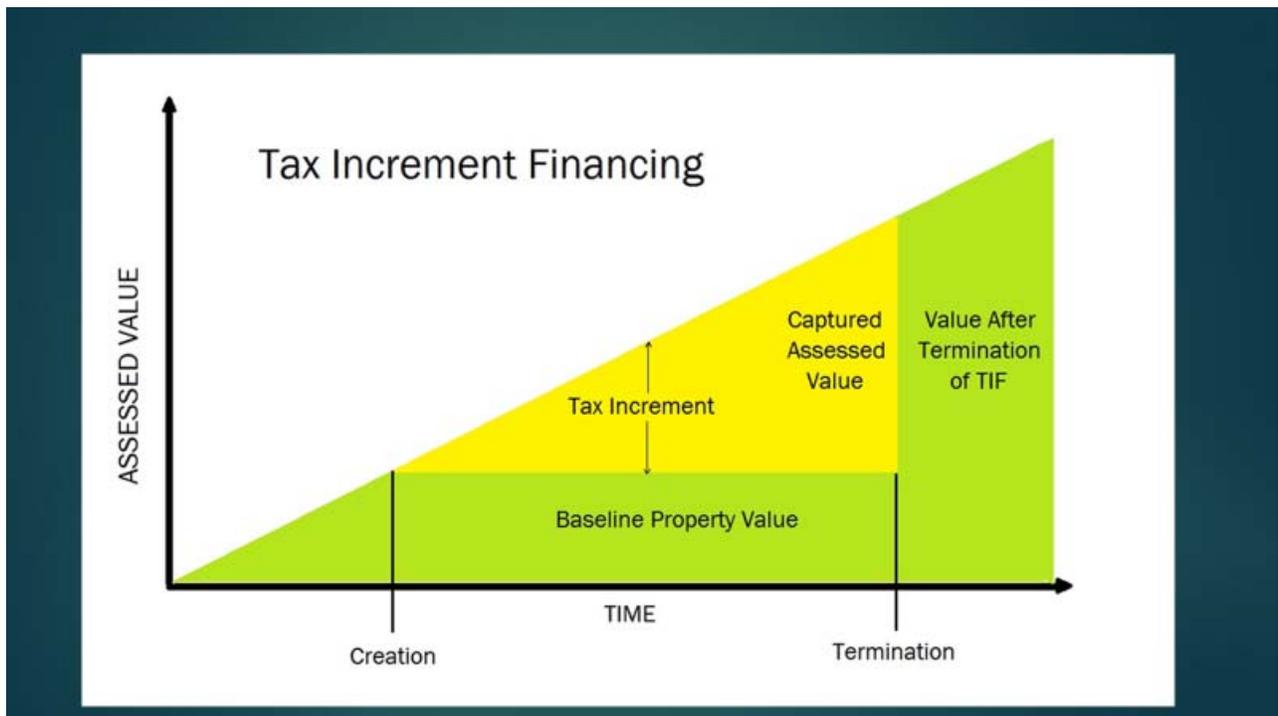


TOWN OF WINDHAM BUSINESS CORRIDOR TAX INCREMENT FINANCE DISTRICT PLAN

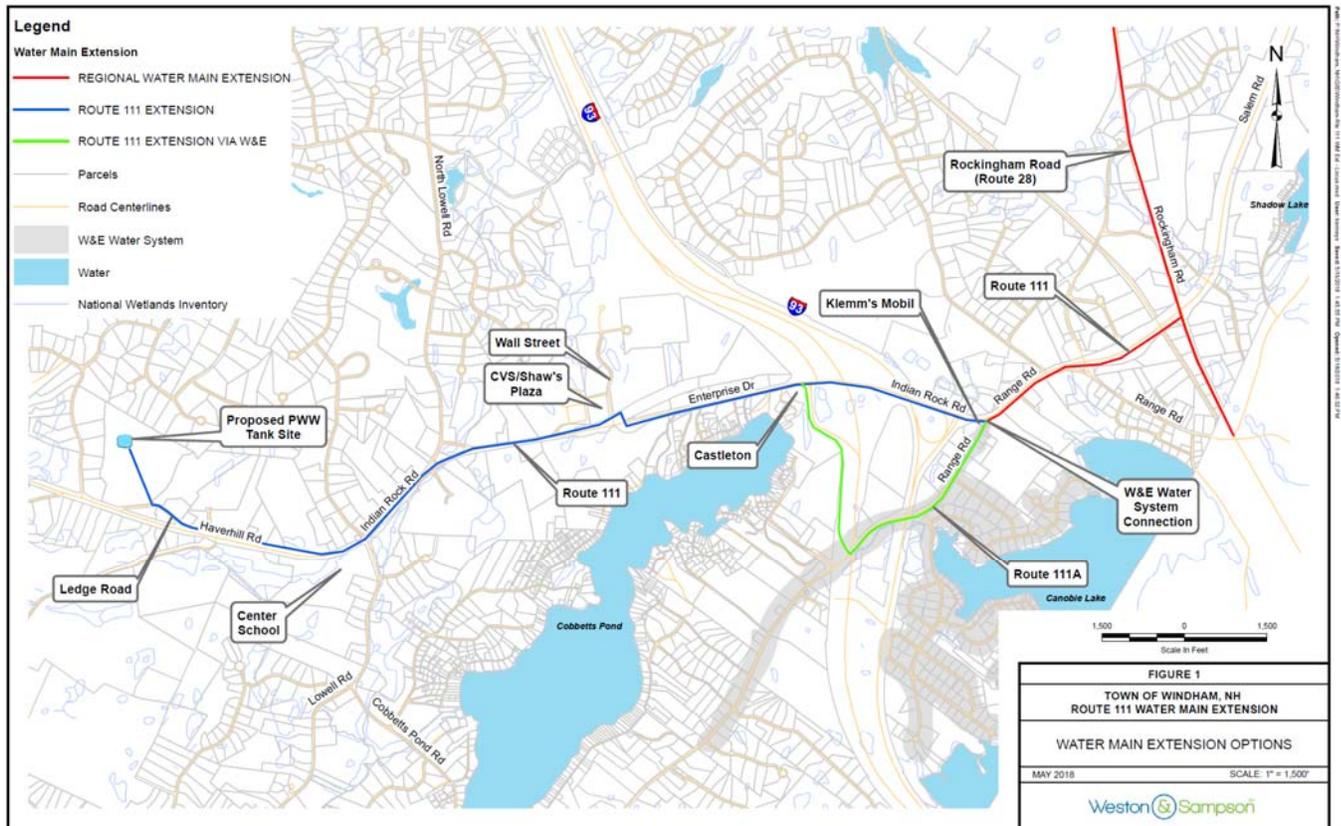
****DRAFT PLAN FOR PUBLIC COMMENT****

TOWN OF WINDHAM, NEW HAMPSHIRE

SEPTEMBER 14, 2020 - UPDATED



MUNICIPAL INFRASTRUCTURE PROJECT



**Proposed water line extension from Route 111 & 111a (Klemm's Mobil & McDonald's)
West on Route 111 to Ledge Road – Blue line route**

(Red line route is under construction 2020 – 100% funded by NH DWGW Trust Fund)

I. AUTHORIZATION

On March 12, 2020, residents of the Town of Windham voted in the affirmative on Warrant Article 18; adopting the provisions of NH RSA 162-K and granting the Town the authority to, at a future Town Meeting, establish one or more Tax Increment Finance (“TIF”) districts in Windham.

II. PURPOSE AND OBJECTIVES

A TIF district is an economic and tax base development tool, designed to be self-financing, utilized to accelerate the pay down of municipal debt incurred for infrastructure improvements. Such a district would allow the Town to use future tax revenue from increased assessments, in designated areas, to fund needed improvements in those same areas for enhanced fire protection and economic development; in essence, a way to fund infrastructure improvements needed to attract development, without placing a long-term burden on the existing tax base and current taxpayers.

The purpose of the Windham Business Corridor TIF District (the “District”) is to allow, by subsequent vote of Town Meeting, specific infrastructure improvements in the form of an extension of the existing Route 28 Regional Water Line and Route 111 stub along the portion of Route 111 from its intersection with Range Road (Route 111A) to that with Ledge Road; including a water tower. The objectives of the Development Program within the TIF Plan are to:

- Stimulate the development of commercial properties within the District by providing infrastructure that encourages and creates opportunities for businesses to locate and expand within the District and community;
- Enhance employment and earnings opportunities for area residents;
- Expand the property tax base;
- Encourage better land-use development;
- Provide adequate fire flow to the areas of Route 111 and Route 28, enhancing the safety of properties and their owners and offering the potential for insurance cost savings based upon the Town’s FSRS rating; and
- Mitigate contamination to multiple abutting properties associated with measurable releases of perfluorooctane sulfonic acid (PFOS) and perfluorooctanoic acid (PFOA).

A TIF Plan is one of the funding mechanisms considered to reduce the overall burden on taxpayers. A series of meetings with residents, town and school officials, as well as area property owners, will be held in order to create a TIF district plan that works for all.

III. BACKGROUND

For many years, the Town has relied on new development to stabilize the tax rate. According to the Town assessment history, in 2005, when the tax rate was \$19.46/1000, commercial development provided 7% and utility property 1% of the Town’s tax base, while the remaining 92% was raised through taxation on residential development. Although the 2005 Master Plan established a goal that, by 2015, 14% of the tax base be supported by commercial development, as of 2019 (tax rate \$22.55/1000) the percentages remained unchanged from 2005.

Why is our tax base distribution important? Studies have shown land uses have different impacts on the local budget. Every few years, the Board of Selectmen requests a “Cost of Services Study” to provide a simplified view of revenue versus expenditure by land use type. The study captures these ratios for a specific time period, but does not serve as a predictor of the impact of a change in land use.

The last study, conducted in 2018¹, found that residential land required \$1.07 in services for every dollar of property tax revenue generated; commercial land, \$.24; and open space (defined as land in the current use program) \$.11. This clearly demonstrates residential property “costs” the town, whereas commercial property “pays” for itself and adds positively to the revenue stream at the current land use ratio; indicating that expanding the commercial tax base may lessen the property tax burden on residential property owners.

A community survey, completed in 2015, indicated Windham residents support development in commercially zoned areas. Historically, the Town zoned most of the land along Route 28 and Route 111 for commercial/industrial or mixed uses; taking advantage of the prime locations and access to highways. Time has shown, however, that the lack of municipal water and adequate fire protection have been primary obstacles to commercial development in these areas; with a secondary factor being the Town’s very conservative and protective zoning. Over the past several years a number of commercial land developers have studied development projects in Windham, only to find other communities more desirable.

Further compounding development opportunities, the Town received correspondence in 2017 from the New Hampshire Department of Environmental Services (NHDES), advising that the Town is responsible for contamination associated with measurable releases of perfluorooctane sulfonic acid (PFOS) and perfluorooctanoic acid (PFOA) at both the current and former fire stations². The investigation is ongoing and, by way of this same letter, the Town was advised that should additional water supply wells be identified with maximum concentrations greater than AGQS³, it is NHDES expectation that the Town will provide an alternative water supply or add point of entry (POE) treatment systems. The presence of water contamination has also delayed development in certain areas, due to NHDES restrictions (See Appendix B & C), and it is for this reason as well, that the need for the Town to support this water project and diversify its tax base has become more urgent.

Notably, as a result of the new Phase I water line funded by the NH Drinking Water and Ground Water Trust, interest in development along Windham’s Route 28 corridor has been reinvigorated. This system is designed to provide water to customers along Route 28 into Salem and neighboring towns. When completed, it will include a stub off of Route 28 at Route 111, ending at Klemm’s Mobile at the intersection of Range Road (Route 111A). It is highly probable that an extension of this water line from this point westerly along Route 111 to Ledge Road will spur similar interest in developing the existing commercially zoned, vacant land in the area; creating economic development.

Unlike Phase I, in which the water infrastructure is paid for entirely by grant funding provided by the State of New Hampshire, the cost of the Phase II water system infrastructure (estimated to cost \$9,500,000 – See Appendix D) would require the owner of the water system to secure funding for the water infrastructure costs. As part of a funding plan, the Town of Windham will seek approval from taxpayers to procure a 30-year bond for \$6,336,500 to pay for a portion of the estimated cost to design and construct Phase II water infrastructure. The remaining funding obligations would be secured from private contributions and/or grant monies through the Drinking Water and Groundwater Trust Fund.

Development of a TIF district, which allows a municipality to capture 100% of any value increase after its establishment and direct that revenue to a special fund to pay for the approved infrastructure, is proposed as part of the overall funding mechanism to assist in this effort.

¹ See Appendix A, Cost of Services Study

² DES #201709003, Letter to David Sullivan Town Administrator

³ AGQS – NHDES Drinking Water Standards and Ambient Groundwater Quality Standards.

IV. DISTRICT BOUNDARIES

A map of the proposed District boundaries is attached as Appendix E. This is considered the primary district targeted for economic development. The TIF funds would be used only to pay to extend the water line currently under construction westward along Route 111 ending at Ledge Road. The sixty-one (61) properties for the proposed District, all within commercial zones, are identified in Appendix F. The properties included are all abutting the proposed water line route.

Being incorporated within this District does not commit one to connect, nor does it result in any adverse tax impact. Creating a TIF district also does not alter existing zoning, allowed uses, or density permitted on these properties. However, the potential exists for those developing land, having benefit of a public water supply, to realize an increase in development density due to considerations not directly related to application of the existing zoning ordinance.

Based upon future availability of public water, specific “considerations” under which incremental development opportunity may come to exist include:

- Opportunity to economically construct larger non-residential buildings without triggering warrants for installation of full fire suppression.
- Lack of need to accommodate a protective well radius.
- Dependability of water supply.

V. CONFORMANCE WITH LIMITATIONS OF THE DISTRICT

By law, no one TIF district can include more than 8% of the community’s assessed value, nor more than 5% of a community’s land area. In Windham’s case, this would represent \$192.6 Million in taxable value and not more than 778 acres of land.

The proposed TIF District complies with the thresholds contained in RSA 162- K:5.I, the size being 383.139 acres.

VI. COMPUTATION OF TAX INCREMENTS

The computation of the current assessed value as of April 1, 2020 shall be established by the Town Assessor after that date. *(Note: This draft plan uses April 1, 2019 assessments for this example base year. Tax Year 2020 is a revaluation year and the final numbers will not be available until September or October.)* Each year subsequently, the Assessor shall determine the Captured Assessed Value (see Cover Page graphic), and report that value to the Advisory Board, the District Administrator, and the Board of Selectmen.

VII. DEVELOPMENT PROGRAM

Only one infrastructure improvement is proposed within this TIF District, extension of the existing water system west approximately 14,784 linear feet (lf) from the intersection of Route 111 and Range Road (111A) to Ledge Road; to include placement of a water storage tank at a high elevation off Ledge Road to provide fire flow capacity to the entire line. See page 2 of this report entitled “Municipal Infrastructure Project”.

The objectives of this development program are to:

- Bring public water to Route 111 business areas to support existing businesses and spur redevelopment of land and infill development;
- Meet the need for fire suppression;

- Provide a permanent clean water supply in areas of PFOA and PFAS contamination discovered in the immediate vicinity along Route 111 from the Town Center through to Ledge Road;
- Improve fire safety and accommodate economic development near I-93, at Exit 3; and
- Encourage accelerated economic development along the Route 111 corridor.

Due to the nature of the work, no municipal facilities, public sewer, public parks, or open space are permitted to be funded in this Plan.

VIII. ENVIRONMENTAL CONTROLS

The Town, and any private parties involved in construction of the proposed improvements, shall comply with all applicable environmental controls. These may include, but are not limited to:

- Local, state, and federal regulations for the protection of wetlands and floodplains
- State standards for the design of public water systems
- State permits for grading and erosion control
- Local, state and federal standards for road and highway design
- Local, state and federal regulations related to air, water, and noise pollution
- Local, state and federal regulations related to handling and management of contaminated soil and groundwater
- All relevant zoning, subdivision, and site plan regulations

IX. PROPOSED RE-USE OF PRIVATE PROPERTY

It is anticipated that all work to extend the water line would be conducted within State and Town rights-of-way and the Town would not need to use the power of eminent domain to acquire real property without amending this Plan at a future town meeting.

The water line construction along Route 111 may require the consent of the affected landowner(s) and the State of New Hampshire Department of Transportation (DOT). The District Administrator is authorized to negotiate terms for right-of-way acquisition subject to Town Meeting approval for financing the improvements. Re-use of any private property shall be subject to site plan approval by the Windham Planning Board.

The Town could also assume ownership of property via donation or purchase, or obtain easements that will be necessary for the construction of the infrastructure improvements. All public and private uses, whether through lease agreements, outright sales, or other appropriate mechanisms will be conducted in conformance with all applicable sections of RSA 162-K, especially Section 162-K:6, III, and in accordance with all federal and state laws and regulations.

X. RELOCATION AND DISPLACEMENT

The proposed work will not require the relocation or displacement of any residents or businesses. If the development program is amended in the future and relocation or displacement is necessary, a relocation plan in accordance with RSA 162-K shall be established.

XI. OPERATIONS AND MAINTENANCE OF THE DISTRICT

The Town shall include a line-item in its approved budget for TIF District costs. These costs can include maintenance and operating costs that are directly related to the District. The Town can charge the District for new and documented costs incurred within or for the benefit of the District directly and solely.

The Town will establish operating guidelines for connections to the newly installed utilities and infrastructure, including setting fees to be charged to the end users. It will also examine possible maintenance agreements with surrounding municipalities, or possibly entertain a service contract through privatization for ongoing operations and maintenance, within permit restrictions.

XII. ESTIMATED COSTS OF THE DEVELOPMENT PROGRAM

A cost estimate for the work prepared by Weston and Sampson, Inc., can be found in Appendix D. The total estimated cost for improvements in the development program is approximately \$9,500,000 and includes the placement of a water storage tank at a high elevation off Ledge Road to provide fire flow capacity to the entire line.

The costs for operation and maintenance of the water system improvements shall be incorporated into the Town budget with connection and user fees helping to offset any added costs. It is envisioned that the operation of this system will be fully funded and reimbursed by the water consumers. (See Appendix G for Phase II Rate Calculations and Impacts.)

XIII. FINANCIAL ANALYSIS

State law [RSA 162-K:2(XI)] defines a tax increment as “the amount of taxes raised in a development district due to increases in assessed value over the assessed value of the district at the time of its establishment.” The tax increment will be the primary source of funding for the development program, but the Town will seek funding from other available sources. Such funding might include federal or state grants or direct contributions from private parties. The revenue capture set aside in a separate fund may only be used for improvements specified in the development program and, when the financial obligations are met, the TIF District is dissolved and the additional tax revenue is disbursed normally.

The increment shall include municipal, school, and county property taxes. The estimated impact on all tax jurisdictions will be negligible as the increment includes, on a temporary basis, only the increase in revenue from the District; this increase in revenue will be made possible largely by funding infrastructure improvements that are specified in the development program and otherwise would not be collected. The TIF District is designed to accelerate the expansion of the commercial tax base, which will benefit all jurisdictions in the long term.

A municipal water system constructed in the areas identified will make the vacant commercially zoned land more desirable to developers. It will also make under-improved commercial land more attractive. In the defined, proposed TIF District, the current assessment of the sixty-one (61) parcels is \$72,302,900. To present a conservative forecast, existing improved property is considered to have reached its highest and best use and no value increase will be gained by the installation of a water line. There also is no value change expected for existing residential homes. This forecast will only consider vacant, commercial property.

Along Route 111 and within the area defined, Windham has nearly 275 acres of vacant, commercially zoned land. This land includes over 100 acres identified as the Market Square Overlay District (off Wall Street), 95 acres in the Village Center District (on Route 111), and 45 acres off Ledge Road (next to Meetinghouse Road). Adding water line utility in these areas does not change existing zoning, development density or allowed uses. It does, however, create opportunities for development without the concerns for water quality or availability. In the areas identified within this district, both are a concern with private wells.

At present, there are no proposals for development in the Market Square Overlay District off Wall Street. The Community Development department has fielded a number of inquiries, but has not seen any plans. In the Village Center District (VCD), several conceptual plans have been presented, including a concept plan viewed by the Planning Board for a number of parcels surrounding the Town Hall complex. Three VCD property owners have presented interconnected concept plans for development with one, the Village Center Properties LLC, having gained approval and constructed two of its three buildings. Their third building, approved by the Planning Board, is currently delayed pending the resolution of a clean water supply. Approval for this 12,600 square foot retail/office building has now expired. With preliminary engineering completed, estimating future value for what is realistic on these parcels is deemed reasonable. Value forecasts are derived from existing assessments and sale data.

In this analysis, the Town has considered three possible revenue scenarios. See Appendix H⁴. In the first scenario, if 100% of all available vacant land was developed, it is estimated the increased taxable value would be \$165 Million; thereby adding \$2.1 Million in annual tax revenue. Knowing this would not be likely, the Town focused on two alternate scenarios. Of the vacant parcels in the designated TIF area, plans for 14 projects have been seen by the Town. After identifying the proposed uses for each and their building sizes, a value increase of nearly \$68 Million was estimated and over \$1.5 Million in revenue. The third scenario focused only on the vacant land within the Village Center next to Town Hall, zoned VCD, and those with concept plans the Planning Board has viewed. See Appendix J-M. The owners of the six (6) abutting parcels, each of whom has expressed a desire to connect to a municipal water system, have provided engineered plans for the interconnectivity desired in this district, and have shown development concepts envisioned by the Planning Board. Using their calculations on building size and uses, a buildout value increase of nearly \$45 Million is estimated which, when complete, represents a tax revenue capture by a TIF district of over \$1 Million per year (using the 2019 tax rate of \$22.55).

Realistically, all six parcels in the Village Center will not be built-out and producing full value tax revenues in Year 1; rather development will most likely occur over several years and, as such, a 10-year model has been used to demonstrate the projected TIF revenue stream. All incremental tax revenue captured in the TIF District will be used for the bond payments.

Appendix N, using 10% developed growth per year, outlines projected TIF revenues; charting a tax impact in the first three (3) years that the general town tax base will need to fund those bond payments. The resultant “Tax Impacts” indicated in year 4 show the TIF revenues begin then to fully fund the annual bond payment. This bond is priced with a 30-year term, however, based on forecasted growth, it is projected that the Town’s \$6.5 million bond obligation could be paid within 20 years. Appendix O offers a simple graphic depiction of the revenue stream.

As previously indicated, several property owners considered in this TIF District have expressed interest in connecting to this water line. The parcel owners identified in the most likely scenario to develop have discussed prepayment funding options to cover the early costs of construction and first years “Tax Impacts” to net zero impacts on Windham taxpayers. While the final plan is still in negotiations, the prepayments may take the form of connection fees or water usage commitments.

⁴ See Appendix I for a complete listing of property, assessments and future value estimates for the three scenarios.

XIV. FUNDING SOURCES

It is the overall intent of the Plan to be wholly or partially funded through the generation of tax increments as described and defined in RSA 162-K:10. All the tax increments shall be directed annually towards, and dedicated to, the retirement of all the outstanding bonds issued for the improvements associated with this Plan. All tax increments shall be set aside and placed into the dedicated TIF fund.

If there are available tax increments in excess of what is necessary to fund the outstanding financial obligations for the bond payments in each year, then the excess amount shall either be used to make additional payments towards the outstanding financial obligations or be placed under the control of the Board of Selectmen in escrow until sufficient funds are available to complete any other work in the Plan, or as an amendment to this Plan approved at Town Meeting per RSA 162-K:9, IV.

Grants/Loans

The Town is authorized to receive grants that may assist in the purposes of the District, subject to any and all provisions as would be required by the Town to accept other grants. Staff will apply to the New Hampshire Drinking Water and Groundwater Trust Fund (NH DWG) and the Clean Water State Revolving Fund (CWSRF) to help fund up to one third (1/3rd) of the expected project cost and pursue all other sources of funding available for this infrastructure project.

Issuance of Bonds

Bonding may be requested at a subsequent Town Meeting to fund the construction cost of the water line and only if sufficient development potential is imminent to show future developments and revenues from the TIF District paying the annual bond payments. In this proposal, the plan considers a request for a 30-year, \$6.5 Million Municipal Bond. Based on an anticipated interest rate of 3% the annual payments are estimated to be \$331,625. See Appendix P. Should the Town elect to bond over a 20-year period, the annual costs at an anticipated 3% rate would be \$436,902; a difference over time of over \$1.2 Million.

Approval of a general obligation bond at Town Meeting requires a three fifths (60%) majority vote. Prior to such a vote, the Town will require development agreements and performance guarantees, ahead of time, from planned developments to ensure that bond payments would ultimately be covered by the incremental tax revenues from the TIF District or from private funds or grants.

Private Contributions

Property owners within the proposed water line area and designated TIF District have expressed interest in contributing to the infrastructure cost. The developers who own commercially zoned land have already calculated the opportunity cost between installing private water systems and the value of a municipal water supply. Private water systems that include fire protection are very expensive and impact the feasibility of development allowed by zoning. Municipal water improves and makes a development plan cost effective.

XV. DEVELOPMENT AGREEMENTS

The Town acknowledges that the creation of a public-private partnership to further the goals and objectives of this Plan may be important to realizing the Plan goals.

The Town may require the private developers operating within the TIF District to execute Development Agreements with the Town.

XVI. PLAN AMENDMENTS

Any amendment to this document, including amendments to the district boundaries, development program, or tax increment finance plan shall require town meeting approval and notices for such proposed changes shall comply with RSA 162-K:4.

XVII. DURATION OF PROGRAM

The Town shall reserve the full tax increment for a period of thirty (30) years or until the cost for improvements in the development program have been fully paid, whichever time period is shorter. Computation of the tax increment shall be in accordance with RSA 162-K:10; baseline values as of April 1, 2020 shall be used to determine the tax increment. (For this draft discussion, see Appendix L for a listing of the parcels included in this proposed district and their 2019 values).

XVIII. TIF DISTRICT ADMINISTRATOR

Unless otherwise decided by the Board of Selectmen in any year, the Community Development Director shall be the Administrator of the District. Pursuant to 163-K:13, the District Administrator, subject to the such rules and limitations as may be adopted by the Board of Selectmen, shall have the following powers:

- 1) Negotiate for the acquisition of real property or easements, and sign options and/or purchase and sales agreements to acquire said property or easements subject to final approval by the Board of Selectmen;
- 2) Negotiate and enter into, upon the approval of the Board of Selectmen, any contracts relative to the design, engineering, construction or operations of any phase or component of the activities proposed under this Plan;
- 3) Apply for, accept, and execute, upon the approval of the Board of Selectmen, grants from any private or public organization or corporation, or from any state or federal agency for any work associated with this Plan;
- 4) Negotiate any Development Agreements and present the Agreements to the Board of Selectmen for final approval;
- 5) Certify to the Board of Selectmen, for acquisition through eminent domain, property that cannot be acquired by negotiation, but is required for implementation of the Plan;
- 6) Certify to the Board of Selectmen the amount of funds, if any, which must be raised through the sale of bonds to finance the activities associated with this Plan;
- 7) Administer and operate the systems and improvements constructed pursuant to this Plan;
- 8) Exercise any other power permitted by RSA 162-K:13 or any other provision of applicable law, unless restricted by an explicit rule or limitation adopted by the Board of Selectmen or vote of Town Meeting.

XIX. ADVISORY BOARD

In accordance with 162-K:14, the legislative body (Town Meeting) will be asked to create an Advisory Board for the District and, further, to allow appointment of the members by the Board of Selectmen. The Advisory Board shall consist of five (5) members, a majority of whom shall be owners or occupants of real property within or adjoining to the development district. The Advisory Board shall advise the Board of Selectmen and the District Administrator in planning, construction and implementation of the development program along with maintenance and operation of the District after it has been completed.

The Board of Selectmen shall, by resolution, delineate the respective powers and duties of the Advisory Board and the planning staff or agency. The resolution shall establish reasonable time limits for consultation by the Advisory Board on the phases of the development program, and provide a mechanism for appealing to the Board of Selectmen for a final decision when conflicts arise between the Advisory Board and the planning staff or agency, regarding the development program in its initial and subsequent stages.

XX. ANNUAL REPORT

This Advisory Board shall advise the Board of Selectmen on the maintenance and implementation of the District Plan. All meetings of the Advisory Board shall meet the requirements of RSA 91-A (Right-to-Know Law), and both the District Administrator and Board of Selectmen are encouraged to obtain extensive public input as they prepare to implement the plan. A financial report for the district conforming to RSA 162-K:11 shall be included in the Annual Town Report.

Pursuant to RSA 162-K: 11, the Town, by and through the District Administrator shall prepare an annual report containing the following:

1. A narrative report on the status of the implementation of the Plan and a summary of the work that has been completed within the previous year;
2. the amount and source of revenue of the District;
3. the amount and purpose of expenditures;
4. the amount of principal and interest on any outstanding bonded indebtedness;
5. the original assessed value of the District;
6. the captured assessed value retained by the District;
7. the tax increments received; and
8. any additional information necessary to demonstrate compliance with the TIF Plan.

XXI. ADOPTION OF THE PLAN

Adoption and establishment of this Plan requires the following actions:

1. An affirmative vote of the Town at the March, 2021 Town Meeting to create the District described herein (pursuant to RSA 162-K:5) and to adopt the Development Program and Tax Increment Financing Plan (pursuant to 162-K:6 and 162-K:9) for the Windham Business Corridor Tax Increment Finance District.
2. Creation of the Advisory Board and appointment of members by the Board of Selectmen, pursuant to RSA 162-K:14 and the authorization of Town Meeting.

XXII. FAQs

- Will I be notified if my property is selected to be in the TIF District?
 - Yes, the formation of a TIF District will be discussed at public hearings.
 - All impacted property owners and abutters will receive a certified mail notice.
 - All Windham taxpayers are welcome to attend the TIF District meetings.
- If my property is selected to be in the District, can I opt out?
 - While the discussion is taking place, concerned property owners may ask to be excluded.
 - If the District is approved at a public hearing and is before the Voters, no.
- If my property is in the District and the waterline is constructed, am I required to connect?
 - No.
 - If a property owner chooses to connect, only the applicable fees and service charges apply.
- Do property owners understand they will be paying for connection fees and water rates?
 - Yes, there will be estimated fees and rates available prior to construction of this system.
- Have property owners along the projected route expressed interest in connecting?
 - Yes, a majority of those contacted have stated they will connect to a municipal system.
- How certain are the forecasts for TIF District revenues that they will cover anticipated costs?
 - TIF revenues were estimated by considering the conceptual development plans previously presented to the Planning Board. Building sizes, uses, and general configurations were used in the valuation calculations. Only those parcels with this level of development information were valued for the preliminary TIF estimates. The forecasts are considered very conservative.
- What is the contingency plan if the TIF District is not successful?
 - There are no examples of a failed TIF program in New Hampshire.
 - We have data from several NH communities where TIF programs were implemented and were successful.
 - Some (Londonderry for example) were very successful and were terminated early due to a satisfied bond debt. Others (Derry) were less exciting but still succeeded in satisfying goals.
- Will a joint public workshop be held with the School Board, Selectmen, and other boards and committees?
 - Yes. A successful establishment of a TIF plan is to incorporate all impacted boards, taxpayers and interested members of the public.



APPENDIX A

TOWN OF WINDHAM, NEW HAMPSHIRE
OFFICE OF THE SELECTMEN AND TOWN ADMINISTRATOR
4 NORTH LOWELL ROAD, WINDHAM NH 03087

MEMORANDUM

Date: April 12, 2019
To: Board of Selectmen
Cc: Department Heads
From: David Sullivan, Town Administrator

Re: Cost of Services Study – 2018 Update - Amended

Please be advised that staff has analyzed the town's revenues and expenses for 2018 for the purpose of updating the Cost of Services Study numbers last updated for the year 2016.

As noted by in the original 2009 Cost of Services report "a cost of services study provides a simplified view of the revenue and expenditure by land use type for a particular locality for a particular time period. The outcome of such a study is a set of ratios showing revenue to expenditure for the selected land uses within the community. The study shows only the situation for the time period of the study. It does not predict the impact of a change in land use..."

Methodology:

The methodology we followed to develop the results herein for 2018 was the same as that used for 2016:

1. We have "broken out" the 55+ housing properties from the other residential properties to ascertain their independent ratio as a land use type;
2. "Open Space" for valuation purposes is based on only those parcels that are in the current use program. It does not include any town or state conservation land or open space as they are not assessed for tax purposes. "Open Space" for revenue and expenses does include impacts to and of town conservation land.
3. The valuations used for each land type do not include any exempt properties, such as, town, state, and school properties or non-profits as they are not assessed. Further total valuations shown are net of all elderly, blind, disabled, and deaf exemptions, as well as the value of property improvements made to assist persons with disabilities.

Allocation Percentages:

Unless a revenue or expenditure allocation can be specifically attributed to a specific land use type (*ie Conservation related is allocated to the Open Space use type, and School numbers are allocated to non-55+ Housing*), we distribute expenses and revenues based on a "Default Land Use Allocation" (see Table 1). The data for Table 1 was derived from the Summary of Valuation Report shown in the 2018 Annual Report. Calculations of the default percentages are shown in the attached detailed spreadsheets.

TABLE 1 - 2018 LAND USE DEFAULT PERCENTAGES*

Residential	Commercial	Open Space	55+ Housing
88.728%	8.444%	.004%	2.824%

*These percentages compare to 89.400% residential, 2.534% 55+ Residential, 8.062% commercial, and .004% open space in 2016.

Note – If you combine 55+ with other residential properties the overall residential percentage would be 91.552% which compares to 91.934% from the 2016 study.

Ratio Results:

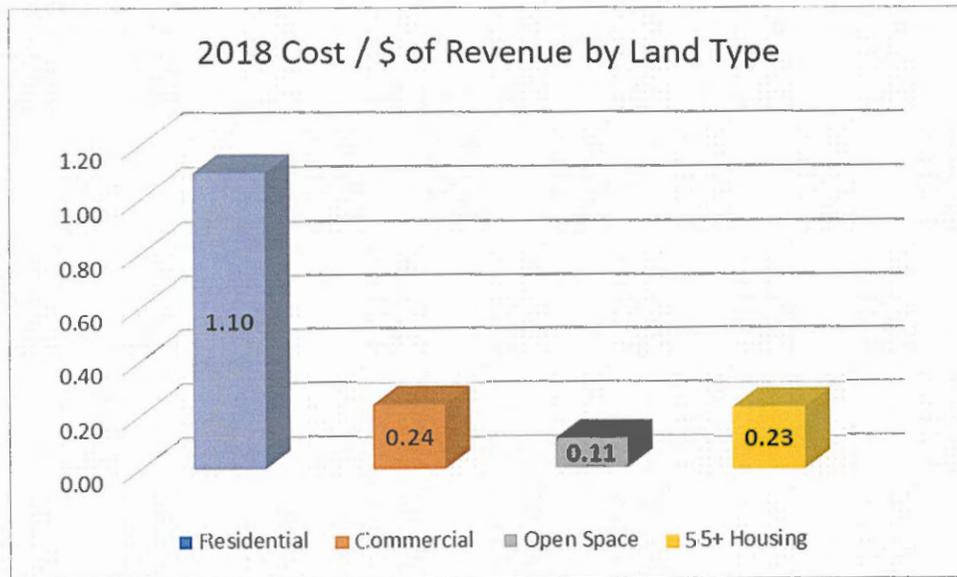
In 2018 for every dollar of revenue received from all non 55+ residential properties in 2018 the town provided \$1.10 worth of services. Similarly, the town provided \$0.23 worth of services for every dollar raised from 55+ housing residential properties, \$0.24 in services to commercial properties and \$0.11 to open space (see Table 2 below)

TABLE 2 - 2018 REVENUE AND EXPENDITURE BY LAND USE TYPE

	Residential	Commercial	Open Space*	55+ Housing
Total Revenue	\$54,724,709	\$4,978,105	\$388,035	\$1,620,754
Total Expenditures	\$59,976,683	\$1,195,293	\$43,032	\$371,672
Ratio	1:1.10	1:0.24	1:0.11	1:0.23

*These ratios compare to 1:1.07 residential, 1:0.35 commercial, 1:0.96 open space, and 1:0.22 55+ Housing in 2016.

Note – If you combine 55+ with other residential properties the overall residential ratio would be 1:1.07 which compares to 1:1.05 from the 2016 study.



The detailed analysis which generated the above ratios is attached to this cover memorandum in a series of spreadsheets which show the following:

1. Property Valuation Breakdown and Percentage Allocation
2. 2018 Revenue by Land Use Type based on the “reason for allocation” shown
3. 2018 Expenses by Land Use Type based on the “reason for allocation” shown

On behalf of the staff, I am confident that the above information and the accompany details will be helpful to the Board and others as you review future land use decisions. We would be pleased to discuss our findings with you in greater detail or to address any questions or request for additional information you may have.

: attachments

PROPERTY VALUATION BREAKDOWN AND PERCENTAGE ALLOCATION ANALYSIS

includes 55+ housing as independent use type

<u>Using the 2018 Town Report information:</u>		<u>Default %</u>
Residential Property Valuation (land, buildings, and manufactured housing):	\$ 2,092,802,250.00	
Deductions for exemptions (deaf, blind, disabled, and elderly):	\$ 8,547,700.00	
Deductions for Improvements for People with Disabilities:	\$ 489,430.00	
Net Total Taxable Residential Value:	\$ 2,083,765,120.00	88.7281%
55+ Housing	\$ 69,502,400.00	
Deductions for exemptions (deaf, blind, disabled, and elderly):	\$ 3,173,700.00	
Net Total Taxable Residential Value:	\$ 66,328,700.00	2.8243%
Commercial/Industrial/Utility Valuation:	\$ 198,301,040.00	8.4438%
Current Use Valuation:	\$ 89,700.00	0.0038%
Total Taxable Property Valuation:	\$ 2,348,484,560.00	100.0000%

<u>Windham Valuation by Land use Type and Default Percentages</u>		<u>VALUE</u>	<u>PERCENT</u>
Residential Land	\$ 879,091,800.00		
Residential Buildings	\$ 1,213,661,650.00		
Manufactured Housing	\$ 48,800.00		
Total Actual Residential	\$ 2,092,802,250.00		
Less Exemptions:			
Deaf	\$ -		
Blind	\$ (60,000.00)		
Disabled	\$ (461,400.00)		
Elderly	\$ (8,026,300.00)		
Total Exemptions	\$ (8,547,700.00)		
Improvements for People with Disabilities	\$ (489,430.00)		
Total Deductions	\$ (9,037,130.00)		
NET TAXABLE RESIDENTIAL VALUE		\$ 2,083,765,120.00	88.7281%
55+ Developments	<i>Note - all 55+ values are subtracted from Residential Building Values in formula</i>	\$ 69,502,400.00	
Less Exemptions:			
Deaf	\$ -		
Blind	\$ (15,000.00)		
Disabled	\$ -		
Elderly	\$ (3,158,700.00)		
Total Exemptions	\$ (3,173,700.00)		
Total Deductions	\$ (3,173,700.00)		
NET TAXABLE 55+ HOUSING VALUE		\$ 66,328,700.00	2.8243%
Commerical/Industrial Land	\$ 76,897,100.00		
Commerical/Industrial Buildings	\$ 91,869,140.00		
Public Utilities	\$ 29,534,800.00		
TOTAL COMMERCIAL/INDUSTRIAL/UTILITY VALUE		\$ 198,301,040.00	8.4438%
CURRENT USE LAND	\$ 89,700.00	\$ 89,700.00	0.0038%
TOTAL TAXABLE VALUE		\$ 2,348,484,560.00	100.0000%

WINDHAM 2018 REVENUE BY LAND USE TYPE (Unaudited)

<u>ITEM</u>	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>OPEN SPACE</u>	<u>55+ HOUSING</u>	<u>2018 TOTALS</u>	<u>REASON FOR ALLOCATION</u>
Property Taxes	\$ 48,093,418.15	\$ 4,576,804.92	\$ 2,059.72	\$ 1,530,859.34	\$ 54,203,142.13	Default
Land Use Change Tax	\$ -	\$ -	\$ 76,000.00	\$ -	\$ 76,000.00	100% Open Space
Yield Tax	\$ -	\$ -	\$ 3,286.31	\$ -	\$ 3,286.31	100% Open Space
Interest	\$ 65,214.89	\$ 6,206.17	\$ 2.79	\$ 2,075.85	\$ 73,499.70	Default
Penalties/Fees	\$ 3,064.22	\$ 291.61	\$ 0.13	\$ 97.54	\$ 3,453.50	Default
Overpayments/Refunds	\$ 200,692.28	\$ 19,098.86	\$ 8.60	\$ 6,388.23	\$ 226,187.96	Default
Miscellaneous (inc Pilot)	\$ 21,306.68	\$ -	\$ -	\$ -	\$ 21,306.68	100% Residential
Motor Vehicle Permits	\$ 3,680,997.11	\$ 194,662.48	\$ -	\$ 33,225.52	\$ 3,908,885.11	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
State Motor Vehicles	\$ 43,141.63	\$ 2,281.46	\$ -	\$ 389.41	\$ 45,812.50	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
Titles	\$ 6,053.25	\$ 320.11	\$ -	\$ 54.64	\$ 6,428.00	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
Town Clerk Misc	\$ 14,567.63	\$ 770.38	\$ -	\$ 131.49	\$ 15,469.50	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
Dog Licenses	\$ 21,727.00	\$ -	\$ -	\$ -	\$ 21,727.00	100% Residential
Revenue from Dog Officer	\$ 525.00	\$ -	\$ -	\$ -	\$ 525.00	100% Residential
Sale of Town Information	\$ 113.88	\$ -	\$ -	\$ -	\$ 113.88	100% Residential
Boats	\$ 16,506.61	\$ -	\$ -	\$ -	\$ 16,506.61	100% Residential
UCC Filings and Misc	\$ -	\$ 3,138.00	\$ -	\$ -	\$ 3,138.00	100% Commercial
Vital Records	\$ 10,867.00	\$ -	\$ -	\$ -	\$ 10,867.00	100% Residential
OHRV/Hunting and Fishing	\$ 505.00	\$ -	\$ -	\$ -	\$ 505.00	100% Residential
Community Development	\$ 350,570.71	\$ 33,362.02	\$ 15.01	\$ 11,159.00	\$ 395,106.75	Default
Solid Waste Disposal	\$ 52,492.30	\$ -	\$ -	\$ -	\$ 52,492.30	100% Residential
Fire Department*	\$ 402,656.93	\$ 73,095.74	\$ -	\$ 22,548.11	\$ 498,300.78	80.81% residential; 14.67% commercial; 4.53% 55+ Housing - based on call volume
Police - Contracted Services*	\$ -	\$ 18,423.15	\$ -	\$ -	\$ 18,423.15	100% Commercial
Police - General Revenues*	\$ 5,971.80	\$ 568.31	\$ 0.26	\$ 190.09	\$ 6,730.45	Default
Cable Franchise Fees	\$ 297,831.09	\$ -	\$ -	\$ -	\$ 297,831.09	100% Residential
State NH Meals and Rooms	\$ 742,470.20	\$ -	\$ -	\$ -	\$ 742,470.20	100% Residential
State NH Highway Block Grant	\$ 321,149.02	\$ 16,983.35	\$ -	\$ 2,898.76	\$ 341,031.14	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
State NH Bridge Aid	\$ -	\$ -	\$ -	\$ -	\$ -	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
Other Intergovernmental*	\$ 10,306.41	\$ 980.81	\$ 0.44	\$ 328.06	\$ 11,615.72	Default
Sale of Town Property & Rent	\$ 35,579.12	\$ -	\$ -	\$ -	\$ 35,579.12	100% Residential
Cash Donations/Contributions*	\$ 26,280.34	\$ 2,500.97	\$ 1.13	\$ 836.53	\$ 29,618.96	Default
Insurance and Other Reimbursements(includes welfare)	\$ 127,134.40	\$ 12,098.73	\$ 5.44	\$ 4,046.81	\$ 143,285.39	Default
Transfers in from other funds (Trust/Prop/ET)*	\$ 114,013.53	\$ 10,850.09	\$ 4.88	\$ 3,629.16	\$ 128,497.66	Default
Bond Proceeds*	\$ -	\$ -	\$ -	\$ -	\$ -	100% Open Space
Current Use Funds*	\$ -	\$ -	\$ 306,647.74	\$ -	\$ 306,647.74	100% Open Space
Admin, Treasure, Beach and Misc	\$ 29,612.88	\$ 2,818.11	\$ 1.27	\$ 942.61	\$ 33,374.86	Default
Interest on Investments	\$ 29,940.24	\$ 2,849.26	\$ 1.28	\$ 953.03	\$ 33,743.81	Default

TOTALS \$ 54,724,709.31 \$ 4,978,104.51 \$ 388,035.00 \$ 1,620,754.17 \$ 61,711,603.00

Note - Default Percentages = 88.728% residential; 8.444% commercial; .004% open space; and 2.824% 55+ Housing;

WINDHAM 2018 EXPENDITURES BY LAND USE TYPE

<u>ITEM</u>	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>OPEN SPACE</u>	<u>55+ HOUSING</u>	<u>2018 TOTALS</u>	<u>REASON FOR ALLOCATION</u>
Departments						
Town Officer's Salaries	\$ 2,946.46	\$ 280.40	\$ 0.13	\$ 93.79	\$ 3,320.77	Default
Administration	\$ 542,636.30	\$ 51,639.92	\$ 23.24	\$ 17,272.63	\$ 611,572.10	Default
Town Clerk	\$ 262,452.16	\$ 24,976.23	\$ 11.24	\$ 8,354.10	\$ 295,793.73	Default
Tax Collector	\$ 127,687.53	\$ 12,151.37	\$ 5.47	\$ 4,064.42	\$ 143,908.78	Default
Election and Registration	\$ 23,883.97	\$ -	\$ -	\$ -	\$ 23,883.97	100% Residential
Cemetery	\$ 32,832.32	\$ -	\$ -	\$ -	\$ 32,832.32	100% Residential
General Government Buildings	\$ 368,111.56	\$ 35,031.30	\$ 15.77	\$ 11,717.34	\$ 414,875.96	Default
Property Appraisal/Assessing	\$ 164,576.62	\$ 15,661.92	\$ 7.05	\$ 5,238.63	\$ 185,484.21	Default
Information Technology	\$ 232,770.11	\$ 22,151.54	\$ 9.97	\$ 7,409.29	\$ 262,340.92	Default
Searles Building	\$ 10,868.96	\$ -	\$ -	\$ -	\$ 10,868.96	100% Residential
Museum	\$ 2,647.99	\$ 252.00	\$ 0.11	\$ 84.29	\$ 2,984.39	Default
Legal	\$ 53,651.18	\$ 10,864.43	\$ -	\$ -	\$ 64,515.61	83.16% residential, 16.84% commercial per analysis of cases and costs
Retirement Service Charge	\$ 798.55	\$ 75.99	\$ 0.03	\$ 25.42	\$ 900.00	Default
Insurance	\$ 312,130.37	\$ 29,703.85	\$ 13.37	\$ 9,935.41	\$ 351,783.00	Default
Police Department*	\$ 2,842,554.53	\$ 270,511.39	\$ 121.74	\$ 90,481.22	\$ 3,203,668.88	Default
Dispatching	\$ 412,405.88	\$ 39,246.56	\$ 17.66	\$ 13,127.27	\$ 464,797.37	Default
Fire Department*	\$ 2,691,180.48	\$ 488,539.54	\$ -	\$ 150,701.58	\$ 3,330,421.60	80.81% residential; 14.67% commercial; 4.53% 55+ Housing - based on call volume
Emergency Management	\$ 4,390.51	\$ -	\$ -	\$ -	\$ 4,390.51	100% Residential
Community Development	\$ 436,497.95	\$ 41,539.28	\$ 18.69	\$ 13,894.15	\$ 491,950.07	Default
Town Maintenance/Highways	\$ 1,072,414.24	\$ 56,712.57	\$ -	\$ 9,679.86	\$ 1,138,806.67	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
Street Lights	\$ 18,064.31	\$ -	\$ -	\$ -	\$ 18,064.31	100% Residential
Solid Waste Disposal	\$ 928,433.02	\$ -	\$ -	\$ -	\$ 928,433.02	100% Residential
Health and Human Services	\$ 45,826.55	\$ -	\$ -	\$ -	\$ 45,826.55	100% Residential
General Assistance	\$ 52,720.49	\$ -	\$ -	\$ -	\$ 52,720.49	100% Residential
Library	\$ 1,124,218.86	\$ -	\$ -	\$ -	\$ 1,124,218.86	100% Residential
Recreation	\$ 219,041.14	\$ -	\$ -	\$ -	\$ 219,041.14	100% Residential
Historic Commission	\$ 5,764.38	\$ -	\$ -	\$ -	\$ 5,764.38	100% Residential
Conservation Commission	\$ -	\$ -	\$ 1,447.76	\$ -	\$ 1,447.76	100% Open Space
Senior Center	\$ 5,613.53	\$ -	\$ -	\$ -	\$ 5,613.53	100% Residential
Cable Television	\$ 112,268.40	\$ -	\$ -	\$ -	\$ 112,268.40	100% Residential
Long Term Note - Prncpal and Interest	\$ 161,752.53	\$ 15,393.16	\$ 6.93	\$ 5,148.74	\$ 182,301.36	Default
Long Term Note - PI - Conservation	\$ -	\$ -	\$ -	\$ -	\$ -	100% Open Space
Interst - TAN's	\$ -	\$ -	\$ -	\$ -	\$ -	Default

Note - Default Percentages = 88.728% residential; 8.444% commercial; .004% open space; and 2.824% 55+ Housing;

<u>ITEM</u>	<u>RESIDENTIAL</u>	<u>COMMERCIAL</u>	<u>OPEN SPACE</u>	<u>55+ HOUSING</u>	<u>2018 TOTALS</u>	<u>REASON FOR ALLOCATION</u>
CIP and other Special Expenses						
Road Improvements	\$ 282,510.00	\$ 14,940.00	\$ -	\$ 2,550.00	\$ 300,000.00	94.17% residential; 4.98% commercial; and .85% 55+ Housing - based on vehicle registration revenue
Ambulance*	\$ -	\$ -	\$ -	\$ -	\$ -	80.81% residential; 14.67% commercial; 4.53% 55+ Housing - based on call volume
Town Vault Project	\$ 22,888.73	\$ -	\$ -	\$ -	\$ 22,888.73	100% Residential
Rail Trail	\$ -	\$ -	\$ -	\$ -	\$ -	100% Residential
Highway Truck	\$ -	\$ -	\$ -	\$ -	\$ -	Default
Fire Quint Engine	\$ 11,779.91	\$ 2,138.45	\$ -	\$ 659.65	\$ 14,578.01	80.81% residential; 14.67% commercial; 4.53% 55+ Housing - based on call volume
Phone System Replacement	\$ 2,417.49	\$ 230.06	\$ 0.10	\$ 76.95	\$ 2,724.61	Default
Dispatch Command Center	\$ 247,849.06	\$ 23,586.53	\$ 10.61	\$ 7,889.27	\$ 279,335.47	Default
Fire Department Radios	\$ 150,849.70	\$ 14,355.59	\$ 6.46	\$ 4,801.69	\$ 170,013.44	Default
Town Common Beautification I	\$ 19,818.31	\$ 1,886.01	\$ 0.85	\$ 630.84	\$ 22,336.00	Default
Castle Hill Rd Bridge	\$ 50,397.56	\$ 4,796.08	\$ 2.16	\$ 1,604.20	\$ 56,800.00	Default
Library Roof	\$ 55,277.61	\$ 5,260.49	\$ 2.37	\$ 1,759.54	\$ 62,300.00	Default
Town Forest Improvements	\$ 1,197.76	\$ -	\$ -	\$ -	\$ 1,197.76	100% Residential
275th Anniversary Celebration	\$ 719.00	\$ -	\$ -	\$ -	\$ 719.00	100% Residential
Consultant Services - Water Line	\$ 10,283.59	\$ 978.64	\$ 0.44	\$ 327.34	\$ 11,590.00	Default
Property Maintenance Trust	\$ 44,364.05	\$ 4,221.90	\$ 1.90	\$ 1,412.15	\$ 50,000.00	Default
Earned Time Trust	\$ 26,618.43	\$ 2,533.14	\$ 1.14	\$ 847.29	\$ 30,000.00	Default
Facilities & Grounds Improvement Fund	\$ 53,418.75	\$ 5,083.59	\$ 2.29	\$ 1,700.37	\$ 60,205.00	Default
Searles Revenue Fund	\$ 30,216.44	\$ -	\$ -	\$ -	\$ 30,216.44	100% Residential
Other Reimbursable Grants	\$ -	\$ -	\$ -	\$ -	\$ -	Default
Disaster Assistance Grants	\$ 6,045.72	\$ -	\$ -	\$ -	\$ 6,045.72	100% Residential
Donations/Gifts	\$ 24,618.96	\$ -	\$ -	\$ -	\$ 24,618.96	100% Residential
Refunds and Abatements	\$ 5,791.69	\$ 551.17	\$ 0.25	\$ 184.36	\$ 6,527.46	Default
Conservation Fund Expenses	\$ -	\$ -	\$ 38,266.29	\$ -	\$ 38,266.29	100% Open Space
School	\$ 44,130,183.00	\$ -	\$ -	\$ -	\$ 44,130,183.00	100% Residential
County	\$ 2,528,296.40	\$ -	\$ 3,037.60	\$ -	\$ 2,531,334.00	99.88% residential, 0.12% open space - based on review of County budget
TOTALS	\$ 59,976,683.02	\$ 1,195,293.10	\$ 43,031.62	\$ 371,671.77	\$ 61,586,679.51	

Note - Default Percentages = 88.728% residential; 8.444% commercial; .004% open space; and 2.824% 55+ Housing;

COST OF SERVICES ANALYSIS SUMMARY - WINDHAM 2018 REVENUE AND EXPENDITURES BY LAND USE TYPE

	<u>Residential</u>	<u>Commercial</u>	<u>Open Space</u>	<u>55+ HOUSING</u>	<u>TOTALS</u>
Total Revenue	\$ 54,724,709.31	\$ 4,978,104.51	\$ 388,035.00	\$ 1,620,754.17	\$ 61,711,603.00
Total Expenditure	\$ 59,976,683.02	\$ 1,195,293.10	\$ 43,031.62	\$ 371,671.77	\$ 61,586,679.51
RATIO	1:1.10	1:0.24	1:0.11	1:0.23	1:.99
	1.096	0.240	0.111	0.229	0.998
in 2016 Ratios were	1:1.07	1:0.35	1:0.96	1:0.22	1:0.99
in 2014 Ratios were	1:1.08	1:0.27	1:1.31	1:0.23	1:0.99
in 2009 Ratios were	1:1.05	1:0.28	1:0.57	N/A	

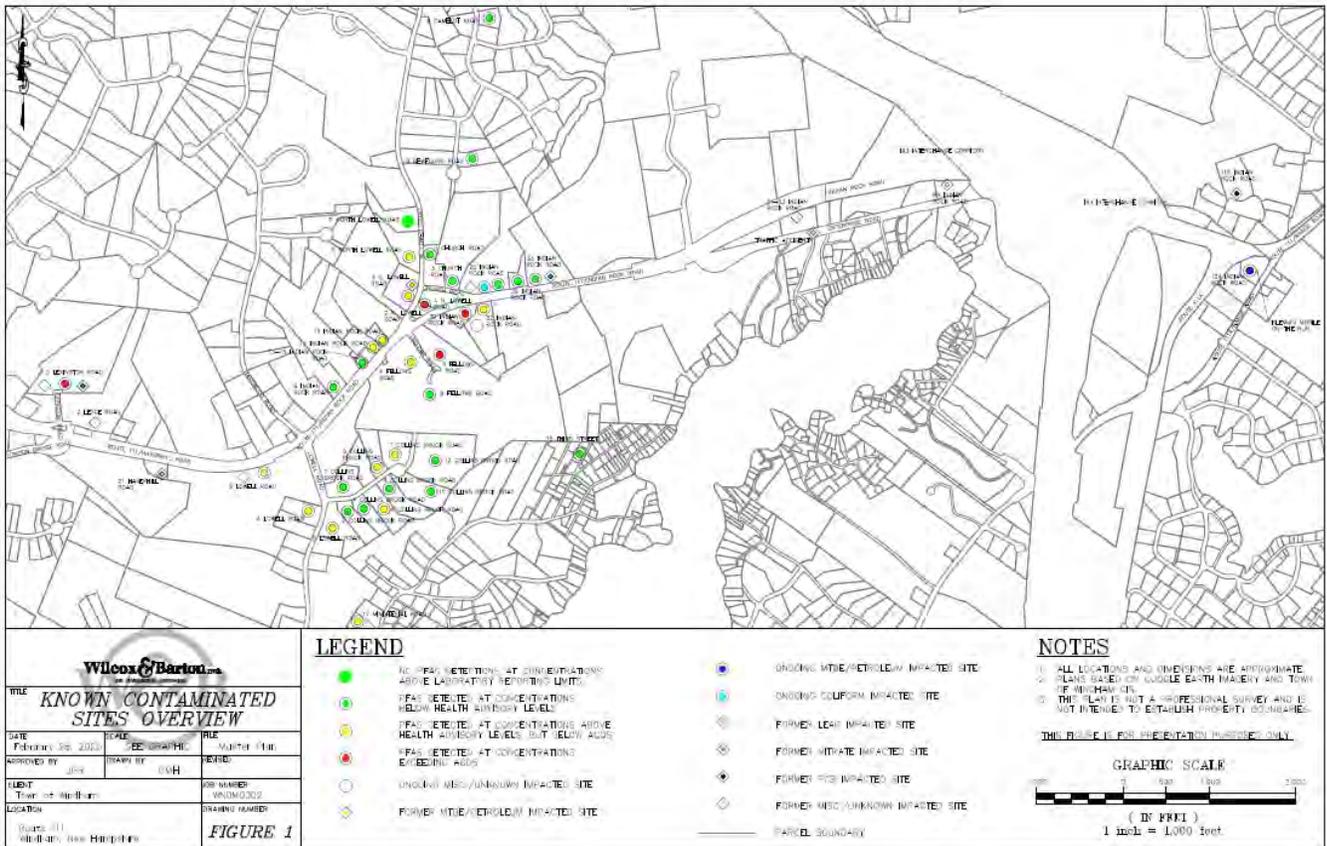
APPENDIX 6

Town of Windham, New Hampshire

Known Contaminated Sites Overview – Route 111 Study

February 28, 2020

Wilcox & Barton, Inc.



APPENDIX 7

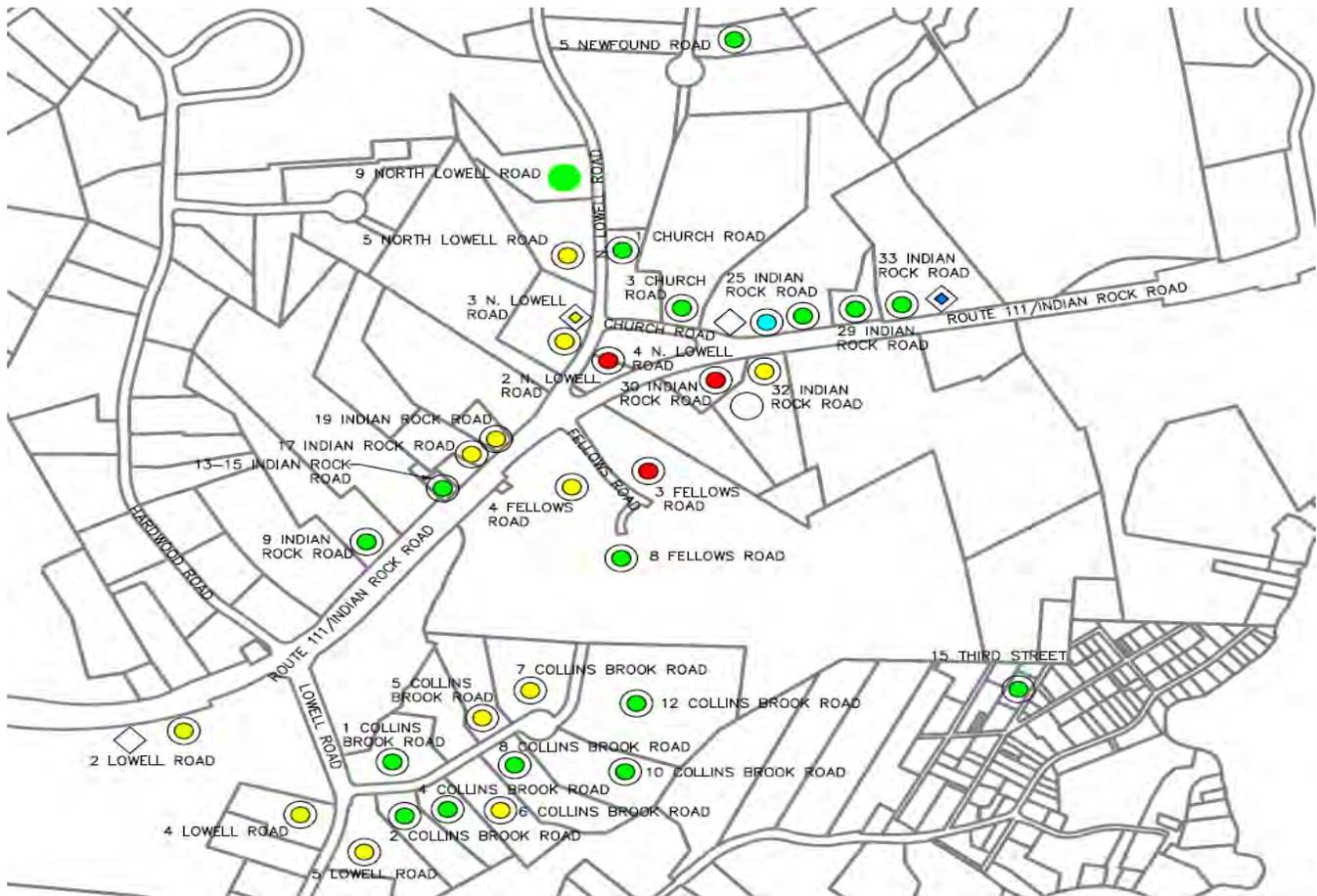
Town of Windham, New Hampshire

Known Contaminated Sites Overview – Route 111 Study

February 28, 2020

Wilcox & Barton, Inc.

Enlarged View



LEGEND

- | | | | |
|--|--|--|--------------------------------------|
| | NO PFAS DETECTIONS AT CONCENTRATIONS ABOVE LABORATORY REPORTING LIMITS | | ONGOING MTBE/PETROLEUM IMPACTED SITE |
| | PFAS DETECTED AT CONCENTRATIONS BELOW HEALTH ADVISORY LEVELS | | ONGOING COLIFORM IMPACTED SITE |
| | PFAS DETECTED AT CONCENTRATIONS ABOVE HEALTH ADVISORY LEVELS, BUT BELOW AGQS | | FORMER LEAD IMPACTED SITE |
| | PFAS DETECTED AT CONCENTRATIONS EXCEEDING AGQS | | FORMER NITRATE IMPACTED SITE |
| | ONGOING MISC./UNKNOWN IMPACTED SITE | | FORMER PCB IMPACTED SITE |
| | FORMER MTBE/PETROLEUM IMPACTED SITE | | FORMER MISC./UNKNOWN IMPACTED SITE |
| | | | PARCEL BOUNDARY |

APPENDIX 8

Town of Windham, New Hampshire
Conceptual-Level Opinion of Probable Cost
Water System Extension – Route 111 Study
 May 21, 2018

Weston & Sampson

Windham - Route 111 Water Main Study

Option 2 - Extension on Route 111 via W&E System
 Engineer's Opinion of Probable Cost - May 21, 2018

Weston & Sampson

ITEM NO.	DESCRIPTION	TOTAL QUANTITY	UNIT	UNIT PRICE	TOTAL AMOUNT
WINDHAM					
2a	16-inch water main and fittings (Klemm's Mobil to West of I-93)	4,000	LF	\$325.00	\$1,300,000.00
2b	16-inch water main and fittings (XC Easement to Enterprise Dr)	3,800	LF	\$250.00	\$950,000.00
2c	16-inch water main and fittings (Enterprise Drive)	3,400	LF	\$300.00	\$1,020,000.00
2d	16-inch water main and fittings (Rte 111, Enterprise to Lowell Rd)	5,250	LF	\$325.00	\$1,706,250.00
2e	16-inch water main and fittings (Rte 111, Lowell Rd to Ledge Rd)	2,810	LF	\$325.00	\$913,250.00
2f	16-inch water main and fittings (Ledge Rd, Rte 111 to Tank Site)	1,320	LF	\$325.00	\$429,000.00
2g	16-inch water main and fittings (Tank Site Ext. from Ledge Rd)	1,800	LF	\$325.00	\$585,000.00
2h	Windham Water Storage Tank (1.0 MG)	1	LS	\$1,350,000.00	\$1,350,000.00
PROJECT SUBTOTAL					\$8,253,500
<i>15% Contingency</i>					<i>\$1,238,025</i>
CONSTRUCTION TOTAL					\$9,491,525

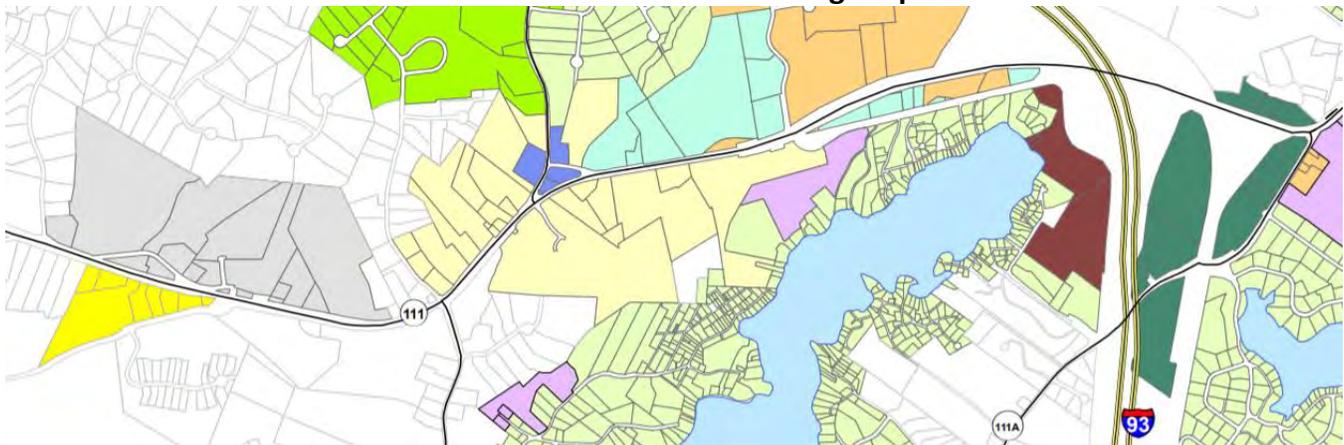
APPENDIX :

Town of Windham, New Hampshire Proposed TIF District – Parcels Included

GIS ID	Owner Name	Location	NHCL	Use Code	Zone	Acres
17-J-1	CASTLE VIEW INC	58 ENTERPRISE DR	CLB	3260	CDB	14.45
11-C-13	INDIAN ROCK REALTY, LLC	55 ENTERPRISE DR	CLB	3400	CDA	1.52
11-C-100	NEW HAMPSHIRE, STATE OF	47 ENTERPRISE DR	CLB	3400	PBT	1.90
11-C-125	NEW HAMPSHIRE, STATE OF	39 ENTERPRISE DR	EXMT	9010	PBT	4.00
11-C-150	NEW HAMPSHIRE, STATE OF	31 ENTERPRISE DR	EXMT	9010	CDA	0.06
11-C-155	NEW HAMPSHIRE, STATE OF	29 ENTERPRISE DR	EXMT	9010	CDA	0.24
11-C-170	NEW HAMPSHIRE, STATE OF	23 ENTERPRISE DR	EXMT	9011	CDA	0.83
11-C-180	DADE RT	19 ENTERPRISE DR	CLB	3400	CDA	0.88
11-C-190	BINA JOE LLC	15 ENTERPRISE DR	CLB	3520	CDA	2.13
16-D-200	INDIAN ROCK DEV, LLC	10 ENTERPRISE DR	LAND	1300	MZ	16.69
11-C-300	NEW HAMPSHIRE, STATE OF	INDIAN ROCK RD	EXMT	9011	PBT	30.00
11-C-425	MESITI WINDHAM RT	5 ENTERPRISE DR	CLAND	3910	CDA	1.82
11-C-500	HIGHWAY OF WINDHAM	3 INTERNATIONAL DR	ILB	4022	PBT	24.56
11-C-700	CORBETT RT &	WALL ST	CLAND	3910	PBT	70.60
11-C-701	INDIAN ROCK OFFICE PARK II, LLC	1 WALL ST	CLB	3220	CDA	4.21
11-C-702	SANTANDER BANK FKA SOVEREIGN BANK	3 WALL ST	CLB	3410	CDA	5.35
11-C-704	DAKK RT, LLC	7 WALL ST	CLB	3400	CDA	4.59
11-C-800	CORBETT RT	2 WALL ST	CLAND	3910	PBT	25.97
11-C-950	ROUTE 111 WINDHAM, LLC	43 INDIAN ROCK	CLAND	3240	CDA	34.21
11-C-1000	CANDELA INVESTMENTS	33 INDIAN ROCK	CLB	3230	CDA	7.10
11-C-1010	K KARA INC	29 INDIAN ROCK	CLB	3220	CDA	1.06
11-C-1100	WFC ACQUISITIONS	25 INDIAN ROCK	CLB	3220	CDA	11.76
11-C-1101	TERRACE COMMUNITIES	3 CHURCH RD	VCD	3030	VCD	13.35
12-A-500	NH CATHOLIC CHARITIES	21 SEARLES RD	EXMT	9100	RD	41.20
12-A-500A	23 NHC, LLC	23 SEARLES RD	RLB	1010	RD	120.40
17-G-6	106 INDIAN ROCK RD, LLC	102 INDIAN ROCK RD	CLAND	3900	GCD	20.21
17-G-20	GW TRUST	82 RANGE RD	CLAND	3901	GCD	9.71
16-D-200	INDIAN ROCK DEV, LLC	60 INDIAN ROCK RD	CLAND	3900	VCD	27.33
16-D-400	DEVANEY, SEAN J, ETAL	36 INDIAN ROCK RD	CLAND	3900	VCD	20.00
16-D-450	IRR REALTY LLC	32 INDIAN ROCK RD	CLB	3110	VCD	3.62
16-L-1	CAFUA REALTY XL, LLC	30 INDIAN ROCK RD	CLB	3250	VCD	1.09
16-L-10	ROGERS, GEORGE A &	28 INDIAN ROCK RD	CLAND	3910	VCD	3.20
11-A-310	HAVERHILL RD CONDOS	28 HAVERHILL RD	CCON	4021	LID	1.00
11-A-315	MACMULKIN CHEVEROLET	26 HAVERHILL RD	CLB	4010	LID	4.50
11-A-317	MACTHOMPSON REALTY INC	22 HAVERHILL RD	CLB	3220	LID	1.86
11-A-350	ALONZO FARMS, LLC	14 HAVERHILL RD	CLAND	4310	LID	29.00
11-A-450	VILLAGE CENTER PROPERTIES, LLC	1 INDIAN ROCK RD	CLAND	3900	VCD	1.51

11-A-500	VILLAGE CENTER PROPERTIES, LLC	7 INDIAN ROCK RD	CLAND	3900 VCD	6.13
11-A-531	MVC PROPERTIES	13 INDIAN ROCK RD	CLB	3220 VCD	0.28
11-A-530	VILLAGE CENTER PROPERTIES, LLC	15 INDIAN ROCK RD	CLB	3410 VCD	0.52
11-A-540	EG HOLDINGS, LLC	17 INDIAN ROCK RD	CLB	3400 VCD	2.04
11-A-545	EG HOLDINGS, LLC	INDIAN ROCK RD	CLAND	3900 VCD	2.00
11-A-550	EG HOLDINGS, LLC	19 INDIAN ROCK RD	CLB	3400 VCD	0.65
11-A-570	MESITI INDIAN ROCK ROAD, LLC	21 INDIAN ROCK RD	CLAND	3900 VCD	6.95
11-A-580	LOWELL RD WINDHAM DEV, LLC	1 NO LOWELL RD	CLAND	3900 VCD	11.40
11-A-600	MACTHOMPSON REALTY INC	5 NO LOWELL RD	CLB	3400 VCD	3.96
11-A-240	LEXINGTON REALTY, LLC	1 LEXINGTON RD	CLB	4022 LID	2.06
11-A-200	3 LEXINGTON ROAD CONDOS	3 LEXINGTON RD	CCON	4021 LID	13.93
11-A-150	RL BELLIA PROPERTIES, LLC	5 LEDGE RD	ILB	3400 LID	1.20
11-A-160	6 LEDGE ROAD, LLC	6 LEDGE RD	ILB	4000 LID	2.87
11-A-161	RADIAL PROPERTIES, LLC	8 LEDGE RD	ILB	4020 LID	17.36
11-A-165	MURRAY PROPERTIES, LLC	4 LEDGE RD	ILB	4020 LID	0.99
11-A-50	PPI ENTERPRISES, LLC	14 LEDGE RD	CULDI	4410 LID	45.56
14-B-2000	RUHLING, ROY R &	51 HAVERHILL RD	RLB	1010 NBD	2.24
14-B-2001	LJ, ZHI &	55 HAVERHILL RD	RLB	1010 NBD	1.54
14-B-2002	MCGRAIL, JUSTIN M &	53 HAVERHILL RD	RLB	1010 NBD	1.67
14-B-2003	COHEN, MARK G &	49 HAVERHILL RD	RLB	1010 NBD	1.49
14-B-2004	CLYDE POND, LLC	47 HAVERHILL RD	RLB	1010 NBD	1.43
14-B-2101	CLYDE POND, LLC	101 HAVERHILL RD	CLAND	3920 NBD	0.83
				Totals	689.01

Town of Windham – Zoning Map



	Rural District		Neighborhood Business
	Residence A		Business and Technology
	Residence B		Commercial A
	Residence C		Commercial B
	Village Center		Gateway Commercial
	Historic		Limited Industrial
	Multi-Zone Lots		

Legend

APPENDIX 8 - MEMORANDUM

TO: David Sullivan, Town Administrator

FROM: Jeff Provost, P.E., Dave Fox, Raftelis Financial Consultants, Inc.

DATE: February 2, 2020

SUBJECT: Water Utility Governance Memo-DRAFT

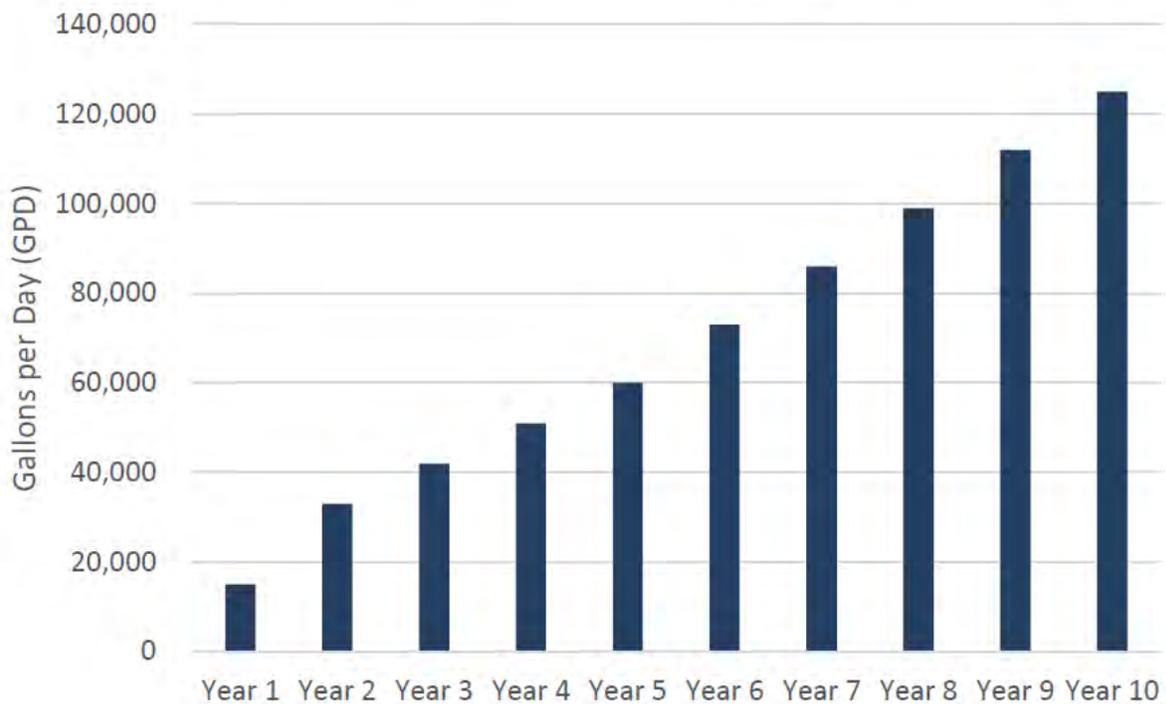
Introduction

The Town of Windham, New Hampshire (the town) has retained Weston & Sampson to provide technical assistance and governance options to the town for a new water utility system under construction on Route 28 and a portion of Route 111 (Phase I) and, potentially, a proposed extension on Route 111 from Route 111A to Ledge Road (Phase II). Phase I is being constructed as part of the Southern New Hampshire Regional Water (SNHRW) project and is subject to the stipulations established as part of the SNHRW project. This memorandum excerpt details the preliminary findings of the water utility governance options for Phase II.

Phase II Analysis Assumptions

Weston & Sampson created an economic feasibility to outline and forecast all assumptions within a time series analysis. The time series was based on a projection of assumed demand over a 10-year period, based on average GPD. The water demand projections were developed based on assumptions provided by the town regarding which TIF parcels in the Phase II area might connect to the water system and when the parcels might connect. An estimate, based on five-year increments, was provided by the town. Weston & Sampson extrapolated this data and assumed a uniform increase in customers over the 10-year period. Additional non-TIF customers in the Phase II area were also estimated and the additional demand was added to the projections. Figure 2 presents the assumed average GPD over the 10-year period.

FIGURE 2: 10-Year Projection of Average Daily Water Demand



Also integrated into the time series economic model was an assumed projection of present worth operating expenses, water supply costs, debt service payments, and revenue offsets derived from the proposed Tax Increment Financing (TIF) district revenue. Operating expenses and water supply costs were forecasted based on the level of demand assumed throughout the time series analysis. Water supply costs charged by Salem, as described above, were calculated at a wholesale water rate of \$3.092/CCF, or approximately 748 gallons, for the annual assumed water demand. Finally, debt service payments the town would incur to partially finance the water main and tank required to bring water service to Phase II have also been included. Table 3 presents a projection of present worth operating expenses, water supply costs, and debt service payments, by year and GPD of water demand assumptions. It should be noted that in Year 1 (15,000 GPD), a water operations startup cost of \$30,000 is assumed to be required.

TABLE 3: Projection of Annual Revenue Requirements

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	15,000 GPD	33,000 GPD	42,000 GPD	51,000 GPD	60,000 GPD	73,000 GPD	86,000 GPD	99,000 GPD	112,000 GPD	125,000 GPD
Annual Revenue Requirements										
Field Operations	\$ 52,000	\$ 65,000	\$ 78,000	\$ 91,000	\$ 104,000	\$ 109,200	\$ 114,400	\$ 119,600	\$ 124,800	\$ 130,000
Meters plus Meter Reader	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500	51,500
Reporting and Compliance (4 hr/Mo.)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
Equipment & Tools	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Meter Software	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Customer Service	45,500	48,750	52,000	55,250	58,500	58,500	58,500	58,500	58,500	58,500
Startup Costs	30,000	-	-	-	-	-	-	-	-	-
Salem Supply Cost	22,471	49,436	62,919	76,401	89,884	109,358	128,833	148,308	167,783	187,258
Water Main and Tank Bond	356,555	356,555	356,555	356,555	356,555	356,556	356,557	356,558	356,559	356,555
Total: Annual Revenue Requirements	\$ 580,526	\$ 593,741	\$ 623,474	\$ 653,206	\$ 682,939	\$ 707,614	\$ 732,290	\$ 756,966	\$ 781,642	\$ 806,313

Phase II Rate Calculation and Impacts

If the town supplemented the initial costs of the Phase II water system, a determination on the total supplemental amount is necessary based on what additional revenue amount would be required, and ultimately how long of a payback period could be assumed for the town to be repaid. Given that the Phase II water system is in PEU's franchise area, at present, we determined the supplemental funding amount required annually in order to maintain an annual water rate for Phase II customers that is equal to or less than what PEU would charge Phase II customers if PEU were to operate the Phase II water system. It should be noted, as described above, the town of Windham will need to petition the PUC for the rights to own and operate the Phase II water system and establish a newly defined franchise area for Phase II.

In order to calculate the equivalent PEU water rate, we included all charges a typical non-residential property, with a 1.5" meter size and assumed annual water consumption of 400 Ccf, would be charged by PEU, including fixed and volumetric charges, and imputed a purely volumetric rate to compare against. Since the Phase II area is predominantly commercial properties, we assumed the 1.5" meter size and 400 CCF water usage to represent a typical commercial establishment (such as a restaurant or office building) that might connect to the Phase II water system. The PEU-equivalent water rate calculation can be viewed in Table 5.

TABLE 5: PEU Rates and Imputed Charge Calculation per Ccf

- (a) Fixed Charge per Month - 1.5" Meter \$ 135.68
- (b) Public Hydrant Fee per Month (per account) \$ 9.07
- (c) Volumetric Charge per Ccf \$ 7.51
- (d) Annual Fixed Charges (a*12) \$ 1,628.16
- (e) Annual Public Hydrant Charges (b*12) \$ 108.84
- (f) Annual Public Hydrant Charges (c*400 Ccf) \$ 3,004.00
- (g) Total: Annual Water Bill (d+e+f) \$ 4,741.00

Imputed Rate per Ccf (g/400 Ccf) \$ 11.85

As can be seen in Table 5, an imputed “all-in” rate per Ccf for a representative non-residential Phase II property is equal to \$11.85/Ccf. In order to reduce the calculated Windham per Ccf water rate of \$67.86/CCF (as presented above) down to \$11.85/CCF, a supplement funding amount of \$410,010 in the first year the Phase II water system is in operation would be required from the town’s general fund. It should be noted that we assumed the first 30- year water main and tank bond repayment will be due before the water system is online and collecting revenue. As a result, we assumed that the general fund will need to provide the first bond repayment amount. Assuming this same methodology through the time series analysis, a total supplemental funding amount of \$1,154,398 (assuming all expense and revenue assumptions are correct) would be required from the town to the water utility, over a 5-year period. As additional users connect to the system, and demand increases subsequently, the water utility will be generating additional funds over time to offset the need for additional supplemental funding and also payback the town and the tax base for this supplemental funding. Assuming the demand and cost projections outlined above, the water utility would be able to repay the town for the full supplemental funding amount in approximately 9 years. This funding amount (\$1,154,398) will cost the average taxpayer with an assessed home value of \$400,000, approximately \$193 additional dollars in taxes over the supplemental funding and repayment period, or approximately \$39 per year for the 5 years the water utility requires supplemental funding. Please note, if the supplemental funding is secured via a bond or other type of loan, interest payments should be factored into the cost to be repaid to the tax base.

Lastly, with all the expense and revenue assumptions described above, including:

- A Phase II water rate of \$11.85/Ccf;
- A \$6,336,500 30-year bond for Phase II water infrastructure with annual bond repayment amounts of \$356,555;
- Supplemental funding equivalent to \$1,154,398;
- And all TIF assumptions as stated above

The projection for how long it would take to procure enough revenue to pay the full 30-year bond repayment amount (approximately \$10,700,000) is 18 years.

APPENDIX <

Town of Windham, New Hampshire TIF District Revenue Scenarios

Identified TIF District Properties - See List	Total Value of Existing Assessed Values	Possible Assessed Value Increase Considering 100% of all Vacant Land is Developed	Considering 100% of all Vacant Land is Developed	Possible Assessed Value Increase Considering 14 Parcels of Vacant Land is Developed	Considering 14 Parcels of Vacant Land is Developed	Possible Assessed Value Increase Considering only 6 Parcels of Vacant Land in the VCD is Developed	Considering only 6 Parcels of Vacant Land in the VCD is Developed
	Existing	Value Added	Scenario 1 Annual TIF Revenues	Value Added	Scenario 2 Annual TIF Revenues	Value Added	Scenario 3 Annual TIF Revenues
Route 111 from McDonald's to Ledge Road	\$72,302,900	\$165,625,800	\$2,104,431	\$67,610,400	\$1,524,615	\$44,768,800	\$1,009,536

Notes: 2019 Assessed Values 2019 Tax Rate \$22.55

In Scenario 3, the Planning Board has viewed conceptual plans for development of all six parcels. They are owned by three individual developers. Being abutting parcels within the Village Center District, they are considered prime for development and encouraged to utilize cross easements for interior roadways and sidewalks. It is anticipated all will benefit from timing of development plans.

APPENDIX =

GIS ID	Owner Name	Location	Zone	Parcel Value	? Future \$	Comment	Projected
17-J-1	CASTLE VIEW INC	58 ENTERPRISE DR	CDB	\$3,198,200	\$3,198,200	No Change	
11-C-13	INDIAN ROCK REALTY, LLC	55 ENTERPRISE DR	CDA	\$921,600	\$921,600	No Change	
11-C-100	NEW HAMPSHIRE, STATE OF	47 ENTERPRISE DR	PBT	\$925,700	\$925,700	No Change	
11-C-125	NEW HAMPSHIRE, STATE OF	39 ENTERPRISE DR	PBT	\$458,800	\$750,000	For Sale	
11-C-150	NEW HAMPSHIRE, STATE OF	31 ENTERPRISE DR	CDA	\$8,400	\$8,400	No Change	
11-C-155	NEW HAMPSHIRE, STATE OF	29 ENTERPRISE DR	CDA	\$15,900	\$15,900	No Change	
11-C-170	NEW HAMPSHIRE, STATE OF	23 ENTERPRISE DR	CDA	\$486,700	\$750,000	For Sale	
11-C-180	DADE RT	19 ENTERPRISE DR	CDA	\$362,400	\$362,400	No Change	
11-C-190	BINA JOE LLC	15 ENTERPRISE DR	CDA	\$558,100	\$1,000,000	Dev Plan	\$441,900
16-D-200	INDIAN ROCK DEV, LLC	10 ENTERPRISE DR	MC	\$258,400	\$6,000,000	Dev Plan	\$5,741,600
11-C-300	NEW HAMPSHIRE, STATE OF	INDIAN ROCK RD	PBT	\$209,100	\$2,000,000	For Sale	
11-C-425	MESITI WINDHAM RT	5 ENTERPRISE DR	CDA	\$83,300	\$500,000	Comm Loc	
11-C-500	HIGHBAY OF WINDHAM	3 INTERNATIONAL DR	PBT	\$2,150,500	\$2,500,000	Comm Loc	
11-C-700	CORBETT RT &	WALL ST	PBT	\$1,484,500	\$5,000,000	For Sale	
11-C-701	INDIAN ROCK OFFICE PARK II, LLC	1 WALL ST	CDA	\$2,260,300	\$5,000,000	Dev Plan	\$2,739,700
11-C-702	SANTANDER BANK	3 WALL ST	CDA	\$1,038,100	\$1,038,100	No Change	
11-C-704	DAKK RT, LLC	7 WALL ST	CDA	\$2,032,200	\$2,032,200	No Change	
11-C-800	CORBETT RT	2 WALL ST	PBT	\$818,500	\$3,000,000	For Sale	
11-C-950	ROUTE 111 WINDHAM, LLC	43 INDIAN ROCK	CDA	\$10,887,180	\$15,000,000	Dev Plan	\$4,112,820
11-C-1000	CANDELA INVESTMENTS	33 INDIAN ROCK	CDA	\$3,066,600	\$3,066,600	No Change	
11-C-1010	K KARA INC	29 INDIAN ROCK	CDA	\$1,079,600	\$1,079,600	No Change	
11-C-1100	WFC ACQUISITIONS	25 INDIAN ROCK	CDA	\$4,582,000	\$4,582,000	No Change	
11-C-1101	TERRACE COMMUNITIES	3 CHURCH RD	VCD	\$5,672,700	\$5,672,700	No Change	
12-A-500	NH CATHOLIC CHARITIES	21 SEARLES RD	RD	\$0	\$7,609,100	No Change	
12-A-500A	23 NHC, LLC	23 SEARLES RD	RD	\$3,256,700	\$3,256,700	No Change	
17-G-6	106 INDIAN ROCK RD, LLC	102 INDIAN ROCK RD	GCD	\$3,105,200	\$5,000,000	Comm Loc	
17-G-20	GW TRUST	82 RANGE RD	GCD	\$815,100	\$3,000,000	Comm Loc	
16-D-200	INDIAN ROCK DEV, LLC	60 INDIAN ROCK RD	VCD	\$796,700	\$3,000,000	Dev Plan	\$2,203,300
16-D-201	INDIAN ROCK DEV, LLC	10 ENTERPRISE DR	RD	\$258,400	\$3,000,000	Dev Plan	\$2,741,600
16-D-400	DEVANEY, SEAN J, ETAL	36 INDIAN ROCK RD	VCD	\$1,506,700	\$3,000,000	Comm Loc	
16-D-450	IRR REALTY LLC	32 INDIAN ROCK RD	VCD	\$2,729,300	\$2,729,300	No Change	
16-L-1	CAFUA REALTY XL, LLC	30 INDIAN ROCK RD	VCD	\$1,326,500	\$1,326,500	No Change	
16-L-10	ROGERS, GEORGE A &	28 INDIAN ROCK RD	VCD	\$160,900	\$450,000	For Sale	
11-A-310	HAVERHILL RD CONDOS	28 HAVERHILL RD	LID	\$614,000	\$614,000	No Change	
11-A-315	MACMULKIN CHEVEROLET	26 HAVERHILL RD	LID	\$855,400	\$855,400	No Change	
11-A-317	MACTHOMPSON REALTY INC	22 HAVERHILL RD	LID	\$1,038,600	\$1,038,600	No Change	
11-A-350	BUTTERFIELD RIDGE, LLC	14 HAVERHILL RD	LID	\$689,600	\$3,000,000	Dev Plan	\$2,310,400
11-A-450	VILLAGE CENTER PROPERTIES, LLC	1 INDIAN ROCK RD	VCD	\$333,800	\$1,000,000	Comm Loc	
11-A-500	VILLAGE CENTER PROPERTIES, LLC	7 INDIAN ROCK RD	VCD	\$368,500	\$3,000,000	Comm Loc	
11-A-520	VILLAGE CENTER PROPERTIES, LLC	11 INDIAN ROCK RD	VCD	\$263,100	\$17,000,000	Dev Plan	\$16,736,900
11-A-531	MVC PROPERTIES	13 INDIAN ROCK RD	VCD	\$895,100	\$895,100	No Change	
11-A-530	VILLAGE CENTER PROPERTIES, LLC	15 INDIAN ROCK RD	VCD	\$995,600	\$995,600	No Change	
11-A-540	INDIAN ROCK AND LOWELL, LLC	17 INDIAN ROCK RD	VCD	\$269,100	\$7,000,000	Dev Plan	\$6,730,900
11-A-545	INDIAN ROCK AND LOWELL, LLC	INDIAN ROCK RD	VCD	\$33,000	\$7,000,000	Dev Plan	\$6,967,000 Town Center
11-A-550	INDIAN ROCK AND LOWELL, LLC	19 INDIAN ROCK RD	VCD	\$218,000	\$1,000,000	Dev Plan	\$782,000 VCD
11-A-570	MESITI INDIAN ROCK ROAD, LLC	21 INDIAN ROCK RD	VCD	\$842,900	\$7,500,000	Dev Plan	\$6,657,100 Total
11-A-580	LOWELL RD WINDHAM DEV, LLC	1 NO LOWELL RD	VCD	\$605,100	\$7,500,000	Dev Plan	\$6,894,900 \$44,768,800
11-A-600	MACTHOMPSON REALTY INC	5 NO LOWELL RD	VCD	\$365,000	\$500,000	Comm Loc	
11-A-240	LEXINGTON REALTY, LLC	1 LEXINGTON RD	LID	\$589,400	\$589,400	No Change	
11-A-200	3 LEXINGTON ROAD CONDOS	3 LEXINGTON RD	LID	\$1,674,100	\$1,674,100	No Change	
11-A-150	RL BELLIA PROPERTIES, LLC	5 LEDGE RD	LID	\$343,300	\$343,300	No Change	
11-A-160	6 LEDGE ROAD, LLC	6 LEDGE RD	LID	\$951,500	\$951,500	No Change	
11-A-161	RADIAL PROPERTIES, LLC	8 LEDGE RD	LID	\$1,218,700	\$1,218,700	No Change	
11-A-165	MURRAY PROPERTIES, LLC	4 LEDGE RD	LID	\$683,400	\$683,400	No Change	
11-A-50	PPI ENTERPRISES, LLC	14 LEDGE RD	LID	\$249,720	\$2,800,000	Dev Plan	\$2,550,280
14-B-2000	RUHLING, ROY R &	51 HAVERHILL RD	NBD	\$406,900	\$406,900	No Change	
14-B-2001	LI, ZHI &	55 HAVERHILL RD	NBD	\$255,200	\$255,200	No Change	
14-B-2002	MCGRILL, JUSTIN M &	53 HAVERHILL RD	NBD	\$297,500	\$297,500	No Change	
14-B-2003	COHEN, MARK G &	49 HAVERHILL RD	NBD	\$370,700	\$370,700	No Change	
14-B-2004	CLYDE POND, LLC	47 HAVERHILL RD	NBD	\$329,500	\$329,500	No Change	
14-B-2101	CLYDE POND, LLC	101 HAVERHILL RD	NBD	\$31,900	\$31,900	No Change	
				\$72,302,900	\$165,625,800	Increase	\$93,322,900 (60 parcels) \$2,104,431 Annual tax
						Increase TIF Capture @ 2019 RATE	
					\$22.55	Increase	\$67,610,400 (14 parcels) \$1,524,615 Annual tax
						Increase	\$44,768,800 (6 parcels) \$1,009,536 Annual tax

APPENDIX >

Town of Windham, New Hampshire Village Center Place – Approved Site Plan Building “C”



APPENDIX ?

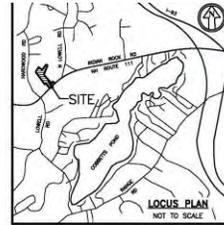
Town of Windham, New Hampshire Village Center – Conceptual Site Plan

Brewery Brae

RESIDENCES AT VILLAGE CENTER PLACE

SHEET INDEX

- 1 Title Sheet
- 2 District Overview Plan
- 3 Existing Conditions Plan
- 4 Soils & Lot Loading Plan
- 5 Preliminary Subdivision Plan (Provided Separately)
- 6-9 Site Layout Plans
- 10-14 Grading, Drainage, & Utility Plans
- 15-20 Landscape Plan & Details
- D1-D9 Typical Details



The Dubay Group, Inc.
 85 Range Road
 Windham, NH 03097
 603-438-6422

Civil Engineers
 Surveyors
 Land Planners
 TheDubayGroup.com

PRELIMINARY

REV	DATE	COMMENTS	BY
1	3/12/19	NRG REV	LR

DRAWN BY: **NRG**
 CHECKED BY: **LR**
 DATE: **MARCH 12, 2019**
 SCALE: **NONE**
 FILE: **48-COVER**
 SEED REF:

PROJECT:
Brewery Brae
 RESIDENCES AT
 VILLAGE CENTER PLACE
SUBDIVISION & SITE PLAN
 PARCELS 11-14-20
 INDIAN ROCK ROAD
 WINDHAM, NEW HAMPSHIRE
 FOR:
 VILLAGE CENTER
 PROPERTIES, LLC
 CHRISTOPHER MCCARTHY
 PO BOX 4402
 WINDHAM, NH 03097

SHEET TITLE:
TITLE SHEET

PROJECT #048 SHEET 1 of 20



REQUIRED PERMITS:	PERMIT #	DATE
1) NHDOT DRIVEWAY CONCURRENCE	_____	_____
2) NHDES SEPTIC	_____	_____
3) NHDES SUBDIVISION	_____	_____
4) NHDES ALTERATION OF TOWN	_____	_____
5) TOWN SUBDIVISION & SITE PLAN APPROVAL	_____	_____

OWNER / APPLICANT _____ DATE _____

CHAIRMAN _____ DATE _____

APPROVAL IS GRANTED SUBJECT TO ALL CONDITIONS AND REQUIREMENTS OF THE REGULATIONS OF THE TOWN OF WINDHAM, AND FURTHER SUBJECT TO ALL APPLICABLE ORDINANCES AND REQUIREMENTS.

APPENDIX @

Town of Windham, New Hampshire Village Center – Abutting Property with Development Plans

Owners: Village Center Properties, LLC
Indian Rock and Lowell, LLC
Mesiti Indian Rock Road, LLC
Lowell Road Windham Development, LLC



APPENDIX A

Town of Windham, New Hampshire Village Center – Conceptual Development Plans



APPENDIX N

Town of Windham, New Hampshire

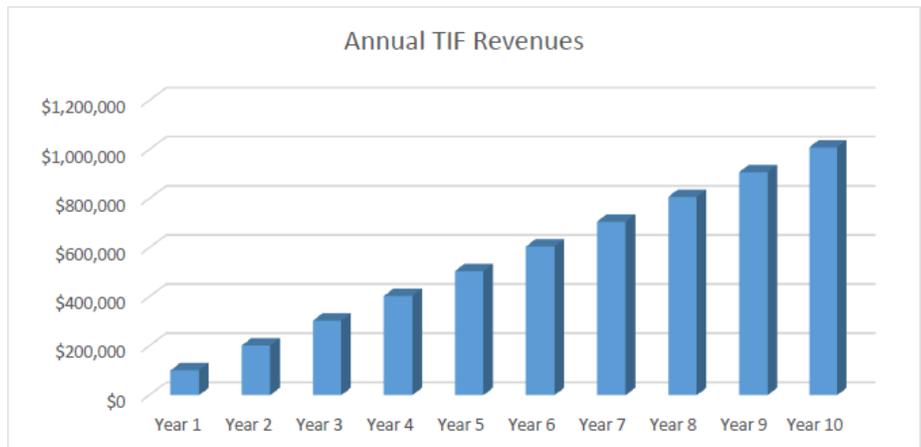
TIF District Revenue Scenario 3

Revenue Growth: Scenario 3 considers six vacant parcels all located within the VCD and clustered near the Town Center. At present, there are three owners who control the property. The Town has been presented development proposals that show interconnectivity, sharing access, and property types envisioned within this district. Basing the value forecasts using assessment models, the total buildout value is estimated at \$44,768,800. The buildout growth forecast is 10% per year and 10 years for completion. Using the 2019 tax rate applied to the accumulated annual TIF District, the forecast break even is in Year 4 for bond payment coverage.

Bond Payment: The Town will bond \$6,500,000 for construction of waterline. Payments for 30 year bond @ 3% interest.

Tax Dollars Required: Estimated Taxpayer cost to cover bond payment shortfall. TIF positive dollars pay down bond debt.

Year End Buildout	Annual TIF Revenues
Year 1	\$100,954
Year 2	\$201,907
Year 3	\$302,861
Year 4	\$403,814
Year 5	\$504,768
Year 6	\$605,722
Year 7	\$706,675
Year 8	\$807,629
Year 9	\$908,582
Year 10	\$1,009,536
Total Annual TIF Est	\$1,009,536
	(Using the 2019 Tax Rate)



Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue Growth	\$100,954	\$201,907	\$302,861	\$403,814	\$504,768	\$605,722	\$706,675	\$807,629	\$908,582	\$1,009,536
Bond Payment	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625
Tax Dollars Required	\$230,671	\$129,718	\$28,764	-\$72,189	-\$173,143	-\$274,097	-\$375,050	-\$476,004	-\$576,957	-\$677,911

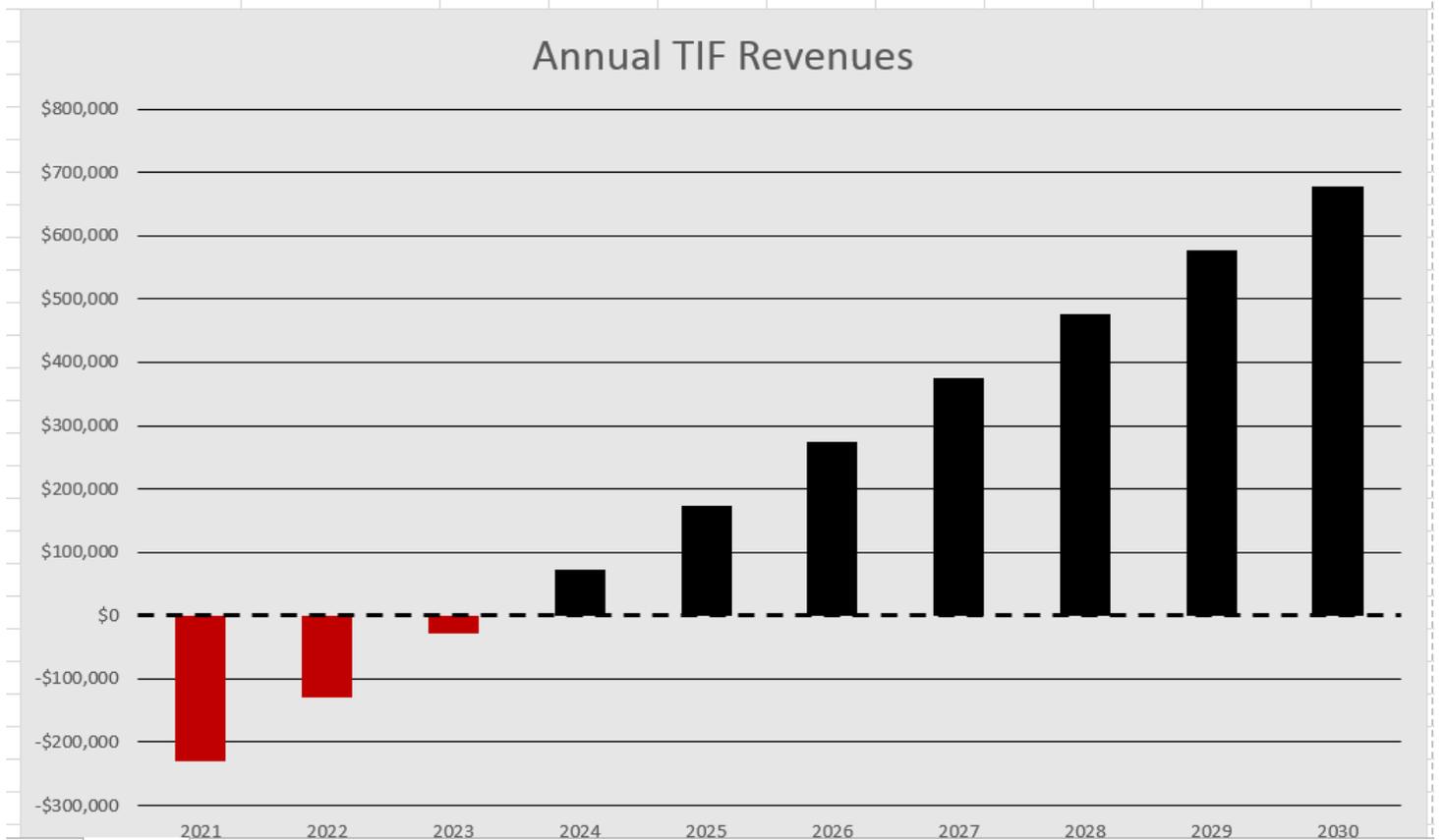
This table shows the forecast of a tax positive TIF Capture in Year 4. All tax revenues captured in the TIF District will be used for the Bond payment. Following this forecasted growth, it is our projection a \$6.5 Million financial obligation will be paid within 20 years. At that point, the TIF District is dissolved and the additional tax revenue is disbursed normally to the Town, School, and County.

APPENDIX O

Town of Windham, New Hampshire

TIF District Revenue Scenario 3 – Graphic

Year	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue Growth	\$100,954	\$201,907	\$302,861	\$403,814	\$504,768	\$605,722	\$706,675	\$807,629	\$908,582	\$1,009,536
Bond Payment	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625	\$331,625
Tax Impact	-\$230,671	-\$129,718	-\$28,764	\$72,189	\$173,143	\$274,097	\$375,050	\$476,004	\$576,957	\$677,911



APPENDIX D

LOAN ANALYSIS WORKSHEET

LOAN ANALYSIS

INTEREST RATE	3.00%	ANNUAL PAYMENT	\$331,625.19
YEARS OF LOAN	30	TOTAL PAYMENT	\$9,948,755.57
LOAN AMOUNT	\$6,500,000.00	TOTAL INTEREST	\$3,448,755.57
PAYMENTS DUE	End of Period		

Payment Year	Beginning Balance	Payment	Principal	Interest	Ending Balance
1	\$6,500,000.00	\$331,625.19	\$136,625.19	\$195,000.00	\$6,363,374.81
2	\$6,363,374.81	\$331,625.19	\$140,723.94	\$190,901.24	\$6,222,650.87
3	\$6,222,650.87	\$331,625.19	\$144,945.66	\$186,679.53	\$6,077,705.21
4	\$6,077,705.21	\$331,625.19	\$149,294.03	\$182,331.16	\$5,928,411.18
5	\$5,928,411.18	\$331,625.19	\$153,772.85	\$177,852.34	\$5,774,638.33
6	\$5,774,638.33	\$331,625.19	\$158,386.04	\$173,239.15	\$5,616,252.30
7	\$5,616,252.30	\$331,625.19	\$163,137.62	\$168,487.57	\$5,453,114.68
8	\$5,453,114.68	\$331,625.19	\$168,031.75	\$163,593.44	\$5,285,082.94
9	\$5,285,082.94	\$331,625.19	\$173,072.70	\$158,552.49	\$5,112,010.24
10	\$5,112,010.24	\$331,625.19	\$178,264.88	\$153,360.31	\$4,933,745.36
11	\$4,933,745.36	\$331,625.19	\$183,612.82	\$148,012.36	\$4,750,132.54
12	\$4,750,132.54	\$331,625.19	\$189,121.21	\$142,503.98	\$4,561,011.33
13	\$4,561,011.33	\$331,625.19	\$194,794.85	\$136,830.34	\$4,366,216.48
14	\$4,366,216.48	\$331,625.19	\$200,638.69	\$130,986.49	\$4,165,577.79
15	\$4,165,577.79	\$331,625.19	\$206,657.85	\$124,967.33	\$3,958,919.94
16	\$3,958,919.94	\$331,625.19	\$212,857.59	\$118,767.60	\$3,746,062.35
17	\$3,746,062.35	\$331,625.19	\$219,243.32	\$112,381.87	\$3,526,819.04
18	\$3,526,819.04	\$331,625.19	\$225,820.61	\$105,804.57	\$3,300,998.42
19	\$3,300,998.42	\$331,625.19	\$232,595.23	\$99,029.95	\$3,068,403.19
20	\$3,068,403.19	\$331,625.19	\$239,573.09	\$92,052.10	\$2,828,830.10
21	\$2,828,830.10	\$331,625.19	\$246,760.28	\$84,864.90	\$2,582,069.82
22	\$2,582,069.82	\$331,625.19	\$254,163.09	\$77,462.09	\$2,327,906.73
23	\$2,327,906.73	\$331,625.19	\$261,787.98	\$69,837.20	\$2,066,118.74
24	\$2,066,118.74	\$331,625.19	\$269,641.62	\$61,983.56	\$1,796,477.12
25	\$1,796,477.12	\$331,625.19	\$277,730.87	\$53,894.31	\$1,518,746.25
26	\$1,518,746.25	\$331,625.19	\$286,062.80	\$45,562.39	\$1,232,683.45
27	\$1,232,683.45	\$331,625.19	\$294,644.68	\$36,980.50	\$938,038.77
28	\$938,038.77	\$331,625.19	\$303,484.02	\$28,141.16	\$634,554.74
29	\$634,554.74	\$331,625.19	\$312,588.54	\$19,036.64	\$321,966.20
30	\$321,966.20	\$331,625.19	\$321,966.20	\$9,658.99	\$0.00