



# Amesbury Development Program

Addressing past, present, and future needs

Mayor Ken Gray, City of Amesbury



**Leveraging private investment and grant funds for impact mitigation**

Finance Committee Presentation January 22<sup>nd</sup>, 2019 - William J. Scott, Community Development Director

## Amesbury at the Center of Opportunity

**Opportunity**  
With Highway access and available land we can meld sports tourism with a region rich in resources.

**Google Earth Context**

## Leverage Private Investment

### Incentive Package: on-site, off-site, and energy.

**TIF** \$4.25 million

- City experienced with three recent TIF's
- City TIF policy overcomes site constraints to equalize difficult sites to make the City competitive
- TIF must be balanced with DIF

**DIF** Dependent on cost estimates to fill gap from grant

- Working with MassDevelopment and two other communities to set DIF Guidelines for the State.
- Received funding to work with MassDevelopment Consultant.
- City DIF 1<sup>st</sup> in State to use MassDevelopment DIF Template.
- DIF Revenues net of TIF.
- DIF borrowing does not impact City debt.

- **MassWorks \$2.5 million** *Approved for Intersection*
- Grant used to create infrastructure for leveraging private investment.
- Development ready to proceed.
- Off-site work related to development.

**Leverage**

## Leverage Private Investment

### Common Questions

- **What are we approving at this stage?** This amendment will develop the plan for the revenues and use of the revenues for the capital plan.
- **Are we setting the term, or number of years?** Yes, 20 years for the borrowing.
- **Are we being asked to acquire, authorize, or approve funding?** No, the borrowing happens at the time of the request to the City Council under the required process. This document is a plan to match revenues to the borrowing.
- **Why does the District go beyond the immediate area of the new development?** We wanted to capture an area that would both generate revenue but also require possible traffic mitigation work in the future.
- **When do we anticipate the next steps to occur?** Borrowing would be up to the schedule for funding needs and the Finance Department working through the Mayor's Office, and as approved by the City Council.
- **The DIF is City money, why do we have to use City Money for these improvements?** Some of the improvements, such as the drainage are related to the City. Other improvements (Beacon, South Hunt, Merrimac) are overdue and the responsibility of the City. The intersection amount is a share of the expense because of the three large developments; Hatters, Amesbury Heights, and Baileys Pond from which the City will receive revenue.
- **Have we looked at other sources?** Yes, the spreadsheet has other sources of funding such as MPO and MassWorks. The targeting of these funds is based on eligibility and timing.
- **What if there is more revenue than expected?** It is moved to the general fund. Only the revenue necessary to pay the borrowing is set aside.

**Leverage**

## Leverage Private Investment

Engineering		Engineering	
South Hunt Route 150 Intersection Balance Engineer	\$	200,000.00	
South Hunt Roadway Engineering 25%	\$	80,000.00	
Beacon Roadway Engineering 25%	\$	70,000.00	
Merrimac Engineering 25%	\$	110,000.00	
Drainage Work Merrimac St Engineering 100%	\$	100,000.00	
Utilities			
<b>Subtotal</b>	\$	<b>560,000.00</b>	

Construction		Engineering and Construction	
South Hunt Route 150 Intersection	\$	1,200,000.00	
South Hunt Roadway (DIF = Engineering)	\$	100,000.00	
Beacon Construction (DIF = Engineering) *	\$	80,000.00	
Merrimac Construction (DIF = Engineering)	\$	100,000.00	
Drainage Work Merrimac St	\$	1,250,000.00	
Utilities			
<b>Subtotal</b>	\$	<b>2,730,000.00</b>	

Totals			
Engineering	\$	560,000.00	
Construction	\$	2,730,000.00	
<b>Totals</b>	\$	<b>3,290,000.00</b>	

Aggregating all of the mitigation from:

- Disinvestment
- Past Growth
- Present Growth
- Future Growth

Table 6: ESTIMATED Percentages of Tax Increment Retained as DIF Revenues

Year(s) of DIF Term	Fiscal Year Ending	Dollar Amount	Percentage
1	6/30/2020	\$128,052	100%
2	6/30/2021	\$240,102	80%
3	6/30/2022	\$240,102	39%
4	6/30/2023	\$240,102	34%
5	6/30/2024	\$240,102	31%
6	6/30/2025	\$240,102	28%
7	6/30/2026	\$240,102	24%
8	6/30/2027	\$240,102	24%
9	6/30/2028	\$240,102	24%
10	6/30/2029	\$240,102	24%
11	6/30/2030	\$240,102	24%
12	6/30/2031	\$240,102	23%
13	6/30/2032	\$240,102	23%
14	6/30/2033	\$240,102	23%
15	6/30/2034	\$240,102	23%
16	6/30/2035	\$240,102	23%
17	6/30/2036	\$240,102	19%
18	6/30/2037	\$240,102	19%
19	6/30/2038	\$240,102	19%
20	6/30/2039	\$238,960	19%
<b>Totals</b>		<b>\$4,688,358</b>	

### Conservative Approach

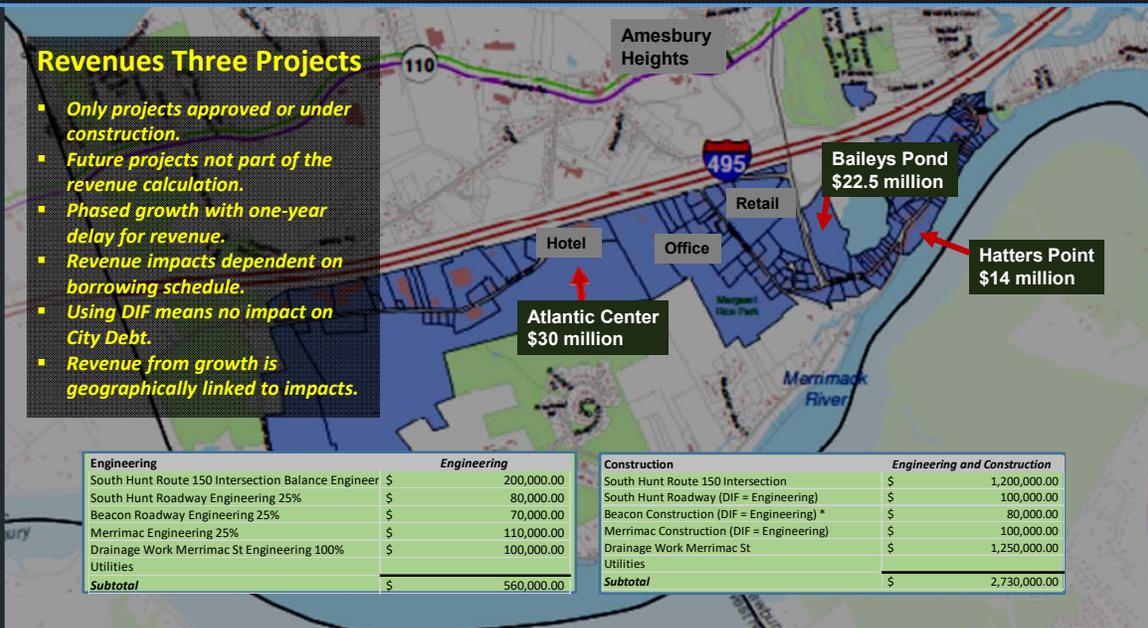
- All of the Capital Projects are listed. The original plan limited the work to immediate development impacts.
- All of the capital projects are being considered through our MEPA permit.
- The borrowing costs listed are based on the total costs and not phased based on the funding schedule needs.
- Phasing "soft costs" then "construction" will reduce the percentage impacts in the first few years.

Leverage

## DIF District and Capital Program

### Revenues Three Projects

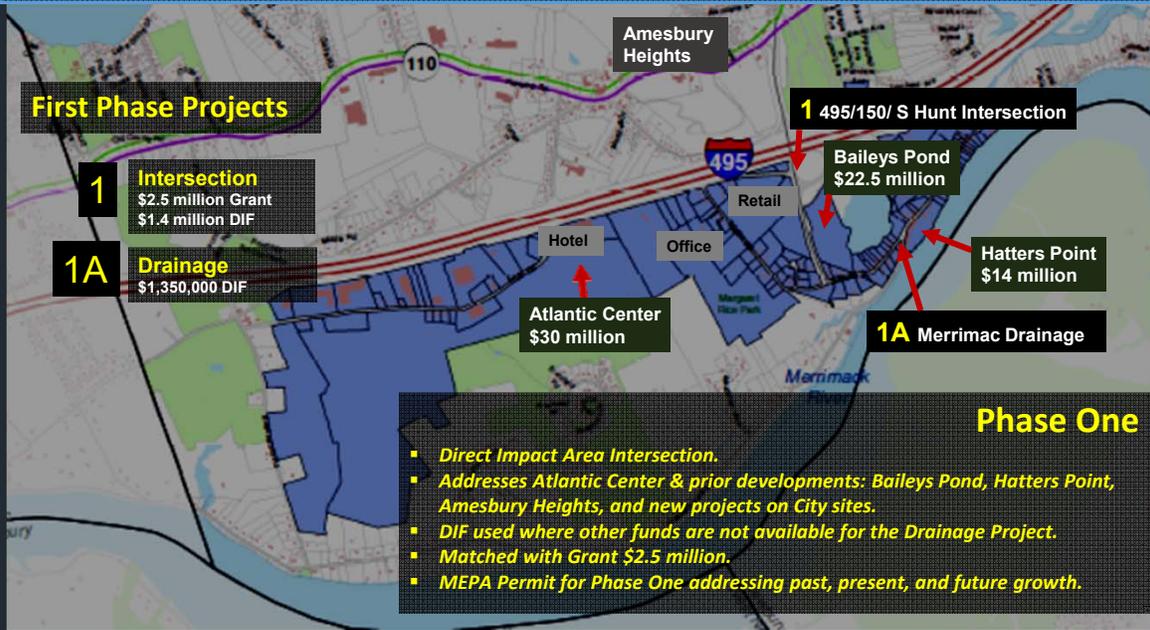
- Only projects approved or under construction.
- Future projects not part of the revenue calculation.
- Phased growth with one-year delay for revenue.
- Revenue impacts dependent on borrowing schedule.
- Using DIF means no impact on City Debt.
- Revenue from growth is geographically linked to impacts.



Engineering		Engineering	
South Hunt Route 150 Intersection Balance Engineer	\$	200,000.00	
South Hunt Roadway Engineering 25%	\$	80,000.00	
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## DIF District and Capital Program



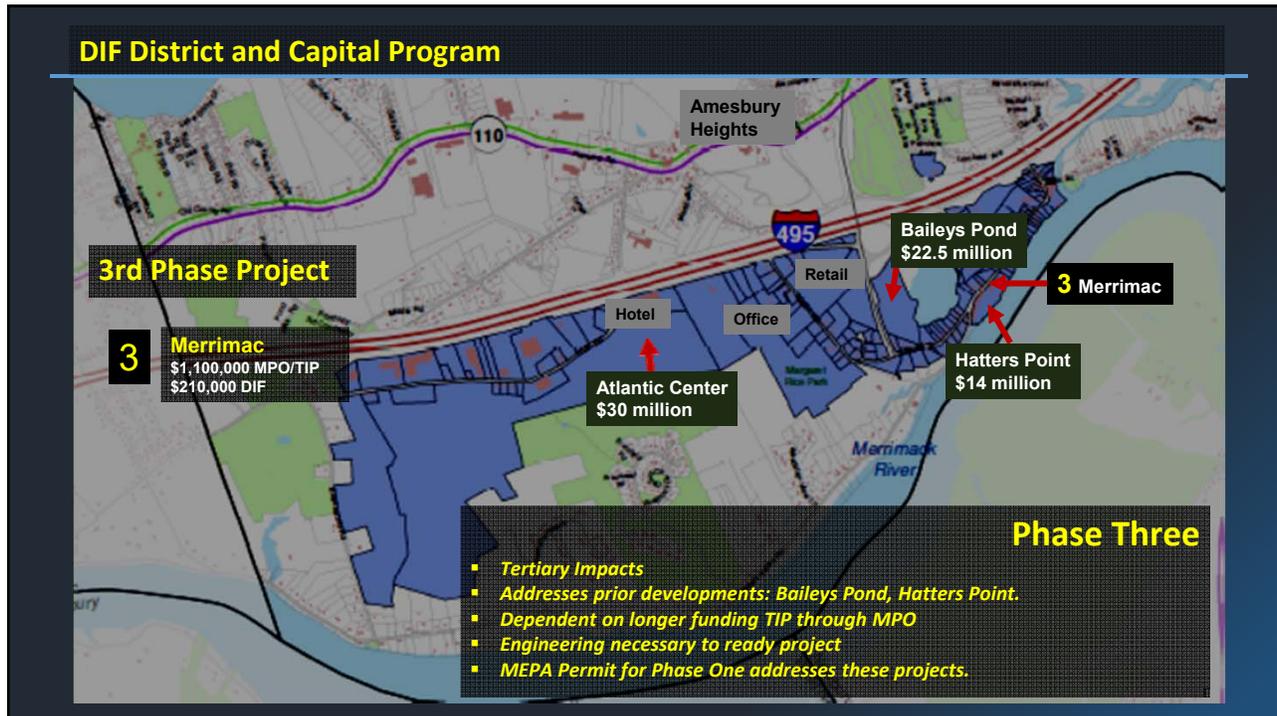
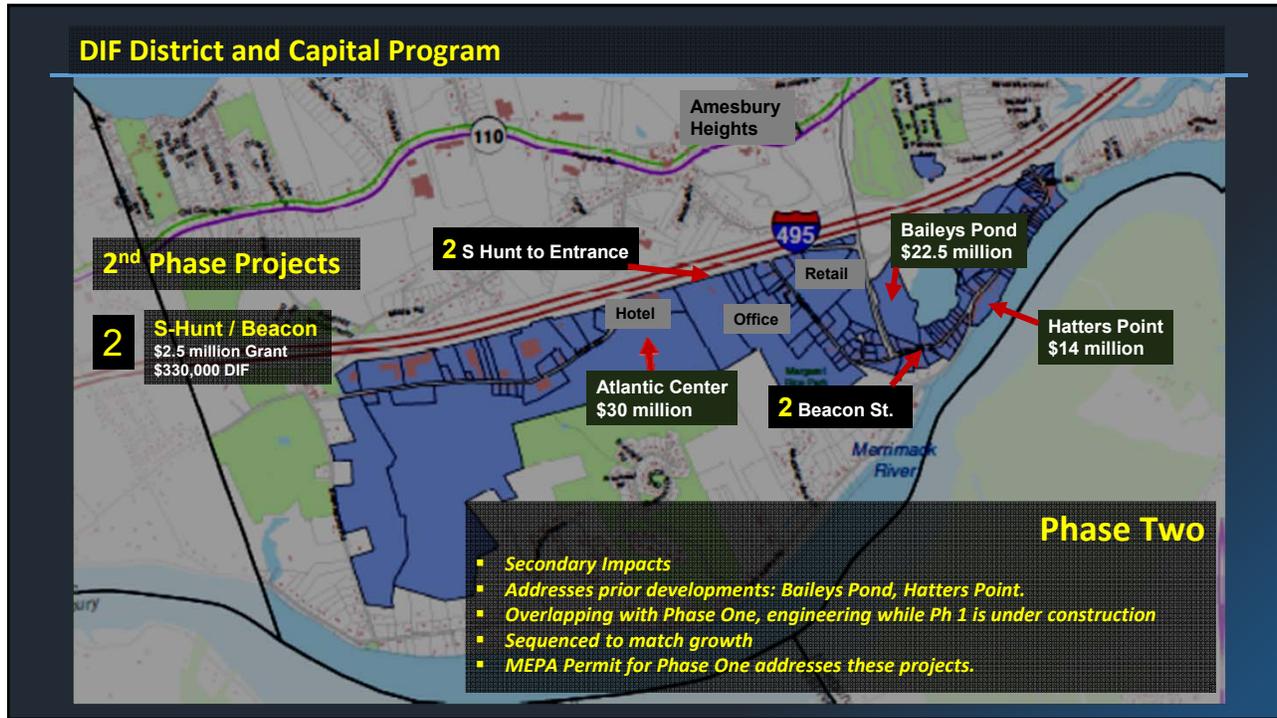
## Comprehensive Traffic Improvements

### Concept Direct Alignment with Stacking

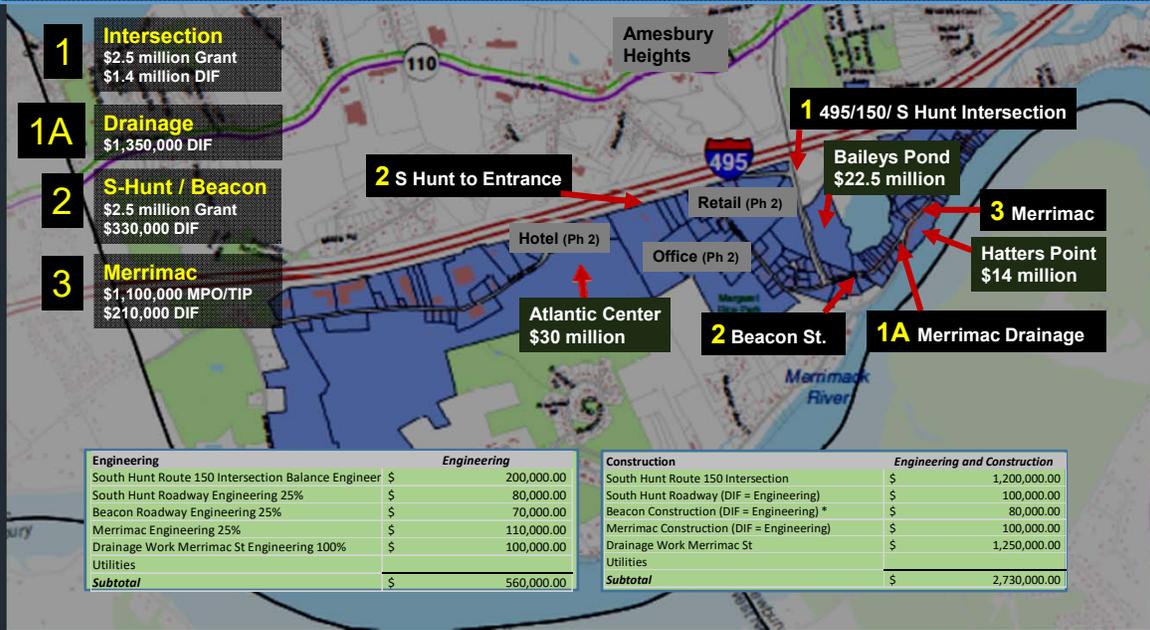


### Concept

- Northbound and Southbound ramp
- Direct alignment of ramp with South Hunt Road.
- Stacking in South Hunt right of way.
- Traffic lights afford better control to flush ramps.
- Not much change for the area residents outbound.
- Direct alignment reduces confusion for out-of-town drivers.



## DIF District and Capital Program



## Comprehensive Traffic Improvements



**Next Steps**

**Next Steps**

1. **Seek Approval for DIF Plan and Program**
2. **Request Funding per a Borrowing Schedule**
3. **Contract with Consultants for Design**
4. **Design Work Sequenced with Funding**
  - **Intersection Final Plans**
  - **Drainage Final Plans**
  - **25% South Hunt / Beacon**
  - **25% Merrimac**
5. **Bidding/Construction**
  - **Intersection**
  - **Drainage**
6. **Seek Grants South Hunt Beacon using 25% Design**

**Leverage**

**Leverage Private Investment**

Sources and Uses West Side Redevelopment Infrastructure

Project	DIF	Masworks	Complete Streets	MPD	Enterprise	Start Estimate Date	Complete Estimate Date
<b>Engineering</b>							
<i>Engineering</i>							
South Hunt Route 130 Intersection Beacon Engineering	\$ 200,000.00	\$ -		\$ -	\$ -	Aug-18	Nov-18
South Hunt Roadway Engineering 25%	\$ 80,000.00					Jan-19	Jun-19
Beacon Roadway Engineering 25%	\$ 70,000.00					Jan-19	Jun-19
Merrimac Engineering 25%	\$ 110,000.00					Jan-19	Jun-19
Drainage Walk Merrimac St Engineering 100%	\$ 100,000.00					Jan-19	Jun-19
Utilities					\$ 80,000.00	Mar-19	Jun-19
<b>Subtotal</b>	<b>\$ 560,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,000.00</b>		
<b>Construction</b>							
<i>Engineering and Construction</i>							
South Hunt Route 130 Intersection	\$ 1,200,000.00	\$ 1,900,000.00	\$ 200,000.00	\$ -	\$ -	Feb-20	May-21
South Hunt Roadway (CIP) Engineering	\$ 100,000.00	\$ 1,700,000.00	\$ 200,000.00			Aug-18	May-21
Beacon Construction (CIP) Engineering	\$ 80,000.00	\$ 800,000.00				Aug-18	May-21
Merrimac Construction (CIP) Engineering	\$ 100,000.00			\$ 1,100,000.00		Oct-21	May-22
Drainage Walk Merrimac St	\$ 1,280,000.00					Jun-18	May-20
Utilities					\$ 880,000.00	Apr-20	Dec-20
<b>Subtotal</b>	<b>\$ 2,760,000.00</b>	<b>\$ 9,000,000.00</b>	<b>\$ 400,000.00</b>	<b>\$ 1,100,000.00</b>	<b>\$ 980,000.00</b>		
<b>Totals</b>							
Engineering	\$ 560,000.00	\$ -		\$ -	\$ 80,000.00		
Construction	\$ 2,760,000.00	\$ 9,000,000.00	\$ 400,000.00	\$ 1,100,000.00	\$ 980,000.00		
<b>Total</b>	<b>\$ 3,320,000.00</b>	<b>\$ 9,000,000.00</b>	<b>\$ 400,000.00</b>	<b>\$ 1,100,000.00</b>	<b>\$ 1,060,000.00</b>		
						**As of Period	
* to Beacon Driveway							

**Leverage**