

Need Requirement - But For Explanation

The Town Core TIF District Plan includes several public infrastructure projects that may be grouped into general categories involving the expansion of water and wastewater services, improvements to existing problematic intersections, the construction of new roads and sidewalks, and the enhancement of transportation options and vehicular and pedestrian safety. These projects are necessary for the development of the Town Core into the vibrant, livable, walkable, downtown-style community envisioned by the Town of Milton and described in numerous Town studies and documents, including the Town Core Master Plan (December 2000), Comprehensive Plan (April 21, 2008), Economic Development Strategy (January 2008), Town Core Streetscape and Accessibility and Design Study (August 2007), and Route 7 Corridor Land Use and Transportation Study (January 2008). The Town Core is the area of Town where the greatest mix of uses and highest density will, and should, occur. The public improvements described below are necessary to stimulate the development and redevelopment of this area to its full potential. Detailed project descriptions are included in the Town Core TIF District Plan. However, general project descriptions by project category and need are provided below.

Wastewater Collection System Expansion: The Town Core is the area of Milton where the highest density exists and is expected to occur. However, not all areas within the Town Core are currently serviced by municipal wastewater. This has resulted in parcels remaining vacant within the Town Core, which has been zoned for the highest-density commercial and residential development, as developers cannot realize the full build-out potential of the land without the availability of municipal wastewater services. Those developments that have proceeded with onsite septic systems have not been built to their highest density and fullest potential. Onsite septic systems within an area expected to continue to grow at a high level of density could also present future health and safety concerns if these systems were ever to fail. It is also essential to expand the wastewater collection system to the industrial area west of the interstate in order for this area to be developed to its full potential.

Water System Loop: The Town has been diligent about requiring looping of water systems as development occurs to protect the integrity of the water system and the health of residents, as well as to provide adequate water pressure and fire flows. While many of these internal loops are constructed as part of new development projects, a major loop is necessary along the public right-of-way of Bombardier Road to adequately service the central portion of the DB1 District, where new development is expected to occur, in order to protect the integrity of the water system and the health of residents, as well as to provide adequate water pressure and fire flows.

Transportation Improvements: A recent study of Milton Town Core transportation by Resource Systems Group, Inc. (RSG), “Milton Town Core Transportation Plan, February 2008,” found that, based on the land use growth projected by the River Street Planning & Development “Route 7 Land Use and Transportation Study, January 2008,” the Town can expect a 75% increase in traffic by 2025. The RSG transportation plan recommends the reconstruction of the existing Route 7/Middle Road/Railroad Street intersection into an hourglass configuration by 2012 in order to maintain an adequate level of service (LOS) along Route 7. Signalized intersections along Route 7 will also be necessary. The RSG study also found that, in its current configuration, the Rebecca Lander Drive intersection with Route 7 will experience a LOS E by

2025. The report notes that, in general, there is a lack of traffic gaps along Route 7 during the peak traffic hours that makes it difficult to make left-hand turns. Additionally, several stretches along Route 7, including the Route 7/Middle Road/Railroad Street intersection, currently satisfy the High Crash Location criteria based on 1999-2003 crash data. The RSG study also notes that connector roads in the study area should help relieve excessive congestion at key intersections. The projected growth that will occur in Milton over the next 20 years will necessitate large-scale traffic improvements to alleviate traffic congestion along the Route 7 corridor. As the RSG study demonstrates, without the proposed improvements to the transportation infrastructure, the traffic congestion within the Town Core will continue to worsen and the high crash intersections and other problematic intersections will continue to deteriorate.

Enhancement of Transportation Options and Vehicular and Pedestrian Safety: As the Town Core continues to grow, the Town has been pro-active in requiring sidewalks be constructed as part of new developments. The Town also secured a sidewalk grant to construct a mile of sidewalk along Route 7. However, even with these efforts, gaps exist within the sidewalk network, which makes it difficult for pedestrians to walk to services and for recreation. The sidewalk network within the Town Core must be completed for the Town to complete its vision of a high-density, walkable Town Core that reduces dependence on the automobile. Additionally, in March 2008, the Town’s voters voted to approve a measure for Milton to join the CCTA. A new commuter bus route will require the addition of a Park & Ride, and the Town ultimately envisions a multi-modal center for the Town Core to promote alternative modes of transportation for residents, visitors, and employees as the Town Core continues to grow. Street lighting will need to be improved within the area to promote safety of pedestrians and vehicular traffic. These traffic improvements are necessary to promote alternative modes of transportation, provide connectivity between neighborhoods and businesses, reduce vehicular traffic congestion, and generally enhance the atmosphere of the Town Core as a vibrant community.

Explanation of Need: Without the public infrastructure improvements detailed within the Town Core TIF District Plan, the real property development and redevelopment within the Town Core would not occur or would occur in a significantly different and less desirable manner, for example:

- Without the availability of municipal sewer connections, property will remain undeveloped or will not be developed to its full potential. This will result in fewer housing units (including affordable and moderate housing units) and commercial space being built within the Town Core and prevent the area west of the interstate from being developed to its full potential.
- Without completion of the water main loop along Bombardier Road, it will be difficult to ensure that the integrity of the water system is protected and to provide adequate water pressure and fire flows. This is essential to protect the health and safety of the residents and businesses within the Town Core.
- As noted previously, without transportation improvements within the Town Core, the level of service along the Route 7 corridor in this area will continue to deteriorate. Additionally, the irregular geometry of the Route 7/Middle Road/Railroad Street intersection, which is already classified as a High Crash Location, will preclude the development of the property adjacent to this intersection to its full potential. Even if

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development projects proceed to some degree in the Town Core area, the resulting increase in traffic will cause significant worsening of the traffic problems experienced along the Route 7 corridor in the Town Core. This would result in property development occurring in a significantly different and less desirable manner than if problematic intersections are reconstructed, as traffic congestion and accidents will be detrimental to the quality of life and safety for residents and visitors.

- Without the construction of sidewalks and the installation of street lighting along the new roadways and sidewalks, neighborhoods will remain disconnected from each other and the businesses within the Town Core. This results in less desirable development especially in today's environment where the focus is on reducing reliance on the automobile for economic and environmental reasons.
- Likewise, the enhancement of alternative transportation modes is an important factor in the development of the Town Core. Development would occur in a less desirable manner without alternative transportation options, as without options, traffic congestion will increase, and again, there are economic and environmental reasons for reducing reliance on the automobile.

Additional Time and Cost that Would be Incurred: Table 1 below illustrates the annual bonded debt expenditures for the past 11 years for the Town and the School District debt. The table shows that during the past ten years, the combined annual debt expenditures for the Town and School have not exceeded \$750,000 per year. Table 2 shows the estimated annual bonded debt expenditures for the debt associated with the TIF District projects, which is considerably higher (over \$2 million per year for over 10 years) than the usual debt expenditures of the Town. Therefore, without TIF financing, the Town would need to delay many of the proposed projects well into the future, perhaps staggering them over the next 20 to 30 years. At an average construction cost increase per year of at least 5%, the estimated total project costs per year in the TIF District Plan would increase exponentially. For example, if each project started construction just 5 years later than projected in the TIF plan, this would result in a total construction cost increase of nearly \$7.9 million dollars. If the Town had to delay construction longer than that, which is likely if there was not TIF revenue to use, the cost increases would continue to escalate. And the higher the amount bonded, the higher the interest payments, further reducing the Town's ability to fund these projects without TIF financing.

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Table 1. Annual debt expenditures per year for the past 11 years for the Town and School.

Fiscal Year	Municipal Bonded Debt Expenditures*	School Bonded Debt Expenditures*	Total Debt Expenditures per Year (Town & School)
2008	Estimate: \$237,897	Estimate: \$508,366	\$ 746,263
2007	\$ 215,319	\$ 280,000	\$ 495,319
2006	\$ 277,046	\$ 280,000	\$ 557,046
2005	\$ 315,123	\$ 280,000	\$ 595,123
2004	\$ 313,435	\$ 280,000	\$ 593,435
2003	\$ 270,063	\$ 280,000	\$ 550,063
2002	\$ 268,676	\$ 280,000	\$ 548,676
2001	\$ 229,174	\$ 380,000	\$ 609,174
2000	\$ 192,676	\$ 380,000	\$ 572,676
1999	\$ 281,683	\$ 455,098	\$ 736,781
1998	\$ 110,292	\$ 395,000	\$ 505,292
	* From Note 5 in Annual Report &/or Audit Report 1998 is Note 8		

Table 2. Estimated annual bonded debt expenditures for the projected Town Core TIF District debt until all debt is retired for all TIF projects.

Amount Owed Per Year - All TIF Debt										
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
\$500,755	\$693,260	\$841,007	\$1,370,009	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299
2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$2,287,299	\$1,786,545	\$1,594,039
2033	2034									
\$1,446,292	\$917,290									

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Milton’s proposed Town Core TIF District encompasses residential, commercial, mixed-use, and industrial sections of the Town Core where the Town expects significant development and redevelopment to occur. This development and redevelopment will consist of high-density housing, which is affordable to the majority of the residents living within the municipality, as well as stimulating new business investment in the Town that will create new jobs. Without the proposed public infrastructure projects, the Town expects fewer affordable housing units and commercial growth to take place due to limitations on the disposal of wastewater, limitations on the availability of adequate water flows, and restrictions on the ability of developers to access their property. The development that does occur will not only be of lower density, which is at odds with the Comprehensive Plan, but will also be less desirable as it will not develop as a vibrant, connected, functioning downtown.

However, if public infrastructure is constructed as detailed in the Town Core TIF District Plan using TIF financing, the development that does occur will be of a higher density and will occur more quickly, resulting in a net gain in revenue to the Town and the State Education Fund, as shown in Table 3 below (this information is from the Town Core TIF District Plan, which provides more detail on how these figures were calculated).

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Table 3. Total estimated tax increments per year and the amount to be paid to the municipality (25% of municipal tax increment), amount to be paid to the state education fund (25% of education tax increment), and amount to be used by the municipality to retire TIF debt (75% of municipal increment and 75% of state education increment).

Year	Total Tax Increment Generated	Total Municipal to General Fund (25%)	Total Education to Education Fund (25%)	Total Municipal to TIF Debt (75%)	Total Education to TIF Debt (75%)	Total Municipal & Education to TIF Debt
2010	\$ 362,555	\$ 22,101	\$ 68,538	\$ 66,303	\$ 205,613	\$ 271,916
2011	\$ 640,810	\$ 38,866	\$ 121,337	\$ 116,598	\$ 364,010	\$ 480,607
2012	\$ 818,009	\$ 49,845	\$ 154,657	\$ 149,535	\$ 463,971	\$ 613,507
2013	\$ 1,501,240	\$ 88,843	\$ 286,467	\$ 266,529	\$ 859,400	\$ 1,125,930
2014	\$ 1,622,192	\$ 96,332	\$ 309,216	\$ 288,997	\$ 927,647	\$ 1,216,644
2015	\$ 2,179,217	\$ 128,306	\$ 416,498	\$ 384,919	\$ 1,249,494	\$ 1,634,413
2016	\$ 3,105,283	\$ 180,590	\$ 595,731	\$ 541,770	\$ 1,787,193	\$ 2,328,963
2017	\$ 3,260,548	\$ 189,619	\$ 625,517	\$ 568,858	\$ 1,876,552	\$ 2,445,411
2018	\$ 3,423,575	\$ 199,100	\$ 656,793	\$ 597,301	\$ 1,970,380	\$ 2,567,681
2019	\$ 3,594,754	\$ 209,055	\$ 689,633	\$ 627,166	\$ 2,068,899	\$ 2,696,065
2020	\$ 3,774,491	\$ 219,508	\$ 724,115	\$ 658,525	\$ 2,172,344	\$ 2,830,869
2021	\$ 4,128,142	\$ 240,608	\$ 791,427	\$ 721,825	\$ 2,374,282	\$ 3,096,107
2022	\$ 4,334,549	\$ 252,639	\$ 830,999	\$ 757,916	\$ 2,492,996	\$ 3,250,912
2023	\$ 4,551,277	\$ 265,271	\$ 872,549	\$ 795,812	\$ 2,617,646	\$ 3,413,458
2024	\$ 4,778,841	\$ 278,534	\$ 916,176	\$ 835,603	\$ 2,748,528	\$ 3,584,131
2025	\$ 5,079,671	\$ 296,226	\$ 973,692	\$ 888,678	\$ 2,921,075	\$ 3,809,753
2026	\$ 6,249,963	\$ 315,837	\$ 1,038,954	\$ 947,512	\$ 3,947,661	\$ 4,895,172
2027	\$ 6,893,736	\$ 403,697	\$ 1,319,737	\$ 1,211,092	\$ 3,959,210	\$ 5,170,302
2028	\$ 7,238,423	\$ 423,882	\$ 1,385,724	\$ 1,271,646	\$ 4,157,171	\$ 5,428,817
2029	\$ 7,600,344	\$ 445,076	\$ 1,455,010	\$ 1,335,229	\$ 4,365,029	\$ 5,700,258
Total Estimated Tax Increment Over 20-Year Period	\$ 75,137,620	\$4,343,938	\$14,232,767	\$13,031,813	\$43,529,101	\$56,560,915