

TESTIMONY OF
James F. Nimon, Executive Director
Sanford Regional Economic Growth Council

Before the Joint Standing Committee on Taxation

In Opposition to
L.D. 412 (Section 3) “An Act to Authorize the Use of Tax Increment Financing Funds
for Constructing or Renovating Municipal Offices and Other Buildings”

Public Hearing, Tuesday, March 2, 2021

Senator Chipman, Representative Terry, and Honorable Members of the Joint Standing Committee on Taxation, my name is Jim Nimon, and I bring greetings from Sanford, Maine's newest city.

The Sanford Regional Economic Growth Council, as a private 501(c)(6) nonprofit corporation operating since 2009, is the entity in Sanford-Springvale responsible for the oversight and implementation of tax increment financing (TIF). I have been the executive director for ten years.

During the period 1998 – 2008 I either directly managed the TIF program for the State of Maine or supervised the person managing the program, so I am very familiar with the program statute and rules. My primary responsibility was to ensure proper stewardship of the program which is a valuable municipal economic development tool.

With the support of municipalities, law firms, and development organizations we significantly amended the statute in 2001. And as you know, there have been a number of other amendments in the two decades since.

I'm testifying today in opposition to Sec. 3 of L.D. 412 which would allow TIF revenues to pay for the construction or renovation of municipal offices, and in doing so, overturn one of the few activities expressly prohibited by the current TIF statute.

The statute was originally authorized by the legislature to support commercial and industrial development that creates new jobs and broadens the tax base. The constructing and renovating of municipal office buildings, while important to a community, fails to meet this standard and therefore should not be an eligible expense under the TIF program.

Thank you for your consideration. I'd be glad to answer any questions you may have.

James Nimon
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