



CITY OF HALLOWELL

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June 9, 2020

DRAFT

Heather Johnson, Commissioner
Maine Department of Economic and Community Development
59 State House Station
Augusta, ME 04333-0059

RE: Correction to Hallowell Downtown and Arts Omnibus TIF District OAV

Dear Commissioner Johnson:

On behalf of the Hallowell City Council, pertaining to the Hallowell Downtown and Arts Omnibus Tax Increment Financing (TIF) District and Development Program, approved by DECD in 2014, I write today to correct a scribe's error in the Original Assessed Value (OAV) of the taxable property in the TIF district that we have used in to report our TIF District values.

After our recent review of the TIF district program's history, our Assessor's Agent, RJD Appraisal, discovered an error in the OAV of the taxable property in the TIF district that was reported to DECD going back to the beginning of the program in 2014. The reported OAV was \$30,497,600 and the correct OAV is \$41,200,700, the error reportedly resulting from an incorrect transcription of the value from a spreadsheet created at that time. Fortunately, the Assessor's Agent has used an incremental approach in calculating the Captured Assessed Value (CAV) by each property in the district, so while there was an erroneous assertion (exacerbated by press coverage) that we were not capturing the maximum value of the TIF district, in fact we were. I commend our Assessor's Agent for identifying the \$10.7 M error in OAVs and bringing it to our attention.

Fortunately, we did not “over-capture” value in the district, as I hope the attachments will demonstrate. Our request is that DECD accept the corrected OAV, and that Hallowell will accept the past captures at the values we recorded, with no other amendments.

Thank you for helping us make this clarifying change, so that we can provide Hallowell’s elected officials and citizens with accuracy and clarity in our TIF district value calculations.

Respectfully yours,

Nate Rudy

Attachments: Downtown TIF District History
Commitment Recalculation Spreadsheets

CC: Honorable Mark L. Walker, Mayor, City of Hallowell
Honorable George Lapointe, Council President, and
Finance Committee Chair, City of Hallowell
Dawna Myrick, Treasurer, City of Hallowell
Rob Duplisea, RJD Appraisal; Assessor’s Agent, City of Hallowell