




TOWN OF FREEPORT, MAINE

Town Manager's Office
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MEMORANDUM

TO: Freeport Town Council
FROM: Peter Joseph, Town Manager 
DATE: 02/24/21
RE: **Arts and Cultural Alliance TIF Funding Request**

The Arts and Cultural Alliance of Freeport (ACAF) has submitted a request for funding from the Destination Freeport TIF Fund in the amount of \$75,000. The request and supporting documentation are attached to this memo for your review. Traditionally, outside requests for Town funding are reviewed and approved by the Town Council prior to being added to the Capital Program (ex: Freeport Economic Development Corp. funding). After discussion with Town Council leadership, management anticipates that there will be appetite on the Town Council to entertain this request, so it is being forwarded along with the Capital Program in anticipation of your consideration during the capital planning process.

While the usage of funds from this TIF are restricted, the request from ACAF falls within the allowed uses of the TIF fund and staff believes that the TIF fund is an appropriate source of funding for this project, should the request be supported by the Town Council.

Additionally, staff believes there is currently sufficient funding capacity within the TIF fund to support this request. However the Council should consider the current TIF account balance along with any anticipated future demands on the account that may not be reflected in the 5 year plan, as the approved FY21 capital program and proposed FY22 capital program both approach the annual funding levels generated by the TIF district.

Dear Chairperson Egan and members of the Freeport Town Council,

The Arts and Cultural Alliance of Freeport (ACAF) is requesting a grant of TIF funds in the amount of \$75,000 to assist in the completion of the construction of Meetinghouse Arts, the performance, meeting and gallery venue at 40 Main Street. We are deeply grateful for your original grant of \$133,000 toward a budget of \$266,000, awarded In April of 2019.

In the spring of 2019, in accordance with the Town's conditions for award of the TIF funds, ACAF embarked on a fundraising campaign to raise the balance of the construction budget from private individuals, businesses and grants. To date, we have raised an extraordinary \$496,000 (\$133,000 from the Town, \$107,000 from grants, and \$256,000 from our community). That is in spite of the impact of the pandemic.

Since the original project estimate, costs have increased to \$680,000, due in part to increased scope, but largely because of increased costs due to the pandemic (including increased materials costs) and required life safety enhancements. Specifically, costs for fire retardant sheetrock in lower-level ceilings and some gallery walls, additional ADA bathrooms, water fountains, and improved heating/ventilation total \$150,000. We are asking you to support \$75,000 of these costs. We intend to close the remaining \$109,000 gap through fundraising efforts.

Sincerely,

Nancy Salmon, President
Arts and Cultural Alliance of Freeport

ACAF TIF request for Meetinghouse Arts Project completion				
Revised Budget History Meetinghouse Arts				
	\$266,000		Original budget as of 4/2019	Based on preliminary estimates from contractors, theater professionals, the State Fire Marshall Office, and Freeport's Code Enforcement Officer
	\$487,000		Revised budget as of 6/2019	After negotiations with the Church, artists, user groups, architect review of local ordinances and codes
	\$680,000		Total Project Cost estimated as of 1/31/2021	Costs increases from Architect, Contractors, materials, COVID improvements, life safety enhancements, additional egress exit, fire retardant ceiling, additional bathroom, water fountains, ventilation upgrades, sewer fee
Revenue History - Meetinghouse Arts				
	\$133,000		Original TIF - 4/2019	
	\$256,000		Funds raised as of 3/2020 from 240 individuals and businesses	We interrupted local fundraising at this point due to Covid
	\$496,000		Total funds received from individuals, businesses and grants received as of 1/31/2021	
Funds needed to complete Meetinghouse Arts construction				
	\$184,000			
TIF Request				
	\$75,000		represents 40% of our funding gap; 9% of our total construction costs	