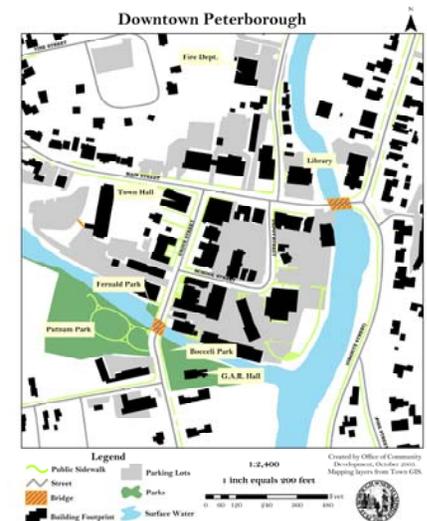




Greater Downtown Tax Increment Finance (TIF) District Advisory Board Meeting

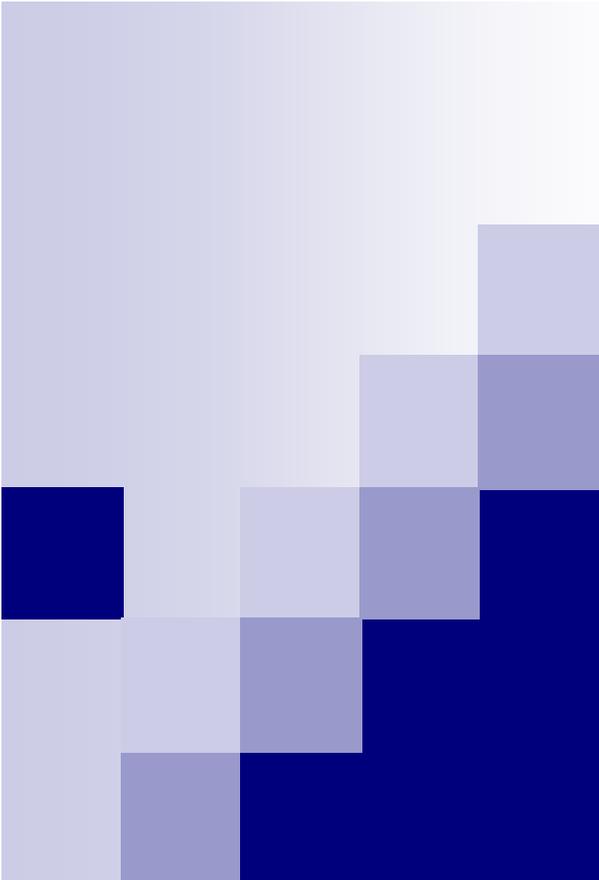
Tuesday
October 21, 2008





Greater Downtown TIF Advisory Board Members

- Cy Gregg, Chair
- Rick Monahan, Vice-Chair
- Craig Hicks
- Peter Robinson
- Willard Williams
- Michael Gordon, Alternate



Thanks to Intermezzo:
*Georgia, Tony,
Gerardo, and Kate*



Agenda

1. Introductions
2. Review of Tax Increment Financing
3. Overview of the Downtown TIF Plan
4. Update on Low Impact Development Project in the Downtown
5. Discussion of upcoming Main Street Bridge and Retaining Wall Project
6. Next Steps



Review of Tax Increment Financing

What is it?

- The financing of public improvements
- With incremental taxes
- Created by new construction, expansion or renovation of property within a designated area of town.



How Does It Work?

- Uses “captured value” from new tax revenues in the district to fund improvements.
- “Captured Value” is the difference between the assessed value of the district at the time of District creation, and any increase in assessed value.
- Once the public improvements are paid for, the district dissolves.



How is it Authorized?

1. By Town Meeting (adopting RSA 162-K Municipal Economic Development and Revitalization Districts).
2. A separate vote approves a Tax Increment Finance Plan (includes designation of the TIF District, statement of objectives, expected costs, and anticipated tax revenues).
3. Prior to Town Meeting vote, the Selectmen must hold a public hearing.
4. The county commissioners and the school board must be notified of the intent to adopt a TIF Plan.



How Is It Administered?

- A TIF Administrator is designated.
- An Advisory Board for the district is established to advise the Selectmen and TIF Administrator.
- In Peterborough, the OCD Director, the EDA, and the Advisory Board jointly administer all TIF Plans.
- Advisory Board must have a majority of members who are owners or occupants of property in or adjacent to the district.



What Are Valid Public Purposes?

1. Acquire, construct, improve and/or operate and maintain:
 - physical facilities
 - land or easements
 - property

Install lighting systems, signage, landscaping, and snow removal systems.

3. Lease buildings constructed in the district.
4. Negotiate the sale or lease of property for private development, if the development is consistent with the TIF Plan.

Peterborough's Experiences with TIF's

1. Downtown TIF adopted in 1998, amended in 2004
2. West Peterborough TIF adopted in 2004
3. Monadnock Community Healthcare TIF adopted in 2007

**GREATER DOWNTOWN PETERBOROUGH
TAX INCREMENT FINANCE PLAN**



JANUARY 21, 2004

**ADOPTED AT TOWN MEETING
MARCH 13, 2004**

**WEST PETERBOROUGH
TAX INCREMENT FINANCE PLAN**



JANUARY 21, 2004

**TOWN MEETING
MARCH 13, 2004**

**MONADNOCK COMMUNITY HEALTH CARE
TAX INCREMENT FINANCE PLAN**



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

Downtown TIF Plan

GREATER DOWNTOWN PETERBOROUGH TAX INCREMENT FINANCE PLAN



JANUARY 21, 2004

**ADOPTED AT TOWN MEETING
MARCH 13, 2004**

GREATER DOWNTOWN PETERBOROUGH 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) for the Greater Downtown area of Peterborough. It is the purpose in forming this district to encourage revitalization, re-investment and new investment within those portions of Town that are either used for commercial activity and/or are zoned for commercial development. 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 of District

The Greater Downtown Peterborough Tax Increment District encompasses the historic downtown area and the commercial areas for approximately 1/2 mile on Route 202 south of the Route 101 intersection, connected by the Contoocook River; this area is illustrated on the accompanying map. This District comprises about 86 acres, or 0.4% of the total town land area; by law, no TIF district can be larger than 1.5% of the total town land area.

III. Statement of Objectives

The purpose of the district is to fund improvements to roads, intersections, sidewalks, sewer, water, drainage, lighting, signage, utility poles and lines, landscaping or other associated improvements that will create economic vitality, and ensure the continued economic vitality of those areas that are already so developed. It is recognized that this district represents a core commercial area in the Town that provides a substantial number of jobs, and also represents an important part of the non-residential tax base.

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. A five-member District Advisory Board has been appointed by the Selectmen and, in accordance with the provisions of RSA 162-K:14, is 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 serves as Chairman. A member of the Planning Board serves 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 importance of economic vitality for the overall well-being of the Town. In addition, the Economic Policy Plan, adopted by the Planning Board in 2000, noted that "[I]nvesting in infrastructure is necessary to maintain and expand the existing tax and job base." In order to meet these planning goals, the Planning Board has proposed for Town Meeting 2004 amending the existing Commercial District for this area and creating a new Village Commercial District, so that there would be more opportunities for investment and re-investment in that area.

However, in order to facilitate or enable investment in the District and meet several of the goals of the Master Plan, improvements would need to be made in the public infrastructure of the Greater Downtown area. One project that has been reviewed and recommended by the Department of Public Works, the Selectmen and the Budget Committee is the reconstruction of sidewalks in the Downtown. This Plan, however, does not identify all possible projects; rather, the intent of this Plan is to authorize the District Administrator, the EDA and the TIF Advisory Board to make decisions on other appropriate projects based on a well-grounded public process. Other suitable projects, for example, could be the replacement of the Main Street retaining wall, improving the Summer Street parking lot, addressing issues with the canal under Main Street, or separating the sewer system from the stormwater management system. At this time, cost estimates have been prepared for only three projects, as shown below.

A. Costs of Plan Implementation

1) Downtown Sidewalks	=	\$ 47,000
2) Stormwater/Sewer Management System	=	\$ 75,000
3) Retaining Wall	=	<u>\$200,000</u>
TOTAL	=	\$322,000

B. Sources of Revenue

The current assessed valuation of the area designated as the Greater Downtown Tax Increment Finance District is \$15,935,300. At this time, there are no current applications for new or substantially improved projects that would impact the

incremental tax revenue from this District. However, there are some changes that might be expected; for example, Brooks Pharmacy has engaged in several preliminary discussions with the Planning Board for a retail store on Route 202. Projected increases from potential improvements are as follows¹:

1. Brooks Pharmacy	=	\$700,000
2. Improvements to the former Granite Bank	=	\$200,000
3. Historical Increases @ 1% of base total	=	<u>\$159,353</u>
Total anticipated additional assessment	=	\$1,059,353

Dollar Revenue anticipated due to increased assessment (based on the total tax rate of \$35.70 per thousand = **\$ 37,819**

Added to this figure is the current fund balance of \$ 80,498, which is being added to annually by approximately \$34,000. Thus, understanding that these numbers are estimates, both for projects and anticipated revenue, it could be expected earn the revenue necessary to complete the projects outlined above within two-three years. Additional projects would take longer to accomplish, since the fund would presumably be starting anew following completion of these other projects.

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. Therefore the district will expire on April 1, 2012, unless extended by Town Meeting vote. It shall be the duty of the Administrator and the Board of Selectmen to ensure that any obligations or unexpended funds of the District will be adequately addressed prior to or as part of this expiration, and a detailed report shall be provided at the March 2012 Town Meeting detailing the steps to be taken to properly meet any obligations or provide for unexpended funds.

¹ The Town is undergoing a revaluation of all properties to be effective April 1, 2004. Values and updated tax rates will be available October, 2004. The figures above are estimated to be reliable, as it is expected that values and rates will compensate.



Plan Implementation

- TIF Advisory Board holds public hearing, recommends appropriation to EDA
- EDA holds public hearing, recommends appropriation to Select Board
- OCD Director and EDA Chair send letter to Select Board requesting release of funds



Plan Implementation

In addition:

- \$\$\$ requests go through the CIP Process;
- the Budget Committee process; and
- Town Meeting.

Example of a Downtown Improvement Project



Downtown TIF Fund Balance

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007/ 2008</u>	<u>2009</u>
Beginning Balance	\$0	\$12,287	\$26,763	\$42,430	\$63,353	\$76,172	\$80,499	\$49,651	\$38,740	\$17,461	\$40,147
Revenue:											
Interest Income		\$3	\$1,200	\$1,259	\$1,083	\$740	\$656	\$1,063	\$1,394	\$1,835	\$211
Property Taxes	\$12,287	\$14,570	\$23,318	\$21,561	\$22,854	\$24,428	\$27,862	\$28,755	\$31,368	\$38,476	
Total Revenue	\$12,287	\$14,573	\$24,517	\$22,819	\$23,937	\$25,168	\$28,518	\$29,818	\$32,762	\$40,311	\$211
Expenditures:											
Parking Study (Special Article)	\$0	\$97	\$8,850	\$1,897	\$11,117	\$1,883					
Rentals & Leases										\$555	\$660
Pathway Bridge (Sidewalks)								\$9,800			
Sidewalks								\$30,930			\$20,000
DPW Projects						\$18,958	\$59,366		\$54,041	\$17,070	
Total Expenditures	\$0	\$97	\$8,850	\$1,897	\$11,117	\$20,841	\$59,366	\$40,730	\$54,041	\$17,625	\$20,660
Ending Balance	\$12,287	\$26,763	\$42,430	\$63,353	\$76,172	\$80,499	\$49,651	\$38,740	\$17,461	\$40,147	\$19,698

Downtown Low Impact Development Project

TOWN OF PETERBOROUGH, NEW HAMPSHIRE
CONTOOCOOK RIVER
STORMWATER IMPROVEMENTS

MAY 2008

BOARD OF SELECTMEN

JOE BYK, CHAIRMAN
ELIZABETH THOMAS
BARBARA MILLER

DIRECTOR OF PUBLIC WORKS

RODNEY BARTLETT



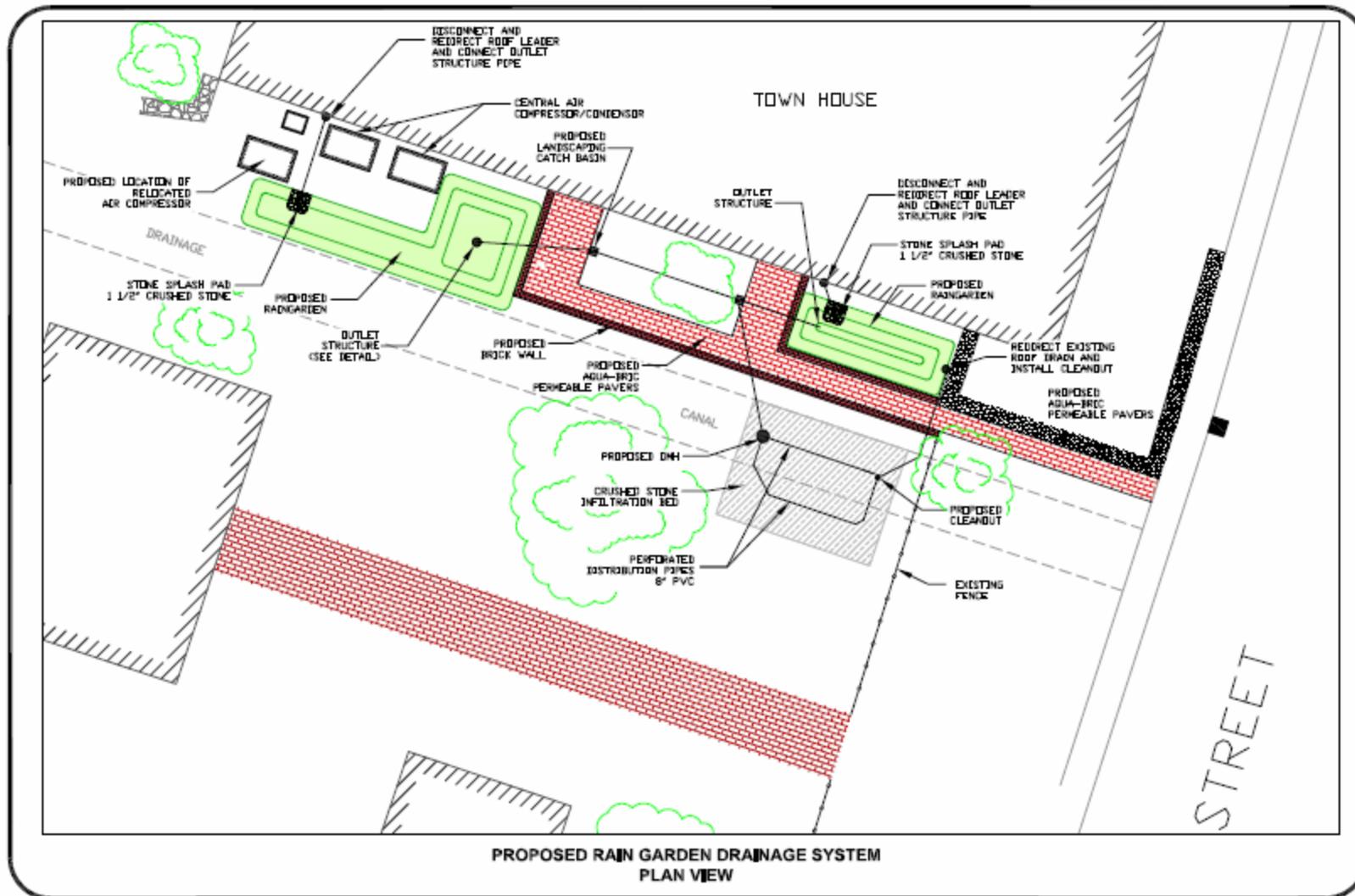
SHEET TITLE

- | | |
|-----|---|
| C-1 | LOWER TOWN HOUSE EXISTING CONDITIONS |
| C-2 | LOWER TOWN HOUSE
PROPOSED DRAINAGE IMPROVEMENTS |
| C-3 | LOWER TOWN HOUSE DRAINAGE DETAILS |
| C-4 | SIDEWALK AND BRICK WALL DETAILS |
| C-5 | SCHOOL STREET & MUNICIPAL PARKING
PROPOSED DRAINAGE IMPROVEMENTS |

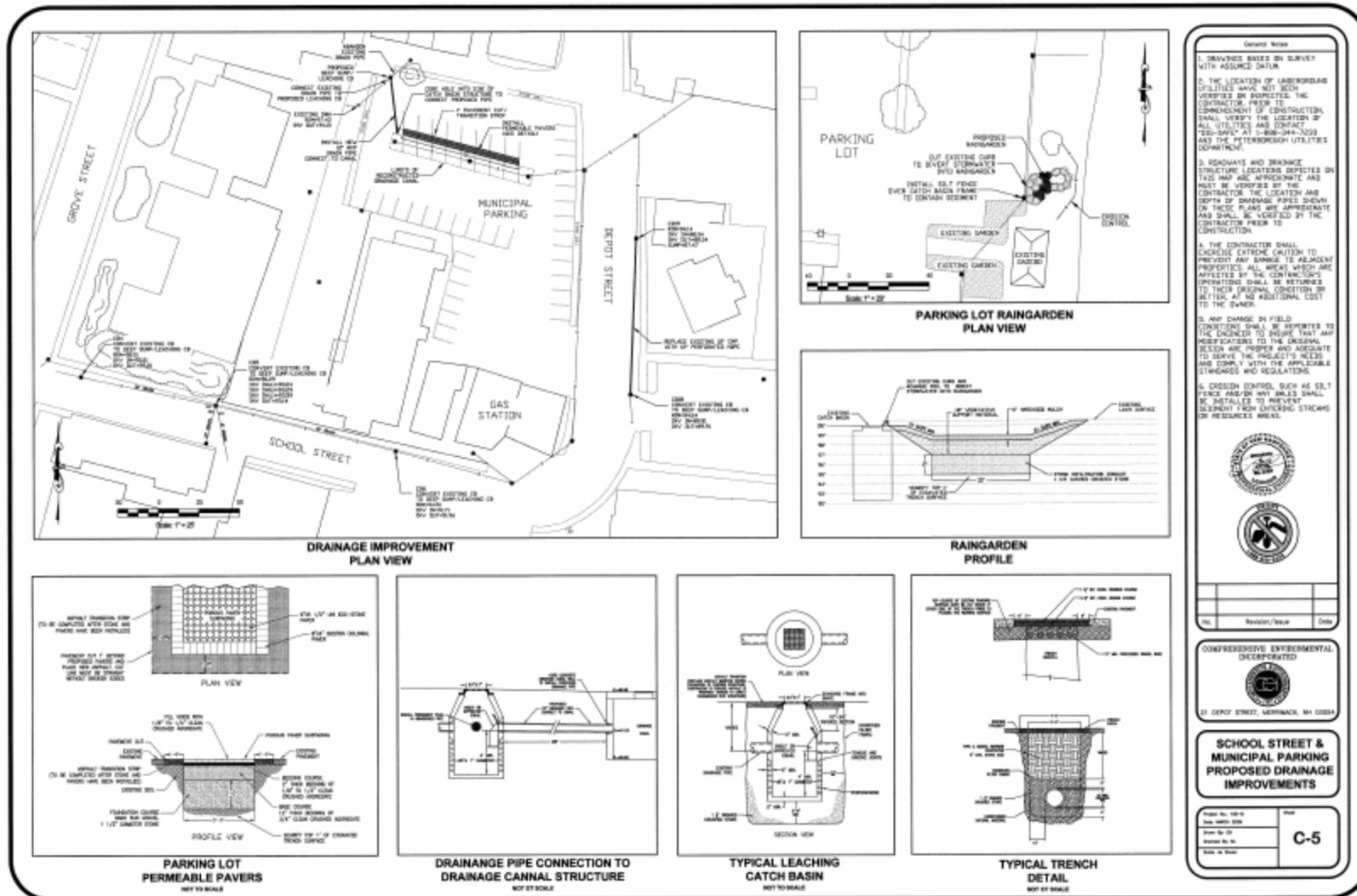


COMPREHENSIVE ENVIRONMENTAL INCORPORATED • MERRIMACK, NEW HAMPSHIRE

At the Town House



Plan Details



Townhouse Raingardens



New Garden Residents



Porous Paver Strip in Parking Lot adjacent to Wall Street



Raingarden in Depot Square

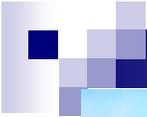


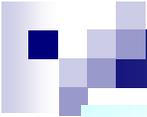
New Leaching Catch Basins on School and Depot Streets (during construction)



Main Street Bridge/Retaining Wall/Route 202/Sidewalk







The Context Sensitive Solution Process

1 Problem Identification	2 Problem Solution	3 Solution Implementation	4 Operation-Evaluation
TIMELINE:			
In process			
<ul style="list-style-type: none"> · Identify problem or need · Identify stakeholders · Establish outreach process 	<ul style="list-style-type: none"> · Develop Problem Statement · Develop Vision Statement · Agree on project limits · Create concepts 	<ul style="list-style-type: none"> · Select final design · Prepare bid package 	<ul style="list-style-type: none"> · Evaluate the project · Capture lessons learned · Provide feedback · Provide input to new problems & needs identification
PRODUCTS: <ul style="list-style-type: none"> · Stakeholder list · Preliminary identification of issues 	PRODUCTS: <ul style="list-style-type: none"> · Problem Statement · Vision Statement · Conceptual Design 	PRODUCTS: <ul style="list-style-type: none"> · Final Design · Bid Package 	PRODUCTS: <ul style="list-style-type: none"> · Adjusted facility · Captured lessons



Timeframe

- October – December 2008: Engineer Selection
- January – December 2009: Conceptual and Preliminary Designs
- January 2010 – September 2010: Final Design and Project Bidding
- October 2010 – December 2011: Reconstruction



Next Steps:

- Public Meetings expected to begin in February
- Anticipated to meet monthly
- CSS Place Audit in the Spring



Your Input?

- Monitor Town Website:

www.townofpeterborough.com

- Email:

rbartlett@townofpeterborough.us

cogilvie@townofpeterborough.us