



CITY OF BANGOR

AGENDA

Business & Economic Development Committee

Monday, June 15, 2026

73 Harlow Street – Council Chambers

Bangor, Maine

Immediately following Finance Committee

1. **Proposed Code Amendments**
 - A. **Mobile Home Park**
Action request: Send recommendation to full Council
2. **Receipt of Housing Opportunity Program Municipal Ordinance Development grant**
Action request: Send recommendation to full Council
3. **Presentation of Bangor HS Students of their work with Community Development Staff for CORE (Community Organizing for Representation and Engagement) Action**
Requested: Provide feedback to staff
4. **Community Development Block Grant Action Plan 26/27**
Action request: Send recommendation to full Council
5. **Director Updates**
 - A. **Background on Certified Local Governments**
 - B. **Resubmission of information on Tax Increment Financing, Credit Enhancement Agreements, and Assessment Districts**
 - C. **Maine Downtown Center Annual Conference in Bangor 2027**
6. **Executive Session: Acquisition of real property or economic development 1 M.R.S.A. § 405(6)(C) – 2 items**
7. **Possible Actions on Executive Session Items**
Action request: Forward to Council

Upcoming Items:

Short Term Rental Overview – July 2026

Code Division Overview of Procedures and Protocols – July 2026

Feasibility Study Work on City-Owned Properties – July 2026



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

ANNE M. KRIEG AICP
DIRECTOR

Memorandum

To: Business & Economic Development Committee
From: Anja Collette, Planning Officer
Date: June 4, 2026
Regarding: Proposed changes to manufactured home park ordinance

The purpose of this memo is to discuss proposed changes to regulations on manufactured home parks in the Land Development Code.

Currently, the more flexible alternative development standards listed in the manufactured home park chapter of the Land Development Code only apply to parks existing before September 13, 1971. This poses issues for parks that were developed in the decades that followed 1971 since they have to follow the standards for new parks. In some cases, this is preventing the placement of homes on vacant lots, which affects the supply of affordable housing. Staff have drafted language, which is in your packets, that would apply the alternative development standards to all parks existing as of June 1, 2026.



CITY COUNCIL ACTION

Council Meeting Date: 6/22/2026

Item No:

Responsible Dept: Planning

Action Requested: Ordinance

Map/Lot: N/A

Title, Ordinance

Amending Chapter 165, Land Development Code by Adding Flexibility for Manufactured Home Parks Existing as of January 1, 2026

Summary

This ordinance amendment would amend the Land Development Code by allowing manufactured home parks existing as of January 1, 2026 to use more flexible development standards. Currently, the alternative development standards listed in this chapter only apply to parks existing before September 13, 1971. This poses issues for parks that were developed in the decades that followed 1971 since they have to follow the standards for new parks and in some cases, this is preventing the placement of homes on vacant lots, which affects the supply of affordable housing.

Committee Action

Committee: Planning Board

Meeting Date: 7/7/2026

Action:

For:

Against:

Staff Comments & Approvals

City Manager

City Solicitor

Finance Director

Introduced for: First Reading and Referral



CITY COUNCIL ORDINANCE

Date: 6/22/2026

Assigned to Councilor:

ORDINANCE, Amending Chapter 165, Land Development Code by Adding Flexibility for Manufactured Home Parks Existing as of January 1, 2026;

WHEREAS, at present, the current ordinance for manufactured home parks limits the more flexible, alternative development standards to parks existing before September 13, 1971;

WHEREAS, at present, this poses issues for parks that were developed in the decades that followed 1971 that have to meet the standards for new parks;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BANGOR AS FOLLOWS, THAT

Chapter 165 of the Code of the City of Bangor is amended as follows:

§ 165-121 Existing mobile home parks.

...

- B. Any mobile home park in existence prior to January 1, 2026 ~~the effective date of this chapter, but after September 13, 1971~~ must meet the development requirements of §165-121D below. ~~§165-120.~~
- C. ~~Any application for the reconstruction of an mobile home park under this chapter shall comply with the provisions of Article XVI and this article, are permitted to use the alternative development requirements outlined in Subsection E below.~~
- D. Any existing mobile home park developed prior to January 1, 2026 ~~September 13, 1971~~, may be reconstructed in its entirety in accordance with the provisions of this subsection.

...

Additions are underlined, deletions ~~struck through~~.



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

ANNE M. KRIEG AICP
DIRECTOR

Memorandum

To: Business & Economic Development Committee
From: Planning Division
Date: June 11, 2026
Regarding: Grant award from the State to reimburse for costs related to implementing LD 1829 and other housing-related laws

Staff appeared before Council in April to request permission to apply for a grant from the State to reimburse for costs related to implementing LD 1829, the bill requiring municipalities to reduce lot size minimums and relax density limits among other stipulations, as well as other recent housing-related laws such as LD 997 and 427. Staff proceeded to apply and recently learned that the City was awarded this grant. Since the grant performance period lines up with the work we're doing to draft a new land development code, staff proposed to use the funds to cover the costs of that project that relate to the City's residential zoning districts. We will have a formal Council resolve on the next Council agenda to appropriate these funds.



COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

Memorandum

To: Business and Economic Development Committee
From: Robyn Stanicki, Community Development Officer
Date: June 9, 2026
Subject: Community Development Division Update

Consolidated Plan Public Hearing

The City's 2026-2030 Consolidated Plan is now complete and available for download on the City's website (<https://bangormaine.gov/198/Community-Development-Block-Grant-CDBG>) .

On June 22, the Bangor City Council will conduct a public hearing for interested citizens and community members to provide feedback on its contents. A copy of the Plan will also be provided for each Councilor to promote its use in community planning. The Community Development Officer would like to publicly thank the staff, business leaders, community service providers, and residents of Bangor for the immense effort undertaken to complete this Five-Year Plan in a time when just talking about these challenges were as overwhelming and insurmountable as finding solutions to address them.

Accompanying this memorandum is a letter summarizing the new process for evaluating the initiatives and program activities conducted by staff in direct response to the community needs and priorities in the Plan. The funding recommendations provided by the Community Development Officer to the Council via this process is intended to increase the level of engagement and public investment in the programs and services that the City provides with CDBG funds.

C.O.R.E. Team Presentation

Over the past several months, the Community Development Division has been working with a group of Bangor High School students participating in the C.O.R.E. Team, an initiative designed to strengthen connections between young people and local government while creating meaningful opportunities for civic engagement.

The idea for this project came from another community similar to Bangor which had formed a similar relationship with its young leaders, establishing a pathway for leadership and a way for City Councilors to ensure that the future they built was one that their young people could own. C.O.R.E., which stands for Community Organizing for Representation and Engagement, was established to provide students with firsthand experience in municipal government and to ensure that youth perspectives are included in discussions about Bangor's future.

The students participating in this year's program have demonstrated a remarkable commitment to public service, thoughtful discussion, and community leadership. Their work reflects many hours of research, collaboration, and engagement with City departments and community stakeholders.

Following this introduction, members of the C.O.R.E. Team will present their findings and recommendations directly to the City Council. Their presentation represents the culmination of this year's program and provides an opportunity for Councilors to hear directly from some of Bangor's emerging civic leaders about their vision for a more engaged and connected community.

Staff would like to recognize and thank the students, Bangor High School, participating City departments, and community partners who contributed to the success of this inaugural effort.

C.O.R.E

Community Organization for
Representation Engagement



NEIGHBORHOOD

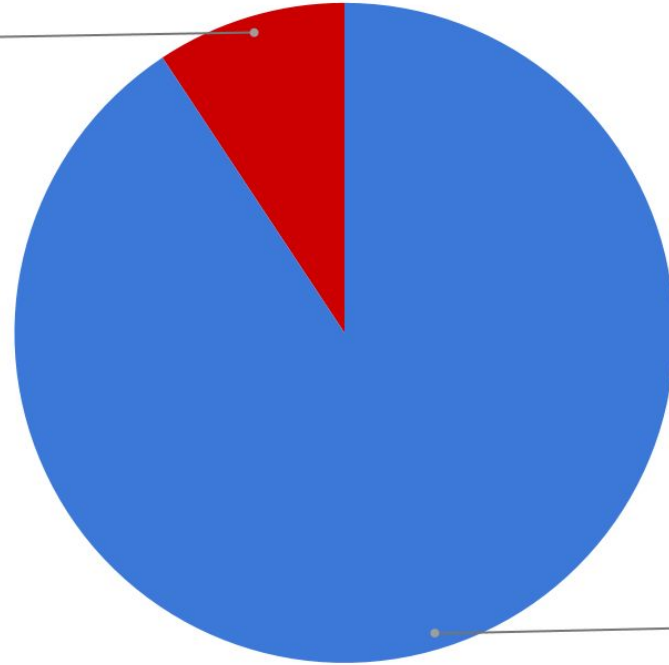
Total Responses: **86**

78 responded that that they know their neighbors

8 responded that they DO NOT know their neighbors

Do residents know their neighbors?

No
9.3%



Yes
90.7%

CONCERNS IN COMMUNITY

Total responses: 69

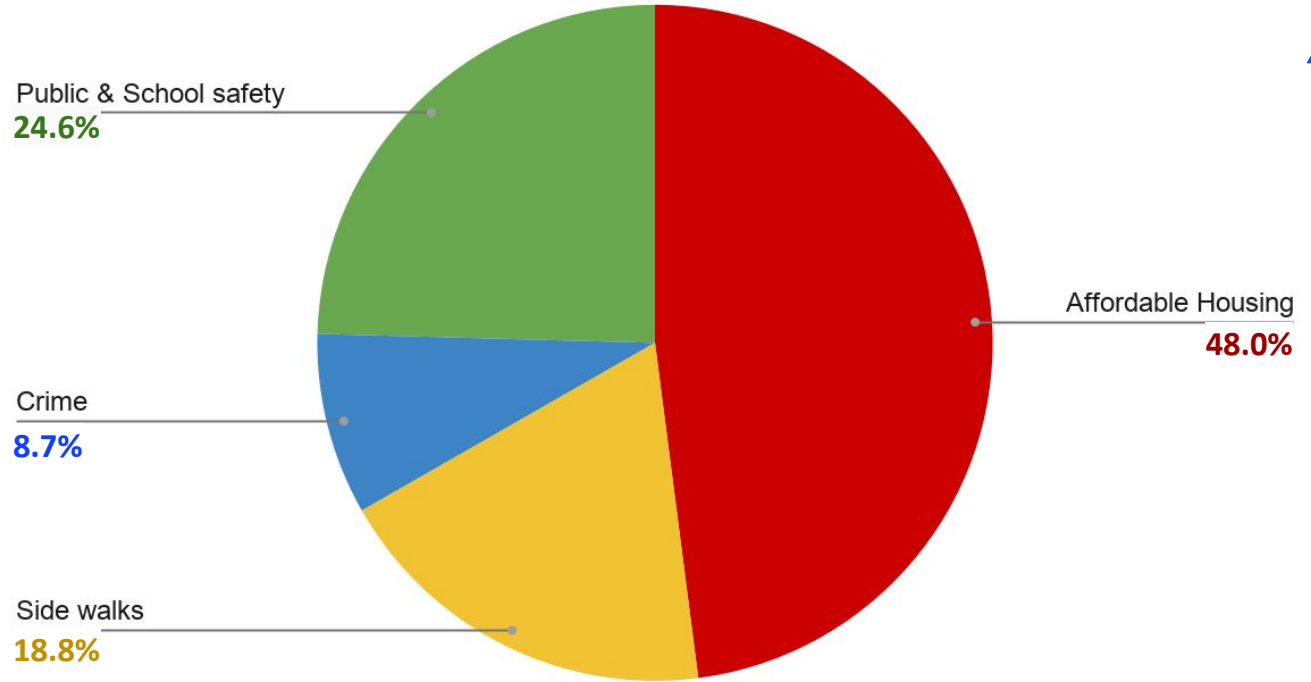
33 responses for Affordable Housing

13 responses for Sidewalks

17 responses for Public & School Safety

6 responses for Crime

Concerns regarding the Community



SAFETY

Total Responses: 70

44 responded that **they feel safe**

6 responded that they **DO NOT feel safe**

20 responded that they **SOMETIMES feel safe**

More notes:

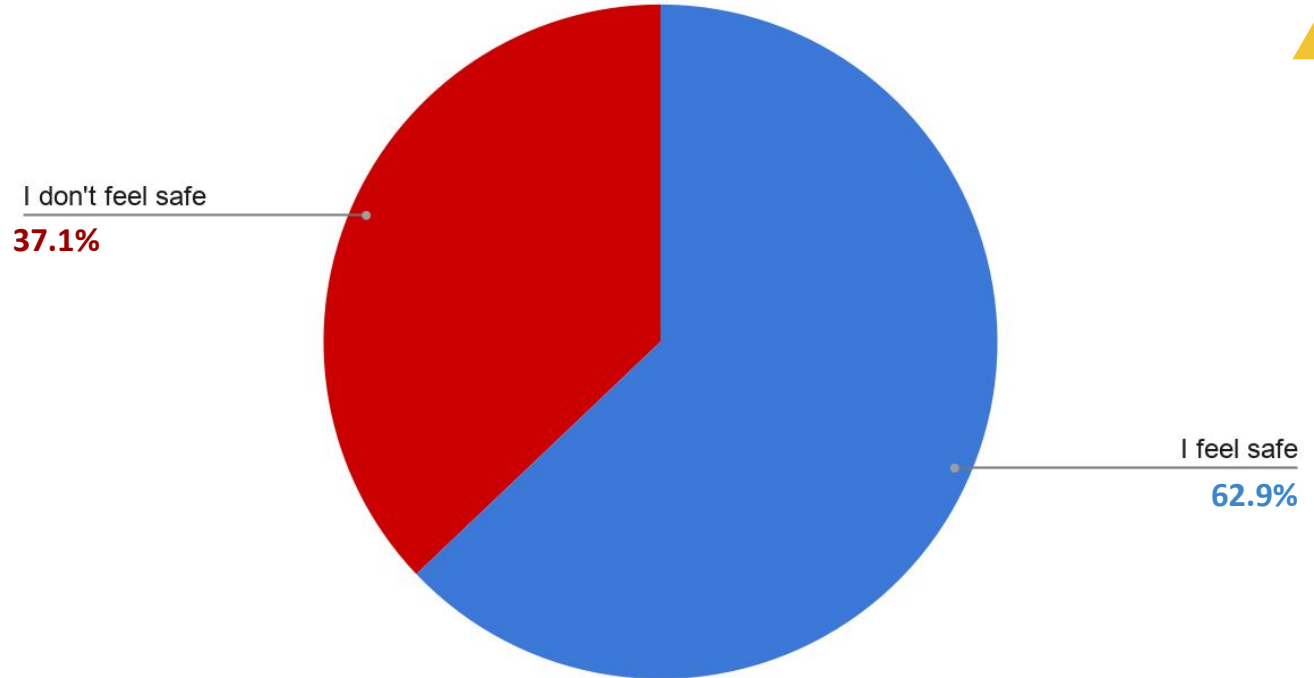
Would you feel safer if there was a resident officer?

Total responses: 70

43 responded **YES**

27 responded **NO**

Safety within Schools from Students



CONCLUSION

Ultimately, the data shows that Bangor's youth care deeply about their city.

They value the safety, peace, and sense of community that Bangor provides. They recognize challenges that still exist. Most importantly, they want opportunities to contribute and be part of the solution.

Through C.O.R.E., our goal is to transform student perspectives into meaningful action and create stronger connections between youth, residents, organizations, and local government.



Thank You for
listening to
the voices of
Bangor's
youth!





COMMUNITY & ECONOMIC DEVELOPMENT

CITY OF BANGOR

ANNE M. KRIEG AICP
DIRECTOR

Notice to City Council

We are pleased to submit the CDBG Annual Allocation Committee's recommended budget allocations for the Community Development Block Grant (CDBG) for the 2026-2027 Program Year. The information below is intended to provide context for the Committee's role, and explain how its feedback informed staff recommendations for this year's slate of activities. The committee's role was not to make final funding decisions, but rather to provide feedback, participate in guided discussions regarding community needs and priorities, and offer perspectives on the strengths, challenges, and potential impacts of proposed projects.

Committee members reviewed applications, attended applicant presentations, and engaged in structured discussions facilitated by City staff. Through this process, members were encouraged to consider how each proposal aligned with the goals of the City's Consolidated Plan, addressed identified community needs, and demonstrated the capacity to achieve measurable outcomes. The committee's observations and recommendations were then considered by staff as part of the development of the final funding recommendations presented to the City Council.

On April 17, 2026, HUD released the 2026-2027 CDBG allocations for Entitlement Communities. Together with a projection of unused funding carried over and estimations of funds for planning, administration, and public services, the City of Bangor's allocation is represented in the table below.

CDBG ALLOCATION	Year 53 FY 26-27
Planning and Administration Cap	\$217,444
Social Service Cap	\$155,733
Eligible Activities	\$464,044
Anticipated Program Income	\$250,000
Unused Funds Carried Forward	\$390,439
TOTAL	\$1,462,015

The Agency's expenditure cap for planning and administration is equal to twenty percent of the total amount of entitlement funds, combined with the total amount of program income received in the current year. The statutory cap on expenditures for public service projects is equal to fifteen percent of the total amount of entitlement funds plus the total program income received in the preceding year. The total amount of unused funds, less unliquidated obligations, are reprogrammed for spending in FY 2026. Program Income projections are based on a five-year average of receipts sourced from revolving loan payments.

APPLICATION PROCESS AND REVIEW

The City released its Notice of Funding Available (NOFA) on April 7, 2026, coinciding with Community Development Week. The mandatory applicant's meeting was held on April 24th in the Paul Bunyan Room of City Hall. The Neighborly Portal CDBG Application was active on April 9; Submissions were due on Friday, May 8, 2026 by 11:59 pm.

We received eight applications from external (non-City) applicants and four proposals from City Staff. Just one of the applications addressed a social service activity while the remainder were projects or programs addressing housing or infrastructure needs.

The Allocation Committee Review and Funding Methods

The Committee first met for this funding year on April 24, 2026 to discuss the CDBG program, eligible activities, funding requests, and to interview the applicants. In future years, the Committee will begin these meetings earlier in the year to recruit new members. We would like to encourage anyone interested in serving on this committee to consider joining us in the fall during our planning meeting.

The Community Development Staff coordinated the applications with a technical overview during the pre-application period to ensure that each application met basic requirements. These findings were presented to the Committee before each individual applicant was invited to presentation their proposal during the annual "Open Mic Night" Committee members read each application individually prior to the meeting in which the application was to be reviewed and discussed as a group. When questions about the applications arose, staff documented the questions and forwarded them to the applicant to respond, and applicant responses were then shared with the Committee and reviewed. Allocation Committee members then scored each application individually, using the scoring matrix structured in accordance with the community needs identified in the Consolidated Action Plan and priorities established by the City Council.

RECOMMENDATION SUMMARY

With the exception of projects proposed by the City, which were not scored, all applications considered complete received a passing score. Therefore, the Committee does not object to any proposal receiving funds. Where applicable, the Committee supports the full funding award for each request.

The Allocation process also evaluated the broad funding categories of Administration and Planning, or requests from City Departments. CDBG Programs such as the Homebuyer Assistance Program and Residential Rehabilitation are based on statutory restrictions on spending as well as typical demand for these services. The City's rehabilitation services are systematically funded by returning payments from previous customers. In recent years, demand for the program has been higher as costs become more difficult for homeowners to manage. In 2026-2027, the City hopes to support more homebuyers by allocating 50% more funding toward the program. The Community Development Division also designed a funding proposal on behalf of the Livable Communities Committee to address lifelong challenges of accessibility and community cohesion in Bangor.

Unused funding at the end of the year will be reprogrammed the following year by this Committee.

1. Development Activities Funding

The City received six (6) applications from external applicants requesting a total of \$222,751, and one application from a City Departments to carry out \$75,000 in eligible development activities.

Window Dressers Community Build <i>These funds will support volunteer efforts to coordinate and complete a community build of custom window inserts to increase energy efficiency in homes of low- to moderate-income people.</i>	\$12,067
Design Wall Housing Efficiency Project <i>These funds will be used to complete a water line and run interior plumbing to two permanent supportive housing apartments on Smith Street.</i>	\$25,000
Fresh Start Peer Recovery Security Project <i>These funds will be used to install a new security key system in all Fresh Start properties.</i>	\$80,000
Penobscot Community Health Care – Transitional Housing <i>These funds will cover the cost of kitchenettes for all transitional housing units.</i>	\$45,684
YMCA Accessibility Project <i>These funds will support the construction of accessibility modifications at the new downtown community facility.</i>	\$35,000
Shaw House Accessibility Project <i>These funds will assist in the replacement of the shelter’s elevator.</i>	\$25,000
Livable Communities Downtown Accessibility Project <i>These funds will be used to support an initiative to install ADA-compliant threshold ramps in downtown businesses and shops.</i>	\$75,000

2. Social Services Funding

The Committee received one application within this category totaling \$25,000.

Penobscot Community Health Care “Gaps in Care” Fund <i>These funds will be used to pay for eligible costs that prevent or alleviate housing or social distress that contribute to poor health outcomes, when no other funding source can be identified.</i>	\$25,000
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3. Internal/Program Funding

In addition to grantmaking for subrecipients, the City of Bangor funds specific programs internally for its constituents and eligible beneficiaries. The Committee reviewed the remaining funds available to decide how to allocate toward these key programs.

City of Bangor Parks and Recreation – Coe Park <i>These funds will be used to replace aging playground equipment at Coe Park. Previously, funds were awarded for Williams Park in 2024, but the project was never completed.</i>	\$233,000
City of Bangor Public Works – Infrastructure <i>This fund may be used for an infrastructure project in a low- to moderate-income neighborhood; the DPW has not yet identified an eligible project.</i>	\$75,000

<p>City of Bangor Downtown Façade Program <i>This set-aside will be used to offer a matching grant to an eligible downtown business to complete a project to address blighted conditions. The project has not yet been identified.</i></p>	\$25,000
<p>City of Bangor Residential Rehabilitation Loan Program <i>This program provides low-cost, accessible lending to low- and moderate-income property owners to make emergency repairs or accessibility modifications to make their homes safe and livable.</i></p>	\$250,000
<p>City of Bangor Homebuyer Partnership Program <i>This program offers eligible first-time homebuyers a grant toward the costs of purchasing a home within the City of Bangor.</i></p>	\$150,000

REMAINING FUNDS IN RESERVE (After all funding requests) \$305,311

ADDITIONAL CONSIDERATIONS

The FY 2026 CDBG allocation process represented a significant departure from prior years and was intentionally designed to increase transparency, public participation, and accountability in the use of federal community development funds. Historically, funding recommendations were developed through a more staff-driven process. While that approach met program requirements, it offered limited opportunities for residents and stakeholders to participate directly in funding discussions or to better understand how allocation decisions were made. In response, staff developed a structured public review process that included applicant presentations, committee deliberations, and opportunities for public input.

This process was intentionally designed to strengthen public trust by creating a clear connection among community needs, project outcomes, and funding decisions. Committee members were encouraged to evaluate proposals not only on organizational need but also on measurable community impact, alignment with Consolidated Plan priorities, and applicants' ability to demonstrate results and accountability.

The process also created a meaningful opportunity for civic engagement. Residents who care deeply about housing, neighborhood revitalization, economic opportunity, and public services were given a direct role in shaping how federal resources are invested in Bangor. Through their participation, committee members gained a deeper understanding of local challenges, the work of community organizations, and the difficult choices required when funding is limited.

While no allocation process is perfect, we believe this model represents an important step toward a more collaborative approach to community development. As the process evolves in future years, staff will continue to evaluate opportunities for improvement while preserving the core principles of openness, engagement, and public involvement that guided this year's effort.

Robyn Stanicki
Community Development Officer



CITY OF BANGOR

Anne M Krieg, AICP - Director

Community & Economic Development

Memorandum

To: BED
From: Anne Krieg
Date: June 11, 2026
Regarding: Historic Preservation in Bangor

Please accept this memorandum as an overview of the Certified Local Government (CLG) program for Historic Preservation. At your last committee meeting, Planning Officer Collette reviewed draft changes to the code, which you are currently reviewing. A concerned citizen spoke about the need to be a Certified Local Government and the relationship between the certification and the code's requirements. This memo defines Certified Local Government, provides background on Bangor's participation and dedication to this program, and offers some thoughts on policy considerations for historic preservation.

The city has been a certified local government since 1985. Bangor was the first in the state to achieve this status, and the city is considered a leader in the historic preservation community for recognizing the importance of our past earlier than other communities in Maine.

From the National Park Service website:

The goal of the Certified Local Government (CLG) Program is to facilitate State and local government cooperation with Federal partners to promote nationwide preservation initiatives. Through the certification process, local communities make a commitment to national historic preservation standards. This commitment is key to America's ability to preserve, protect, and increase awareness of our unique cultural heritage found across the country.

The Certified Local Government (CLG) program was established by Congress in 1980 through a series of amendments to the original National Historic Preservation Act (NHPA) of 1966. The program was designed to decentralize historic preservation, shifting what had been a federal- and state-system into a trilateral partnership that formally included local municipalities. To ensure the program had teeth, Congress required every SHPO to earmark at least 10% of its annual federal Historic Preservation Fund allocation exclusively for distribution to certified local governments. Localities were given a formalized role in reviewing and deciding whether a property in their jurisdiction should be nominated to the National Register.

Bangor's application to become a Certified Local Government in 1985 was a direct response to the scars left by urban renewal in the 1960s and 1970s. A large part of the downtown core was torn apart. What was left were unbuilt, empty spaces and parking lots where significant historic buildings once stood. Additionally, the opening of the Bangor Mall in 1978 created an economic hardship for the downtown that was left behind. The visual and economic loss prompted the public to protect the remaining architectural heritage.

Our predecessors in this department saw the opportunity to partner with historic preservation resources to leverage the remaining downtown assets, including a historic, walkable area with unique architectural styles.

During Urban Renewal, an inventory was conducted in 1975. Thereafter, historic preservation ordinances were created in the late 70s and into the early 80s. All the requirements for Certified Local Governments had already been met by the city, making it easy to join this program.

Thereafter, the city has invested Community Development Block Grant funds to help eliminate blight through the façade improvement program. Most of the façade uplifts in downtown have been accomplished with the assistance of this program. Because the program has been so successful, the city has lost its blighted status, and any use of the funds now requires a spot blight.

Staff fully appreciates the cost burden on property owners outside the downtown historic districts. The façade program cannot be used in these areas unless the project is for affordable housing. Grant funds from other sources for private property owners of residential buildings are limited. There aren't enough artisans to perform specialized historic restoration or rehabilitation. This is why staff asked last year for permission to testify in support of bills that would provide tax credits to homeowners who undertake historic restoration and renovation projects.

Remaining a Certified Local Government (CLG) is a smart investment for Bangor because it strengthens the city's ability to preserve its historic assets and supports economic development, neighborhood revitalization, and community identity.

One of the most significant benefits of CLG status is eligibility for federal historic preservation grants that are available only to Certified Local Governments. These funds can support historic surveys, preservation planning, public education, National Register nominations, and rehabilitation projects that might otherwise require local funding. We have used these and plan to use them in the future.

Historic preservation is economic development. Bangor's historic downtown, waterfront, neighborhoods, and landmark buildings contribute to the city's character and attractiveness. CLG status helps protect and enhance these assets, making Bangor more appealing to businesses, investors, residents, and visitors. Historic buildings often catalyze private investment and adaptive reuse projects. Our historic buildings have attracted outside investment, infusing new life into them.

As we continue downtown revitalization efforts, CLG participation provides access to technical assistance, preservation expertise, and planning resources that help ensure redevelopment respects the community's historic character while accommodating new growth. We know that communities with strong preservation programs often experience higher property values and greater investment in older commercial districts.

Bangor's history, from its lumber era and historic architecture to its role as a regional hub, is central to what distinguishes it from other communities. CLG status demonstrates a commitment to preserving the places and stories that define Bangor's sense of place and community pride.

Certified Local Governments receive technical assistance and training from preservation professionals at the state and federal levels. This support helps local officials, planning boards, and historic preservation commissions make informed decisions and stay current with best practices.

Heritage tourism remains one of the strongest segments of the tourism industry. Visitors are often drawn to authentic historic places. Maintaining CLG status helps Bangor protect the historic resources that contribute to tourism, visitor spending, and the city's reputation as a destination.

As a Certified Local Government, Bangor signals that it values thoughtful stewardship of its historic resources and is committed to balancing preservation with future growth. This designation reflects positively on the city as a leader, and aligns with the city's broader goals of sustainability, economic vitality, and community development.

amk



CITY OF BANGOR

Anne M Krieg, AICP - Director

Memorandum

To: BED

From: Anne Krieg

Date: June 11, 2026

Regarding: Tax Increment Financing, Credit Enhancement Agreements and Special Assessment Districts

Working with prospective developers and businesses, Economic Development staff use various tools to promote development and encourage start-up or relocation to Bangor. Some of these tools include financial supports for economic growth, infrastructure improvements, and redevelopment projects. Commonly used options are Tax Increment Financing (TIF), Credit Enhancement Agreements (CEAs), and Special Assessment Districts (SADs). Each tool offers different benefits and tradeoffs regarding fiscal impact, risk sharing, and public perception. This memorandum explains their purpose in preparation for the Council's future budget review.

Tax Increment Financing (TIF)

Overview

Please find attached the city's current TIF policy.

TIF is authorized under Maine statute (30-A M.R.S. §5221 et seq.) and allows municipalities to capture the increased property tax revenue ("increment") from new development within a defined district and dedicate it to approved uses.

Advantages

- ✓ Shelters new value from state formulas: Captured value is excluded from calculations for state education aid, revenue sharing, and county taxes, helping municipalities avoid financial penalties from growth.
- ✓ Flexible use of funds: Revenues can support infrastructure, economic development programs, housing, arts & culture, staff time, and/or debt service.
- ✓ Encourages private investment: By reducing development costs or improving infrastructure, TIFs can stimulate job creation and expand the tax base. Property owners like the ability to use TIF funds for off-site improvements for their development or that there is a dedicated fund for their district for enhanced services and capital investments.

- ✓ Local control: Municipalities determine district boundaries, duration, and spending priorities (subject to state approval at the Maine Department of Economic and Community Development - DECD).

Disadvantages

- Revenue diversion: Funds that would otherwise support general municipal services are restricted to TIF purposes.
- Complex administration: Requires state approval, reporting, and long-term compliance.
- Long-term commitment: TIF districts can last up to 30 years, limiting fiscal flexibility.
- Equity concerns: Critics argue some projects would occur without TIF support, effectively subsidizing private development.

The policy, then, is that the city considers a development or a district so important to the overall economic health of the community that the use of TIF is in the general public interest.

The Downtown TIF exemplifies this increased support. The Downtown TIF funds improvements downtown, supports the work of the Downtown Bangor Partnership, and covers debt service for projects like the Cross Center. This TIF will conclude in 2036, after which the funds will transfer to the General Fund.

Note that TIFs can't be extended unless a large development is expected that would lead to the creation of a new district.

In Maine, TIFs can also be used for affordable housing projects. We have used this program with Penquis and the Bangor Housing Authority. It is expected that one will be requested for the Grandview project.

The annual budget for the use of TIF funds is reviewed by the City Council as part of your budget review and approval process. The TIF budget is prepared for the City Manager's review by staff in CED, Engineering, Public Works, and Parks & Recreation.

2. Credit Enhancement Agreements (CEAs)

Overview

CEAs are agreements within a TIF district where a municipality gives back a portion of the incremental taxes to a developer to help cover project costs.

Advantages

- ❑ Direct development incentive: Provides a predictable revenue stream to developers, improving project feasibility.

- ❑ Performance-based structure: Payments are typically tied to actual tax generation, reducing upfront municipal risk.
- ❑ Leverages private investment: Can attract large-scale or catalytic projects that might not otherwise occur.
- ❑ Reduces municipal bonding needs: Developers often finance improvements upfront instead of relying on public debt.

Disadvantages

- ❖ Perception of “giving money away”: Public concern that tax dollars are being returned to private entities.
- ❖ Opportunity cost: Incremental revenue is not available for broader municipal uses during the agreement term.
- ❖ Negotiation complexity: Agreements require careful structuring to ensure public benefit (jobs, investment thresholds, etc.).
- ❖ Risk of underperformance: If a project under delivers, the municipality may receive less benefit than anticipated.

The policy directive with a CEA is that the particular project is important to the life of the district, such that the use of TIF funds to pay for the agreement is in the general public interest. Bangor currently requires applicants for a CEA to provide a pro forma so that the city can see the anticipated profit/loss margins as well as to avoid a failed project.

CEAs have been utilized in the downtown TIF as well as for the affordable housing TIFs. Typically, CEAs have a shorter duration than the TIF to lessen the burden on the rest of the district to support a single project. With construction costs high for renovations as well as new builds, particularly to bring existing buildings up to current codes, the profit/loss margins are wider, making CEA requests more common.

Special Assessment Districts (SADs)

Overview

Special Assessment Districts (sometimes called benefit assessment districts) are areas where property owners pay an additional assessment to fund specific projects or programs. Unlike TIF, they do not rely on incremental tax capture but on direct assessments tied to benefit received.

In 1991, the Assessment District was created in Bangor specifically for the Bangor Center Development Corporation, now known as the Downtown Bangor Partnership (DPB).

Advantages

- User-pay model: Costs are borne by those who directly benefit from the services.

- No impact on state valuation formulas: Unlike TIF, SADs do not affect education aid or revenue sharing calculations.
- Transparent funding: Clear linkage between assessment and services enhances accountability. The DBP budget is approved as part of the approval of the assessment on an annual basis.
- Useful for service gaps: Effective for financing specific services to reduce the burden on the General Fund.

Disadvantages

- Property owner resistance: Additional assessments can be politically difficult to implement. It is not known if the 1991 action was difficult, though it was not a unanimous vote. We do notify all property owners in the district if there is a proposal for a rate increase (such increase is considered as a separate Council Order.)
- Limited applicability: The district's applicability is established at its inception. To modify a district, it must be dissolved and then re-done.

The policy regarding an assessment district is that the district holds significant importance for the community but requires more attention, which the users should bear the cost of. This approach helps reduce the overall burden on taxpayers in Bangor.

Please find attached the Council Order establishing the district. The process for approving the assessment includes a noticed public hearing, a vote on the assessment, and a separate vote on the budget. Additionally, a vote is conducted to authorize the city manager to enter into a contract for disbursing funds. The budget is reviewed by the Business and Economic Development Committee before the public hearing.
Comparative Summary.

Conclusion

In Bangor, TIFs and CEAs are effective, adaptable tools for economic development and expanding the tax base, especially because of the state-specific "shelter" benefit. However, they need careful planning to balance public and private interests. In contrast, Special Assessment Districts are more focused and transparent, offering management and marketing services to the district.

amk

The City of Bangor Tax Increment Financing and Credit Enhancement Agreement Policy

Tax Increment Financing (TIF)

1-101 Background.

Municipalities are authorized under Maine law to adopt Tax Increment Financing (TIF) districts by designating a boundary around a specific geographic area to promote local economic development and support municipal projects. Under the TIF laws, found at 30-A M.R.S. §5221 et seq (for general economic development TIFs) and 30-A M.R.S. §5245 et seq (for affordable housing TIFs), the original assessed value ("OAV") of property in a TIF district is fixed in time, and the municipality sets aside any increase in assessed value ("IAV") that occurs because of investment in the district. Tax revenues based on the OAV within a TIF District continue to flow to the general fund, while taxes paid on the difference between the OAV and IAV expressed as the captured assessed value ("CAV") become TIF Revenues. Municipalities may use TIF Revenues on projects authorized under the TIF statutes inside the TIF district, and projects outside the TIF district but "must be directly related to or made necessary by" the TIF district, and project costs unrelated to the location of the TIF district. Municipalities can also enter into credit enhancement agreements ("CEA") to provide a property tax reimbursement to a developer in order to incentivize the development and attract new investment in the local economy.

1-102 Purpose.

The Tax Increment Financing (TIF) policy outlines the standards and processes that will be used by the City Council, and staff in the Community & Economic Development Department, in initiating or considering applications to establish a TIF and/or to enter into CEA agreements within a newly established or existing TIF District. A TIF is important to municipalities as it helps promote economic development and revitalizes areas that may be underutilized, fund development costs/improvements needed to propel private development, and municipalities attract new businesses, create more jobs, more customers and, in turn more private investment. Regardless of, these guidelines, the creation of a TIF district or authorizing any agreement under this policy is at the sole discretion of the Bangor City Council.

Example:

Assumptions: 75% (varies) TIF Revenue Capture, Mil Rate of \$18.55 per \$1,000

$$\begin{aligned} \text{TIF Formula: } & \$2,000,000(\text{IAV}) - \$1,000,000(\text{OAV}) = \$1,000,000(\text{CAV}) \\ & = \$1,000,000 (\text{CAV}) \div \$1,000 \\ & = \$1,000 \times \$18.55 \\ & = \$18,500 \times 75\% \\ & = 13,912.50 (\text{TIF Revenue}) \end{aligned}$$

1-103 General Principles.

The primary principles to consider for establishing a TIF District include:

1. To support Bangor's Economic Development Strategic Plan, capital improvement program, and other related City Plans and Policies;

2. To stimulate the expansion of the City's commercial and industrial tax base;
3. To create quality employment opportunities;
4. To encourage new affordable and market rate housing investment; and
5. To invest in infrastructure improvements.
6. Assist existing business to expand business opportunities
7. Create significant long-term employment
8. Support an emerging business sector
9. Introduce a unique or prestigious opportunity
10. Improve local economy
11. Improve blighted areas
12. Support community priorities
13. Create public benefits for other workers and/or businesses

1-104 Considerations.

Minimum Real Property Investment. A minimum of \$1,000,000 in new real property investment for commercial and industrial development, taxable personal property, or 6 units of affordable housing development is needed to qualify for a TIF. This is the minimum investment which makes practical sense to consider use of the TIF program due to the amount of new municipal property tax revenue generated from new private investment.

Job Creation. Applicants for TIF participation that include the creation for jobs will be required to provide a plan outlining the number and quality of jobs retained or created associated with each TIF district. While there is not a specific formula for the numbers of jobs associated with the amount of TIF financial assistance, the number and quality of the jobs will be taken into consideration for each TIF district. Housing projects are exempt from these criteria.

Part A - Establishing a TIF District

1-201 Application Process.

TIF District applications (whether initiated by the City or requested by a developer or business) will be initially reviewed and vetted by the City Manager and the Community & Economic Development Director. If found to be in keeping with the City policy and priorities, the applications will be presented to the Business and Economic Development Committee with final approval by the Bangor City Council. Approval of the City Council will result in the submission to the designated agency, whether that be the Maine Department of Economic and Community Development (DECD) for economic development projects or Maine State Housing Authority (MaineHousing) for affordable housing projects.

The Community & Economic Development Director will coordinate all activities regarding applications and will assist the applicant throughout the TIF application and approval process. The terms and specific details of each TIF district and any related CEA(s) will be developed on a

case-by-case basis. The City Manager and Community & Economic Development Director will negotiate on behalf of the City of Bangor, on the merits of the project and this policy, following the process identified within these guidelines. If an applicant is applying for a TIF and a CEA at the same time, the application requirements and fees for both must be submitted before approval of either. All representations of the City Manager and Community & Economic Development Director are subject to approval of the City Council.

1-202 Application Requirements.

TIF District applications not initiated by the City are subject to the following provisions:

1. Application fee. All applicants requesting the designation of a TIF District shall pay a non-refundable application fee of \$1,500 at the time of application.
2. Documentation. An applicant must submit a letter with all supporting documents to the Community & Economic Development Director outlining the proposed project.
 - a. Complete application
 - b. Certificate of Good Standing
 - c. Interior and Exterior photos
 - d. Proof of site control such as a deed
 - e. Architectural Renderings
 - f. Detailed Project Budget
 - g. Financial capacity demonstration
 - h. Business plan
 - i. Pro-forma
3. Costs and fees. Other fees such as legal ads and administration fees included in the application fee.
4. Performance Reporting. All TIF agreements are reported annually

1-203 Approval Process.

1. Pre-application meeting with staff
2. Submit application to the City Council
3. Submit application to Maine Department of Economic and Community Development (for economic development TIFs) or MaineHousing (for affordable housing TIFs) for final approval,

1-204 Tax Increment Financing Expenditures.

There are three categories of expenditures for revenues generated through TIF Districts, if authorized as approved project costs in a TIF District.:

1. City economic development programs funded directly through annual funding requests and/or appropriations. Examples of municipal economic development programs include paying for economic development staff, infrastructure costs, paying for costs related to the construction or operation of public safety facilities, costs associated with broadband infrastructure, costs related to planning, design, construction, maintenance grooming and improvements to new or existing

recreational trails, costs associated with the operation and financial support of affordable housing and housing programs and services to assist those experiencing homelessness, City and regional marketing/branding, and other activities allowed under the TIF statutes.

2. Projects financed by City bond or debt issuance. Issuance of municipal general obligation bonds or other financial instrument is a mechanism that may be used to pay for the cost of an allowable project.
3. Credit Enhancement Agreements (CEA). A CEA is a contract between a municipality and developer or other party to assist an individual development project by using an agreed-upon portion (up to all) of the tax increment revenue generated by the investment to pay certain authorized project costs, including site specific infrastructure or private individual project financing needs.

1-205 Guidelines for Municipal Economic Development Programs.

The process of allocating TIF revenues for approved project costs requires City staff to develop economic development programs and budgets, conducted through annual review by the Community & Economic Development Department, and ultimately approved by City Council.

1-206 Guidelines for Projects Financed by City bond or Debt issuance.

Investments should have benefits beyond one individual project with a focused emphasis on supporting business and commercial development, redevelopment, or to support buildings in need of redevelopment.

1-207 Guidelines for Credit Enhancement Agreements (CEA).

A Credit Enhancement Agreement (CEA) within a TIF district may be considered for investment in infrastructure within the site or project financing needs. The process and guidelines for issuing a CEA are outlined in the next sections of this document: Credit Enhancement Agreement Overview.

Credit Enhancement Agreement (CEA)

2-101 Background.

A CEA is a financial mechanism that may be used as a stand-alone instrument. The CEA is a contract between the municipality and developer or business to assist the development project by using some or all the incremental tax revenues generated by the new investment to pay certain authorized project costs with payments made directly to the developer or business.

2-102 Purpose.

This policy outlines the standards and processes that the City of Bangor will use in initiating or considering CEAs within existing or proposed TIF Districts. A CEA is a financial mechanism, if approved by the City Council, to be one of Bangor's economic development tools for business attraction, retention, and expansion. Regardless of these guidelines, the creation of a CEA is a decision made by the City Council on a case-by- case basis. Obtaining a CEA is a not a right under Maine law, and meeting these guidelines should not be interpreted as creating any rights or entitlements in any application.

Example:

Assumptions: $CEA = \$70,000 (\text{New Taxes}) \times 65\% \times 10 \text{ years}$

$$\begin{aligned} CEA &= \$70,000(\text{New Taxes}) \times 65\% \times 10 \text{ years} \\ &= \$70,000 \times 65\% \times 10 \text{ years} \\ &= \$45,500 \times 10 \text{ years} \\ &= \$455,000 \end{aligned}$$

This means that over 10 years, the developer will receive back \$455,000 from the increased property taxes, which they can use to offset development costs.

2-103 General Principles.

The primary principles to consider for determining whether to create a CEA include:

1. To support Bangor's Economic Development Strategic Plan, capital improvement program, and other related City Plans and Policies;
2. To encourage new housing investment; and
3. Create new jobs
4. Assist existing business to expand business opportunities
5. Create significant long-term employment
6. Create or expands public infrastructure
7. Support an emerging business sector
8. Introduce a unique or prestigious opportunity
9. Improve the local economy
10. Broaden the tax base
11. Improve blighted areas and sites
12. Support community priorities; and
13. Create public benefits for other workers and/or businesses.

Part A - Establishing a Credit Enhancement Agreement (CEA)

2-201 Considerations.

The following criteria shall be considered in authorizing CEA for economic development or affordable housing:

1. Would not likely occur otherwise
2. Creates housing developments
3. Creates or retains employment opportunities
4. Expands the City's tax base; and
5. Conforms to the quality and types of development sought by the City as outlined in the Land Development Ordinance, Comprehensive Plan, Economic Development Strategic Plan, the Tax Increment Financing District Development Programs, and/or other plans and policies adopted by the City Council.

2-202 Application Process.

CEA applications may be considered by the City Manager, Community & Economic Development Director, and the City Council, with all final approvals by City Council. The Community & Economic Development Director will coordinate all activities regarding applications and will assist the applicant throughout the process. The terms and specific details of each CEA will be developed on a case-by-case basis. The City Manager and Community & Economic Development Director will negotiate for the City based on the merits of the project and these guidelines following the process laid out in this document.

2-203 Application Requirements.

Applicants for a CEA are subject to the following provisions:

1. Application fee. All applicants requesting the designation of a CEA shall pay a non-refundable application fee of \$500 at the time of application.
2. Documentation. The following documentation shall be included in all applications for a CEA
 - All financial disclosures, reporting, and other documentation the City of Bangor will be coordinated at pre-application meeting.
3. Financial Capacity. The applicant must demonstrate financial capacity to undertake the project. All financial disclosures and financial capacity determinations will be conducted, reviewed, and certified by pertinent staff. The applicant must be compliant with all statutory and regulatory guidelines of the City of Bangor and the State of Maine. The applicant shall not have engaged in illegal or unfair labor and employment practices, unsafe employment practices, or adverse or illegal environmental practices. No outstanding code violations shall be present without a

development agreement.

4. Terms. The specific terms of each CEA are negotiated on a case-by-case basis between the City and the applicant. As a general guideline any CEA should contain the following:
 - Financial Need: The applicant must demonstrate that the City's participation is financially necessary in order for the project to proceed.
 - Maximum Percentage: A maximum average percentage of 65% for the entire term associated with an individual CEA, except that the percentage reimbursement for affordable housing projects may be up to 100%.
 - Maximum Number of Years: negotiated to match individual private sector commercial financing terms.
5. Costs and fees. Other fees such as legal ads and administration fees included in application fee. All CEAs shall provide for an annual administrative fee due to the City of Bangor, equal to one percent (1%) of the obligated CEA payment due to the applicant, provided they follow all the terms and conditions of the CEA. Regardless of the amount derived using the one percent (1%) calculation, the minimum annual administration fee shall be two hundred and fifty dollars (\$250). The fee shall be deducted from the tax recapture due to the applicant, prior to the remittance of any amounts to the applicant during the life of the CEA.
6. Performance reporting. All CEAs shall provide for the applicant to submit reports and documentation in a form satisfactory to the City supporting any amounts to be paid to the applicant per the terms of a CEA between the applicant and the City to assess an applicant's performance and compliance with the terms set forth in any CEA.

2-204 Approval Process.

1. Pre-application meeting with staff
2. Submit application to City Council

2-205 Guidelines for Level of Municipal Participation.

In addition to general principles, as applicable, the following shall be considered in determining the level of participation by the City of Bangor.

1. The project assists an established business in the City of Bangor, thus retaining existing employment opportunities;
2. The project supports or will support community projects, provides job training, provides student internships, supports local contractors and suppliers;
3. The developer has a responsible history with property tax payment and pledges continued responsibility.

Date June 23, 1991
24

Item No. 91-256

Item/Subject: **Adopting Municipal Development Program and Budget for the Bangor Center Development District**

Responsible Department: **Community and Economic Development**

Commentary: (See Attached Memorandum)

HEARING - Prior to voting on this Order, the Council is required to hold a Public Hearing on the Municipal Development Program and Budget for the Bangor Center Development District.

The purpose of this Order is for the City Council to consider the Program to be implemented for the Bangor Center Development District. The Program has been prepared by the Municipal Development District Advisory Board.

Legal Notices

**CITY OF BANGOR
NOTICE OF
PUBLIC HEARING**

PLEASE TAKE NOTICE THAT the Bangor City Council, Municipal Officers of the City of Bangor, will hold a public hearing on June 24, 1991 at 7:30 P.M. in the City Council Chambers, Bangor City Hall, 73 Harlow Street, Bangor, Maine, for purposes of receiving public comment in accordance with 30-A M.R.S.A. Section 5253 (2) on a proposed program and budget for the Municipal Development District to be located in the downtown area, to be known as the Bangor Center Development District.

Russell J. McKenna
City Clerk

June 13, 1991

Samuel R. LeBlond
Department Head

Manager's Comments:

Acting *Robert W. Egan*
City Manager

Associated Information:

Order, Program + Budget

Budget Approval:

[Signature]
Finance Director

Legal Approval:

City Solicitor

Introduced For

- Passage
- First Reading
- Referral

Assigned to Councilor Sullivan, June 24, 1991



CITY OF BANGOR

(TITLE.) **Order,** Adopting Municipal Development Program and

Budget for the Bangor Center Development District

By the City Council of the City of Bangor:

ORDERED,

THAT WHEREAS, by action of the City Council a certain area in the downtown area has been designated as a Municipal Development District known as the Bangor Center Development District in accordance with 30-A M.R.S.A. § 5253(1); and

WHEREAS, 30-A M.R.S.A. § 5253(2) requires that the governing body of a Municipality shall adopt a development program for each development district; and

WHEREAS, the Municipal Development District Advisory Board has recommended a proposed development program to be adopted by the City Council,

NOW, THEREFORE, BY THE CITY COUNCIL OF THE CITY OF BANGOR:

ORDERED, THAT in accordance with 30-A M.R.S.A. § 5253(2), does hereby adopt the "Bangor Center Management Corporation Program and Budget, 1991-1992" as the development program for the Bangor Center Development District.

91-256

O R D E R

In City Council June 24, 1991

Public hearing was held
along with council orders
91- 257, 91-258, 91-259

Council voted No conflict for
the following Councilors

Frankel, Baldacci, Sullivan,
Cohen

Council Voted Conflict

for the following Councilors

Sawyer, Stone

Vote for Passage

5 yes , 2 No 2 Abstained

voting Yes

Bragg, Frankel, Saxl,
Sosnaud, Sullivan

voting No

Baldacci, Cohen,

Abstaining - Sawyer , Stone

Order Passed

Quinnell J. Mc Kenna

City Clerk

Title,

Adopting Municipal Development Program

.....
and Budget for the Bangor Center
.....
Development District.....

Assigned to


.....*Sullivan*.....

Councilman

MEMORANDUM

June 13, 1991

TO: City Council

FROM: Rodney G. McKay, Community Development Director 

RE: Bangor Center Development District

Four City Council Orders and two public hearings required to continue funding of the Bangor Center Management Corporation are scheduled for the June 24, 1991 City Council meeting.

The purpose of the first public hearing is to consider adoption of the proposed Development Program (the means and objectives, including the proposed budget, to be implemented within the Bangor Center Development District). Notice of this hearing was published in the June 13th edition of the Bangor Daily News (copy of Notice attached).

The second public hearing will be to consider implementation assessments. To comply with extensive statutory notice requirements, a public notice was published in the June 13, 1991 edition of the Bangor Daily News which included a list of all affected properties, estimated assessments for each, and a maximum rate of assessment of \$0.99 per thousand dollars of assessed value. (A copy of the Notice, reduced in size, is attached.)

The City Council Agenda sequence for the required public hearings and four Council Orders should be as follows:

- HEARING - Public Hearing on the Municipal Development Program and Budget for the Bangor Center Development District
- 91- ORDER - Adopting Municipal Development Program and Budget for the Bangor Center Development District
- HEARING - Public Hearing on Establishment of Implementation Assessments for the Bangor Center Development District
- 91- ORDER - Bangor Center Development District - Establishment of Implementation Assessments

- 91- ORDER - Establishing the Amount of the Tax Rate and Overlay for the 1992 Fiscal Year for the Bangor Center Development District
- 91- ORDER - Authorizing Execution of Contract with Bangor Center Management Corporation.

The budget proposed by the Municipal Development District Advisory Board and the Bangor Center Management Corporation is \$84,892.00, all of which is proposed to be raised from implementation assessments on property owners within the district.

The special assessment rate needed to fund the \$84,892.00 district budget from implementation assessments in the coming year is \$0.9499 per \$1,000 of assessed value based on an estimated total district assessed value of \$89,365,000. An overlay rate of \$0.0401 (4 cents) per \$1,000 of assessed valuation is recommended, resulting in a total implementation assessment rate of \$0.9900 per \$1,000 of assessed value, the amount indicated in the public hearing notice as the "Maximum Rate of Assessment" for the period commencing on July 1, 1991 and ending on June 30, 1992.

A comparison of prior years assessments and funding of the Bangor Center Management Corporation is attached.

RGM/lg

Attachments: AS

BUDGETS / SPECIAL ASSESSMENTS / CITY PARTICIPATION
 JULY 1, 1991 to JUNE 30, 1992

06/18/91
 08:57 AM

	PROPOSED CITY FY 1992	CITY FY 1991	% CHANGE
Bangor Center Management Corporation			
Total Budget	\$84,892.00	\$111,473.00	-23.8%
Carry Over From Previous Year	\$0.00	\$15,000.00	-100.0%
Amount from City General Fund	\$0.00	\$28,000.00	-100.0%
Special Tax Assessment Needed	\$84,892.00	\$68,473.00	24.0%
Total Estimated Assessed Value of District	\$89,365,000	\$90,668,700	-1.4%
Special Tax Assessment Needed	\$84,892	\$68,473	24.0%
Special Assessment Rate Needed per \$1,000 of Valuation	\$0.9499	\$0.7552	25.8%
Add: Overlay per \$1,000 of Valuation at	\$0.0401	\$0.0200	100.3%
MAXIMUM RATE OF ASSESSMENT TO BE EXTENDED	\$0.9900	\$0.7752	27.7%
Total Amount of Special Assessment at Maximum Rate	\$88,471.35	\$70,286	25.9%

BUDGETS / SPECIAL ASSESSMENTS / CITY PARTICIPATION
 JULY 1, 1987 to June 30, 1992

YEAR JUL - JUN	BCMC BUDGET	% CHANGE	\$ SPECIAL ASSESSMENT	% CHANGE	\$ GENERAL FUND	% CHANGE	DISTRICT ASSESSED VALUE	% CHANGE	ASSESSMENT RATE	% CHANGE
1987-1988	\$120,000		\$60,000		\$60,000		\$67,730,400		\$0.9301	
1988-1989	\$140,000	16.67%	\$78,000	30.00%	\$52,000	-13.3%	\$79,558,100	17.46%	\$1.0000	7.52%
1989-1990	\$166,242	18.74%	\$114,242	46.46%	\$52,000	0.0%	\$87,915,000	10.50%	\$1.3000	30.00%
1990-1991	\$111,473	-32.95%	\$70,286	-38.48%	\$28,000	-46.2%	\$90,668,700	3.13%	\$0.7808	-39.94%
1991-1992	\$84,892	-23.85%	\$84,892	20.78%	\$0	-100.0%	\$89,365,000	-1.44%	\$0.9900	26.79%

91-256

BANGOR CENTER MANAGEMENT CORPORATION

Program and Budget

1991-92

As we look at the downtown during this period of economic downturn, we find that most of the businesses are holding steady with some experiencing a slight growth. There are some, however, which have found that they could not maintain their overhead costs and have closed. Fortunately these have been very few. Everyone is cutting back, trimming costs and hoping for a better market to emerge in the near future. This seems to be occurring for some stores as many are reporting better spring sales.

It should also be noted that, even as some stores have found it difficult to continue, others are moving into the downtown. One store on Central Street doubled its size, another antique shop opened on a second floor and Mr. Paperback has opened another, slightly different, branch. Bett's Bookstore, although closing under present ownership, has been sold and the new owners are interested in remaining downtown. A small restaurant on Main Street has unfortunately left the downtown but, at least is moving to larger quarters elsewhere.

In such times Bangor Center Management Corporation, ever mindful of the increased burden of escalating property taxes, has given great consideration to its budget with the intention of eliminating any expenditures possible and minimizing others.

We have researched the possibility of expanding our boundaries but have received many indications that this is not an appropriate time to do so. We will be looking at this action again some time in the future.

It is a part of our philosophy that we should serve as a catalyst for getting things started, to develop ideas and take the initiative. We are taking the approach this year, now that many projects are firmly in place, to let others assume responsibility for their continuation. This frees us up to undertake new projects. We are also very pleased to have been approached recently by three major organizations who would like to be co-sponsors in new events. As it is our major goal to "reawaken interest in downtown", this is a measure of success.

To speak briefly to the "reawakening of interest in downtown...if every event, every new development occurred solely because BCMC generated the action it would be a sign that we were the only ones who were interested in the downtown and its economic health would be suspect. The fact that overall interest is increasing in the area is exactly what we are aiming for. The vitality of the Central Business District is a function of the number of persons and businesses who feel that it is the place to conduct their business, do their shopping, find entertainment and to live.

Major renovations to the Tarratine Club will provide a new home for an existing new business, the total rehabilitation and restoration of the Cyrus Clark double house at 128-130 Hammond Street are all signs that an optimistic outlook has returned to Downtown Bangor.

It is important that BCMC continue, particularly during difficult economic times. It is during this kind of an economy that we are having success in pulling retailers together to work for the common good. Joint advertising ventures and plans to promote the downtown as a whole can only benefit everyone. The emergence of the feeling that each business is a part of a greater whole is an important step and one which is resulting in an emphasis on the "downtown community".

1991-1992 PROGRAM OF WORK

I. Improve Downtown Bangor

A. Design

1. In order to demonstrate the viability of renovating upper story space into living quarters we will undertake a demonstration project which will take existing space and design an apartment and develop approximate cost figures.

2. As an element in our up-coming campaign to emphasize the historical content of downtown we will develop a series of placques for each building. It is planned that with each property owner's participation, these will be mounted on each structure of historical significance, thus providing identification for those interested in exploring the area from an historical perspective.

B. Technical Assistance Program

1. We will continue to make technical assistance available to any property or business owner suggesting to them sources of financing, design ideas or

2. We will provide assistance in the application for Historic Tax Credits for building renovations. This may consist of assisting them with research or in actually filling out all required documentation.

3. A major item on our program agenda will be the development of a Retail Market Analysis. This will be done in-house with the cooperation of the City's Community Development Block Grant Program. Information gained from this will provide us with solid information with which to attract new businesses to the area. This value of this will be broad-based, as the resulting information will be of use in developing the waterfront area as well.

C. Promotion

1. In an effort to maximize the advertising dollars spent in the downtown we will work with the retail committee to develop an on-going program of joint advertising. In this way, we will be able to promote the downtown as a whole, while individual stores each contribute, thus creating the mass necessary to make an impact.

2. A continuous effort will be made to promote the downtown to residents of the Maritime Provinces in the upcoming year. As the result of a recently increased sales tax in that area, many more Canadian people will be shopping in the Bangor area and it is important that we attract these people to the downtown for shopping , dining and lodging.

3. We will be promoting special sales incentives which are necessitated by the weak economy and coordinating this effort among the many businesses so that it becomes evident that the downtown as a whole becomes an attractive shopping opportunity.

4. To promote the historical value of downtown, we will develop and distribute a brochure about the history of the individual buildings and specific sites to attract more visitors to the area.

D. Communication

1. Continue to seek opportunities to speak to civic and community groups to generate interest in the downtown.

2. Continue to serve as a liason between the downtown business community and city staff and elected officials.

3. Continue to publish the Downtown Bugle, possibly in a simplified format.

III. Marketing and Promotion

A. Advertising

1. The continued promotion and marketing of the downtown will be a major part of our program. We have facilitated some group advertising this past year and will continue to do so. This has involved emphasis on the area as a place for Christmas shopping and an attraction for tourists. Our emphasis will be on the total downtown of which each business is a part. This advertising will continue to promote the Parking Garage as a major element in making the downtown a convenient asset to the area.

2. We will increase our promotion of Downtown Bangor in the Maritime Provinces as this becomes a market with escalating potential for this area. We will develop a strategy with retailers to target these Canadian shoppers, many of whom, although they shop in other parts of Bangor have yet to become frequent visitors to the downtown.

B. Events

It is our philosophy that we should serve as a catalyst for getting things started, to develop ideas and take that early risk. The risk we take when we initiate events is not always financial; success or failure is often dependent upon whether enough people feel that it is an occasion which they wish to attend and it is difficult to make that determination in advance. Now that we have had a successful track record with some events, we feel confident that they will continue without our further participation. We have been fortunate to have co-sponsors for many of these events who will be able to continue as sole or prime sponsor. In addition, we have attracted the interest of several potential sponsors who are anxious to become involved in new events. This will permit us to continue to increase the "reasons and occasions" to come downtown without having to undertake every event ourselves.

- * Among these events in which we have played a major role is the **Christmas Parade** which has been taken over by WVII-TV, allowing us to concentrate on other aspects of the Christmas season.
- * We have instituted and sponsored the **World's Largest Garage Sale** and the **Downtown Sidewalk Art Festival** with WLBZ-TV. Both of these events have been highly successful and will likely continue to be so under the direction of WLBZ-TV.
- * We are having discussions with a church to take over the sponsorship of the **Messiah Sing-Along**.
- * **Paddlesport Weekend** was a large success under the sponsorship of Old Town Canoe and the Bangor Parks and Recreation Department. Although we were called upon to assist in making this happen this year, our assistance should not be needed in the future.
- * Under the sponsorship of the **Fourth of July Corporation**, which is composed primarily of area-wide Kiwanis clubs, the **Fourth of July Celebration** is increasing in scope each year. BCMC plays a prime role in assisting with this event but is not called upon to provide financial assistance. For the 1991 celebration BCMC has coordinated all afternoon concerts, vendors and events, a role which we will continue.

Events which we will continue to sponsor or to initiate in the upcoming year with new co-sponsors.

- * Christmas Decorations
- * Tree Lighting Ceremony
- * Food Festival
- * Re-enactment of an Historical Event as part of a History Day.

IV. Public-Private Policy

- A. Continue to work with City staff on issues which are of particular concern to the downtown.
- B. Develop a particular role which the downtown can play in furthering good relations with our Canadian neighbors.

BUDGET for 1991-92 Program

Proposed
Item

Executive Director	\$39,800.00
Part Time (Christmas)	1,000.00
FICA	3,024.00
FUTA	60.00
SUTA	220.00
Worker's Comp. Insurance	600.00
Rent	5,400.00
Utilities	828.00
Telephone	1,600.00
Health Insurance	2,200.00
Office Equipment	1,600.00
Postage	1,000.00
Liability Insurance	3,000.00
Publications	0.00
Memberships	200.00
Bank Charges	160.00
Public Hearing Notice	3,000.00
Market Analysis	0.00 *
Advertising	12,500.00
Promotional Material	3,000.00
Events	3,000.00
Conferences/Meetings	500.00
Travel	500.00
Professional Services	1,500.00
Bugle	0.00
Miscellaneous	200.00
Payroll Preparation	0.00

\$84,892.00

A Market Analysis will be done in cooperation with the City's Community Development Block Grant Program. The Director of BCMC will complete the work and CDBG will assist in obtaining demographic materials and in the final publication of the resulting report. It should be noted that this research will be applicable to the Waterfront development.

BANGOR CENTER MANAGEMENT CORPORATION ACCOMPLISHMENTS

- DEVELOPMENT** - NCUED grant to study proposal for enclosed glass public area on Broad St. * ME Arts Commission Grant-Downtown Design Issues * Maine Products Center Feasibility Report Committee * Opera House Preservation Committee * Downtown Developer's Kit * Inventory of Downtown Businesses Inventory of all Downtown Property * Customer Opinion Survey * Merchant Survey * On-going efforts with owner of vacant buildings * Assisted downtown owners with Historic Tax Credit Applications * Assisted in finding tenants for vacant spaces * Assisted tenants in permit process * On-going work with developers, realtors, property owners * Contact with potential downtown businesses * Liaison with Historic Preserv. Comm. * Assistance on Historic District
- PUBLIC SPACES** - Design input for Pickering Plaza * Coordination with Public Works on upgrade of Hamlin Park * Christmas Tree for West Market Square * Extensive Christmas decorations * Summer flower baskets on lampposts
- TRANSPORTATION/PARKING and PUBLIC SAFETY** -Instigation of Shuttle Bus Service * On-Going input into parking design and management plan * Promotion of parking garage * Promotion of Validation Parking System * Obtaining foot patrolman for summer months * On-going coord. with Police * Name the Garage Contest * Traffic Lights and Crosswalks
- PUBLIC POLICY** - Skateboard Ordinance * Input into Bangor Comprehensive Plan * Property Tax Relief Comm. *Candidate's Night * Liaison between City Hall and Downtown Community * Homeless Youth Task Force * Youth Shelter Committee
- PUBLIC RELATIONS** - Numerous speaking engagements promoting the downtown * Promotion of relations with Saint John and Fredicton, N.B * On-going information source * Development and publication of downtown newspaper "The Bugle" (15 issues) * Christmas Window Decorating Contest
- SEMINARS** - Advertising, Window Decorating, Facade Improvements, Merchandising Techniques and Store Hours
- PROMOTION** - Advertising in/on 4 Television stations / 11 radio stations / 9 newspapers / 5 magazines / 4 magazines / Meeting Planner's Guide / Extensive downtown advertising from sources other than our budget * Downtown Jingle Multi-colored brochure (40,000 copies distributed) * Seasonal map and calendar * Co-Sponsor Historic Walking Map
- EVENTS** - Christmas Parades (2) * World's Largest Garage Sale Sidewalk Art Festival * 4th of July - Assist Kiwanis in Parade / Waterfront Concert / Co-Sponsor Jazz Concert * Summer Lunchtime Concerts * Santa Claus * Blueberry Bazaar Applefest * Christmas Tree Lighting * Messiah Sing-Along Christmas Music * Camelot * Camelot Sunday * Carousel * Opening Night * Co-Sponsor Voyage 2000 * Co-Sponsor Paddlesport Weekend * Farmer's Market (upcoming)



CITY OF BANGOR

Anne M Krieg, AICP - Director

Community & Economic Development

Memorandum

To: BED
From: Anne Krieg
Date: June 11, 2026
Regarding: Maine Downtown Center event

This memo is to inform the committee that the city will host the 2027 Conference of the Maine Downtown Center. The committee may recall that the city was recently added to the list of Downtown Affiliate Communities. This is the first step toward achieving the nationally accredited Main Street designation. You can read about this here: <https://www.mdf.org/program-partnerships/maine-downtown-center/>. This is a competitive process, and as an affiliate member, we are part of a network of communities lauded for their partnerships and commitment to downtown revitalization and development.

We are considering a range of downtown locations for workshops and walking tours. Typically, about 150 people attend the event. In recent years, the conference theme has focused on revitalization in action and on sharing practical solutions to strengthen downtowns. The city offers examples of:

- Downtown housing development
- Mixed-use redevelopment
- Historic preservation
- Arts and culture as economic drivers
- Regional tourism
- Entrepreneurship and small business growth

These are exactly the issues many Maine communities are addressing today.

Hosting the conference will showcase Bangor's enthusiasm and investment in the program and our partnerships while highlighting the progress already underway.

amk