



Vermont Economic Progress Council

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**Agency of Commerce and
Community Development**

September 7, 2012

Mr. Chip Sawyer
Director for Planning and Development
City of St. Albans
100 North Main Street
St Albans, VT 05478

Dear Chip,

As you know, on August 30, 2012, the Vermont Economic Progress Council approved the TIF District Plan and the TIF District Financing Plan from the City of St Albans, authorizing the Downtown St Albans TIF District to utilize incremental property taxes to finance infrastructure debt. Congratulations on a successful application.

An approval document containing the final Council determinations, exclusions and conditions is enclosed for your information and review. Also enclosed is a document for the City to certify and accept the TIF District approval, conditions, exclusions and obligations. Please review all documents, have the certification signed, and return it to us within 60 days of receipt.

VEPC is authorized to contract with a third party to provide analysis of financial and technical aspects of a TIF Application, with the costs being charged to the applicant municipality. The municipality may then claim those costs as "Related Expenses" which can be reimbursed from future TIF District revenue. VEPC exercised that option with the St Albans TIF District application and contracted with EPR, Inc. The current billing for those services, less the application deposit, is enclosed. Further billing for additional services may be forthcoming.

After authorization of a TIF District, there are several reporting requirements:



"Improve the economic vitality of Vermont and support a diverse, sustainable future for Vermonters"

- The Vermont Department of Taxes, PVR Division will be in touch with you regarding finalizing the Original Taxable Value and utilization of the TIF module for annual 411 Grand List reporting.
- VEPC requires notification whenever there is a vote by the City Council, a public vote, or any type of debt obligation related to the TIF District. For details, see the [Notice of Vote or Debt Obligation Policy and Procedure](#).
- The City is also required to obtain City Council approval and then report to VEPC to make any substantial change to the TIF District. See the [Substantial Change Policy and Procedure](#) for details.
- Finally, statute requires annual reporting to VEPC and the Tax Department by December 1st each year. The information and data included in these annual reports will be included in the [annual report to the General Assembly](#) submitted by VEPC and the Department of Taxes.

Finally, as a reminder, Vermont statute (24 VSA §1897(b)) requires that any pledge of credit for financing TIF District infrastructure must include a notice to the taxpayers that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, for whatever reason, including a decrease in the property value or repeal of state property tax source (unless determined otherwise by the General Assembly at the time of such repeal) the municipality shall remain liable for full payment of the principal and interest for the term of the indebtedness. This notification requirement applies to the debt ceiling vote required by 24 VSA § 1897(a) and any subsequent public vote authorizing a municipal pledge of credit (such as a bond vote).

Please contact my office if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Fred Kenney".

Fred Kenney
Executive Director

Enclosures

cc: Michelle Wilson, Vermont Department of Taxes, PVR

VERMONT ECONOMIC PROGRESS COUNCIL (FY13-TIF-05)

Application for Authorization to Utilize Incremental Municipal Property Tax and Incremental State Education Property Tax Revenue for a Tax Increment Financing District:

**CITY OF ST ALBANS TIF DISTRICT
FINAL DETERMINATIONS, EXCLUSIONS, CONDITIONS AND OBLIGATIONS**

Any references to infrastructure projects, real property development, parcels, values, increments, etc. contained in this document are stated as represented in the St Albans TIF District application submitted on May 14, 2012 (and amended with subsequent filings), considered by the Council on June 28, July 26, and August 30, 2012, and which may be adjusted by the subsequent filing of substantial changes in accordance with the Vermont Economic Progress Council [Substantial Change Policy and Procedure](#).

I. Project Summary:**A. Description:**

On April 30, 2012, the City of St Albans created a Tax Increment Financing District that is completely within the much larger boundaries of a Growth Center that was designated by the State of Vermont on July 29, 2010. The TIF District also includes a Designated Downtown for the City that was designated in 2004 (renewed in 2007).

The TIF District encompasses the areas that are planned for development and redevelopment along the Main Street and Federal Street corridors from St Albans State Highway on the south end of the City and Route 105 to the north.

The TIF District is approximately 195 acres, includes 468 parcels, and represents \$110.6 million in total Grand List value (2012). Some parcels (29) are not taxable and some have an affordable housing value reduction. The verified base taxable value (Original Taxable Value) of the TIF District is \$107,672,050. The following compares these figures to the totals for the entire City of St Albans:

St Albans TIF District Attributes						
		TIF District		Total City		TIF Dist Percent of City
Acres	Total	195.25		960.4		20%
Parcels	Total	468		2338		20%
GL Value	Total	\$107,672,050	% of TIF GL	\$452,617,300	% of Ttl GL	24%
	Homestead (#)	136	29%	1429	61%	10%
	Homestead (\$)	\$18,590,200	17%	\$240,862,800	53%	8%
	Non-Homestead (#)	303	65%	844	36%	36%
	Non-Homestead (\$)	\$89,081,850	83%	\$211,754,500	47%	42%
	Non-Taxable (#)	29	6%	65	3%	45%

[Map 5B- Showing Region, City Boundaries, Growth Center, Designated Downtown, and TIF District Attachment 6G: All Parcels Listing](#)

The District includes four zoning districts: Business 1, Business 2, High-Density Residential, and Service-Industrial. There are also four overlay design review districts located throughout the TIF District. The uses within the TIF District include retail, professional offices, banks and restaurants, general business and repair services, recreational, educational, municipal, residential, industrial, medical, and non-profits.

[Attachment 9A – Zoning Map St Albans Zoning Regulations](#)

The entire District is served by municipal water, sewer, and wastewater and communications systems are available. However, some of these infrastructure systems require upgrades and increased capacity, as outlined in the application.

[Attachment 9D – Map of Water and Sewer Districts](#)

B. Infrastructure Improvements

Generally, the infrastructure improvements, which would occur between 2013 and 2015, include:

- City Park Improvements
- Structured Parking
- Brownfield Remediation
- Roadway and Intersection improvements
- Storm Water Separation and Treatment
- Streetscape improvements

The specific improvements the City included in the application are:

[Note: Costs are adjusted to year of construction]

1. Taylor Park Master Plan Implementation

Taylor Park is the historic town green often referred to as the “living room” of St. Albans. The Taylor Park Master Planning project is currently underway to design improvements to one of the City's greatest assets and most recognizable public spaces. The vision is to maximize the park's utilization by adding more public amenities (like

event spaces and restrooms) and to update the aging infrastructure, such as sidewalks and utilities. The complete scope of the Master Plan will take approximately 3 years, in phases. As a part of the TIF District, the rehabilitation, landscaping, lighting, and amenities will cost \$929,250 and be implemented in 2013. These improvements add aesthetic and operational value that will enhance the beauty and usage of the park for the neighboring properties' residents and employees. This is a lifestyle investment that makes the entire downtown area more attractive for private development. The City plans to seek state and federal grants totaling \$160,000 to help pay for these improvements.

2. Structured Parking Garage

Parking is one of the most notable, perennial issues inhibiting development sites. To make the City of St. Albans an attractive place to invest, downtown parking must be addressed. There are currently 773 spaces (on- and off-street) available for public parking, and key locations will often experience near-100% occupancy. Businesses and developers who wish to locate in St. Albans or expand on their existing site are severely limited by restricted access to reserved parking that is convenient for their employees. Customer parking is also of great importance to businesses in the City, especially given St. Albans' position as the regional hub and retail destination of Franklin County. A 400-space parking garage would be located within the core of the major downtown block and would have a low visual impact with ideal accessibility. The total project cost is \$8,767,500. The City would construct this in 2013 to create capacity for new private investment. The City anticipates charging for certain spaces, adding about \$2.4 million in revenue to help finance this project.

3. Federal St. Multi-Modal Connector

The Federal Street Multi-Model Connector corridor spans from Lower Newton Road along Federal Street, Catherine/Market Street, Allen Street, and Lemnah Drive, connecting to the I-89 Access Road via a new road extension (north to south). The primary need for the connector project has to do with poor traffic management within the corridor and traffic impacts on Main Street downtown.

Main Street (US Route 7) is the primary north-south corridor through the City. Heavy truck and commuter traffic often create congestion and delay through the downtown, most notably at the intersections of Main Street (US Route 7) at Lake Street and Fairfield Street (VT Route 36). Motor vehicle congestion has a negative impact on the livability and safety of the otherwise pedestrian-focused commercial downtown.

To avoid vehicular congestion on Main Street, motorists often seek relief by traveling on adjacent residential streets. This is detrimental to the livability and pedestrian safety of those residential neighborhoods. The Federal Street corridor includes a mix of

residential, commercial, and industrial land uses. Its current function as an informal bypass for Main Street traffic is documented through existing vehicle turn movement counts and origin-destination studies that show that during critical peak hours, motorists that are familiar with the local street network are bypassing the aforementioned congested Main and Lake Street/Fairfield Street intersection. However, the Federal Street Corridor has inherent problems and in its current configuration it is inadequate as a bypass. These problems are due primarily to the corridor's piecemeal construction history and are exacerbated by the informally routed overflow traffic. Problems along the Federal Street corridor include:

- Inconsistent and deficient roadway geometrics
- Inconsistent pedestrian accommodations
- Poor access management
- Lack of provision for turning movements at key intersections
- Lack of direct connection to Interstate 89 (I-89)
- Generally poor state of repair

These improvements will enhance accessibility, which is currently viewed as a major hindrance to development because of the City's distance from the interstate.

This project is envisioned to include operational improvements at intersections, access management and parking improvements, traffic and way finding signs, continuous sidewalks and improved pedestrian crossings throughout, on-street bike lanes, appropriate street lighting for each roadway segment, street trees where appropriate, bridge replacement at Stevens Brook, roadway pavement rehabilitation/reconstruction, drainage improvements, and municipal utility updates. The two remaining phases of work will cost \$ 13,512,389 and will be done in 2014. The City hopes to obtain a federal TIGER grant of \$7 million to help pay for these improvements.

4. Streetscape - Phase 2 (Side Streets and down Lake St) & Phase 3 (Gateways, Way finding)

Streetscape improvements are a vital part of making Downtown St. Albans inviting, accessible, and a destination for commerce, culture and community life. The City has been pursuing and streetscape design and implementation program following priorities identified in the Downtown Master Plan and in the application for Growth Center designation. These streetscape enhancements are necessary for any further marketing of private property and redevelopment opportunities. The streetscape improvements will provide continuity between geographically separate areas, improve connectivity and way finding through corridors, and enhance the pedestrian appeal and safety that make downtown properties more viable. The project has been broken out into phases, the first of which will be completed along Main St. with existing federal funding in 2013. The next phases of streetscape improvements will create "complete streets" connections to the Federal Street Multi-Modal Connector project via the crossing streets

of Stebbins, Kingman, Center, Hoyt and Hudson. The next phases will also extend down Lake Street past the boundary of the proposed TIF district to create connections to major employment and redevelopment sites. Finally, improvements will be made farther out along northern and southern Main Street to implement multi-modal connections and way finding to bring customers into the center of the TIF district.

The streetscape improvement phases will be crucial public investments for 14 of the 17 development sites identified for substantial private investment.

These projects will include:

- Reconstructed sidewalks with new materials
- New pedestrian lighting with historic fixtures
- New pedestrian amenities, such as benches
- Realigned and rebuilt pedestrian crosswalks with new "bump-outs" where possible.
- New accessibility amenities, bringing downtown sidewalks up to code
- Re-paved streets with new striping for automobiles and bicycles
- Improvements to intersection designs.
- New tree plantings along the sidewalk
- New "way-finding" signage for visitors and other aesthetic details, such as public art
- New storm water management capabilities.
- Improvements to the utilities under the road and sidewalks

The total cost for these improvements is \$6,098,894. Construction of Phase 2 will begin in 2014 and Phase 3 in 2015. The City hopes to obtain federal TIGER grants and state transportation enhancement grants totaling \$1.6 million for these projects.

5. Storm Water Treatment Project

In 2008, the City completed a comprehensive mapping project to create accurate, up-to-date maps of the City's storm water and combined sewer systems, providing a baseline understanding of drainage patterns within the St. Albans area for storm water management and infrastructure planning. One particular challenge for further development in the TIF District is the fact that storm water from the City's core area between Federal and Main Street drains into the sewer system. During storm events, this system can exceed the hydraulic capacity of the treatment plant, resulting in an overflow release of water near the junction of South Elm and Lower Welden Street. The State could choose to limit development in the City, based upon the combined overflow situation, but has taken a 'wait and see' attitude thus far. Redevelopment projects in particular, such as anything within the downtown core or the Handy site on Lake Street, will need to address storm water as a component of their applications for development. However the indication is that new EPA and VT DEC storm water rules eventually will require the City to treat any storm water separated out of the system before it is released into natural waterways. The built-up nature of the City and the

desire to create a compact, walkable downtown means that storm water treatment must be handled comprehensively, rather than on site. Therefore the City needs to build a storm water treatment area to the north (outside the TIF District) for separated storm run-off. This TIF infrastructure project will eliminate one more barrier to development in these areas that are best suited for the investment. This work will cost \$1,150,000 and will be constructed in 2015.

6. Core Brownfield Clean-up

One of the legacies of the City's historically intense urban development is the presence of brownfield sites within the City's downtown. The core of the main downtown block is a surface parking lot (to be redeveloped into the parking garage described above) and is bordered by developable properties. However, an environmental site investigation report identified the presence of polyaromatic hydrocarbons and heavy metals in the soil and two potential Underground Storage Tanks (USTs) that are environmentally hazardous in this area. Prior to constructing anything - either the parking garage or the developable properties nearby - these brownfield conditions must be mitigated. This work would be done in 2013 and cost \$233,546. There is the potential for \$177,000 in EPA funds for this project.

7. Fonda Brownfield Clean-up

The Fonda site is a well-located and sizable property on the northwestern edge of the TIF District with prime redevelopment potential. Formerly a manufacturing plant, there are many environmental complications - primarily the presence of contaminants in the soil and groundwater that could be a risk to human health. In 2011 a brownfield remediation project costing \$900,000 (mostly federal funds) was completed to demolish the contaminated buildings and cover contaminated areas of the remaining concrete slab. The next phase in clean-up will be to develop and implement a corrective action plan to remove any remaining contaminants in the slab and soil on the site. There is \$992,982 of remaining work that must be finished before the multi-family housing project can be built. This would be done in 2014 just before construction would commence on the redevelopment project. This project also has the potential for \$400,000 in EPA funding.

Total infrastructure costs, including inflation factors and soft costs are estimated to be \$32.4 million, as detailed below. The applicant estimates about \$9.3 million in non-TIF funding through a potential state and federal grants. Related costs, as allowed by statute, are estimated at \$35,000. Total debt is estimated at \$33.6 million, including \$10.5 million to finance about \$23 million in infrastructure costs.

[Attachment 6D – TIF Plan Narrative](#)

Tables: [6H: Infrastructure Projects](#), [6I: Infrastructure, By Type](#), [6J: Infrastructure, by Year](#), [6K: Nexus](#), [6Oa: Non-TIF Revenue Sources](#), [6P: Summary of Debt](#), [6R Related costs Testimony and Exhibits](#)

Summary of Infrastructure and Other Costs:

Category:	Estimated Total Cost (Year of Construction)	Estimated State & Federal Grants	Estimated TIF Financed Costs
Park Improvements	\$929,250	\$160,000	\$769,250
Structured Parking	\$8,767,500	\$0	\$8,767,500
Roadway Improvements	\$13,512,389	\$7,000,000	\$6,512,389
Streetscapes	\$6,861,255	\$1,600,000	\$5,261,255
Stormwater	\$1,150,000	\$0	\$1,150,000
Brownfields	\$1,226,528	\$577,000	\$649,528
Subtotal	\$32,446,922	\$9,337,000	\$23,109,922
Other Costs:			
Financing	\$10,572,974		\$10,572,974
Related	\$35,000		\$35,000
Totals:	\$43,054,896	\$9,337,000	\$33,717,896

C. Real Property Developments

The City has included sixteen potential real property development/redevelopment projects that may be encouraged to occur during the TIF period because of the proposed infrastructure projects:

Mylan Technologies, Inc. (MTI) Expansion

This project will remove 14,278 square feet of existing storage space and add 85,320 square feet of new space (3 floors) for a total of 238,410 square feet, all Manufacturing.

St. Albans Cooperative Creamery New Store

Demolition of existing vacant houses. Construction of 17,922 square feet new retail (warehouse type building) and 4,300 square feet new outdoor storage.

St. Albans Cooperative Creamery Factory Expansion

Removal of old store. Construction of 13,732 square feet of new manufacturing (expansion).

Davis Redevelopment - Ralston Building

Extensive renovations of 5,888 square feet in a historic downtown building. 3 Stories, first floor retail and upper floors commercial/rental.

Core Commercial Development

Details of this project are still proprietary to private parties.

Handy Main St.

Reconfigure a deficient car dealership layout near the center of Downtown to build a new 3 story retail/residential (rental) building with 36,000 square feet

Davis Redevelopment - Electric Youth Building

Extensive renovations of 9,024 square feet in a historic downtown building. 3 Stories, first floor retail and upper floors commercial/rental.

Davis Redevelopment - Dressing Room Building

Extensive renovations of 4,473 square feet in a historic downtown building. 3 Stories, first floor retail and upper floors commercial/rental.

St. Albans House

Complete renovation of a pivotal historic building in Downtown St. Albans. 4 Stories. 2,420 square feet 1st floor retail, 2,550 square feet 2nd floor commercial, 3,033 square feet 3-4th floor residential (rental).

Stebbins & Catherine

Combine 3 lots, including burned down Bernie Gage building and old carwash. Build new 2-story 8,000 square feet retail/residential (rental) building.

Handy Lake St.

Reconfigure a vacant car dealership to build 135,000 square feet of new retail/residential (rental).

Sale of Tax Exempt Property

Details of this project are still proprietary to private parties.

CIS (formerly INS) Office Complex Build-Out

Renovate existing U.S. Citizenship and Immigration Services Center office buildings and build 200,000 square feet of additional new office space for lease.

Switchyard Build-Out

Renovate existing grocery/retail space and add 200,000 square feet in new retail/residential (rental).

Fonda Redevelopment – Housing

Build 80 units of rental housing, 2 stories, 90,000 square feet, on a vacant 4.5 acre site.

Davis Redevelopment - 4th Building

Extensive renovations of a historic downtown building. Estimated 3 Stories, first floor retail and upper floors commercial/rental.

[Attachment 6D – Narrative](#)

[Tables 6K: Nexus, 6L: Real Property Developments Testimony and Exhibits](#)

D. Base Value (OTV), TIF Debt, and Revenue

The verified base *taxable* value (OTV- 2012) of the properties located within the TIF District is \$107,672,050. The current taxable value of the properties expected to be developed and improved because of the TIF infrastructure is \$33.8 million, including two properties that currently have no grand list value. The estimated assessed value after the infrastructure improvements and redevelopment is \$123.5 million, for an \$89.7 million incremental value (all non-homestead). St Albans estimates the generation of \$62.5 million in incremental property taxes during the 20 year retention period (2013 - 2033). The applicant is proposing that the maximum allowable 75% of the increment (both municipal and education property tax) go to the TIF District debt and costs, or a total of **\$47 million** (\$16 million municipal and \$31 million EPT).

The City has applied for, and anticipates applying for, several federal and state transportation and brownfields grants to help cover the costs of infrastructure. Total revenues from grants are estimated at \$9.3 million. The City also anticipates revenue from parking fees charged for spaces in the new parking structure, totaling \$2.4 million. Combined TIF revenue from property taxes, state and federal grants, and parking revenue is estimated at \$58.7 million. Total debt, including cost of infrastructure, financing costs, and related costs, is estimated at \$43 million. Any excess revenue beyond that required to service debt and pay related costs would be returned to the municipal general fund and the education fund. That amount is estimated to be \$15.6 million, depending on finance costs, availability of state and federal grants and parking revenue.

[Tables 6M: Incremental Value, 6N: TIF Revenue Projections, 6O: Summary of Revenue From All Sources, 6P: Summary of Annual Debt, 6Q: Total Cash Flow, 6Qa: TIF Revenue Cash Flow, 6R: Related Costs](#)

II. Summary of Base Value, Revenue and Debt:

St Albans TIF District			
Summary of Revenue and Debt			
Original Taxable Value (2012):			
Total Base Taxable Value (Original Taxable Value)			(\$107,672,050)
Homestead			\$18,590,200
Non-Homestead			\$89,081,850
Total Base Annual Property Tax Revenues			(\$2,404,247)
Municipal			\$848,563
Education Total			\$1,555,684
Homestead			\$247,250
Non-Homestead			\$1,308,434
Projected Revenue:			
Total Estimated Incremental Property Tax Revenue			\$62,565,538
Municipal Increment			(\$21,344,233)
Total Education Increment			(\$41,221,305)
Homestead			\$0
Non-Homestead			(\$41,221,305)
Incremental Revenue Split:			
Total Incremental Revenue to Service TIF Debt			\$46,924,154
Municipal to TIF (75%)			(\$16,008,175)
Education Homestead to TIF (75%)			\$0
Education Non-Homestead to TIF (75%)			(\$30,915,979)
Total Incremental Revenue to Municipal General Fund (25%)			\$5,336,058
Total Incremental Revenue to Education Fund			\$10,305,326
Homestead (25%)			\$0
Non-Homestead (25%)			(\$10,305,326)
Total Other Sources of Revenue			\$11,766,737
Federal & State Grants			(\$9,337,000)
Parking Structure Revenue			(\$2,429,737)
Total Estimated Revenue for TIF Costs			\$58,690,891
Projected Debt:			
Total Infrastructure Costs			\$32,446,922
Infrastructure Costs to be Financed			(\$23,109,922)
Cost of Financing (Interest)			\$10,572,974
Related Costs			\$35,000
Total Estimated Debt:			\$43,054,896
Potential Excess Revenue:			\$15,635,995

III. Timeline:

A. Application Timeline:

VEPC Staff meeting with Town Officials:	8/11/09, 8/26/09, 11/8/11, and 4/25/12
Municipal Notice of Intent to Apply Filed:	August 23, 2010
Earliest Date Application Could be Filed:	October 23, 2010
Municipal Notice of Hearing on TIF District Plan:	April 27, 2012
Municipal Hearing(s) on TIF District Creation and Plan:	April 30, 2012
Municipal Legislative Body Vote on TIF District Creation:	April 30, 2012
Municipal Legislative Body Vote on TIF District Plan:	April 30, 2012
TIF Plan Filed and Recorded with Town Clerk:	May 10, 2012
Assessed Values Certified by Town Assessor:	May 7, 2012
Life of TIF District Starts:	April 1, 2012
TIF District Application Filed with VEPC:	May 14, 2012
Application Certified as Administratively Complete:	May 18, 2012
Tour/Public Comment/Preliminary Review by VEPC:	June 28, 2012
Continued Review of Application:	July 26, 2012
Final Determinations Approved:	Aug 23, 2012

B. Power and Life of District Timeline:

Date TIF District Created by Vote of Municipal Legislative Body:	April 30, 2012
Date TIF District Life Began: (12:01 a.m. on):	April 1, 2012
Deadline to Incur Any TIF District Debt (See below for Restriction on Debt to be Financed with Education Property Tax):	March 31, 2032
Deadline to Incur Debt Without Requirement for Re-approval Of TIF District Plan by VEPC:	March 31, 2017
Deadline to Incur Debt That Can be Paid with Incremental TIF District Education Fund Revenues:	March 31, 2017
Period During Which Any TIF Debt Must be Retired:	As Authorized by City Council
Length of Debt Service for each Debt instrument :	As Authorized by City Council
Twenty Year Period During Which Incremental Education Property Tax Revenues May be Retained to Finance TIF District Debt:	20 years from the year first TIF debt incurred
Twenty Year Period During Which Incremental Municipal Property Tax Revenues May be Retained to Finance TIF District Debt:	April 1, 2012 – March 31, 2032
Date TIF District Ends	Date/Hour all TIF debt is retired

IV. TIF District Review Criteria - Summary of Determinations: (For determination detail, see Section V)

- A. Purpose:** The Council determines that the St Albans TIF District meets the statutory purpose of a TIF District as stated in 24 VSA §1893. The Council conditions this determination with a requirement that the annual reporting on this TIF District include job creation data with detailed information on the employers that locate within the TIF District, such as type of business, number of employees, and previous location.
- B. But For Criteria:** The Council determines that the St Albans TIF District is within a Growth Center designated and approved under 24 V.S.A. § 2793c and, therefore, is deemed to have statutorily met the But For criterion in accordance with 32 VSA §5404a(h)(1).
- C. Nexus:** The Council determines that for the St Albans TIF District nexus exists between all proposed public infrastructure projects, all parcels, and all expected private sector developments in the St Albans TIF District, as presented in the application.
- D. Proportionality:** The Council determines that proportionality is set at 100% for each infrastructure project as presented in the TIF District application.
- E. Process Criteria:** The Council determines that the Process Criteria as stated in 32 VSA §5404a(h)(2) for a TIF District have been met.
- F. Location Criteria:** The Council determines that the St Albans TIF District is entirely within a Growth Center designated and approved under 24 V.S.A. § 2793c and, therefore, Location Criterion as stated in 32 VSA §5404a(h)(3)(B) is met.
- G. Project Criteria:** The Council determines that the “Need” Project Criterion as stated in 32 VSA §5404a(h)(4)(A), the “Brownfields” Project Criterion as stated in 32 VSA §5404a(h)(4)(B), and the “Transportation” Project Criterion as stated in 32 VSA §5404a(h)(4)(E), are met.
- H. Viability:** The Council determines that the TIF District Plan and TIF Financing Plan, as presented, indicate fiscal and market viability to the extent possible at the time of review by the Council.
- I. TIF District Financing Plan:** The Council determines that the TIF Financing Plan is consistent with the TIF District Plan, as presented. However, because of the nature of infrastructure cost estimating and the reliance on non-TIF revenue such as federal and state grants and parking revenue to maintain a positive revenue flow for the TIF District, the TIF District Finance Plan is approved with the condition that the following information be included in the Annual Report from the City:
- Potential revenue generation from parking and final cost estimates when design, engineering and preliminary site work are finalized for the parking structure and the Federal Street Multi Modal.

- Details regarding application for and approval or denial of any state and/or federal grants that are expected to be utilized for TIF District infrastructure projects.

And, prior to March 31, 2017, the City of St Albans shall provide a revised Financial Plan to VEPC.

FINAL DETERMINATION

V. TIF District Application Review Criteria: Criteria Detail

A. Purpose: (24 VSA §1892)

“(a) Upon a finding that such action will serve the public purposes of this subchapter, the legislative body of any municipality may create within its jurisdiction, special district or districts to be known as tax increment financing districts. They shall describe the district by its boundaries and the properties therein and shall show the district boundary on a plan entitled “Proposed Tax Increment Financing District (municipal name), Vermont.” The legislative body shall hold one or more public hearings, after public notice, on the proposed plan.

(b) When adopted by the act of the legislative body of that municipality, the plan shall be recorded with the municipal clerk and lister or assessor.

“...to provide revenues for improvements that serve the district and related costs, which will stimulate development or redevelopment within the district, provide for employment opportunities, improve and broaden the tax base, or enhance the general economic vitality of the municipality, the region, or the state.”

(24 VSA §1893)

Evidence:

[Attachment 4A: Statement of Purpose](#)

[Attachment 4B: City Council Finding](#)

[Table 4D: Estimated Employment within TIF District at Application](#)

“provide revenues:” The municipality projects that during the 20 year retention period (estimated to be 2013-2033 because St Albans plans to incur first debt in 2013, which triggers the retention period); the development that is expected to occur will generate a total of \$62.5 million in incremental property tax revenues. The municipality proposes to split the incremental revenues with 75% going to service the TIF infrastructure debt and 25% going to the taxing authorities (municipality and the education fund). At this rate, and based on the projected build out schedule, \$47 million in incremental property tax revenues would be generated to service TIF infrastructure debt and pay related costs during the 20-year retention period. The total debt service and related costs are estimated to be \$43 million. The City anticipates additional revenue from federal and state grants and parking revenue totaling \$11.7 million. *If* private development occurs as projected and other sources produce anticipated revenues, the TIF will provide sufficient revenues. See the “Viability” section for more detail.

Tables: [6M-Incremental Value](#), [6N- Revenue Projections](#), [6Q Total Cash Flow](#), and [6Qa – Property Tax Revenue Cash Flow](#), [Third Party Analysis](#)

“improvements that serve the District:” The public investments proposed are all located almost entirely within the TIF District. About 50% of the storm water treatment project would be located outside of the TIF District. The gateway and way finding projects (Streetscape Phase III) would be partially outside the District. City officials, developers, and others providing comments to the Council have stated that the investments are necessary to encourage, and in some cases enable, the projected private developments within the TIF District. The City proposed and the Council approved 100% proportionality for all the public investments because they serve the TIF District. Tables 6K and 6L detail the nexus and the impact of each public infrastructure project on the TIF overall and specific development projects.

[Attachment 6D](#) – Narrative, [Table 6K](#) (Nexus Descriptions), [Table 6L](#) (Real Property Developments).

“stimulate development and redevelopment within the District:” The expected development includes mixed use development as allowed by zoning: business, service, industrial, and residential. The plan includes the expansion of two major employers (Mylan and St Albans Creamery), new construction and redevelopment of retail, commercial and residential space, including several multi-level buildings with retail on the street floor and commercial and residential on the upper floors, a grocery store, and government and other office space. The application includes letters from developers, a cross-reference of the infrastructure that is required for each project and testimony was also provided at the June 28 hearing regarding the need for public infrastructure to stimulate and encourage these projects to occur.

[Attachment 6D](#) – Narrative, [Table 6K](#) (Nexus Descriptions), [Table 6L](#) (Real Property Developments), Letters from Developers: [St Albans Creamery](#), [Lake Street Offices, LLC](#), [JL Davis, Inc.](#), [Mylan Technologies](#), [June 28, 2012 testimony](#).

“provide for employment opportunities:” According to census data, there are approximately 2000 jobs within the TIF District. The TIF plan projects the development or redevelopment of about 520,000 square feet of commercial space, and 100,000 square feet of industrial space (not including the confidential projects). The City projects the creation of approximately 800-1000 new jobs if all projects are built out. [Table 4D: Estimated Employment within TIF District at Application](#)

“improve and broaden the tax base and enhance general economic vitality of the municipality, the region, or the state.” As a result of the implementation of the TIF District and the resultant development, the tax base will expand over the next twenty years and St Albans and the State will realize incremental tax revenues. Prior to the TIF, the annual base of property tax revenue from the TIF District going to St Albans and the Education Fund is \$2.4 million per year (\$848,000 municipal and \$1.5 million education). During the 20-year TIF retention period, because of the 75/25

share of the increment, an estimated \$5.3 million in total incremental property tax revenues will go to the municipality and \$10.3 million to the Education Fund. After the retention period, the annual property tax revenue to the municipality and the education fund will be approximately \$4.7 million each year (+2.3 million annually). The added commercial and retail activity will also provide additional state tax revenues through income, sales and use and payroll taxes. The plan will strengthen the community's economic function as a hub of economic and cultural activity in northwest Vermont.

Tables: [6M-Incremental Value](#), [6N- Revenue Projections](#), [6Q Total Cash Flow](#), and [6Qa – Property Tax Revenue Cash Flow, Third Party Analysis](#)

Determination to be made:

Will the District generate incremental revenues sufficient to finance public infrastructure that serves the District and which stimulates real property development that will add jobs, broaden the tax base, or enhance the general economic vitality of the municipality, region, or state?

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, and testimony before the Council, the Council determines that the St Albans TIF District meets the statutory purpose of a TIF District as stated in 24 VSA §1893. The Council conditions this determination with a requirement that, for tracking purposes only, the annual reporting on this TIF District include job creation data with detailed information on the employers that locate within the TIF District, such as type of business, number of employees, and previous location.

TIF District Application Review Criteria: Criteria Detail (Cont.)

B. But For:

“Review each application to determine that the new real property development would not have occurred or would have occurred in a significantly different and less desirable manner but for the proposed utilization of the incremental tax revenues. A district created in a designated growth center under 24 V.S.A. § 2793c shall be deemed to have complied with this subdivision. The review shall take into account:

(A) The amount of additional time, if any, needed to complete the proposed development within the tax increment district and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing.

(B) How the proposed development components and size would differ, if at all, without education property tax increment financing.

(C) The amount of additional revenue expected to be generated as a result of the proposed development; the percentage of that revenue that shall be paid to the education fund; the percentage that shall be paid to the municipality; and the percentage of the revenue paid to the municipality that shall be used to pay the municipal tax increment bonds.”

(32 VSA §5404a(h)(1)

Evidence:

[Growth Center Designation](#)

[Designations Map](#)

Determination to be made:

Is the TIF District completely within a Designated and Approved Growth Center and, therefore, statutorily deemed to have met the But For criterion?

Determination:

The Council determines that the St Albans TIF District is wholly within a Designated Growth Center approved in accordance with 24 V.S.A. §2793c and, therefore, is statutorily deemed to have met the But For criterion in accordance with 32 V.S.A. §5404a(h)(1).

TIF District Application Review Criteria: Criteria Detail (Cont.)

C. Nexus:

“ The legislative body may pledge and appropriate in equal proportion any part or all of the state and municipal tax increments received from properties contained within the tax increment financing district for the *financing for improvements and for related costs in the same proportion by which the infrastructure or related costs directly serve the district at the time of approval of the project financing by the council, and in the case of infrastructure essential to the development of the district that does not reasonably lend itself to a proportionality formula, the council shall apply a rough proportionality and rational nexus test...*”

(VSA 24 §1897)

Evidence:

Table 6K: [Infrastructure Nexus Information](#)

Table 6L: [Real Property Development Projects](#)

[Testimony and Exhibits](#)

Determination to be made:

Is there a connection, or nexus, between one or more of the public infrastructure projects proposed to be financed with TIF revenue and each of the expected real property developments that will generate the incremental revenue to pay for the infrastructure, and/or between the public infrastructure projects proposed and the parcels included in the TIF District?

Determination:

All of the projected infrastructure projects are within the TIF District. St Albans has provided evidence of the relationships between the planned public infrastructure improvements and the expected real property development within the TIF District. They explain how the infrastructure is directly and indirectly linked to each real property development project, how it will serve the development, and is, in many cases, essential for the development to occur. The improvements are also required to achieve the overall goals of the TIF District as expressed in the Purpose Statement.

Therefore, based on the St Albans TIF District Plan and TIF Financing Plan as presented, and testimony before the Council, the Council determines that nexus exists, to a sufficient degree, between the proposed public infrastructure projects, the included parcels, and the expected private sector developments.

TIF District Application Review Criteria: Criteria Detail (Cont.)

D. Proportionality

“ The legislative body may pledge and appropriate in equal proportion any part or all of the state and municipal tax increments received from properties contained within the tax increment financing district for the *financing for improvements and for related costs in the same proportion by which the infrastructure or related costs directly serve the district at the time of approval of the project financing by the council, and in the case of infrastructure essential to the development of the district that does not reasonably lend itself to a proportionality formula, the council shall apply a rough proportionality and rational nexus test...*”

(24 VSA §1897)

Evidence:

Table 6H: [Infrastructure Project Costs](#)

Table 6K: [Infrastructure Nexus Information](#)

Table 6L: [Real Property Development Projects](#)

Table 6M: [Real Property – Incremental Value](#)

[Marketing Analysis and Marketing Plan](#)

[Third Party Analysis](#)

Determination to be made:

What proportion of infrastructure costs can be attributed to the TIF District, and therefore financed with TIF revenue?

Determination:

St Albans proposed that proportionality be set at 100% for all proposed infrastructure projects. The City provided narrative evidence and data to support their position. Council analysis determined that each project is located within the District and will directly serve the District. Therefore, based on the St Albans TIF District Plan and TIF Financing Plan as presented, and testimony before the Council, the Council determines that proportionality is set at 100% for each infrastructure project as presented in the TIF District application.

In accordance with the [Proportionality Policy and Procedure](#) adopted by the Council, the Council expects that the City of St Albans will utilize any and all non-TIF revenue funding to offset the total costs of the infrastructure costs and to continue to pursue any further non-TIF funding that may be available or become available during the life of the TIF.

TIF District Application Review Criteria: Criteria Detail (Cont.)

E. Process Criteria:

“Process requirements. Determine that each application meets all of the following four requirements:

(A) The municipality held public hearings and established a tax increment financing district in accordance with 24 V.S.A. §§ 1891-1900.

(B) The municipality has developed a tax increment financing district plan, including: a project description; a development financing plan; a pro forma projection of expected costs; a projection of revenues; a statement and demonstration that the project would not proceed without the allocation of a tax increment; evidence that the municipality is actively seeking or has obtained other sources of funding and investment; and a development schedule that includes a list, a cost estimate, and a schedule for public improvements and projected private development to occur as a result of the improvements.

(C) The municipality has approved or pledged the utilization of incremental municipal tax revenues for purposes of the district in the same proportion as the utilization of education property tax revenues approved by the Vermont economic progress council for the tax increment financing district.

(D) The proposed infrastructure improvements and the projected development or redevelopment are compatible with approved municipal and regional development plans, and the project has clear local and regional significance for employment, housing, and transportation improvements.”

(32 VSA §5404a(h)(2)

Evidence:

- ✓ Copy of municipal [public hearing notice](#), [agenda](#), [minutes](#).
- ✓ Copy of [municipal finding of purpose](#).
- ✓ [Physical description](#) and a [map of TIF District](#), and [listing of properties within District](#).
- ✓ Copy of minutes of municipal legislative body meeting at which TIF District plan was adopted. (See minutes above).
- ✓ [Copy of certification of original taxable value](#) including date and time established and certified.
- ✓ [Certification that plan was recorded](#) including a [copy of TIF District Plan](#), which must include:
 - ✓ A map of the municipality with the TIF District indicated.
 - ✓ A description of the district by its boundaries and properties located within the District.
 - ✓ Statement of costs and sources of revenue, including sources other than incremental tax revenues.
 - ✓ Estimates of assessed values within the District.
 - ✓ Estimated tax increments in each year.
 - ✓ Amount of bonded indebtedness to be incurred.

- ✓ Duration of the plan.
- ✓ Amount of additional revenue expected to be generated as a result of the proposed development, and:
 - The percentage of that revenue that will be paid to the education fund.
 - The percentage of that revenue that will be paid to the municipality.
 - The percentage of that revenue that will be paid to the municipality and used to pay the municipal tax increment bonds.
- ✓ A general project overview.
- ✓ A detailed project description, including:
 - Bonding and other debt instrument approval and financing schedules.
 - Infrastructure development schedule including description, costs, and build out schedule.
 - Development and redevelopment schedule including description, costs, and information on who will accomplish development.
- ✓ Pro forma projection of related costs that will be paid for by incremental tax revenues including description and amounts. Should include any payments to a designated coordinating agency and any costs incurred prior to approval that will be recouped by the municipality.
- ✓ Evidence that the municipality is seeking or has obtained other sources of funding and investment.
- ✓ [Written statement from top municipal official stating whether the projected development and/or redevelopment are compatible with municipal plan.](#)
- ✓ Copies of relevant sections of [municipal plan](#) with which project is compatible.
- ✓ A written explanation from top municipal official describing [how the project has clear local significance for employment, housing, and transportation improvements.](#)
- ✓ Written [confirmation by appropriate regional planning commission](#) explaining how the projected development and/or redevelopment is compatible with approved regional plan and an explanation of how the project has clear regional significance for employment, housing and transportation improvements.
- ✓ Copies of relevant sections of the [regional plan](#).
- ✓ Written explanation from top municipal official indicating whether additional local or state [permits](#) will be required for the project, which permits will be required and a timeline for approval of the permits.

Determination to be Made:

Were all statutory steps taken by municipality to create a TIF plan and a TIF District, including public input? Are all required elements included in the TIF Plan? Has the municipality approved or pledged the utilization of incremental municipal tax revenues for purposes of the district in the same proportion as the utilization of education property tax revenues approved by the Council for the tax increment financing district? Are the proposed infrastructure improvements and the projected development or redevelopment compatible with approved municipal and regional development plans, and does the project have clear local and regional significance for employment, housing, and transportation improvements?

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, and testimony before the Council, the Council determines that the Process Criteria as stated in 32 VSA §5404a(h)(2) for a TIF District have been met.

TIF District Application Review Criteria: Criteria Detail (Cont.)

F. Location Criteria:

“Location criteria. Determine that each application meets one of the following criteria:

(A) The development or redevelopment is compact, high density, and located in or near existing industrial areas.

(B) The proposed district is within an approved growth center, designated downtown, designated village center, or new town center.

(C) The development will occur in an area that is economically distressed, which for the purposes of this subdivision means that the area has experienced patterns of increasing unemployment, a drop in average wages, or a decline in real property values.

(32 VSA §5404a(h)(3))

Evidence:

Attachment 7D: [Map showing Designated Downtown, Growth Center and TIF Boundaries](#)

Attachment 7E: [Growth Center Designation](#)

Determination to be made:

Does the TIF District meet one of the statutory location criteria?

Determination:

The Council reviewed the Growth Center designation and the maps submitted with the application and requested a review of both boundaries by an ACCD GIS professional and confirmation by ACCD Vermont Downtown staff that boundaries are the same. Based on the St Albans TIF District Plan and TIF Financing Plan as presented, the Council determines that the St Albans TIF District is wholly within a Growth Center designated and approved under 24 V.S.A. § 2793c, and therefore the Location Criterion as stated in 32 VSA §5404a(h)(3)(B) is met.

TIF District Application Review Criteria: Criteria Detail (Cont.)

G. Project Criteria:

“Project criteria. Determine that the proposed development within a tax incentive financing district will accomplish at least three of the following five criteria:

(A) The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.

(B) The development includes new housing that is affordable to the majority of the residents living within the municipality and is developed at a higher density than at the time of application. “Affordable” has the same meaning as in 10 V.S.A. § 6001(29).

(C) The project will affect the mitigation and redevelopment of a brownfield located within the district. For the purposes of this section, “brownfield” means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.

(D) The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the department of labor.

(E) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.”

(32 VSA §5404a(h)(4)

St Albans addressed Project Criteria A, C, and E:

Project Criteria A: *“The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.”*

Evidence:

Attachment 8A: [Public Investment narrative](#)

Tables:

[8B–Municipal Budget Summary](#),

[8C–Capital Budget Summary](#), and

[8D–Debt Service Summary](#)

[Third Party Analysis](#)

Determination to be made:

Does the infrastructure development require substantial public investment over and above the normal municipal or bonded debt expenditures of the town?

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, testimony before the Council, and third party analysis, the Council determines that the Project Criterion as stated in 32 VSA §5404a(h)(4)(A) is met.

Project Criteria C: *“The project will affect the remediation and redevelopment of a brownfield located within the District. For the purposes of this section, “brownfield” means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.”*

Evidence:

[Attachment 8G – Brownfield Site Map](#)

[Attachment 8H – Brownfield Narrative](#)

Attachment 8I – [Fonda Property Corrective Action Feasibility](#)

[Environmental Site Investigation Summary- City Core site](#)

[Attachment 8J – Brownfield remediation Plan Statement](#)

Determination to be made:

Is there an area in the TIF District in which a hazardous substance, pollutant, or contaminant is or may be present that is likely to complicate the expansion, development, redevelopment, or reuse of the property, and will one of the proposed projects cause the remediation and redevelopment of that site?

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, and testimony before the Council, the Council determines that the Project Criterion as stated in 32 VSA §5404a(h)(4)(C) is met.

Project Criteria E: *“The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.”*

Evidence:

Attachment 8L: [Transportation narrative](#)

Attachment 8M: [Federal Street Multi-Modal Connector Environmental Assessment Third Party Analysis](#)

Determination to be made:

Will the public infrastructure projects and the overall TIF development create improved traffic patterns and flow *or* create improved public transportation systems?

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, testimony before the Council, and third party analysis, the Council determines that the Project Criterion as stated in 32 VSA §5404a(h)(4)(E) is met.

TIF District Application Review Criteria: Criteria Detail (Cont.)

H. Viability:

While not a criterion directly required in statute for the application to meet, determining if the TIF District is viable is an implied and prudent task for VEPC.

Evidence:

Tables: [6N-Property Tax Revenue Summary](#), [6O-Summary of All Revenue](#), [6Oa-Non-TIF Revenue Sources](#), [6P-Summary of Debt](#), [6Q- Total Cash Flow](#), [6Oa- TIF Revenue Only Cash Flow](#), [6R- Related Costs](#).

[Market Analysis and Marketing Plan](#)

[Downtown Master Plan](#)

[Approved Growth Center Application](#)

[Create St Albans Planning Process and Tool Kit](#)

[Third Party Analysis](#)

Determination to be made:

Will the proposed private sector development generate sufficient tax revenues to cover the costs of financed infrastructure debt and related costs (fiscal viability)? What is the likelihood that the proposed development /redevelopment can occur at the scope and timeline presented (market viability)?

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, testimony before the Council, and third party analysis, the Council determines that the TIF District Plan and TIF Financing Plan, as presented, and to the extent that a determination can be made at the time of application, is fiscally viable and has reasonable market viability.

TIF District Application Review Criteria: Criteria Detail (Cont.)

I. TIF Financing Plan

Statute:

“(c) Prior to requesting municipal approval to secure financing, the municipality shall provide the council with all information related to the proposed financing necessary for approval and to assure its consistency with the plan approved pursuant to 32 V.S.A. § 5404a(h). The council shall also assure the viability and reasonableness of any proposed financing other than bonding and least-cost financing.”
(24 VSA §1894(c))

Evidence:

Tables: [6N-Property Tax Revenue Summary](#), [6O-Summary of All Revenue](#), [6Oa-Non-TIF Revenue Sources](#), [6P-Summary of Debt](#), [6Q- Total Cash Flow](#), [6Qa- TIF Revenue Only Cash Flow](#), [6R- Related Costs](#).

[Third Party Analysis](#)

Determination to be made:

Is the TIF Financing Plan consistent with the TIF Plan?

Secondarily, if the municipality is using debt other than bonding, is the project financing viable and reasonable.

Determination:

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, testimony before the Council, and third party analysis, the Council determines that the TIF District Financing Plan is consistent with and TIF District Plan, as presented. However, because of the nature of infrastructure cost estimating and the reliance on non-TIF revenue such as federal and state grants and parking revenue to maintain a positive revenue flow for the TIF District, the TIF District Finance Plan is approved with the condition that the following information be included in the Annual Report from the City:

- Potential revenue generation from parking and final cost estimates when design, engineering and preliminary site work are finalized for the parking structure and the Federal Street Multi Modal.
- Details regarding application for and approval or denial of any state and/or federal grants that are expected to be utilized for TIF District infrastructure projects.

And, prior to March 31, 2017, the City of St Albans shall provide a revised Financial Plan to VEPC.

Approval of TIF District Plan and TIF Financing Plan Submitted by the City of St Albans:

Therefore, in accordance with 32 V.S.A. §5404a(h) and 24 V.S.A. Subchapter 5, on August 30, 2012 the Vermont Economic Progress Council voted 7-0-0 to approve the St Albans TIF District Plan and TIF District Financing Plan and authorized the TIF District to utilize incremental property tax revenues to finance public infrastructure debt incurred for the St Albans TIF District, as described and conditioned above.

Based on the St Albans TIF District Plan and TIF Financing Plan as presented, the Council anticipates that in accordance with 24 VSA §1987(a), the City of St Albans will seek a vote by the legal voters of the municipality to authorize the legislative body of the municipality to pledge the credit of the municipality up to a specified maximum dollar amount for all debt obligations to be financed with incremental property tax revenues, pursuant to this approval. Based on this approval, the dollar amount is expected to be approximately \$33,600,000, including the cost of debt financing. Further, in accordance with 24 VSA §1897(b), this pledge and any subsequent pledge of credit for financing TIF infrastructure shall include a notice that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, for whatever reason, including a decrease in property value or repeal of a state property tax source, unless determined otherwise at the time of such repeal, the municipality shall remain liable for full payment of the principal and interest for the term of indebtedness.



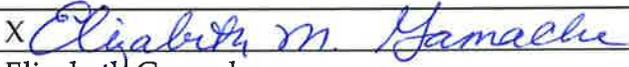
**ST ALBANS DOWNTOWN TAX INCREMENT FINANCING DISTRICT
CERTIFICATION DOCUMENT**

CERTIFICATION OF UNDERSTANDING: We, the undersigned, have read the "Final Determinations, Exclusions, Conditions and Obligations" document for the St Albans Downtown TIF District and the applicable Vermont statute and certify that we understand the determinations, conditions, exclusions, and obligations made by the Vermont Economic Progress Council, the requirements of Vermont statute contained in 32 VSA §5404a(h) and 24 VSA §§ 1891 – 1901 and 32 VSA §§ 5404a(f)-(j), and the TIF District reporting requirements.

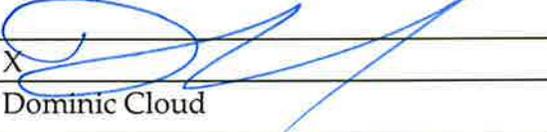
We hereby accept the determinations, conditions, exclusions, obligations, and reporting requirements upon which this authorization for the utilization of incremental property tax revenue to finance TIF District infrastructure are based, and assure that the City of St Albans will abide by these conditions, the applicable provisions of Vermont statute, and any current or future rules promulgated for the Tax Increment Financing District program by the Vermont Economic Progress Council, Vermont Department of Taxes, or other state agency or entity.

We further certify our understanding that in case any of the public officials of the municipality whose signatures appear on this certification and/or the TIF District application shall cease to be such officials before the end of the life of the TIF District, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such officials had remained in office.

Signature 1:

Signature of Elected Official:	X 
Printed Name:	Elizabeth Gamache
Title:	Mayor, City of St Albans
Date:	9/10/2012

Signature 2:

Signature of Town Officer:	X 
Printed Name:	Dominic Cloud
Title:	City Manager
Date:	9/11/12

ASSIGNMENT OF REPORTING RESPONSIBILITY

Please indicate below whom will be responsible for completing and filing the annual TIF District report required by 24 VSA §1901 and other reporting requirements:

Name:	Chip Sawyer
Title:	Director of Planning & Development
Mailing Address:	100 No. Main St., St. Albans, VT 05478
Phone:	802-524-1500 x259
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Email:	c.sawyer@stalbansvt.com