

# **AMENDED AND RESTATED SEARS BLOCK TAX INCREMENT DEVELOPMENT PROGRAM AND FINANCING PLAN**

Adopted by Resolution #7205 on July 9, 2001  
Amended by Resolution #7515 on September 8, 2003  
Amended by Resolution #7722 on April 11, 2005  
Amended by Resolution #7890 on May 8, 2006  
Amended by Resolution #8534 on February 13, 2012  
Amended by Resolution #8685 on August 12, 2013  
Amended by Resolution #8776 on June 9, 2014  
Amended by Resolution #8788 on July 30, 2014  
Amended by Resolution #XXXX on November 13, 2017

## **I. Introduction:**

The purpose of the Sears Block Tax Increment Finance District (SBTIF) is to foster redevelopment of real estate and other economic development activity within the central portion of the Opportunity Corridor and Downtown Concord along the South Main Street corridor through strategic public investment in parking facilities and other infrastructure as further described within this Development Program and Financing Plan. The components of the Development Program and Financing Plan include:

- Statement of Objectives
- District Boundaries
- Determination of Compliance with District Size Limitations
- Development Program
- Financing Plan
- District Administration
- Advisory Board Responsibilities

## **II. Statement of Objectives:**

The City Council has identified economic development in the Opportunity Corridor and Downtown Concord as a City priority. Economic development includes, but is not limited to, the expansion of the property tax base and employment opportunities through the redevelopment of blighted, underutilized, contaminated, or abandoned properties.

The adoption of the Sears Block Tax Increment Development Program and Financing Plan provides a valuable tool for implementing redevelopment activities to address the following goals and objectives:

- Create redevelopment opportunities;
- Improve the visual image of the southerly entrance to the Downtown;
- Expand the real estate property tax base;

- Construct, expand, and rehabilitate public parking facilities, streets, utilities, parks, plazas, and pedestrian ways to provide improved access and expanded capacities sufficient to encourage private investment within the District;
- Remove blighted land uses and cleanup environmental contamination; and,
- Improve transportation components to permit the efficient use of land for redevelopment.

**III. District Boundaries:**

The following is the legal description for the Sears Block Tax Increment Finance District. A graphic depiction of the District is included as Exhibit 1.

Beginning at a point in the northerly side line of Pleasant Street at its intersection with the westerly side line of N. Main Street; thence

1. Northerly along the westerly side line of N. Main Street to a point at its intersection with the westerly extension of the northerly side line of Depot Street; thence
2. Easterly along the westerly extension of the northerly side line of Depot Street, crossing the N. Main Street right-of-way, to a point at its intersection with the easterly side line of N. Main Street; thence
3. Continuing easterly along the northerly side line of Depot Street to a point at its intersection with the westerly side line of Storrs Street; thence
4. Continuing easterly along the easterly extension of the northerly side line of Depot Street, across the Storrs Street right-of-way, to a point at its intersection with the easterly side line of Storrs Street; thence
5. Southerly along the easterly side line of Storrs Street to a point at its intersection with the easterly extension of the southerly side line of Theatre Street; thence
6. Westerly along the easterly extension of the southerly side line of Theatre Street, crossing the Storrs Street right-of-way, to a point at its intersection with the westerly side line of Storrs Streets; thence
7. Continuing westerly along the southerly side line of Theatre Street to a point at its intersection with the easterly side line of S. Main Street; thence

8. Continuing westerly along the westerly extension of the southerly side line of Theatre Street, crossing the S. Main Street right-of-way, to a point at its intersection with the westerly side line of S. Main Street; thence
9. Northerly along the westerly side line of S. Main Street to a point at its intersection with the southerly side line of Thompson Street; thence
10. Westerly along the southerly side line of Thompson Street to a point at its intersection with the easterly side line of S. State Street, said point being the southeast corner of the intersection of said streets; thence
11. Continuing westerly along the extension of the southerly side line of Thompson Street to a point at its intersection with the westerly side line of S. State Street, said point being the southwest corner of the intersection of said streets; thence
12. Northerly along the westerly side line of S. State Street to a point at its intersection with the southerly side line of Pleasant Street; thence
13. Northerly along the extension of the westerly side line of S. State Street, crossing the Pleasant Street right-of-way to a point at the intersection of the westerly side line of N. State Street with the northerly side line of Pleasant Street; thence
14. Easterly along the northerly side line of Pleasant Street to a point at its intersection with the easterly side line of N. State Street; thence
15. Continuing easterly along the northerly side line of Pleasant Street to a point at its intersection with the westerly side line of N. Main Street and the point of beginning.

Meaning and intending to describe a Tax Increment Finance District, as shown on a plan (Exhibit 1) entitled "Sears Block Tax Increment Finance District", dated December 6, 2011, prepared by the City of Concord Community Development Department, Engineering Services Division.

**IV. Determination of Compliance with District Size Limitations:**

In accordance with RSA 162-K:5, the following information is provided to demonstrate compliance with State Law at the time of the designation of the District in 2001. Some of this information was updated in 2012 and 2013, respectively.

Total Taxable Value of the City	\$4,321,396,542
8%	\$345,711,723
16%	\$691,423,477
Sears Block TIF	\$51,418,000
North End Opportunity Corridor TIF	\$50,223,600
Penacook Village TIF	\$11,149,600
Combined Total	\$112,792,000
Total Land Area of the City	41,100 Acres
5%	2,055 Acres
10%	4,110 Acres
Sears Block TIF	22.00 Acres
North End Opportunity Corridor TIF	67.70 Acres (Updated 2013)
Penacook Village TIF	47.09 Acres
Combined TIFs	136.79 Acres (Updated 2013)

Using the data above, the City has determined that the SBTIF District, in combination with the other TIF Districts within Concord, does not exceed the taxable value or land area limitations. Please note that there remains a significant capacity, both in terms of allowable value and allowable land area, for the creation of additional tax increment finance districts as deemed necessary by the City Council.

**V. Development Program**

1. Purpose: The purpose of this section is to comply with RSA 162-K:6 by describing the general scope of public investments in infrastructure and other public facilities to be undertaken in order to support redevelopment of public and privately owned real estate within the SBTIF District.
  
2. Public Facilities and Infrastructure Improvements to be Constructed: Redevelopment activities within the SBTIF and associated public investment in infrastructure improvements will occur in multiple phases, as follows:
  - a. Phase I Improvements (2001-2007): Phase I investments were completed in 2007 and included the acquisition and demolition of the former Sears Block, construction of the Storrs Street (“Capital Commons”) Municipal Parking Garage, as well as related improvements including the Capital Commons Plaza, Pleasant Street Extension / Storrs Street Pocket Park, reconstruction of the Hills Avenue Municipal Parking Lot, together with related utility, sidewalk, highway, and streetscape improvements on South Main Street and Storrs Street, respectively. These improvements were undertaken to support redevelopment of the former Sears Block

located at 11 South Main Street (now known as the Capital Commons Office Building) as well as other parcels in the area.

- b. Phase II Improvements (2013/2016): Phase II improvements consisted of the installation of underground electrical and telecommunications utilities from #16 - #40 South Main Street. Total area affected is approximately 750 linear feet. The purpose of these improvements was, in part, to promote redevelopment of the New Hampshire Employment Security property located at 32-34 South Main Street, as well as adjacent parcels. Total SBTIF budget for this effort was \$2,000,000.

Due to timing considerations, this improvement shall be undertaken simultaneously with the Downtown Complete Street Project (City Capital Improvement Program Project #460) which was constructed during March 2015 through November 2016.

- c. Phase III Improvements (2014): Phase III improvements shall consist of the acquisition and preparation of the NH Employment Security Property located at 32-34 South Main Street and 33 South State Street for redevelopment. This property was acquired by the City on October 31, 2014.

Phase III Improvements also included a \$2.5M investment in CIP #460 "Downtown Complete Streets Improvement Project" which made vehicular traffic, pedestrian, and landscaping improvements to Main Street between Center and Concord Streets. SBTIF moneys were only used for that portion of the project located within the SBTIF District (i.e. Depot Street to Theatre Street).

- d. Phase IV Improvements (2017): Phase IV improvements shall consist of abatement and demolition of the former NH Employment Security Building in order to facilitate redevelopment of the property, as well as undertake certain masonry, curtain wall, and roofing repairs to the Storrs Street (Capital Commons) Municipal Parking Garage.
- e. Other Improvements Not Financed by the SBTIF District: It should be noted that other investments in public infrastructure have occurred within the District since its inception. These have included utility, roadway, sidewalk, and streetscape improvements associated with the following private development projects: SMILE Office Building located at 49 South Main Street, Mennino Place Apartments located at 51 Storrs Street, and the so-called NH Book Bindery Redevelopment at 43-45 South Main Street. These

investments were paid for by private development, not the SBTIF District.

3. Open Space Created: Redevelopment within the Sears Block Tax Increment Finance District will help to preserve open space within the City by providing opportunities for commercial and residential uses on previously developed and, in some cases, contaminated real estate, thereby relieving further development pressure on “green field” sites.
4. Regulatory Controls Applied: The City and all private developers undertaking development projects within the SBTIF shall be required to comply with the following laws, ordinances, rules, and regulations, as applicable:
  - City Subdivision and Site Plan Review Regulations;
  - City Code of Ordinances;
  - City of Concord Zoning Ordinance;
  - State and Federal Laws, Codes, Rules, Regulations, and Standards related to abatement of hazardous materials and environmental contamination; and,
  - Compliance with City and State Building Codes and National Life Safety Codes.
5. Operations, Maintenance, and Administrative Costs:
  - a. Storrs Street (Capital Commons) Municipal Parking Garage: Operating and maintenance costs associated with the Storrs Street (Capital Commons) Municipal Parking Garage shall be financed through the City Parking Fund. Operating and maintenance costs may be supplemented with funds from the SBTIF or other sources as needed.
  - b. Plazas & Pocket Parks: Operating and maintenance costs for the Capital Commons Plaza and Storrs Street pocket park shall be financed by incremental property tax revenues generated by new development within the SBTIF District. If proceeds from the Tax Increment District are insufficient to cover the necessary operation and maintenance costs of the district, these costs shall become a Parking Fund or General Fund obligation as necessary.
  - c. Sidewalks and Highways: No new highways or sidewalks are proposed within the SBTIF District. However, existing roads and sidewalks may be reconstructed to support development activities. Because of this circumstance, the operating and maintenance costs associated with reconstructed sidewalks and highways within the SBTIF shall be financed by the City’s General Fund and Parking Fund, as applicable. However, these funding sources may be

supplemented or replaced by revenues generated by the SBTIF District, provided the District's gross revenues are sufficient to support all other debt service, operating costs, as well as financial contributions to contingency and capital reserve funds.

d. Public & Private Utilities:

- i. Drainage: Operating and maintenance costs for drainage utilities shall be financed by incremental property tax revenues generated within the SBTIF District associated with new development or utility enterprise / special revenue funds, as appropriate. If proceeds from the Tax Increment District are insufficient to cover the necessary operation and maintenance costs for drainage utilities within the district, these costs shall become a Parking Fund (if directly associated with the Storrs Street Municipal Parking Garage) or General Fund obligation as necessary.
- ii. Water & Sewer: Operating and maintenance costs for water and sanitary sewer utilities shall be financed by the City's Water or Sewer Enterprise Funds, as applicable.
- iii. Telephone, Cable Television, & Communications Utilities: Operating and maintenance costs for these utilities shall be the responsibility of the private corporations associated therewith.

- e. Administration and Public Safety: Costs associated with administration of the District, as well as public safety serving new development within the District, shall be financed by incremental property tax revenues generated within the SBTIF District associated with new development. If proceeds from the Tax Increment District are insufficient to cover the necessary operation and maintenance costs of the district, these costs shall become a Parking Fund or General Fund obligation as necessary.

The District shall, at the City Council's discretion, be charged an annual administrative fee to support staff time and related overhead expenses associated with managing the SBTIF District.

- f. Records and Reports: The City will maintain records of financial activity of the District in accordance with Generally Accepted Accounting Principles. The City will include the financial reporting requirement in the Comprehensive Annual Financial Report (CAFR).

6. **Relocation and Displacement:** It is not anticipated that businesses or residences will need to be acquired or relocated in order to construct municipal facilities or infrastructure improvements to be undertaken in accordance with this Development Program and Finance Plan. However, in the event of relocation of businesses or residences due to facilitate construction of municipal facilities or infrastructure improvements, the City shall follow the Uniform Relocation Act of 1970, as amended, unless otherwise waived by displaced parties.

Private development projects within the District shall not be subject to this provision unless otherwise required by the State or Federal Government due to use of State or Federal funds, such as Community Development Block Grants or certain tax credit programs, to support private development activities, as applicable.

7. **Property Acquisition and Disposition:** The City hereby has the authority to purchase, sell, or lease real estate within the SBTIF District. The City shall also have the ability to acquire or convey easements and rights-of-way in order to carry out construction of infrastructure and public facilities, as well as to support private development activities.

In accordance with RSA 162-K:6,III,b, the City may acquire real property or easements through negotiation or through powers of eminent domain, except that property acquired through powers of eminent domain shall be put to public use, as defined in RSA 162-K:2, IX-a

8. **Grants:** The City may seek and use private, non-profit, or governmental grants, as it deems necessary, to provide financial assistance to support private development activities, as well as the design and construction of infrastructure and public facilities. All such applications for and appropriations of such grants shall be approved by the City Council. The City shall not be obligated to amend this Development Program and Financing Plan when accepting grant funds for infrastructure improvements, unless said grants are to be matched with SBTIF funds.

## **VI. Financing Plan**

1. **Purpose:** The purpose of this section is to comply with RSA 162-K:9 by describing the capital, operating, and maintenance costs of infrastructure and other public facilities constructed to support redevelopment of public and privately owned real estate within the SBTIF District.
2. **Capital Costs:** Capital investments in infrastructure and public facilities will be undertaken in multiple phases during the duration of the SBTIF District's existence. The following is a description of capital costs for



various infrastructure improvements undertaken by Phase within the SBTIF.

- a. Phase I Improvements (2001-2007): Phase I improvements consisted of the construction of the Capital Commons Parking Garage and related improvements. Phase I improvements were completed in 2007. The total budget for said improvements was \$16,324,840.
- b. Phase II Improvements (2013; Revised 2014 and 2016): Phase II improvements consisted of roadway, sidewalk, landscaping, streetscape amenities, and utility improvements associated with the City's Downtown Complete Street Project (CIP #460). The purpose of the Downtown Complete Streets Project is to reconstruct portions of North Main and South Main Streets in order to improve pedestrian safety, improve compliance with the Americans with Disabilities Act, as well as improve the aesthetic appearance of the City's central business district. The SBTIF's budget contribution to these improvements within the geographic limits of the SBTIF was \$2,500,000. The remainder of the project was financed by a variety of other sources, including, but not limited to, a Federal Highway Administration TIGER Grant, Community Development Finance Authority Tax Credits, Impact Fees, contributions from the City's Water Fund, private donations, as well as bonds and notes supported by the City's General Fund.

In addition, as part of these efforts, and to prepare for redevelopment of the former NH Employment Security Building, the City appropriated \$2,000,000 to support installation of underground utilities for approximately 750 linear feet in South Main Street.

- c. Phase III Improvements (2014): Phase III Improvements consisted of acquisition of the NH Employment Security building, as well as potential weatherization and/or demolition of the structure, and related holding costs. The SBTIF budget for these activities was as follows:
  - i. Property Acquisition, including due diligence and holding costs: \$1,900,000
  - ii. Building Weatherization, as well as certain holding costs: \$90,000.
- d. Phase IV Improvements (2017): Phase IV Improvements shall consist of the following:
  - i. Abatement and demolition of the former NH Employment Security Building located at 32-34 South Main Street to

facilitate redevelopment of the premises by a private developer. Budget for this effort shall be \$300,000.

- ii. Masonry, storefront, and roof repairs to the Storrs Street Capital Commons Municipal Parking Garage. Budget for this effort shall be \$160,000.

3. Sources of Revenue for Development Program Costs: The following is a summary of revenues to finance capital investments for all phases of improvements.

In accordance with RSA 162-K:9, IV, whenever this Development Program and Financing Plan calls for the appropriation of a specific sum of money, the sum of money appropriated thereunder may be decreased or increased by the vote of the legislative body without further amendment of this Development Program and Financing Plan.

**Summary of Appropriations for Capital Improvements**

	Resolution # 7102 August 14, 2000	Resolution # 7270 January 14, 2002	Resolution # 7304 August 11, 2003	Resolution # 7305 August 11, 2003	Resolution # 7721 April 11, 2005	Resolution # 7891 May 8, 2006	Resolution # 8531 January 9, 2012	Resolution # 8686 August 12, 2013 Rescinded & Replaced by Resolution # 8789 July 30, 2014	Resolution # 8777 & 8778 June 9, 2014	Resolution # 8912 April 11, 2016	Resolution # November 13, 2017	Resolution # November 13, 2017	
<b>Purpose of Appropriation</b>	Capital Commons Project / Storrs St. Garage	Capital Commons Project / Storrs St. Garage	Capital Commons Project / Storrs St. Garage	Capital Commons Project / Storrs St. Garage	Capital Commons Project / Storrs St. Garage	Capital Commons Project / Storrs St. Garage	Capital Commons Project / Storrs St. Garage	CIP #460 Complete Street Project (Main Street Reconstruction)	CIP #578 Acquisition / Weatherization former NH Employment Security (NHES) Building	CIP #460 & 578 Underground Utilities Complete Streets / Former NHES	CIP #578 Demolition of former NH Employment Security Building	CIP #529 Capital Commons Municipal Parking Garage Masonry / Curtain Wall / Roof Repairs	
<b>Equity</b>													<b>Total</b>
Economic Development Reserve Fund	\$250,000	\$800,000		\$1,100,000		\$700,000							\$2,850,000
Parking Fund			\$300,000			\$250,000							\$550,000
<b>Grants</b>													
USHUD EDI Grant				\$482,840									\$482,840
<b>Bonds*</b>													
Sears Block TIF Supported													
Taxable					\$683,500		See Note	\$1,990,000		\$300,000			\$2,973,500
Tax Exempt					\$2,368,500		See Note	\$2,500,000		\$1,710,000		\$160,000	\$6,738,500
Parking Lease Supported													
Taxable					\$883,000		See Note						\$883,000
Tax Exempt					\$3,040,000		See Note						\$3,040,000
Parking Fund Supported													
Taxable					\$799,500		See Note						\$799,500
Tax Exempt					\$2,386,500		See Note						\$2,386,500
General Fund Supported													
Taxable													
Tax Exempt						\$2,281,000							\$2,281,000
<b>Total</b>	<b>\$250,000</b>	<b>\$800,000</b>	<b>\$300,000</b>	<b>\$1,582,840</b>	<b>\$10,161,000</b>	<b>\$3,231,000</b>	<b>Not Applicable</b>	<b>\$2,500,000</b>	<b>\$1,990,000</b>	<b>\$1,710,000</b>	<b>\$300,000</b>	<b>\$160,000</b>	<b>\$22,984,840</b>

\* Excludes changes in taxable and tax exempt allocations approved by Resolution 8531. Specifically, in May 2012, the City converted approximately \$2.505 million in tax exempt debt previously issued in 2005 and 2007, respectively, in order to convert 91

\*\*Was \$2.0M, later reduced to \$1.71M upon close out of CIP 460 Complete Street Project

4. Estimated Annual Debt Service and Operating Costs for the District: Please see Exhibit 2 for a summary of anticipated revenues and expenditures for the SBTIF District.
5. Duration of the Program's Existence: The Sears Block Tax Increment Finance District shall exist until the purposes for which it has been created are fulfilled. Specifically, the District shall continue to exist until such time as:
  - a. The repayment or legal defeasance of all debt service supported by the District;
  - b. Repayment of all reserve funds contributions from the Economic Development Reserve, and Parking Fund used to finance the development program;
  - c. Capitalization of a Capital Reserve Fund, in such amounts determined by City Council, to support future repair and reconstruction of SBTIF improvements; and,
  - d. Passage of the appropriate resolutions by City Council to officially dissolve the District.

As of the date of this amendment (November 2017), it is anticipated that permanent debt service for Phase II, III, and IV improvements could be issued as soon as 2019. The specific terms of said debt service will be finalized at the time of issuance. However, said debt could be issued with a 20 year term, thereby extending the expiration date for the District to City FY2042 +/- . Notwithstanding the preceding, the actual expiration date of the District will be determined by the amount of new incremental development and associated property tax revenues. The District pro forma, included as Exhibit 2, anticipates this date might be expedited to as early as FY2030 as it is anticipated that available fund balance will be sufficient to retire debt service as well as repay or otherwise capitalize reserve funds. This projected date is predicated on various assumptions regarding cost of yet to be issued debt service, as well as assessed values and property tax revenues associated with incremental development within the District. Further, the attached pro forma included within Exhibit 2 presumes 10 year term for full principal and interest debt service issued for Phase II, III, and IV improvements.

6. Estimated Tax Increment Financing Impact on All Related Taxing Jurisdictions: All property tax revenues generated by incremental development within the SBTIF District occurring after the date of the District's creation shall be captured and retained by the District to support debt service and operating costs associated with infrastructure improvements constructed within the District.

Given assumptions included within the SBTIF District pro forma, Property tax revenues associated with incremental assessed value created in the District from new development may not be available to the Concord School District, Merrimack County, or the State of New Hampshire until debt service has been fully extinguished, the City Economic Development Reserve Fund has been fully reimbursed for its \$2.85M investment in the District together with reasonable interest, and a Capital Reserve Fund for infrastructure improvements constructed within the District has been established.

The City Council may, on an annual basis, vote to release a portion of the captured incremental assessed value, and property taxes associated therewith, to the City's General Fund, as well as the Concord School District, Merrimack County, and the State of New Hampshire, as applicable. However, release of any portion of the captured incremental assessed value shall only occur after the SBTIF has sufficient revenues to support:

- a. Existing debt service;
  - b. Repayment of equity contributions from the Economic Development Reserve Fund, Downtown Economic Development Reserve Fund, and Parking Fund;
  - c. Operating and maintenance expenses;
  - d. Capitalization of a contingency fund for the SBTIF; and,
  - e. Capitalization of a Capital Reserve Fund to support future repair and replacement of public facilities and infrastructure improvements financed by the SBTIF District.
7. Captured Value Dedicated Towards Retirement of Bonds and Notes: One hundred percent (100%) of the captured value of the District shall first be dedicated for the payment of the tax increment supported bonds and notes in accordance with NH RSA 162-k:10, II, a.

In the event the City receives captured value (and associated incremental property tax revenues) in excess of the minimum amount necessary to pay annual debt payment obligations for Sears Block TIF District Supported General Obligation Bonds, as well as operating and maintenance costs of the District, the City may, upon passage of all necessary resolutions by the City Council, allocate any portion of the excess captured value to support debt service previously issued, or to be issued, by the Parking Fund or the General Fund, for:

- a. Public improvements within the District, without limitation;
  - b. Additional debt service which might be incurred as a result of converting any portion of the taxable or tax exempt Sears Block TIF District, Parking Fund, Parking Lease, or General Fund supported General Obligation Bonds previously issued to finance design and construction of improvements within the District. Support of said debt service may occur as a financial transfer from the Sears Block TIF Fund to the Parking Fund or City's General Fund, as required.
8. Annual Allocation of Captured Value:
- a. In the event any annual Tax Increment Revenues from the Tax Increment District that, together with any unexpended balances of such revenues from prior years, exceed the amount necessary annually to meet 1) current debt service payments on the portion of the bonds designated in the Amended and Restated Sears Block TIF Plan as payable from Tax Increment Revenues, 2) costs of maintenance and operation of the Capital Commons Municipal Parking Garage in excess of available revenues produced from such facility and 3) debt service payments on the Bonds to be due in the next fiscal year shall be used to reimburse the following funds of the City for Capital Commons Municipal Parking Garage project costs, or debt service related thereto, heretofore, or hereafter paid from such funds, plus interest unless otherwise approved by the City Council.
    - i. The Parking Fund, to reimburse any equity (cash) contributions to finance public facilities and infrastructure improvements or to support debt service on bonds issued for the Capital Commons Parking Garage project.
    - ii. The General Fund, to reimburse any past or current payments from said Fund required for debt service on bonds issued for the project due to insufficient tax increment revenues or parking lease revenues, as applicable.
    - iii. The Economic Development Reserve Fund (including the Downtown Economic Development Reserve Fund), to reimburse any contributions by said Fund to support capital improvements or maintenance activities.
    - iv. Capitalization of a contingency fund, or enhancement of the District's unrestricted fund balance, to support debt service, as well as operating and maintenance expenses in the event

of potential reductions in property tax revenue associated with property tax abatements for incremental real estate development within the District.

- b. In the event the District generates sufficient captured assessed value (and associated incremental property tax revenues) resulting in a surplus of such incremental tax revenues after satisfying the District's annual debt service, operating expenses, and contingency fund obligations set forth within items i-iv above, the City may also:
  - i. Create a capital reserve fund to support future repair or replacement of infrastructure and public improvements constructed within the District, including, but not limited to the Capital Commons Municipal Parking Garage; or,
  - ii. Release a portion of the District's captured assessed value or associated "surplus" property tax revenues to the City's General Fund, as well as the Concord School District, Merrimack County, and State of New Hampshire, as applicable.

## **VII. District Administration**

1. In accordance with RSA 162-K:13, the City Manager, or his designee, shall serve as the District Administrator. The District Administrator shall be responsible for:
  - a. Staffing the SBTIF Advisory Board;
  - b. Preparing reports;
  - c. Overseeing capital investments;
  - d. Coordinating maintenance activities within the District;
  - e. Negotiating agreements to acquire or sell real estate for City Council's approval;
  - f. Preparing grant applications to support development activities within the District; and,
  - g. Negotiating contracts for design, construction, or maintenance of public facilities and infrastructure improvements constructed within the SBTIF Districts.

**VIII. Section VI Advisory Board Responsibilities**

In accordance with RSA 162-K:14, the City Council passed Resolution #7740 on May 9, 2005, which created the Advisory Board. This resolution incorporated the provisions of RSA 162-K. The Advisory Board shall meet as circumstances warrant, as determined either by the City Manager, his designee, or members of the Advisory Board.

The Advisory Board shall have thirty (30) days to appeal any decision of the District Administrator to City Council for review and appropriate action.

The Advisory Board shall advise the governing body and the District Administrator on implementation of the development program, as well as maintenance and operations of the District until defeasance of all bonds and notes supported by the SBTIF and a vote by the City Council to dissolve the District.

List of Exhibits

- 1) Exhibit 1: Map of Sears Block TIF Geography.
- 2) Exhibit 2: Sears Block TIF District Financial Pro Forma



EXHIBIT 1: Sears Block TIF District Geography



**EXHIBIT 2 FINANCIAL PRO FORMA**

<b>SEARS BLOCK TAX INCREMENT FINANCE DISTRICT SUMMARY PRO FORMA</b>														
<b>REVISED SEPTEMBER 1, 2017</b>														
	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>	<b>FY 2030</b>
<b>Revenues</b>														
Property Taxes - Existing Development	\$776,610	\$1,075,934	\$1,097,453	\$1,106,252	\$1,128,377	\$1,150,944	\$1,173,963	\$1,197,442	\$1,221,391	\$1,245,819	\$1,270,735	\$1,296,150	\$1,322,073	\$1,348,515
<b><i>Property Taxes - NH Employment Security</i></b>	<b><i>\$0</i></b>	<b><i>\$0</i></b>	<b><i>\$0</i></b>	<b><i>\$125,058</i></b>	<b><i>\$255,119</i></b>	<b><i>\$260,221</i></b>	<b><i>\$265,426</i></b>	<b><i>\$270,734</i></b>	<b><i>\$276,149</i></b>	<b><i>\$281,672</i></b>	<b><i>\$287,305</i></b>	<b><i>\$293,051</i></b>	<b><i>\$298,912</i></b>	<b><i>\$304,891</i></b>
Interest Earnings	\$120	\$200	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Finance Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>SUBTOTAL REVENUES</u></b>	<b><u>\$776,730</u></b>	<b><u>\$1,076,134</u></b>	<b><u>\$1,097,753</u></b>	<b><u>\$1,231,610</u></b>	<b><u>\$1,383,795</u></b>	<b><u>\$1,411,465</u></b>	<b><u>\$1,439,689</u></b>	<b><u>\$1,468,476</u></b>	<b><u>\$1,497,840</u></b>	<b><u>\$1,527,791</u></b>	<b><u>\$1,558,341</u></b>	<b><u>\$1,589,501</u></b>	<b><u>\$1,621,285</u></b>	<b><u>\$1,653,705</u></b>
<b>Expenses</b>														
Transfers to General Fund	\$285,060	\$286,507	\$284,384	\$281,295	\$279,313	\$276,683	\$273,957	\$272,350	\$265,947	\$264,763	\$279,113	\$82,938	\$86,098	\$89,387
Transfers to Parking Fund	\$206,167	\$205,130	\$203,407	\$195,310	\$191,100	\$190,540	\$237,464	\$325,191	\$324,833	\$325,097	\$0	\$0	\$0	\$0
TIF Debt Service	\$381,300	\$477,112	\$612,420	\$810,382	\$796,139	\$777,647	\$757,748	\$742,452	\$726,734	\$712,838	\$2,036,091	\$0	\$0	\$0
Operating & Maintenance	\$9,550	\$10,030	\$10,532	\$11,058	\$6,506	\$6,831	\$7,173	\$7,531	\$7,908	\$8,303	\$8,718	\$9,154	\$9,612	\$10,093
Capital Transfer / Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Fund Contributions	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,579,512	\$1,579,512	\$1,729,512
<b><u>SUBTOTAL EXPENDITURES</u></b>	<b><u>\$882,077</u></b>	<b><u>\$978,779</u></b>	<b><u>\$1,110,742</u></b>	<b><u>\$1,298,045</u></b>	<b><u>\$1,273,058</u></b>	<b><u>\$1,251,701</u></b>	<b><u>\$1,276,341</u></b>	<b><u>\$1,347,524</u></b>	<b><u>\$1,325,422</u></b>	<b><u>\$1,311,002</u></b>	<b><u>\$2,323,922</u></b>	<b><u>\$1,671,604</u></b>	<b><u>\$1,675,222</u></b>	<b><u>\$1,828,992</u></b>
<b>Net Operating Income</b>														
<b><u>NET OPERATING INCOME</u></b>	<b><u>(\$105,347)</u></b>	<b><u>\$97,355</u></b>	<b><u>(\$12,989)</u></b>	<b><u>(\$66,435)</u></b>	<b><u>\$110,737</u></b>	<b><u>\$159,764</u></b>	<b><u>\$163,348</u></b>	<b><u>\$120,952</u></b>	<b><u>\$172,418</u></b>	<b><u>\$216,789</u></b>	<b><u>(\$765,582)</u></b>	<b><u>(\$82,103)</u></b>	<b><u>(\$53,937)</u></b>	<b><u>(\$175,287)</u></b>
<b>Fund Balance</b>														
<b><u>AVAILABLE FUND BALANCE</u></b>	<b><u>\$102,689</u></b>	<b><u>\$200,044</u></b>	<b><u>\$187,055</u></b>	<b><u>\$120,620</u></b>	<b><u>\$231,358</u></b>	<b><u>\$391,122</u></b>	<b><u>\$554,469</u></b>	<b><u>\$675,422</u></b>	<b><u>\$847,840</u></b>	<b><u>\$1,064,629</u></b>	<b><u>\$299,047</u></b>	<b><u>\$216,944</u></b>	<b><u>\$163,007</u></b>	<b><u>(\$12,280)</u></b>
Fund Balance as % of Total Expenditures	12%	20%	17%	9%	18%	31%	43%	50%	64%	81%	13%	13%	10%	-1%
Outstanding Debt Service Balance	\$12,875,030	\$13,470,715	\$11,720,489	\$10,555,975	\$9,094,122	\$7,656,115	\$6,241,440	\$4,852,270	\$3,489,800	\$2,149,451	\$0	\$0	\$0	\$0