

Windham Economic Development Department

Promoting Sound Economic Investment in Windham

To: Barry Tibbetts, Town Manager
Susan Rossignol, Finance Director
Robert Burns, Assistant Town Manager
Joshua Houde, Assessor
From: Tom Bartell, Economic Development Director
Date: November 20, 2024
Re: Windham TIF Program Update

The following is an update of the status of Windham's tax increment financing (TIF) program including Council actions and estimated fund balances.

Summary of Approved TIFs in the Town of Windham

- A. 1994 North Windham Development District: Expired June 30, 2004.
- B. 2000 Pipeline Tax Increment Financing District: The term of the District runs through June 30, 2030 as extended in 2015. Captured assessed value is 100% for the district as amended in 2015. The Development Program includes Route 302 roadway, intersection, and sidewalk, and sewer engineering and construction, GIS system, environmental study, and economic development administration.

June 30, 2024, Fund Balance: \$663,400
Original Municipal Valuation in TIF: \$18,000
Current Municipal Valuation in TIF: \$10,004,400
Current Captured Valuation in TIF: \$9,986,400
Municipal Acreage in TIF: 6.0

- C. 2006 Roosevelt Promenade TIF District: The term of the District expires in 2036 following Council action and DECD approval of a fifteen-year extension in March of 2021. The District consists of 37.39 acres consisting of the Home Depot and Lowe's parcel. Captured assessed value is 100% for the district as amended in 2021. The Development Program consists of costs including a transportation study, growth study, public infrastructure study and WEDC staffing as well as the following amended items:

Infrastructure improvements including but not limited to:

- Roadway and intersection improvements in the District
- Roadway and intersection improvements on Route 302
- Wastewater facilities engineering and construction in the District
- Wastewater facilities engineering and construction on Route 302
- Utility services relocation either above or underground in the District
- Utility services relocation either above or underground on Route 302
- Streetscape improvements in and/or adjacent to the District and on Route 302
- Loan Fund Capitalization

June 30, 2024 Fund Balance: \$490,503
Original Municipal Valuation in TIF: \$10,900
Current Municipal Valuation in TIF: \$29,177,200
Current Captured Valuation in TIF: \$29,166,300
Municipal Acreage in TIF: 37.39

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- D. 2014 New Marblehead Manor Affordable Housing Development District: The term of the District expires in 2044. Captured assessed value is 50% for the term of the District. The District consists of 3.7 acres consisting of one phase of New Marblehead Manor. The Development Program consists of a Credit Enhancement Agreement with Avesta New Marblehead One LP.

June 30, 2024 Unaudited Fund Balance: \$0.00
Original Municipal Valuation in TIF: \$0.00
Current Municipal Valuation in TIF: \$2,157,900
Current Captured Valuation in TIF: \$1,078,950
Municipal Acreage in TIF: 3.7

- E. 2015 Gateway North A TIF District: The term of the District runs through June 30, 2045 after extension in 2023. Captured assessed value is 100%. The District consists of 99.77 acres of various parcels in the North Windham commercial district. The Development Program includes the following:

- Roadway and intersection improvements in the District
- Roadway and intersection improvements on Route 302
- Wastewater facilities engineering and construction in the District
- Wastewater facilities engineering and construction on Route 302
- Utility services relocation either above or underground in the District
- Utility services relocation either above or underground on Route 302
- Streetscape improvements in and/or adjacent to the District and on Route 302
- Economic Development administration
- Loan Fund Capitalization

June 30, 2024 Fund Balance: \$238,801
Original Municipal Valuation in TIF: \$1,864,200
Current Municipal Valuation in TIF: \$21,461,241
Current Captured Valuation in TIF: \$19,597,041
Municipal Acreage in TIF: 99.77

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F. 2019 Gateway North B TIF District: The term of the District runs through June 30, 2048. Captured assessed value is 100%. The District consists of 42.81 acres of various parcels in the North Windham commercial district. The Development Program includes the following:

- Roadway and intersection improvements in the District
- Roadway and intersection improvements on Route 302
- Wastewater facilities engineering and construction in the District
- Wastewater facilities engineering and construction on Route 302
- Utility services relocation either above or underground in the District
- Utility services relocation either above or underground on Route 302
- Streetscape improvements in and/or adjacent to the District and on Route 302
- Economic Development administration

June 30, 2024 Fund Balance: \$359,284
Original Municipal Valuation in TIF: \$9,485,292
Current Municipal Valuation in TIF: \$26,269,900
Current Captured Valuation in TIF: \$16,784,608
Municipal Acreage in TIF: 42.81

G. 2021 Boody's Corner TIF District: The term of the District runs through June 30, 2051. Captured assessed value is 100%. The District consists of 16.31 acres improved as the Cross Insurance/Bangor Savings Bank building and apartments on Dusty Rhoades Lane in Windham. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements in North Windham
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction in and serving North Windham
- Utility services relocation either above or underground in North Windham
- Streetscape improvements in and/or adjacent to the district and on Varney Mill Road
- Transit improvements
- Economic Development administration

June 30, 2024 Fund Balance: \$368,293
Original Municipal Valuation in TIF: \$1,104,700
Current Municipal Valuation in TIF: \$13,560,600
Current Captured Valuation in TIF: \$12,455,900
Municipal Acreage in TIF: 16.31

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H. 2021 SWFS Depot Street Apartments TIF District: The term of the District runs through June 30, 2051. Captured assessed value is 100%. The District consists of 0.35 acres improved as a municipal fire station and 2.08 acres improved as the Depot Street Apartments in the South Windham Village for a total of 2.43 acres. The Development Program includes the following:

- Roadway and intersection improvements in the South Windham Village
- Roadway and intersection improvements on River Road
- Wastewater facilities engineering and construction in the SW Village
- Wastewater facilities engineering and construction serving the SW Village
- Utility services relocation either above or underground in the SW Village
- Streetscape improvements in and/or adjacent to the SW Village and on River Road
- Transit improvements
- Economic Development administration

June 30, 2024 Fund Balance: (\$289,918)
Original Municipal Valuation in TIF: \$64,300
Current Municipal Valuation in TIF: \$2,548,200
Current Captured Valuation in TIF: \$2,483,900
Municipal Acreage in TIF: 2.43

I. 2022 Enterprise Development A TIF District: The term of the District runs through June 30, 2052. Captured assessed value is 100%. The District consists of 67.13 acres improved as commercial buildings and parcels in the Quarry Ridge Business Park and adjacent to Route 302 in Windham. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements in North Windham
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction in and serving North Windham
- Utility services relocation either above or underground in North Windham
- Streetscape improvements in and/or adjacent to the district and on Route 302
- Transit improvements
- Economic Development administration

June 30, 2024 Fund Balance: \$65,060
Original Municipal Valuation in TIF: \$607,258
Current Municipal Valuation in TIF: \$4,495,600
Current Captured Valuation in TIF: \$3,888,342
Municipal Acreage in TIF: 67.13

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J. 2023 Boody's Corner B TIF District: The term of the District runs through June 30, 2053. Captured assessed value is 100%. The District consists of 14.06 acres improved as the Badger Run apartments (1.79 acres), 55 Tandberg Trail apartments (0.3 acres), commercial land currently improved as a mobile home park on Robin Lane (9.49 acres), and a portion of 718 Roosevelt Trail improved as a municipal fire station (2.48 acres) in Windham. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements in North Windham
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction in and serving North Windham
- Utility services relocation either above or underground in North Windham
- Streetscape improvements in and/or adjacent to the district in North Windham
- Transit improvements
- Economic Development administration
- Design and development of economic development facilities including maker space, co-working space, and shared commercial kitchen space in Windham.

June 30, 2024 Fund Balance: \$42,110
Original Municipal Valuation in TIF: \$997,200
Current Municipal Valuation in TIF: \$7,904,200
Current Captured Valuation in TIF: \$6,907,200
Municipal Acreage in TIF: 14.06

K. 2023 South Windham Industrial Zone TIF District: The term of the District runs through June 30, 2053. Captured assessed value is 100%. The District consists of 62.99 acres improved as commercial buildings and parcels on or adjacent to Gambo Road in the South Windham Industrial Zone. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements in South Windham
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction in and serving South Windham
- Utility services relocation either above or underground in South Windham
- Streetscape improvements in and/or adjacent to the district and in South Windham
- Transit improvements
- Economic Development administration
- Design and development of economic development facilities including maker space, co-working space, and shared commercial kitchen space in Windham.

June 30, 2024 Fund Balance: \$10,568
Original Municipal Valuation in TIF: \$903,500
Current Municipal Valuation in TIF: \$2,076,200
Current Captured Valuation in TIF: \$1,172,700
Municipal Acreage in TIF: 62.99

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New TIFs (2024)

L. 2024 Boody's Corner C TIF District: The term of the District runs through June 30, 2054. Captured assessed value is 100%. The District consists of 72.60 acres of commercial property on Franklin Drive, Tandberg Trail, Turning Leaf Drive, and along Route 302 in Windham. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements in North Windham
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction in and serving North Windham
- Utility services relocation either above or underground in North Windham
- Streetscape improvements in and/or adjacent to the district and on Route 302
- Transit improvements
- Economic Development administration
- Design and development of economic development facilities including maker space, co-working space, and shared commercial kitchen space in Windham.

June 30, 2024 Fund Balance: N/A

Original Municipal Valuation in TIF: \$1,839,200

Current Municipal Valuation in TIF: \$8,275,700

Current Captured Valuation in TIF: \$6,436,500

Municipal Acreage in TIF: 72.60

M. 2024 Gateway South TIF District: The term of the District runs through June 30, 2054. Captured assessed value is 100%. The District consists of 40.85 acres of commercial property on First Light Drive, and along Route 302 in Windham. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements connecting to the district
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction connecting to the district
- Utility services relocation either above or underground in North Windham
- Streetscape improvements in and/or adjacent to the district and on Route 302
- Commercial Façade improvement programming
- Transit improvements
- Economic Development administration
- Design and development of economic development facilities including maker space, co-working space, and shared commercial kitchen space in Windham.

June 30, 2024 Fund Balance: N/A

Original Municipal Valuation in TIF: \$376,900

Current Municipal Valuation in TIF: \$542,200

Current Captured Valuation in TIF: \$165,300

Municipal Acreage in TIF: 40.85

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New TIFs (2025)

- N. 2025 Anglers Road Senior Affordable Housing Development and Tax Increment Financing District: The term of the District expires in 2055. The Town to capture 100% of the increased assessed value of the District as captured assessed value, with a 75% share to the Developer and 25% retained by the Town for future infrastructure costs. The District consists of 7.84 acres consisting of 48 units of Affordable Senior Housing. The Development Program includes a Credit Enhancement Agreement with DC Anglers LP (Developers Collaborative).

Municipal infrastructure program:

- Roadway, intersection, and sidewalk improvements adjacent to the district
- Wastewater facilities engineering and construction in and serving the district
- Utility services relocation either above or underground serving the district
- Streetscape improvements in and/or adjacent to the district and on Route 302
- Transit improvements

June 30, 2024 Unaudited Fund Balance: N/A

Original Municipal Valuation in TIF: \$0.00

Current Municipal Valuation in TIF: \$0.00

Current Captured Valuation in TIF: \$0.00

Municipal Acreage in TIF: 7.84

- O. 2025 Andrew School South Windham TIF District: The term of the District runs through June 30, 2055. The Town to capture 100% of the increased assessed value of the District as captured assessed value. The Affordable Housing Credit Enhancement Agreement, which applies to half of the development project, returns the taxes on 75% of the value attributed to the affordable housing project to the Affordable Housing Developer with the remaining 25% of the taxes on the value of the affordable housing project retained by the Town for future infrastructure costs. 100% of the value and taxes of the market rate housing project, the second half of the development project, is to be captured and retained for future TIF Development Program costs. The District consists of 2.40 acres of commercial property on High Street, in South Windham Village. The Development Program includes the following:

- Affordable Housing Credit Enhancement Agreement(s)
- Roadway and intersection improvements in the South Windham Village
- Roadway and intersection improvements on River Road
- Wastewater facilities engineering and construction in the SW Village
- Wastewater facilities engineering and construction serving the SW Village
- Utility services relocation either above or underground in the SW Village
- Streetscape improvements in and/or adjacent to the SW Village and on River Road
- Transit improvements
- Economic Development administration

June 30, 2024 Fund Balance: N/A

Original Municipal Valuation in TIF: \$0.00

Current Municipal Valuation in TIF: \$0.00

Current Captured Valuation in TIF: \$0.00

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Municipal Acreage in TIF: 2.40

Remaining TIF Capacity (November 18, 2024)

Acreage:

Both the total acreage and the amount of acreage in individual TIF's are limited. A single TIF cannot exceed 2% of the town's total municipal acreage, and the total of all acreage, with certain exclusions, cannot exceed 5%.

Currently, 476.28 acres of the total of 35,572 acres or 1.34% of the Town are in TIF Districts. 5% of the total municipal acreage is 1779 acres. Thus, the Town could place up to an additional 1,302.72 acres into TIF Districts, provided that, under State law, no more than 711.44 acres are in any one District.

Total Value:

The original assessed value of a proposed tax increment financing district plus the original assessed value of all existing tax increment financing districts within the municipality may not exceed 5% of the total value of taxable property within the municipality as of April 1st preceding the date of DECD approval of the district.

April 1, 2024 Municipal Total Taxable Value: \$4,096,923,300

Windham Cap: \$204,846,165

Current TIF Original Valuation: \$17,271,450

Note: The NMAH TIF original value: \$0.00

Note: The Anglers Road Affordable Senior Housing TIF original value: \$0.00

Note: The Andrew School South Windham TIF original value: \$0.00

% Current TIF Original Valuation: 0.42%

Proposed new TIFs (2026)

P. 2026 Boody's Corner D TIF District: The term of the District runs through June 30, 2056. Captured assessed value is 100%. The District consists of 4.22 acres of commercial property on Tandberg Trail, and Route 302 in Windham. The Development Program includes the following:

- Roadway, intersection, and sidewalk improvements in the district
- Roadway, intersection, and sidewalk improvements in North Windham
- Wastewater facilities engineering and construction in and serving the district
- Wastewater facilities engineering and construction in and serving North Windham
- Utility services relocation either above or underground in North Windham
- Streetscape improvements in and/or adjacent to the district and on Route 302
- Transit improvements
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- Design and development of economic development facilities including maker space, co-working space, and shared commercial kitchen space in Windham.

Summary of proposed new TIF's impact on development account revenues:

Please note that these projections are based on current available Assessing data and the current Tax Rate of \$11.47 for calculating development account revenues.

As proposed the new TIF's are estimated to provide:

For North Windham

Boody's Corner D TIF District revenue of \$114,700/year = \$3,441,000 over 30 years

Total impact of \$3,441,000 over 30 years