

Windham Economic Development Corporation

Promoting Sound Economic Investment in Windham

To: Barry Tibbetts, Town Manager
Susan Rossignol, Finance Director
WEDC Project Funding Committee
Elisa Trepanier, Assessor
From: Tom Bartell, Executive Director, WEDC
Date: January 7, 2021
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, 2020 Fund Balance: \$425,078
Original Municipal Valuation in TIF: \$18,000
Current Municipal Valuation in TIF: \$10,194,600
Current Captured Valuation in TIF: \$10,176,600
Municipal Acreage in TIF: 6.0

- C. 2006 Roosevelt Promenade TIF District: The term of the District expires in 2021 following Council action and DECD approval of a ten-year extension in March of 2011. The District consists of 34.74 acres consisting of the Home Depot and Lowe's parcel. The Development Program consists of \$210,000 in 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, 2020 Fund Balance: \$0.00
Original Municipal Valuation in TIF: \$10,900
Current Municipal Valuation in TIF: \$26,948,600
Current Captured Valuation in TIF: \$26,937,700
Municipal Acreage in TIF: 34.74

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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, 2020 Unaudited Fund Balance: \$0.00
Original Municipal Valuation in TIF: \$0.00
Current Municipal Valuation in TIF: \$1,306,100
Current Captured Valuation in TIF: \$653,050
Municipal Acreage in TIF: 3.7

- E. 2015 Gateway North A TIF District: The term of the District runs through June 30, 2035. Captured assessed value is 100%. The District consists of 34.74 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, 2020 Fund Balance: \$60,105
Original Municipal Valuation in TIF: \$1,864,200
Current Municipal Valuation in TIF: \$15,737,200
Current Captured Valuation in TIF: \$13,873,000
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, 2020 Fund Balance: \$0.00

Original Municipal Valuation in TIF: \$9,485,292

Current Municipal Valuation in TIF: \$14,648,000

Current Captured Valuation in TIF: \$5,162,708

Municipal Acreage in TIF: 42.81

Remaining TIF Capacity (December 22, 2020)

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, 187.02 acres of the total of 35,572 acres or 0.53% of the Town are located in TIF Districts. 5% of the total municipal acreage is 1779 acres. Thus, the Town could place up to an additional 1,592 acres into TIF Districts, provided that, under State law, no more than 711.44 acres are located 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, 2020 Municipal Valuation: \$2,336,553,500

Windham Cap: \$116,827,675

Current TIF Original Valuation: \$11,378,392 (Note: The NMAH TIF original value: \$0.00)

% Current TIF Original Valuation: 0.49%

Proposed New TIF's & Extensions

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Proposed Extension and new TIF(s)

Extension:

2006 Roosevelt Promenade TIF District: The term of the District expires in 2021 following Council action and DECD approval of a ten-year extension in March of 2011. The District consists of 34.74 acres consisting of the Home Depot and Lowe's parcel. The Development Program consists of \$210,000 in 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, 2020 Fund Balance: \$0.00

Original Municipal Valuation in TIF: \$10,900

Current Municipal Valuation in TIF: \$26,948,600

Current Captured Valuation in TIF: \$26,937,700

Municipal Acreage in TIF: 34.74

Changes requested:

1. Extend 15 years to a total of 30 until 2036.
2. Change Development Program to capture 100% of value for inclusion in the development account. Currently the amount into the development account is capped at \$210,000.
3. Add Transit improvements to the Development Program.
4. Add Economic Development Administration to the Development Program.

With the changes as proposed above the amount going into the development account would move from \$210,000 to \$403,902 per year, an additional \$193,902.

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New TIF's

G. 2021 Kettle Estates TIF District: The term of the District runs through June 30, 2051. Captured assessed value is 100%. The District consists of 15.46 acres improved as 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, 2020 Fund Balance: N/A

Original Municipal Valuation in TIF: \$244,500.00

Current Municipal Valuation in TIF: \$5,525,900.00

Municipal Acreage in TIF: 15.46

With current valuation the amount going into the development account would be \$79,221 per year and at full valuation next year (\$6,640,700) this amount would be \$99,610

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H. 2021 South Windham TIF District A: The term of the District runs through June 30, 2052. 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, 2020 Fund Balance: N/A

Original Municipal Valuation in TIF: \$0.00(Former Fire Station) \$64,300.00(Depot St. Apartments)

Current Municipal Valuation in TIF: \$0.00(Former Fire Station) \$64,300.00(Depot St. Apartments)

Municipal Acreage in TIF: 2.43

At full valuation at the current tax rate in 2 years the Former Fire Station will provide \$11,250 per year into the development account.

At full valuation at the current tax rate in 4 years (assuming construction begins within 2 years) the Depot Street Apartments will provide \$66,500 per year into the development account.

At full valuation at the current tax rate the combined properties will provide \$77,750 per year into the development account.

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Current TIF'S Common Funded Projects

(Actual allocations from TIF's are based on Town Council approved yearly budgets)

Common funding provisions:						
	Pipeline	Roosevelt Promenade	Gateway North A	Gateway North B	Current TIF's Total projected	Total project cost estimate
Route 302 Roadway	\$3,124,000	\$300,000	\$500,000	\$900,000	\$4,824,000	\$12,000,000
Route 302 Streetscape/sidewalks	\$1,200,000	\$100,000	\$645,000	\$300,000	\$2,245,000	\$5,000,000
Wastewater Eng./Const.	\$0	\$400,000	\$800,000	\$5,000,000	\$6,200,000	\$12,000,000
Utility services	\$0	\$100,000	\$1,000,000	\$400,000	\$1,500,000	\$8,000,000
Corridor Studies	\$0	\$0	\$300,000	\$200,000	\$500,000	\$800,000
Econ. Dev. Staffing/Prog	\$750,000	\$0	\$750,000	\$500,000	\$2,000,000	\$225,000/yr

Summary of changes and 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 \$15.00 for calculating development account revenues.

As proposed the amendment and the new TIF's would provide:

For North Windham

Roosevelt Promenade increase of \$193,902 (X 15 years = \$2,908,530)

Kettle Estates new revenue of \$99,610 (X 30 years = \$2,988,315)

Total increase of \$273,123 per year

For South Windham





South Windham TIF District A new revenue of \$11,250 increasing to \$77,750 per year.

Total increase of \$77,750 per year within 4 yrs (X 26 years (after buildout) = \$2,021,500)

North Windham TIF District Areas

Write a description for your map.

Legend

-  Feature 1
-  Feature 2
-  Feature 3
-  lot 1 westerly line

Roosevelt Prom TIF

Kettle Estates

Google Earth

5000 ft



South Windham TIF District Areas

Write a description for your map.

Legend

 Feature 1

 Feature 2

 Feature 3

 lot 1 westerly line

 South Windham TIF District A

 South Windham TIF District Area