

MONADNOCK COMMUNITY HEALTH CARE TAX INCREMENT FINANCE PLAN



***ADOPTED AT TOWN MEETING
MARCH 17, 2007***

MONADNOCK COMMUNITY HEALTH CARE TAX INCREMENT FINANCE PLAN

I. Authority and Purpose

In accordance with RSA 162-K, the Town of Peterborough hereby adopts the following Tax Increment Financing Plan (TIF). It is the purpose in forming this district to encourage revitalization, re-investment and new investment in this area. Without improvements to both the physical infrastructure and visual appearance of this area, the existing tax base could erode. Also, without these additional investments, the capacity does not presently exist to support all of the development for which these areas are zoned. It is the Town's intention to use tax increment financing to help pay for necessary improvements.

II. Location/Extent of District

The Monadnock Community Health Care Tax Increment Finance District, illustrated on the accompanying map, is comprised of the area known as the Monadnock Community Health Care District, Parcel ID# U007-001-000, and portions of the surrounding roads: Route 202 where it abuts the Hospital property to and including the intersection with Route 136 and Old Street Road, and the length of Old Street Road from the intersection with Route 136 to the intersection with Sand Hill Road.

By law, no TIF district can account for more than 5% of the total town land area, and when added to other TIF Districts may not exceed 10% of the total town land area; further, no one district can exceed 8% of total assessed value, and when combined with other TIF Districts may not exceed 16% of total assessed value. This District is approximately 86 acres, or 0.4% of the total town land area. When combined with the Greater Downtown and the West Peterborough TIF Districts, all three districts account for 1.9% of the total town land area. Assessed property values in this District amount to \$32,873,800 which is 4.7% of the total town assessed property values. When combined with the Greater Downtown and the West Peterborough TIF Districts, all three districts account for \$61,076,910, which is 8.8% of the total town assessed property values.

III. Statement of Objectives

The purposes of the District are to: (1) fund the construction of a new road that would connect Route 202 and Old Street Road across the Hospital property; (2) install utility infrastructure within the right-of-way; and (3) complete any off-site road improvements considered necessary as a part of this new road construction. This new Connector Road is intended to be a Town-owned and maintained road, and it will provide frontage for the future development of the Hospital property.

IV. District Administrator and District Advisory Board

Pursuant to RSA 162-K:13, the Board of Selectmen has appointed the Director of the Office of Community Development to serve as the TIF District Administrator, in conjunction with the Peterborough Economic Development Authority. Following the approval of this Plan at Town Meeting, the Board of Selectmen will appoint a five-member District Advisory Board which, in accordance with the provisions of RSA 162-K:14, must be made up of a majority of members who are owners or occupants of real property within or adjacent to the District. A member of the Economic Development Authority shall serve as Chairman. A member of the Planning Board shall serve as Vice-Chairman.

This Board shall advise the District Administrator, EDA and Selectmen on the maintenance and implementation of the District Plan. All meetings of the Advisory Board shall be public, and both the Administrator and Board are encouraged to obtain extensive public input as they prepare to implement the plan.

V. District Plan

The Master Plan, adopted by the Planning Board in 2003, identified the Hospital property as a separate District, which was in fact adopted as a zoning district at the March 2004 Town Meeting. The Master Plan states that the Hospital is essential to the Town's viability and is one of the core economic factors. The Plan goes on to say that the livelihood of the Hospital is compromised by the problematic access to and from the site. Reference is made to a traffic study¹ that documented the issues with not only Old Street Road, on which the Hospital access is located, but the roads intersecting Old Street Road, primarily Sand Hill and the intersection with Routes 202 and 136, which is particularly difficult and dangerous. This study recommended a connector road between Route 202 and Old Street Road, and the sole purpose of the TIF Plan is to construct this connector road.

As envisioned by the Hospital, some of the benefits of the connector road are as follows:

- The Road would improve the long-term economic viability by:
 - Enabling the Hospital to expand and provide appropriate services in response to the community's needs

- The Road would increase public safety by:
 - Improved ambulance access to the Hospital
 - Reduction of traffic at the Old Street Road/Route 136/Route 202 intersection
 - Reduction of traffic at Old Street and Sand Hill Roads

¹ Edwards & Kelsey Intersection Analysis; 2002.

➤ The Road would improve the quality of life for neighbors by:

- Reducing Hospital-related traffic, including delivery trucks
- Reducing truck and construction traffic on Sand Hill and Old Street Roads
- Creating a safer environment for bicycle and foot traffic
- Increasing property values for surrounding properties

A. Costs of Plan Implementation

The projected 2007 cost of constructing the connector road is estimated to be \$1.5 million, which includes utility installation in the right-of-way. The Town (in partnership with the Hospital) anticipates partial funding in the amount of \$500,000 from a Community Development Block Grant, leaving \$1 million to be bonded; this bond would be paid back through the revenues generated in the TIF District

B. Sources of Revenue

Upon completion of the connector road, the Hospital will invest approximately \$7.5 million to improve and develop its campus. From the current assessed valuation of all taxable land and buildings within the Monadnock Community Health Care Tax Increment Finance District, the Hospital expects to generate \$75 – \$80,000 annually in new tax revenue. This is the incremental tax revenue that would be used to pay back the \$1 million to the Town – either as a payment to the general fund, or specifically to pay down the bond. In any case, the Hospital will enter into an agreement with the Town that will obligate the Hospital to develop its campus and use the incremental revenues to pay off the bond.

VI. Duration of District

It is the intention of the Town that once a plan has been adopted and sufficient funds have been allocated to pay for necessary improvements, the District will no longer be needed. Based on the current calculations, it would take between 15 and 20 years to pay down a one million dollar bond. Therefore, this District will expire on June 30, 2022, unless amended by Town Meeting vote.

It shall be the duty of the Administrator and the Board of Selectmen to ensure that any obligations of the District or unexpended funds will be adequately addressed prior to or as part of this expiration, and a detailed report shall be provided at Town Meeting detailing the steps to be taken to properly meet any obligations or to provide for unexpended funds.

Hospital TIF

Total Town Land Area: 23,732 acres

Total Town Assessed Valuation: \$ 694,293,441

Legend

 Proposed Hospital Connector

 Hospital TIF



Hospital TIF District

Acres: 86

Valuation: \$32,873,800

Percent of Total Town: 0.4%

Percent of Total Town: 4.7%

April 12, 2007