between any street and any minimum setback line shall be landscaped with a combination of trees, shrubs, and other ground cover providing a buffer and transition zone from streetscape to site. All other undeveloped portions of a lot shall be landscaped in a complementary and similar manner.
- b. The perimeters of parking areas shall be landscaped with year round plant material or earth berms or a combination of both to screen said areas from view and lessen the impact on neighboring sites.
- c. Within parking areas, parking spaces shall be broken up by landscaped islands such that for every 20 parking spaces there is one landscaped island containing at least 650 square feet, at least one deciduous tree, and planted with low shrubbery.
- d. After completion, such landscaping as is herein required shall be maintained in a slightly and well-kept condition. If, in Declarant's reasonable opinion, the required landscaping is not

maintained in a sightly and well-kept condition, Declarant shall be entitled to the remedies set forth in Article VII.

e. Minimum planting sizes:

Deciduous shade trees	2" Caliper
Coniferous trees	5-7' Height
Deciduous shrubs	18-24"
Coniferous shrubs	18-24"

Planting sizes may be waived at the Declarant's discretion and approval by landscape architect.

f. (Deleted 11/17/14)

The applicant shall provide a suitable performance bond or other form of security to guarantee the performance and completion of all planting required pursuant to this section, which bond or security shall also guarantee plantings for a period of one (1) year after installation. Landscaping shall be maintained thereafter by the property owner at a level consistent with the site plan approval. In determining the amounts of planting to be required, the Declarant shall take into account:

- 1) Existing trees, shrubs, evergreens and other vegetation to be preserved on the site.
- 2) Visibility of incompatible or unsightly areas from roads and/or adjoining properties.
- 3) Shade trees and landscape strips in relation to existing and planned streets.

4.7 FENCES

All fences are subject to the provisions of this section.

- a. A fence six feet high or less may be placed up to but not on a property line so that both sides of the fence can be erected and maintained from the property of the person erecting the fence.
- b. A fence more than six feet high shall be considered a structure subject to normal setback requirements for the zoning district, unless otherwise approved by the Declarant during site plan review.
- c. A fence shall be erected so that its "good side" shall face an abutting property or roadway.
- d. Any fence located adjacent to a publicly owned or maintained sidewalk, bike path or pedestrian way shall not be located closer than two feet to such public facility.
- e. The Declarant reserves the right to approve the location and design of all fences, and no fence shall be constructed without written approval from the Declarant.

4.8 PARKING AREAS, LOADING AREAS, AND DRIVEWAYS

Off-street parking adequate to accommodate the parking needs of the development and the employees and visitors thereof shall be provided for each Lot. The intent of this provision is to eliminate the need for any on-street parking. If parking requirements increase as a result of a change in the use of a lot or in the number of persons employed thereon, additional off-street

parking shall be provided so as to satisfy the intent of this section. All parking areas shall conform to the following standards:

- a. Parking areas shall be paved so as to provide dust free, all weather surfaces.
- b. Each parking space provided shall be designated by lines painted upon the paved surface.
- c. Provision shall be made on each site for any necessary vehicle loading, and no on-street vehicle loading shall be permitted.
- d. Loading dock areas shall be set back, recessed, or screened to minimize visibility from neighboring properties or streets.
- e. No more than one (1) entrance or exit driveway per Lot shall be permitted except in extraordinary circumstances approved by the Declarant, or as identified on the master plan.

4.9 STORAGE AREAS

All storage of bulk materials, including but not limited to such things as coal, wood, pulp, raw materials shall be located completely within a building or other space adequately screened from public view, as approved by the Design Review Board. Any fences, walls or plantings used for such screening purposes shall be located not less than twenty (20) feet from any property line. Outside storage of materials, supplies, or equipment, including trucks or other motor vehicles, shall be permitted only if:

- a. The material equipment, or objects stored outside are necessary and accessory to the activities regularly conducted on the premises;
- b. The area devoted to outside storage is limited and does not dominate the site or appear unattractive from neighboring sites, as determined by the Design Review Board.
- c. The area is screened on the sides and harmonizes with the architecture, landscaping, design, and appearance of neighboring structures and other surroundings, and in reasonably close conformance to the master plan; and
- d. The area is located upon the rear portions of a lot, unless otherwise approved in writing by Declarant.

4.10 LIGHTING

Lights used to illuminate parking areas and drives shall be so arranged and designed as to deflect light downward and away from adjacent residential areas and public highways. Lights shall be of a "downshield luminaire" type where the light source is not visible from any public highway or from adjacent properties.

Only fixtures, which are shielded, do not expose a light source, and which do not allow light to "flood" the property are permitted to be attached to buildings. All lighting must be approved in writing by Declarant.

When illumination is required for part or all of a structure, the illuminating device shall be designed, located and adjusted so as to not cast light directly on adjacent properties or roadways.

4.11 SPECIAL PROVISIONS

In addition to the requirements of Section 4.1-4.8, site plans for development in the Hampden Business and Commerce Park shall be consistent with the requirements of this sub-section. The Hampden Business and Commerce Park is to become a pleasant commercial area in which all visual and functional elements form an integrated design plan. Route 202 connects Hampden and Bangor centers and the site lies in the path of planned recreation trails and alternative transportation links. Site plans for proposed new developments must acknowledge this basic pattern and reinforce it by defining public spaces and walkways, and by providing appropriate landscaping and features.

Design Requirements

- a. New buildings shall be sited to create pleasant outdoor spaces, and to create visual and pedestrian linkages between existing buildings.
- b. Public spaces shall be created to connect to and reinforce the circulation pattern and recreation paths. These public spaces shall be designed at a human scale and furnished with appropriate features such as benches, plantings, public sculptures, bike racks, and pedestrian scaled and styled light fixtures.
- c. Public walkways shall be created and shall be suitably landscaped and furnished with attractive pavement, plantings, pedestrian scaled and styled light fixtures, and other amenities.
- d. The location and design of buildings, public spaces and walkways shall create pleasant and effective termini for views to and from the site.
- e. The southerly views from this area towards the agricultural land and Penobscot River beyond are an important public resource. Prominent public vantage points for these views must be identified and the visual corridors from these vantage points to this resource must be protected and enhanced. Building envelopes have been defined which will prevent these visual corridors from being interrupted by new buildings or landscaping.
- f. The wetlands and waterways shall be utilized as the focal point for the public open space, which shall be designed as a more natural open space rather than developed parks, plazas, or greens. The open space should be accessed by walkways and bikeways, and should be accessible from the buildings.

ARTICLE V USES AND OPERATIONS

5.1 NO FURTHER SUBDIVISION OF LOTS

No lot as shown on the Final Subdivision Plan shall be subdivided without the prior approval of the Declarant and the Hampden Planning Board. No building shall be constructed, erected or placed on any lot other than shown on said Plan, or an amended subdivision plan as approved by the Planning Board and recorded in the Penobscot County Registry of Deeds.

5.2 PERMITTED USES

Lots shall be used for light manufacturing, assembly, research and testing laboratories, professional and other business offices, call centers, warehouses and other acceptable uses permitted by the Town of Hampden Zoning Ordinance, provided that Declarant specifically consents to such use in writing. (Amended 11/17/14)

Such approved use shall be performed or carried out entirely within a building that is so designed and constructed that the enclosed operations and uses do not cause or produce a nuisance to other lots or property, such as, but not limited to, vibration, sound, electro mechanical disturbances, electromagnetic disturbances, radiation, air or water pollution, dust, or emission of odorous, toxic, or nontoxic matter (including steam). Certain activities that cannot be carried on within a building may be permitted, provided Declarant specifically consents to such activity in writing and further provided that such activity is screened so as not to be highly visible. The screening or fencing shall be attractive from neighboring property and streets. All lighting is to be shielded so as not to be directly visible from neighboring property or to cause glare on neighboring streets and properties.

5.3 PROHIBITED USES

The following operations and uses shall not be permitted on any property subject to this Declaration:

- a. Junk yards; wrecking yards; automobile graveyards; or automobile recycling business;
- b. Recycling facilities (unless accessory to the primary activities regularly conducted on the premises);
- c. Mining, drilling for, or removing oil, gas, or other hydrocarbon substances;
- d. Refining of petroleum or of its products;
- e. (Deleted 11/17/14)
- f. Commercial excavation of building or construction materials, provided that this prohibition shall not be construed to prohibit any excavation necessary in the course of approved construction pursuant to Article III;
- g. Dumping, disposal, incineration, or reduction of garbage, sewage, offal, dead animals, or other refuse;
- h. Uses prohibited by federal, state, or local law, including applicable Town of Hampden Zoning Ordinance provisions; (Amended 11/17/14)
- i. No use shall be made of any lot or any portion thereof which would allow access to transportation or utility systems through such lot to any property not controlled by the Town of Hampden without approval of the Town of Hampden;
- j. Non-taxable uses are prohibited unless approved by the Hampden Town Council because they are generally inconsistent with the goals of Recital 4 above.

5.4 NUISANCES

No nuisances shall be permitted to exist or operate upon on any Lot so as to be offensive or detrimental to any adjacent Lot or property or to its occupants. A nuisance shall include, but not be limited to, any of the following conditions:

- a. Any use, excluding reasonable construction activity, of the Lot that emits dust, sweepings, dirt, or cinders into the atmosphere, or discharges liquid, solid wastes, or other matter into any stream, river, or other waterways that, in the opinion of the Declarant, may adversely affect the health, safety, comfort, or intended use of property by persons within the area. No waste nor any substance or materials of any kind shall be discharged into any public sewer serving the subject property or any part thereof in violation of any regulation of the Town of Hampden;
- b. The escape or discharge of any fumes, odors, gases, vapors, steam, acids, or other substances into the atmosphere, which discharge, in the opinion of Declarant, may be detrimental to the health, safety, or welfare of any person or may interfere with the comfort of persons within the area or may be harmful to property or vegetation;
- c. The radiation or discharge of intense glare or heat, or atomic, electromagnetic, microwave, ultrasonic, laser, or other radiation. Any operation producing intense glare or heat or such other radiation shall be performed only within an enclosed or screened area and then only in such manner that the glare, heat, or radiation emitted will not be discernible from any point exterior to the site or lot upon which the operation is conducted;
- d. Excessive noise. At no point outside of any lot shall the sound pressure level of any machine, device, or any combination of same, from any individual plant or operation, be offensive or detrimental to any adjacent lot or property or to its occupants, as determined by the Design Review Board;
- e. Excessive emissions of smoke, steam, or particulate matter. Emission of dust, fly ash, fumes, vapors or gases which could damage human health, animals, vegetation, or property, or which could soil or stain persons or property, at any point beyond the lot line of the establishment creating that emission shall be prohibited. All such activities shall also comply with applicable Federal and State regulations;
- f. Ground vibration. Buildings and other structures shall be constructed and machinery and equipment installed and insulated on each lot so that the ground vibration inherently and recurrently generated is not perceptible without instruments at any point exterior to any lot.
- g. Trash and refuse outdoors if not contained in a proper receptacle in a refuse collection area.
(Amended 11/17/14)

5.5 CONDITION OF PROPERTY

The occupant of any lot shall at all times keep it and the buildings, improvements, and appurtenances thereon in a safe, clean, and wholesome condition and comply, as its own expense, in all respects with all applicable governmental, health, fire, and safety ordinances, regulations,

requirements, and directives, and the occupant shall at regular and frequent intervals remove at its own expense any rubbish of any character whatsoever that may accumulate upon such lot.

5.6 MAINTENANCE OF GROUNDS

Each occupant shall be responsible for the maintenance and repair of all parking areas, driveways, walkways, and landscaping on his/her lot. Such maintenance and repair shall include, without limitation, up to the public travel way including any easements, esplanades, tree protection zone, and joint or shared parking areas. Each occupant shall be responsible for:

- a. Maintenance of all parking areas, driveways, and walkways in a clean and safe condition, including the paving and repairing or resurfacing of such areas when necessary with the type of material originally installed thereon or such substitute therefor as shall, in all respects, be equal thereto in quality, appearance, and durability, the removal of debris and waste material and the washing and sweeping of paved areas, the painting and repainting of striping markers and directional signals as required;
- b. Cleaning, maintenance, and re-lamping of any external lighting fixtures; and
- c. Performance of all necessary maintenance of all landscaping, including the trimming, watering, and fertilization of all grass, groundcover, shrubs, or trees, the removal of dead or waste materials, the replacement of any dead or diseased grass, groundcover, shrubs, or trees.

5.7 REMEDIES FOR FAILURE TO MAINTAIN AND REPAIR

Each lot owner and occupant thereof shall promptly maintain and repair their premises per Article V but if owner or occupant shall fail to do so after fifteen (15) days written notice by Declarant, then the Declarant may pursue those remedies described in Article VII.

5.8 REFUSE COLLECTION AREAS

All outdoor refuse collection areas shall be screened to minimize visibility from neighboring property or streets and setback at least ten (10) feet from the Street right-of-way. No refuse collection area shall be permitted between a subdivision street and the front of a building.

5.9 REPAIR OF BUILDINGS

No building or structure upon any Lot shall be permitted to fall into disrepair, and each such building and structure shall at all times be kept in good condition and repair and adequately painted or otherwise finished.

5.10 PUBLIC UTILITIES

Declarant reserves the exclusive right to approve installation of utility lines across the subject property. Declarant will consult with any Lot owner before such installation and shall attempt to

accommodate Lot owner concerns. The appropriate governmental authority must approve the construction and operation of public utilities in rights-of-way dedicated to the public.

5.11 UTILITY LINES AND ANTENNAS

No sewer, drainage, or utility lines or wires or other devices for the communication or transmission of electric current, power, or signals, including telephone, television, microwave, or radio signals, shall be constructed without approval by the Declarant. Notwithstanding the requirements of the Hampden Zoning Ordinance, no antenna or tower for the transmission or reception of telephone, television, microwave, or radio signals shall be placed on any Lot within the subject property without the consent of the Declarant, which shall not be unreasonably withheld. Nothing contained herein shall be deemed to forbid the erection or use of temporary power or telephone power or telephone facilities incidental to the construction or repair of buildings on the subject property.

5.12 MECHANICAL EQUIPMENT

All mechanical equipment, utility meters, storage tanks, air conditioning equipment, and similar items shall be screened with landscaping or attractive architectural features integrated into the structure itself, and shall not be visible from neighboring properties or street rights of way as defined in Article I.

5.13 MINERAL EXPLORATION

No portion of the subject property shall be used in any manner to explore for or to remove any steam, heat, oil, or other hydrocarbons, gravel, earth, or any earth substances or other mineral of any kind, provided, however, that this shall not prevent the excavation of earth in connection with the grading or construction of improvements within the subject property.

5.14 OTHER OPERATIONS AND USES

Operations and uses that are neither specifically prohibited nor specifically authorized by this Declaration may be permitted in a specific case if operational plans and specifications are submitted to and approved in writing by Declarant in accordance with the procedures set forth in Article III of this Declaration. Approval or disapproval of such operational plans and specifications shall be based upon the effect of such operations or uses on other property subject to this Declaration or upon the occupants thereof, but shall be in the sole discretion of Declarant.

**ARTICLE VI
MODIFICATION AND REPEAL**

6.1 MODIFICATION BY DECLARANT

The Declarant, at its sole discretion, may modify or amend the provisions of this Declaration, provided, however, that:

- a. Prior to any such modification or amendment, Declarant shall obtain the approval of any governmental agency to such modification or amendment where such approval is necessary;
- b. A public hearing on the proposed amendment will be held by the Town Council;
- c. No such modification or amendment shall be effective until the owners and occupants have been given thirty (30) days prior written notice of the proposed change and a proper instrument in writing has been executed and recorded.

**ARTICLE VII
ENFORCEMENT**

7.1 ABATEMENT AND SUIT

The Declarant may enforce any breach or violation of the provisions of this Declaration in either the Superior Court of Penobscot County or the U.S. District Court, Bangor, Maine. In the event the Declarant seeks legal redress, the Declarant may pursue, at its option, both the owner and any related or non-related occupant for money damages, specific performance or any other form of legal or equitable relief. Notice of violation or breach of any covenant, condition or restriction or provision of this Declaration shall be provided by the Declarant in writing, and upon a failure to correct or abate said violation after 30 days, Declarant may pursue such legal or equitable action. In addition to the above remedies, if such violation shall continue for more than 30 days, the Declarant may enter upon the lot where said violation or breach exists and summarily correct, abate or remove, at the expense of owner and/or occupant, any improvements, structure, thing or condition deemed by the Declarant to be in violation of or contrary to the provisions of this Declaration. No such entry by the Declarant or its agents shall be deemed a trespass, nor shall the Declarant or its agents be liable for any actions taken hereunder to remedy or remove a violation. All costs incurred by Declarant shall be levied as an assessment against the owner of the lot(s) in question. If any such assessment is not paid within thirty (30) days of an invoice therefor issued by Declarant, such assessment shall then become delinquent and shall, together with interest thereon at the rate of twelve (12) percent per annum and the cost of collection thereof (including reasonable attorney's fees) become a continuing lien on the lot(s) against which such assessment is made and shall bind such lot(s) in the hands of the owner(s), and the owner's successors and assigns, and shall also be a continuing personal obligation of the owner(s) against whom the assessment is levied. The lien of the assessment for which provision is herein made shall be subordinate to the lien of any first mortgage to a financial institution.

7.2 RIGHT OF ENTRY

During reasonable hours and upon reasonable notice and subject to reasonable security requirements, Declarant, or its agents, shall have the right to enter upon and inspect any lot and the improvements thereon covered by this Declaration for the purpose of ascertaining whether or not the provisions of this Declaration have been or are being complied with, and neither Declarant nor its agents shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

7.3 DEEMED TO CONSTITUTE A NUISANCE

The result of every act or omission whereby any covenant, condition, or restriction herein contained is violated in whole or in part is hereby declared to be and to constitute a nuisance, and every remedy allowed by law or in equity against an owner or occupant shall be applicable against every such result and may be exercised by Declarant.

7.4 ATTORNEY'S FEES

In the event the Declarant initiates any legal or equitable action to enforce these covenants, and it prevails in that action, the Declarant shall be entitled to its reasonable attorney's fees. In no event and under no circumstances shall Declarant be responsible for owner's or occupant's attorney's fees.

7.5 FAILURE TO ENFORCE IS NO WAIVER

The failure of Declarant to enforce any covenant, condition, restriction, or provision of this Declaration shall in no event be deemed to be a waiver of the right to do so thereafter or in other cases nor to the right to enforce any other restriction.

ARTICLE VIII ASSIGNMENT

Any and all of the rights, powers, and reservations of Declarant herein contained may be assigned to any person, partnership, corporation, or association that will assume the duties of Declarant pertaining to the particular rights, powers, and reservations assigned, and upon any such person, partnership, corporation, or association evidencing its consent in writing to accept such assignment and assume such duties, the assignee shall, to the extent of such assignment, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein. Any assignment made under this article shall be recorded in the Registry of Deeds.

**ARTICLE IX
CONSTRUCTIVE NOTICE AND ACCEPTANCE**

Every person or entity who now or hereafter owns or occupies any portion of the subject property is and shall be conclusively deemed to have consented and agreed to every covenant, condition, restriction and provision contained in this Declaration, regardless of whether any reference thereto is made in any document by which that person acquired an interest in the subject property.

**ARTICLE X
WAIVER AND FAILURE TO ENFORCE**

The Declarant may after public hearing, waive one or more of the covenants, conditions, and restrictions contained in this Declaration. Neither Declarant, nor its successors or assigns, shall be liable to any owner or occupant of the subject property by reason of any mistake in judgment, negligence, nonfeasance, action, or inaction or for the enforcement or failure to enforce any provision of this Declaration. No owner or occupant of property in the Hampden Business and Commerce Park may bring any action or suit against Declarant to recover any such damages or to seek equitable relief because of same.

**ARTICLE XI
RUNS WITH LAND**

All covenants, conditions, restrictions, and provisions contained in this Declaration are made for the direct, mutual, and reciprocal benefit of each and every lot of the subject property; shall create mutual equitable servitudes upon each lot in favor of every other lot; shall create reciprocal rights and obligations between respective owners or occupants of all lots, their heirs, successors, and assigns; and shall, as to the owner or occupant of each lot, their heirs, successors, and assigns, operate as covenants running with the land, for the benefit of all other lots, except as herein provided otherwise.

**ARTICLE XII
RIGHTS OF MORTGAGEES**

No breach of any covenant, condition, restriction or provision herein contained, or any enforcement thereof, shall defeat or render invalid the lien of any mortgage now or hereafter granted on the subject property or a portion thereof, provided, however, that if any portion of said property is transferred under a foreclosure of any mortgage or by a deed in lieu of foreclosure, any successors and assigns shall hold any and all property so transferred subject to all of the covenants, conditions, restrictions and provisions contained in this Declaration.

**ARTICLE XIII
CAPTIONS**

The captions of articles and sections herein are used for convenience only and are not intended to be a part of this Declaration or in any way to define, limit, or describe the scope and intent of the particular article or section to which they refer.

**ARTICLE XIV
EFFECT OF INVALIDATION**

If any provision of this Declaration is held to be invalid by any court, the invalidity of such provision shall not affect the validity of the remaining provisions hereof.

**ARTICLE XV
NOTICES**

Any notices required to be sent to any owner or occupant under the provisions of this Declaration shall be deemed to have been properly sent when mailed by U.S. mail, postage prepaid, to the last known address of the person as it appears in the records of the Assessor of the Town of Hampden. Owner and occupant shall notify the Assessor of any change of address.

IN WITNESS WHEREOF, the Town of Hampden has caused this Amended and Restated Declaration to be duly executed on its behalf as of this 17 day of September, 2015.

Cheryl M Johnson
Witness Cheryl M Johnson

Town of Hampden
By: *Angus G Jennings*
Angus G. Jennings
Its Town Manager

STATE OF MAINE
PENOBSCOT, ss.

September 17, 2015

Personally appeared the above-named Angus Jennings in his stated capacity and acknowledged the foregoing instrument to be his free act and deed in such capacity and the free act and deed of said Town of Hampden.

PENOBSCOT COUNTY, MAINE
Susan F. Bulley
Register of Deeds

Before me,
Denise R. Hodsdon
Notary Public
Printed Name: DENISE R. HODSDON

DENISE R. HODSDON
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES
MARCH 3, 2016



Town of Hampden

Business

5-A

Residential A

Emerson Dr.

Ruth Ave.

Route 202

Stoneybrook Road

Business

200'

Area proposed to be rezoned
from Residential A to
Commercial Service;
Apx. 16 acres.

Commercial Service

Coldbrook Rd.

Residential A



Laskey Ln



Angus Jennings <townmanager@hampdenmaine.gov>

New marijuana legislation, public hearing scheduled

1 message

Laura Ellis <EBulletin@imail.memun.org>

Wed, Sep 13, 2017 at 11:24 AM

Reply-To: LEllis@memun.org

To: "ebulletin@imail.memun.org" <ebulletin@imail.memun.org>



To: Key Municipal Officials

From: Garrett Corbin

Date: September 13, 2017

Re: New Marijuana Legislation

For the better part of this year, the Legislature's Marijuana Legalization Implementation Committee has worked to craft legislation containing many important amendments to Maine's Marijuana Legalization Act. The Act, which legalizes the use of marijuana by persons over 21 years of age as well as industries associated with such use, became law earlier this year as a result of a statewide referendum approved by the voters in last November's election.

The Committee's bill, LR 2395, "An Act To Amend the Marijuana Legalization Act," was made publicly available yesterday.

What follows is a description of LR 2395 as well as additional information regarding the channels for communicating your perspective on this matter if you wish. The full text of the bill is available [here](#), and an article printed in the most recent edition of the *Maine Townsman* which includes background information you may find helpful is available [here](#). Additionally, a link to a compilation of MMA's resources on this topic may be found on the right-hand side of the MMA homepage at www.memun.org.

MMA Description of LR 2395 - An Act To Amend the Marijuana Legalization Act. This bill provides the regulatory framework necessary to implement the citizen initiated law legalizing the recreational use of marijuana for person 21 years of age or older, which as proposed in the bill is referred to as the “adult use” of marijuana.

Local Control. Of greatest significance to municipal officials, the bill expressly authorizes municipalities to prohibit the operation of some or all types of marijuana establishments (e.g. cultivation, manufacture, testing, retail stores and social clubs) within the municipality and also limit the number of any type of establishment that may be approved or licensed to operate in the community. The bill authorizes communities to adopt reasonable land use ordinances regulating the location of all marijuana establishments within the community and impose reasonable licensing requirements addressing matters not regulated by the state. The bill specifies that municipalities can adopt ordinances that: (1) place reasonable restrictions on size, content and location of signs and advertisements used by marijuana establishments, except that provisions must prohibit the placement of signs and advertisements within 1,000 feet of the property line of a preexisting public or private school; (2) establish reasonable municipal licensing fee schedules; and (3) enforce odor control measures for both commercial and personal cultivation of marijuana. Furthermore, municipalities are authorized to deny an application for the location of a marijuana establishment within the community without first adopting an ordinance regulating marijuana establishments.

The standards adopted by the municipality, however, cannot be more restrictive than or otherwise conflict with explicit state regulations. Municipalities are expressly prohibited from approving or licensing marijuana establishments that seek to locate within 1,000 feet of the property line of an existing public or private school, although municipalities may expand that minimum distance. Municipalities are also prohibited from granting a license to an applicant that has not demonstrated that the applicant owns or leases the property from which the proposed establishment will operate. The bill requires applicants to submit a site plan designating the location, size and layout of the proposed establishment. If the applicant is approved or granted a license to operate in the community, the municipality must provide the Department of Administrative and Financial Services (DAFS) with a copy of the submitted site plan.

As provided in the bill, a municipality’s failure to act on a request for approval or a license to operate a marijuana establishment cannot be construed to satisfy the approval or licensing process. If at any time a municipality withdraws approval for a marijuana establishment or revokes a municipal license, the establishment must immediately cease operations and may apply to DAFS for a relocation permit.

Finally, municipalities are required to notify DAFS within 14 days of a decision to: (1) approve or deny the location of a marijuana establishment; (2) issue or renew a license; (3) withdraw the approval or suspend or revoke a license; (4) approve the relocation of a licensed premises; or (5) approve a transfer of ownership interest in a licensed establishment.

Taxation. The bill assesses a 20 percent state sale tax on products sold at marijuana retail stores and social clubs. Five percent of all monthly tax revenue generated within each municipality by all marijuana stores and social clubs within the municipality must be distributed to that municipality. One percent of the total monthly tax revenue generated statewide must be distributed in equal amounts to each municipality that had a cultivation facility, product manufacturing facility, marijuana store or social club in operation in the municipality during the prior month. Twelve percent of the total monthly tax revenue must be transferred to the Adult Use Marijuana Public Health and Safety Fund to be used to facilitate public health and safety awareness education programs and for enhanced training for local, county and state law enforcement officers.

State Agency Authority. Regulatory implementation and oversight of the law is assigned primarily to DAFS and the Department of Agriculture, Conservation and Forestry (DACF). As proposed in the bill, DAFS is authorized to:

- Adopt the major substantive rules establishing: (1) initial license and renewal application processes; (2) qualifications for licensure; (3) licensing fees; (4) appeals process for a denial of an application and the conduct of appeals and hearings; and (5) security requirements for marijuana stores and social clubs. DAFS must provisionally adopt these rules on or before March 15, 2018.
- Implement and administer a system to track adult use marijuana from immature plant to the point of retail sale, disposal or destruction.
- Develop programs or initiatives to facilitate the collection and analysis of data regarding the impacts and effects of the use of marijuana in the State, including youth and adult marijuana use; school suspension and discipline; E-911 calls, emergency department visits and hospitalizations; operating under the influence arrests; motor vehicle accidents; and violent crimes associated with the use of marijuana.
- Develop and implement programs, initiatives and campaigns focused on educating the public on the health and safety matters related to the use of marijuana.
- Develop and implement programs or initiatives providing enhanced training for criminal justice agencies in the requirement and enforcement of the law, including training law enforcement officers in the inspections, investigations, searches, seizures, forfeitures and personal use and home cultivation allowances.
- In collaboration with DACF annually submit a report to the joint standing committee of the Legislature with jurisdiction over adult use marijuana. The report must include information on the number and types of applications, total amount of application and license fees received and the amount of sales tax revenue collected; volume and value of adult use marijuana sold by stores, social clubs and cultivation facilities; number of inspections conducted; number of license violations committed; public health and safety data; and recommendations for legislation to address issues associated with adult use marijuana. The first report must be submitted on February 15, 2019.

DACF is directed by the bill to implement, administer, enforce and adopt rules to regulate the cultivating, manufacture and testing of adult use marijuana including: (1) marijuana seeds, clones and plants; (2) security requirements (e.g., lighting, physical security, alarms and other internal control and security, etc.); (3) use of pesticides, fungicides and herbicides, harvesting and storage of marijuana products; (4) limits on the concentration of THC and other cannabinoid per product serving; (5) odor control, sanitary, refrigeration, storage and warehousing standards; and (6) packaging and labeling of marijuana products. DACF must provisionally adopt these rules on or before March 15, 2018.

The bill also:

State Licensing Authority. Establishes several initial, renewal, transfer of ownership, relocation of premises licensing criteria, include delaying the licensing of social clubs until June 1, 2019. If an application is approved, the state is required to issue a conditional license. An active license to operate a marijuana establishment is issued only if and when the applicant obtains municipal approval or a municipal license to operate within the municipality's boundaries. A conditional license expires in one year.

Regulation in the Workplace. Allows employers to: (1) prohibit the use, consumption, possession, trade, display, transport, sale or cultivation of marijuana in the workplace; (2) adopt policies restricting the use of marijuana by employees; and (3) discipline employees who are under the influence of marijuana in the workplace according to the employer's policies.

Operating, Testing, Labeling and Packaging Requirements. Sets into place the many operating, testing, labeling and packaging requirements for the cultivation, manufacturing and testing facilities, as well as for retail stores and social clubs.

License Violation. Implements the process for fining a licensee or suspending or revoking licenses for violations of state law.

Personal Use of Marijuana Products. Establishes qualitative limits for the personal use, consumption, cultivation and possession of marijuana by persons 21 years of age or older.

Marijuana Advisory Commission. Creates the 15 member Marijuana Advisory Commission, which includes a representative of a statewide association representing municipalities appointed by the Speaker of the House. The commission is tasked with reviewing the laws and rules pertaining to the adult use and medical marijuana industries and recommending changes to the laws and rules that are necessary to preserve public health and safety. Beginning January 15, 2019, and annually thereafter, the commission is required to submit a report containing findings and recommendations to the joint standing committee or committees of the Legislature having jurisdiction over medical marijuana and adult use marijuana matters.

Adult Use Marijuana Public Health and Safety Fund. Creates a dedicated, non-lapsing fund within DAFS capitalized by 12% of the sales tax revenue generated by the 20% tax imposed on the products sold in retail stores and social clubs and all funding from other public or private sources. The revenues dedicated to the fund must be evenly divided between to public health and safety awareness and education programs and enhanced state, county and municipal law enforcement training programs related to the sale and use of adult use marijuana.

Additional information regarding the legislative process. The MLI Committee will be holding a public hearing on the bill on Tuesday, September 26, starting at 9:00 am in the Appropriations and Financial Affairs Committee room (State House, Room 228). All members of the public are welcome to submit comments on LR 2395 in person at the public hearing, or in writing through the Committee's Legislative Advocate at Daniel.Tartakoff@legislature.maine.gov.

Because the Committee anticipates a large turnout for the hearing, they are advising the following:

- Those who do intend to testify at the hearing are asked not to submit testimony in advance but instead to bring 25 copies of that testimony to the public hearing to be distributed when testifying.
- People who wish to testify should sign up at the table outside Room 228 the morning of the hearing. The order of testimony will follow the order of the sign-up sheets. Sign-up sheets will be available starting at 8:15 am on the 26th.
- Testimony will be limited to 3 minutes per individual speaker.
- There will be two overflow rooms available if seating in Room 228 is full. Information on the overflow rooms will be provided at the hearing.

Additionally, MMA's Legislative Policy Committee (LPC) has been asked to take a position on this legislation. Municipal officials are encouraged to share their comments, suggestions, or concerns with representatives on the LPC in the meantime. Municipal officials looking for their LPC members' contact information, or wishing to be added to MMA's "MLI" notification list, may contact Laura Ellis in MMA's State and Federal Relations Department at lellis@memun.org or (207) 623-8428. The MLI Committee's members, staff, schedules, and live online audio streaming of meetings are all available through its website at <http://legislature.maine.gov/committee/#Committees/MLI>.

Finally, MMA would like to stress the relatively high degree of Home Rule deference afforded to municipalities in this legislation, and in the existing Act. Municipal officials have significant latitude to adjust their ordinances to meet their communities' needs.

You are welcome to contact the MMA State and Federal Relations Department's Legislative Advocate Garrett Corbin at GCorbin@memun.org or 1-800-452-8786 with any questions pertaining to this legislation.

Questions pertaining to the implementation of a moratorium in your community, or other municipal or legal actions, should be directed to MMA's Legal Services Department at Legal@memun.org or 1-800-452-8786.