

**TOWN OF WINDSOR, CONNECTICUT
NOTICE OF SPECIAL MEETING**

AGENCY: Economic Development Commission
DATE: Wednesday, January 25, 2023
TIME: 5:00 PM
PLACE: Ludlow Room – Windsor Town Hall and Virtual via Zoom

Zoom instructions

Dialing in by Phone Only:

Please call: 312 626 6799 or 301 715 8592

1. When prompted for participant or meeting ID enter: 822 9374 4480
2. You will enter the meeting muted. During Public Comments if you wish to speak, press*9 to raise your hand.

Joining in by Computer:

Please go to the following link:

<https://us02web.zoom.us/j/82293744480?pwd=T2Y3emZOaHNnWjBJUE1wVHd0MHUvdz09>

1. When prompted for participant or meeting ID enter: 822 9374 4480
2. Only if your computer has a microphone for two way communication, then during Public Comment if you wish to speak press Raise Hand in the webinar control. If you do not have a microphone, you will need to call in on a phone in order to speak.
3. During Public Comments if you do not wish to speak you may type your comments into the Q&A feature.

AGENDA

1. CALL TO ORDER
2. PUBLIC COMMENT
3. DISCUSSION ITEMS
 - a. Annual Election of Officers – Commission will elect Chairperson and Vice-Chairperson
 - b. Review of Application for Credit Enhancement Agreement – Commission will review an application for a Credit Enhancement Agreement for a proposed mixed-use development at 144-152 Broad Street
4. ITEMS FROM ECONOMIC DEVELOPMENT PARTNERS
5. ITEMS FROM COMMISSION
6. ITEMS FROM STAFF
7. REVIEW OF PREVIOUS MEETING MINUTES – November 16, 2022
8. ADJOURNMENT

**Economic
Development Meeting
Minutes
11/16/22**



ECONOMIC DEVELOPMENT COMMISSION

REGULAR MEETING

November 16, 2022 – 5 PM – Ludlow Room, Windsor Town Hall and via Zoom

PRESENT: *Randy Graff, Ojala Naeem, Nathan Karnes Tim Rice, Jermika Cost and Al Loomer*

ABSENT: *Sharran Selig-Bennett, Trevor Thorington, and Jane Garibay*

STAFF PRESENT: *Peter Souza, Patrick McMahon*

GUEST: *Jerome Smalley, CEO Blueprint Robotics, Mark Brown, CFO Blueprint Robotics, Martin Lettenmeier, COO Blueprint Robotics, Ryan Cawley, VP of Finance Blueprint Robotics, Dan Breen, JLL, Shawn McMahon, JLL, Julie Miller, JLL, Jubal Smith, JLL*

1. CALL TO ORDER

Chairman Graff called the meeting to order at 5:04 PM.

2. PUBLIC COMMENT

None

3. DISCUSSION ITEMS

a. Review Application for Assessment Abatement

McMahon introduced our guests from Blueprint Logistics (Blueprint) and Jones, Lang, LaSalle (JLL). McMahon explained the role of the Economic Development Commission in relation to the town's assessment abatement policy as advisory to the Town Manager and Town Council. Blueprint submitted an application for a tax abatement which was distributed to the Commission. The goal for the meeting is to hear from the company and staff to determine whether the request for abatement is in keeping with the town's policy.

Jerry Smalley provided a power point presentation highlighting the company. Smalley stated that the company is headquartered in Baltimore and is working on establishing a production facility in the Northeast. Smalley spoke of various challenges in the construction industry including increasingly complex building and energy code requirements; levels of waste; and depth and quality of the construction workforce. Blueprint's value proposition is cost certainty, quality and speed of construction resonate as a value proposition. Blueprint's scope includes exterior walls, floors and roof; exterior sheathing; installation of exterior windows and doors; and building MEP and fire protection systems. Blueprint's technology is different than modular systems. Blueprint installs the projects components on the customer's foundation and completes the rough-in on the MEP systems for faster builds than traditional methods. All work is completed includes local jurisdiction inspections. Blueprint's customer base is related to

multi-family development. Smalley explained the benefits of Cross Laminated Timber (CLT). Blueprint can provide high performance exterior walls.

Blueprint is committed to environmental, social and governance (ESG) initiatives. Blueprint is a living wage employer – all workers make a minimum of \$23/hr. with benefits and employment diversity is a company tenet. Blueprint focuses on sustainability measures. Blueprint's Northeast facility will complete Mid-Atlantic to Northeast market coverage and provide access to Quebec and Ontario. The plant will incorporate CLT/mass timber construction and include solar energy and waste incinerator for heat/hot water. The Northeast plant will have mass timber fabrication capabilities, as well as CLT fabrication. The proposed location is off Day Hill Road and the building footprint would be 450,000 s.f. The Baltimore facility is 200,000 s.f. Blueprint has put together an A list for its design and construction team including ARUP, Binderholz, Windover Construction, Auros Group and Langan.

Blueprint would employ approximately 110-120 workers with average wages of approximately \$73,000 and benefits. The facility, which is targeting a production commencement date of 3Q2024, would be fully staffed by the end of 2025.

Expected capital investment would be approximately \$97.1M, inclusive of

- Land costs: \$15.5M
- Building, Improvements: \$43M
- Production/Distribution Equipment: \$38.6M

Utilizing Emsi™ multipliers, JLL estimated over ten years the project would have a \$3.4M fiscal impact on the state and \$4M on the local economy. The project would impact 31 indirect jobs and 44 induced jobs and have positive earnings impacts.

Mass timber is a product that is taking off in the marketplace and Windsor can be a center of such activity.

McMahon stated that as a manufacturing facility it is eligible under the abatement policy. There are a couple of schedules included in the policy. One for existing Windsor businesses and one for new businesses to the community. A new business looking to make an investment in real estate, exclusive of land and personal property, of between \$31-50M can qualify for a tax abatement of up to five years and 60%.

Blueprint requested that the town explore the possibility of two 5% upward adjustments for high quality design and sustainability measures such as solar and for wages exceeding median regional wages. Based on town staff review, the company would qualify for the potential 5% adjustment for sustainability measures but it may not qualify for the 5% adjustment for wages. Many, but not all, of the positions exceed median regional wages based on Department of Labor statistics.

Loomer asked who owns the property. Indus Realty owns the property. Blueprint would acquire 48 acres leaving Indus with a 14 acre site along Day Hill Road.

Graff asked if the lumber was all European lumber. Not all, but the lion's share is from Europe. Sheathing is US. Blueprint needs to purchase in 40 foot lengths. The forest

industry in Europe will produce those lengths but that is not currently the case in the US.

Karnes asked if the product for Baltimore comes by rail or the port. Generally, it comes to the port of Baltimore. The product would be transported to Windsor from Baltimore unless in the future product comes further north in shipping. Canadian forest product may catch up with this technology. Blueprint reduces waste by cutting to measure.

Loomer asked about transportation and impact to local traffic. Blueprint estimates 10 tractor trailers in and out each day which is minimal impact. Today, Blueprint does not use rail operations. Blueprint delivers product to job sites.

Karnes asked about the electrical needs at 7000 amps at 480 volts. Shawn McMahon said they are confirming with Eversource but there appears to be enough capacity in the road. There needs to be a determination on how to get the power to the site.

Smalley said they are looking at all types of clean energy solutions to allow them not to send any waste to a landfill. The objective is to get to as low as a carbon footprint as is possible.

Naeem asked about requirements for workforce training. Blueprint works with organizations in Baltimore for workforce training and expects to do so here if the site is chosen. In Baltimore, lowest entry positions are \$23/hr. with full benefits day one.

Manufacturing operations is quality control engineer, plant manager, and supervisors of the individual trades units.

The project would need planning and zoning approvals. Blueprint will make a locational decision before pursuing zoning approval. The site is under contract.

Graff said that of all the abatement requests he has reviewed, he believed it was a very good presentation with the power point. He said he supports hiring of veterans which Blueprint does.

Karnes said he likes the "walk the walk" that Blueprint is planning a mass timber building. The facility would be the largest mass timber building in the country at the time it is built. Karnes mentioned a multifamily project in New Haven is being constructed with mass timber. Some of the consultants Blueprint is planning to have involved in this project are involved in the New Haven project.

Graff mentioned information from the packet that there is stock ownership by employees at Blueprint which is a significant benefit. Multifamily can include college dormitory projects.

Souza stated that additional analytical work was necessary to review the requested adjustment for wages in excess or regional median wages.

Graff called for a motion to recommend this project for abatement to the Town Council at the level requested by the company, as well as the two adjustments for sustainability and wages should staff determine they qualify for those adjustments. Loomer motioned and Naeem seconded. The motioned carried unanimously 5-0. Graff noted that Rice was in favor of the project but needed to leave prior to the motion being made.

Souza discussed the next steps of working with the company on a draft assessment abatement agreement to bring to the Town Council at their first meeting in December. Traditionally, the item is then referred to the Finance Committee which is scheduling a meeting mid-December. It would then be brought back to the Council at the second December meeting or early January.

Loomer asked if the goal was to break ground in Q1 of 2023 and Smalley responded that they need to make a location decision quickly.

b. Annual Meeting Schedule for 2023

McMahon presented a calendar continuing the third Wednesday of every other month at 5 p.m. with the meetings being in-person, as well as the hybrid Zoom option.

Graff remarked that the schedule is regular meetings and special meeting could occur as needed.

Graff called for a motion to approve the meeting schedule. Naeem motioned, seconded by Loomer. Motioned passed unanimously. Naeem requested that calendar invites be sent out with all of the meeting dates.

McMahon mentioned the possibility of a special meeting in January to discuss the Windsor Center Plaza Redevelopment project. If that were to occur then that would substitute for the regular meeting in January.

4. ITEMS FROM ECONOMIC DEVELOPMENT PARTNERS

McMahon mentioned that the Chamber hired Windsor resident Dr. William Clark as Interim Executive Director. McMahon mentioned one of First Town Downtown's fundraisers is the gift card program and that the gift card can be used at several different vendors in Windsor Center.

5. ITEMS FROM COMMISSION

Karnes had a question about the process for reviewing abatement requests. He understands that the meeting is an open meeting. He noted that the EDC had a presentation by the company and then in front of the company the EDC had discussion and voted. He suggested that the company could have given the presentation and then left with the decision communicated to them later. That would allow the EDC to have a freer conversation. Naeem asked about the possibility of going into executive session. Souza did not believe the level of conversation with the company would justify going into executive session. Perhaps as a courtesy, the company could be asked to make the presentation and then depart with staff informing the company of the decision. Loomer concurred with Karnes concern. Souza said we could respectfully ask that the company to depart but technically they could remain for the discussion if they desired. Souza said we could set that expectation with the company in advance of the meeting. One suggestion was to have the presentation as one agenda item and the vote later in the agenda as a separate item.

Graff mentioned that the January meeting would include election of officers.

6. ITEMS FROM STAFF

- a. McMahon thanked Commission members for attending the business breakfast. The attendance was 70 people to hear speaker, Paul Lavoie, Chief Manufacturing Officer for the State of CT who was very engaging.
- b. Souza mentioned that Ocean State Job Lot at the Windsor Shopping Center was ending its lease but that Big Lots would be taking the space. Subway has closed on Broad Street. Landlord has had some interest in the space. Jersey Mikes and Nardelli's are possible prospects for the space. Hairdresser on Fire is no longer occupying that space. The proprietor moved to Bloomfield and some of the stylists found jobs with other salons in town. There is still code improvement work taking place with the Taste of India. For the business incubator, Annisa Teich has met with Windsor Federal about possible financing. There is a match requirement of \$110,000 that could come from grants, sponsorships or financing. There is a hope that CTNext could provide some support but no commitments have been made and Naeem mentioned that they may be focused on more regional projects for strategic impact. Naeem said DECD has programs if Ms. Teich is looking at financing and suggested reaching out to Commissioner David Lehman before he steps down.
- c. Naeem asked about ARPA program funding. Souza said the small business and nonprofit grants were allocated and the Town Council is looking at other potential uses of the funds – either capital projects or human services.
- d. Graff asked about the Ardery site. McMahon said we have an application for the property that staff is reviewing. The goal would be to have it on the December agenda for scheduling a public hearing in January. They have not requested any incentives at this point.
- e. Day Hill Dome is expected to close on financing sometime in November.

7. REVIEW OF PREVIOUS MEETING MINUTES

Motion: Loomer moved to accept the September 21, 2022 meeting minutes; Naeem seconded the motion. The meeting minutes were unanimously approved as distributed.

8. ADJOURNMENT

Next meeting is scheduled for January 18th.

Loomer motioned to adjourn. Naeem seconded. Motion approved unanimously. The meeting was adjourned at 6:14 PM.

GRAVA CEA Incentive EDC memo

1/19/23



First in Connecticut. First for its citizens.

Date: January 19, 2023

To: Economic Development Commission/TIF Advisory Committee

From: Patrick McMahon, Economic Development Director

Subject: GRAVA Properties – 144-152 Broad Street
Credit Enhancement Agreement Application

Background

GRAVA Holding LLC (GRAVA), led by local developer Greg Vaca, is proposing a redevelopment of a prominent town center property located at 144-152 Broad Street (Windsor Center Plaza, a.k.a. Arthur's Plaza) into a mixed-use development. This property was identified as a priority focus area in the Windsor Center Transit Oriented Development Master Plan & Redevelopment Strategy completed in 2014. The developer is looking to capitalize on the project's Windsor Center location and proximity to the train station on the Hartford Line to create new rental housing opportunities including a percentage of affordable units. GRAVA is currently pursuing its capital stack and zoning approvals with a goal to begin construction by the summer of 2023.

GRAVA is proposing a two-phase development that would provide a total of 106 new rental housing units (studios and one-bedrooms), with 11,600 SF of commercial space. GRAVA is proposing that 20% of the units be affordable at 80% area median income. The first phase entails four three-story structures along Broad Street containing 40 apartments with first floor commercial. The first phase also includes the creation of 30 apartments in a three-story structure next to enhanced spaces for Peking Kitchen, Mofongo and Blue Dragonfly. The intention is to relocate tenants located in 152 Broad Street (Giovanni's building) into the new commercial space along Broad Street. Once the relocation has been completed then the developer would demolish 152 Broad Street and pursue Phase II which includes approximately 36 additional units in three three-story buildings. The estimated project cost of the redevelopment is \$29,842,022 (based on a pro-forma previously submitted for review by the developer).

GRAVA has negotiated a long-term ground lease of 144-152 Broad Street with Mastriani Realty. Kemper Associate Architects of Farmington has been designing the buildings seeking a look and feel compatible with Windsor Center. Alford Associates is developing the site plan. GRAVA is expected to make application to the Planning and Zoning Commission (PZC) in February. Previously, GRAVA received favorable review of its concept plans by the PZC.

GRAVA has requested a Credit Enhancement Agreement under the town's Tax Increment Financing Policy and the Windsor Center TIF District Master Plan. (Copies of the TIF Policy and District Master Plan are attached). Staff has reviewed the application for this tax incentive and recommends to the Economic Development Commission/TIF Advisory Committee a positive referral to the Town Council.

Discussion

The Economic Development Commission is designated and charged with advising the Town Council and Town Manager on the implementation of District Master Plans. Under the Windsor Center TIF District Master Plan, Credit Enhancement Agreements may be negotiated with developers of properties listed on the Town's Priority Redevelopment Properties List. Financial incentives provided to individual owners/developers of these respective properties may be funded solely from the incremental tax revenues generated from their private investments. Furthermore, it must be demonstrated that investment would otherwise be inhibited but for the financial incentive. Tax increment revenues allocated for reimbursement to the developer or business as articulated in CEAs may not exceed 100% of the incremental tax revenue from any individual parcel, and the term of the agreement shall not exceed the number of years remaining in the life of the district. Each CEA must be in accordance with the Town's Municipal Tax Increment Financing Policy at the time it is executed.

GRAVA meets the threshold criteria to be considered for a CEA under the TIF Policy.

Requirements

A Credit Enhancement Agreement will be considered only if all of the following requirements are met:

1. The TIF project must provide for the improvement of a property included in the Town of Windsor's Priority Redevelopment Properties List and Policy adopted December 2, 2002, as amended from time-to-time. The Town Council reviews the Priority Redevelopment Properties List on an annual basis. **144-152 Broad Street is on the Priority Redevelopment Properties list as last adopted by the Town Council on June 6, 2022.**
2. The developer is able to demonstrate that "but for" the TIF assistance requested, the project in question could not reasonably be expected to move forward. **The developer has asserted that the project is not financially feasible for it to pursue without a tax incentive. The town retained the services of the National Development Council (NDC) to conduct a third-party review of the developer's pro-forma and it has concluded that the development is not financially feasible without a CEA. (NDC's report of its conclusions is attached).**
3. The Town Council has approved a District Master Plan for the project area in question. **The Windsor Center Tax Increment Financing District Master Plan was approved by the Town Council on October 17, 2022. (A copy of the Windsor Center TIF District Master Plan is attached).**
4. TIF assistance is provided to the proposed development only to the degree necessary to accomplish the proposed development and only in a prudent and fiscally responsible manner. **Town staff worked closely with NDC in the review of GRAVA's financial pro forma and is proposing a TIF rebate schedule that meets the financial metrics necessary for GRAVA to proceed without undue enrichment. The public benefit over the ten year period proposed exceeds the private benefit. Currently the property generates approximately \$40,000 in real estate taxes.**
5. The Tax Assessor reviews and opines as to the tax increment projected to be realized from the proposed development. **The Tax Assessor has reviewed GRAVA's pro-forma and has developed independent estimates of the potential property valuation and tax generation. NDC utilized the Assessor's estimates in their third party review.**

6. Neither the developer nor any related or affiliated persons or entities (including all partners and corporate stockholders with a 25% or greater interest in the developer, directly or indirectly) are delinquent on Town taxes or any other obligations to the Town. **The Tax Collector indicates that Greg Vaca, GRAVA and its equity partner MAR Partners are not delinquent on Town taxes.**
7. Unless otherwise specifically approved by the Town Council, the Town's commitment to provide TIF assistance is contingent upon commencement of the project within six (6) months of site plan approval and construction complete with two (2) years of site plan approval. **Construction is expected to begin within 6 months of site plan approval and the Phase I development is estimated to be completed by November 2024 within two years of site plan approval. Phase II is expected to commence in April, 2025 and be completed by May, 2026. As this is a two-phase development that we are treating as one project for purposes of a CEA, such schedule would need to be incorporated into a proposed CEA.**
8. The developer demonstrates to the satisfaction of the Town the capacity to undertake and complete the proposed project. **The development team is led by Greg Vaca of GRAVA Properties, a real estate development firm focused on village infill projects in Greater Hartford. Mr. Vaca is a former finance and real estate executive with Tishman Speyer with extensive global experience in acquisitions, development, property and asset management, leasing, dispositions and fundraising. The project's principal investor is MAR Partners, a real estate investment and development firm out of New York with over \$160 million in real property investments under management. Its founder, Matt Ross, has developed over \$70 million of residential and retail in small to medium scale projects and is a key advisor to the joint venture.**
9. The developer and the Town execute a legally binding development agreement. **Should the Town Council approve a tax rebate under the TIF Policy, a formal Credit Enhancement Agreement will be executed by the developer and the town.**

Applicants for a Credit Enhancement Agreement should demonstrate that the Town of Windsor's participation is economically necessary, and that participation is needed to undertake the project. Such justification is demonstrated by:

- The financial need to offset public infrastructure costs unique to the project or site. **Public sidewalks will need to be relocated as per a revised site plan. The developer is proposing a public gathering place along Broad Street.**
- The project is one that is supported in Windsor's Plan of Conservation and Development, in its capital improvement program, or in other supporting documents recognized by the Town. **The vision set out in the Windsor Center Transit Oriented Development Master Plan and Redevelopment Strategy, developed with significant public input, included these aspects, amongst others: The future will include preservation and enhancement of Windsor Center's historic features, but will also find new sources of economic investment and civic energy that are needed in the 21st century. To achieve the benefits of a compact, mixed-use area, the future will include new housing, shops and businesses in core locations that significantly enhance the vitality of the entire area.**

In order to achieve this vision, several recommendations were made, including the provision of new housing. According to the plan, "The future economic vibrancy and vitality within Windsor Center will require an infusion of several hundred units of new multi-family housing.

Well-designed projects are needed at key sites, converting underutilized land and providing additional high quality housing choices.” It was anticipated that new residents would become important patrons for shops, restaurants and transit.

The Plan identified the former Arthur’s Drug site as it provides an opportunity for strategic, multi-story reinvestment that can “top off” Broad Street. “Development on this centrally-located site could transform the northern end of Broad Street by visually connecting the east and west sides of the Town Green, enhancing the value of the entire area.”

A strategy referenced in the town’s recently adopted Affordable Housing Plans is to continue to allow conversion of commercial properties into a mix of commercial uses and apartments in Wilson and Windsor Center as well as higher-density infill development.

- The developer demonstrates the financial capacity to undertake the project and provides evidence in support of this capacity. Evidence will include but is not limited to:
 - o Development budget and pro-forma
 - o Financial commitments of project lenders
 - o A project implementation plan and schedule

Project financing for multi-family and mixed-use projects can be very complex. Often there are several sources of funds that go into the capital stack including from public sources in order to make projects viable. GRAVA has provided a project pro-forma that anticipates securing: traditional bank financing; a CT Communities Challenge grant; investor equity; and a local property tax incentive. The town, working with the developer, was able to secure a \$3.2M dollar state grant for the project. GRAVA is in discussions with various lending institutions including Windsor Federal, which has expressed interest in participating in the financing. GRAVA has provided a project implementation plan and schedule.

- The developer is compliant with all statutory and regulatory guidelines of the Town of Windsor and the State of Connecticut. **GRAVA is pursuing land use approvals for the development and will be required to comply with those approvals.**
- The project represents a minimum investment of five hundred thousand dollars \$500,000 in development costs. The minimum investment shall not include the costs of land acquisition. **The project entails a \$29.8M dollar investment in the community.**
- The Applicant’s equity contribution to the project is a minimum of ten percent (10%) of the project. **The developer is proposing an equity investment of approximate \$7.2M which represents 24% of the estimate project costs.**

In addition to factors highlighted above, the project includes additional elements that lend support for a potential economic development incentive:

1. Several business will be moved to new spaces or retained in updated current locations, thus retaining existing employment opportunities.
2. There will be a significant positive economic impact. The project will create two to three property management related jobs on-site. The National Multifamily Housing Council has created an online calculator that projects the economic impact of constructing new apartments in each state (<https://www.weareapartments.org/>). For 106 new apartment homes in Connecticut the total

economic impact is estimated to be \$37,057,104 supporting 98 construction jobs and 43 jobs from resident spending. Of this amount, they estimate total annual spending at \$10,527,549 which translates to approximately \$99,300 per unit. 2015 ESI Residential Demographic Multipliers for Connecticut shows a Per Household Estimate of 1.388 persons for 1 bedroom or studio apartments. At that multiplier, the development could be expected to have 147 potential residents. That same dataset includes a multiplier of 0.049 for school-age children for 1 bedroom and studios which would project to approximately 5 school-age children.

To get a more refined estimate of economic impact for the Windsor Center Plaza redevelopment, we used ESRI Retail Goods and Services Expenditures for households within a 5 minute drive of Windsor Center. Using expenditure categories that are most appropriate to apartment residents, we estimate that average housing spending on key categories was \$43,948 per unit. Assuming that 55% of those expenditures occur in the local area, this would estimate that Windsor Center businesses could experience a \$2,562,168 increase in sales from the 106 unit development. (See attached table.)

3. The project will add vibrancy to Windsor Center and encourage a more walkable downtown. Its proximity to the Harford Line and CTTransit bus connections make it a transit oriented development.
4. The current buildings are dated with a substantial vacant former bank space and will likely decrease in value without reinvestment/redevelopment.
5. The project is expected to utilize quality material and design.
6. The project will incorporate EV charging stations, all electric heating and appliances and will be built to be energy efficient. Developer is exploring solar installation.
7. The project would jumpstart the Windsor Center TIF fund that can be utilized for eligible activities under the District Master Plan. Prior to the proposed CEA rebate schedule commencing, the developer would pay taxes for the October 1, 2024 grand list at an estimated \$173,000. That is \$133,000 over the base taxes of which 25% or approximately \$33,000 would go to the General Fund and 75% or approximately \$100,000 would go into the TIF account.

Conclusion

Staff recommends a positive recommendation to the Town Council for consideration of a CEA. As per the TIF Policy, the Town Council, after referral to the Finance Committee, will determine whether the application is an appropriate use of TIF funding and whether to extend a CEA.

On Wednesday, Greg Vaca will be at the meeting to present the project and the request for a Credit Enhancement Agreement. Also present will be Kevin Gremse from NDC to discuss its third party review.

Economic Impact from 106 New Apartment Homes

Connecticut

Economic Impact of 106 New Apartment Homes.

Economic Impact

The combined contribution of apartment construction, renovation and repair, operations and resident spending to the metro economy.

Construction	\$25,574,532
Renovation & Repair	\$183,301
Operation Expenditures	\$771,722
Resident Spending	\$10,527,549

Total Economic Impact **\$37,057,104**

Impact from Tax Revenue

Operation Expenditures	\$247,789
Resident Spending	\$1,278,282
Total Impact from Tax Revenue	\$1,526,071

Employment Impact

The total number of jobs supported by apartment construction, operations, and resident spending within the metro economy.

Construction	98
Renovation & Repair	1
Operations	1
Resident Spending	43
Total Jobs Supported	143

ESRI Economic Impact

ECONOMIC IMPACT: Estimated Spending by Windsor Station Tenants

Estimated Spending by New Households				
Item	Avg Expenditure Per Household	Total Expenditures by New Households	Net New Expenditures	
Apparel and Services	\$ 2,391	\$ 253,446	\$	139,395
Entertainment	\$ 3,675	\$ 389,550	\$	214,253
Food at Home	\$ 6,089	\$ 645,434	\$	354,989
Food Away from Home	\$ 4,188	\$ 443,928	\$	244,160
Financial	\$ 10,115	\$ 1,072,190	\$	589,705
Health and Personal Care Products	\$ 1,171	\$ 124,167.34	\$	68,292
Insurance	\$ 2,698	\$ 285,988	\$	157,293
Utilities, Fuel and Public Services	\$ 5,513	\$ 584,354	\$	321,394
Transportation	\$ 6,496	\$ 688,562.22	\$	378,709
Household Furnishings and Equipment	\$ 1,612	\$ 170,868	\$	93,977
Total	\$ 43,948	\$ 4,658,487	\$	2,562,168

Source: ESRI Retail Goods and Services Expenditures 2022

Number of Households 106

Household spending data estimated based on current spending by residents within 5 minute drive of Windsor Center

New new expenditures based on assumption that 55% of expenditures are made in local area.

Credit Enhancement Agreement Application

1/19/23

**Town of Windsor, Connecticut
Credit Enhancement Agreement Application**

The purpose of this application is to present the Town of Windsor a reasonably comprehensive outline of the project for which an economic development incentive is sought. The applicant shall provide all required information in sufficient detail to allow the Town to determine costs and benefits associated with the implementation of a requested tax incentive. The Town may require additional information as it reviews the application.

Each application shall be accompanied by a filing fee of five hundred (\$500.00) dollars.

SECTION A. COMPANY NAME AND CONTACT INFORMATION

1. Official Name and Address of Company 144 152 Broad Street LLC
2. Name of Contact Person Gregory Vaca
Phone (860) 331-1980 Email greg@gravaproperties.com
3. Nature of Business Real Estate Development
SIC or NAICS Code 531390 Type of Product or Service Real Estate Development
4. Federal Employer ID # 87-4329401
5. Officers/Owners
Name Gregory Vaca Title Member % Ownership 100% (Voting Shares)

6. Is the company current with all taxes or charges due to the Town of Windsor? Yes

SECTION B. PROJECT INFORMATION

1. Project Location 144-152 Broad Street, Windsor, CT 06095
2. Provide a narrative description of the proposed project (new building, renovation, use) [See Attached Exhibit]
3. Project Scope: Residential Units 106, Residential SF 69,012, Retail SF 11,592, Office SF 0, Industrial SF 0, Other (Describe) 5,746 (Amenities). Note: Areas subject to final adjustment.
4. For multi-family or mixed used developments describe compliance with the requirement that at least 20% of the units will qualify as affordable at or below 80% area median income. The Project complies, offering 20% of units at or below 80% of AML.
5. Estimate of the costs of the proposed improvements.
Real property improvements (exclude land cost and soft costs) \$24,110,022
Personal property \$200,000
6. Project schedule. [See Attached Exhibit]

SECTION C. PROPOSED CREDIT ENHANCEMENT AGREEMENT [See Attached Exhibit]

1. Please identify the CEA schedule requested.
Percent of tax rebate
Term of tax rebate
2. Reason for the Credit Enhancement Request - Please demonstrate that "but for" the TIF assistance requested, the project in question could not reasonably be expected to move forward.
3. Please identify any other state or local incentives, financial or otherwise which are included in the project financing.
4. Please provide a calculation of the projected taxes foregone based on the requested credit enhancement period.
5. Please provide a statement about any permanent jobs created due to this project.
6. Please provide a statement of the benefits to the Town for granting the requested tax rebate including an estimate of local taxes to be paid and purchases from local vendors and a description of any planned corporate community involvement.
7. Please provide a statement that the project is one supported in Windsor's Plan of Conservation and Development, in its capital improvement program, or in other supporting documents recognized by the Town
8. For what purposes will the TIF revenues be used?

SECTION D. PROJECT FINANCIALS [See Attached Exhibit]

Please provide evidence of your financial capacity to undertake the project.

- Project pro-forma to include summary sources and use of funding, development budget and 10-year operating cash flow
- Financial commitments of project lenders including equity contributions
- A project implementation plan and schedule

APPLICATION SUBMISSION

The completed credit enhancement application and filing fee should be submitted to:

Economic Development Director
Town of Windsor
275 Broad Street
Windsor, CT 06095
860-285-1877
mcmahon@townofwindsorct.com

Credit Enhancement Agreement Exhibit

CEA Application Exhibit

Section B Responses:

2. Provide a narrative description of the proposed project (new building, renovation, use)

The site will be redeveloped into a mixed-use property through the creation of three new buildings. They have been designed to create the contextual, house-scale aesthetic contemplated in the Town of Windsor's *Plan of Conservation and Development* and local zoning regulations. See below for some highlights of the development plan.

- High efficiency, three-story walk-ups that are house scale
 - Wood frame construction, frost wall foundations without basements
 - Four apartments per floor with accessible units on the ground floor (code)
- New ground floor retail fronting Broad Street
 - Retail to be occupied mostly by existing tenants
- Amenity Center to anchor community life
 - Located on the ground floor of the North Building, in the center of the lot
 - Amenities are the best use of the space given abutting retail

See below for a preliminary rendering of the South Building and preliminary schematic of the North Building. Please note that Phase II (the West Building) will be comprised of three building modules like those of the South Building but containing no retail.

South Building (Preliminary South Elevation)



North Building (Preliminary South Elevation)



The Project is designed to create an urban, transit village at the heart of Windsor Center, targeting those demographics experiencing the highest growth in town with slightly oversized apartments and a host of attractive convenience-oriented amenities. See below for a program and site plan.

Two phases, the final Project will total:

- Residential: 68,700 NSF, 106 units
- Retail: 11,600 NSF
- ~146 parking spaces

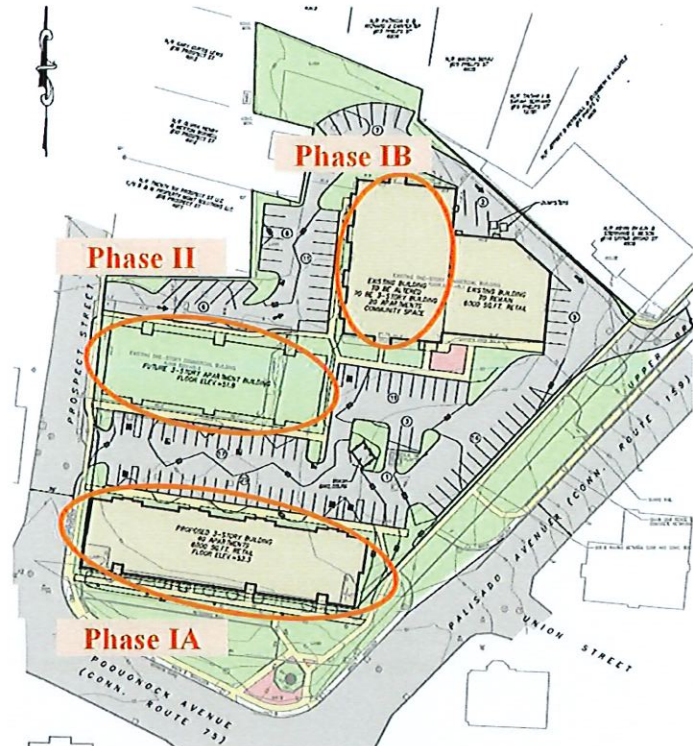
5,750 sq ft of amenity space:

- On-site management/leasing office
- Co-working, meeting room space
- Tenant lounge and coffee bar
- Modern gym and wellness facilities
- Bicycle and unit storage area
- Pet grooming infrastructure
- Central package/mail facility

Outdoor amenities include:

- Patio with grills and firepit
- Bicycle parking
- Community garden
- Dog run
- Retail seating area (Phase II)

Approved Phase I Site Plan (To be expanded, modified)



6. *Project schedule.*

The Project is expected to be phased in a way that considers the current tenants, starting with the Poquonock Avenue-facing South Building (Phase IA) that contains all new Project retail space and the North Building (Phase IB) that contains the Project amenities. Tenants will be moved to Phase IA upon completion, emptying 152 Broad Street, which will be demolished to make way for Phase II (West Building). See below for a Project timeline, and please note that this will be updated to reflect the date of final approvals.

[illegible]

Section C Responses:

1. *Please identify the CEA schedule requested.*

Percent of tax rebate: 100% from 2025 through 2028, then falling to 90% in 2029, 80% in 2030, 70% in 2031, 60% in 2032, 50% in 2033, and 40% in 2034

Term of tax rebate: 10 years, from 2025 through 2034

2. *Reason for the Credit Enhancement Request - Please demonstrate that "but for" the TIF assistance requested, the project in question could not reasonably be expected to move forward.*

Connecticut has consistently ranked among the most expensive states for construction costs, and during the COVID-19 pandemic costs spiked over 30%. At the same time, interest rates have surged for new construction from rates of 3.75% to over 6% and are expected to continue to rise prior to construction start. These two phenomena have dramatically reduced the feasibility of real estate projects. In this specific project, Net Operating Income is not expected to cover required Debt Service Coverage Ratios and meet market return requirements for a decade without significant assistance. See Project Proforma for more details.

3. *Please identify any other state or local incentives, financial or otherwise which are included in the project financing.*

The Project has been awarded a Connecticut Community Challenge Grant in the amount of \$3.2 million. This grant is expected to be disbursed together with the developer equity, and both prior to funding of construction financing, and is fully taxable as income.

4. *Please provide a calculation of the projected taxes foregone based on the requested credit enhancement period.*

Taxes foregone over the TIF period are expected to be approximately \$2.87 million over the 10 year period.

5. *Please provide a statement about any permanent jobs created due to this project.*

The site will create two to three property management related jobs on-site. As businesses will be moving between existing and future retail spaces, no net job increases are expected from the retail.

6. *Please provide a statement of the benefits to the Town for granting the requested tax rebate including an estimate of local taxes to be paid and purchases from local vendors and a description of any planned corporate community involvement.*

The Project will more than quadruple tax revenue to the General Fund, from approximately \$40,000 today to over \$160,000 when the Project is fully stabilized. Over the 10-year CEA period the project will also contribute an additional \$0.9 million to the TIF Fund to be used within the TIF District or returned to the General Fund. Although the new retail will be comprised of mostly existing tenants, its position at the street will reconnect the Center's two main commercial corridors, Broad and Poquonock, significantly enhancing the walkability of the Town Center and compelling patrons to continue shopping in the Center as it fills-in, supporting local vendors. In this sense it will also act as a catalyst for future development and the improvement of existing structures, as the Town Center fills in with buildings and residents that create a virtuous cycle of development.

As a large-scale and highly visible development, the Developer will have an outsized stake in the Center's future, and will actively contribute to supporting local civic life, financially and otherwise, including marquee town events. Leadership at the Developer has already taken

on an active civic role, including working to secure millions of dollars in Federal Funds for area street improvements.

7. *Please provide a statement that the project is one supported in Windsor's Plan of Conservation and Development, in its capital improvement program, or in other supporting documents recognized by the Town.*

This Project directly addresses four of the principal goals of Windsor's *Plan of Conservation and Development* regarding its Village Centers: to reconnect key town assets, contribute to Center vitality, increase housing options, and strengthen and diversify the tax base. This specific Project was also directly called for in the *Windsor Center Transit-Oriented Development Master Plan and Redevelopment Strategy*, which detailed the merits of reestablishing the street wall in this location to "cap off the north end of Broad Street, taking advantage of this visible location." It is treated in this document as the principal TOD opportunity in the Town Center.

8. *For what purposes will the TIF revenues be used?*

TIF Revenues will be used to pay Project debt service costs, which the Project cannot bear from its cash flow otherwise. See proforma that follows for more details.

SECTION D. PROJECT FINANCIALS

Please provide evidence of your financial capacity to undertake the project.

- *Project pro-forma to include summary sources and use of funding, development budget and 10-year operating cash flow.*

[See schedules that follow]

- *Financial commitments of project lenders including equity contributions*

GRAVA is working with Windsor Federal, who has previously committed to the Project through a term sheet [Sent in Email]. Equity capital comes primarily from MAR Partners, a New York-based developer and investor of multi-family project, as well as GRAVA and its partners.

- *A project implementation plan and schedule*

The Project is concluding the acquisition of State and Town land necessary for Project viability. It is expected to conclude in late January. The Project will also be reapproved to consider all phases, with submission of revised plans including the State and Town land in February. Full approval is expected by April 2023, with construction starting in Summer 2023. See *Project Schedule* earlier in this application.

Schedule 1: Sources and Uses of Funds

<i>Sources of Funds</i>	<i>Total</i>
Senior Debt	\$ 18,701,033
Equity	8,193,951
Grant Award	3,200,000
Total Sources	<u>\$ 30,094,983</u>

<i>Uses of Funds</i>	<i>Total</i>
Acquisition Costs	\$ 2,166,325
Hard Costs	24,310,022
Soft Costs	3,618,636
Total Project Costs	<u>\$ 30,094,983</u>

Schedule 2: Project Budget

Project Budget	Building 1	Building 2	Building 3	Total
Acquisition Costs	\$ 2,005,214	\$ 84,444	\$ 76,667	\$ 2,166,325
Base HC	\$ 9,045,734	\$ 6,099,057	\$ 5,552,924	\$ 20,697,715
Site Work	350,000	200,000	100,000	650,000
Utility Premium	66,200	49,650	59,580	175,430
Amenity Areas	-	576,875	-	576,875
HC Contingency	946,193	692,558	571,250	2,210,002
Hard Costs	\$ 10,408,128	\$ 7,618,140	\$ 6,283,754	\$ 24,310,022
Insurance	\$ 52,041	\$ 38,091	\$ 31,419	\$ 121,550
Permits & Fees	15,000	-	-	15,000
A&E	235,000	90,000	50,000	375,000
Professional Fees	15,000	10,000	10,000	35,000
Marketing/Leasing Startup	45,000	30,000	30,000	105,000
Inspections/Testing	5,900	5,000	5,000	15,900
Property Taxes	176,482	40,244	74,897	291,623
PM Set-Up	54,815	16,286	-	71,101
Tenant Improvements	117,840	-	-	117,840
Financing Costs	44,487	26,825	22,193	93,505
Interest Expense	691,967	382,523	249,674	1,324,164
Development Fee	459,565	277,627	229,661	966,853
SC Contingency	53,781	17,222	15,099	86,101
Soft Costs	\$ 1,966,877	\$ 933,818	\$ 717,942	\$ 3,618,636
Total Project Costs	\$ 14,380,219	\$ 8,636,402	\$ 7,078,363	\$ 30,094,983

Schedule 3: 10 Year Operating Cash Flows

Operating Summary												
	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
Revenues												
In-Place Revenue	\$ 80,324	\$ 82,583	\$ 83,959	\$ 85,350	\$ 86,757	\$ 87,902	\$ 88,302	\$ 88,302	\$ 88,302	\$ 88,302	\$ 88,302	\$ 88,302
New Revenue	1,432,759	2,137,838	2,614,685	2,678,791	2,744,480	2,811,792	2,880,768	2,951,448	3,023,875	3,098,092	3,174,144	3,174,144
Energy Rebates	215,000	110,000	-	-	-	-	-	-	-	-	-	-
TIF Rebate	238,821	294,994	368,606	376,578	346,239	314,403	281,025	246,056	209,447	171,149	-	-
Vacancy	(75,654)	(111,021)	(134,932)	(138,207)	(141,562)	(144,985)	(148,453)	(151,987)	(155,609)	(159,320)	(163,122)	(163,122)
Net Revenues	\$ 1,891,250	\$ 2,514,394	\$ 2,932,317	\$ 3,002,511	\$ 3,035,913	\$ 3,069,112	\$ 3,101,641	\$ 3,133,818	\$ 3,166,016	\$ 3,198,224	\$ 3,198,224	\$ 3,099,324
Expenses												
Property Mgmt	\$ (114,000)	\$ (123,192)	\$ (155,126)	\$ (159,666)	\$ (164,340)	\$ (169,135)	\$ (174,026)	\$ (179,038)	\$ (184,198)	\$ (189,510)	\$ (194,980)	\$ (194,980)
Asset Mgmt	(15,131)	(22,204)	(26,986)	(27,641)	(28,312)	(28,997)	(29,691)	(30,397)	(31,122)	(31,864)	(32,624)	(32,624)
Insurance	(42,845)	(56,962)	(66,430)	(68,020)	(68,777)	(69,529)	(70,266)	(70,995)	(71,725)	(72,454)	(73,184)	(73,184)
G&A	(18,054)	(23,682)	(27,012)	(27,823)	(28,657)	(29,517)	(30,402)	(31,315)	(32,254)	(33,218)	(34,218)	(34,218)
Utilities	(10,185)	(13,987)	(16,207)	(16,694)	(17,194)	(17,710)	(18,241)	(18,789)	(19,352)	(19,933)	(20,531)	(20,531)
Service Contracts	(11,139)	(15,298)	(17,727)	(18,259)	(18,806)	(19,371)	(19,952)	(20,550)	(21,167)	(21,802)	(22,456)	(22,456)
Maintenance	(6,365)	(8,742)	(10,130)	(10,433)	(10,746)	(11,069)	(11,401)	(11,743)	(12,095)	(12,458)	(12,832)	(12,832)
Repairs	(3,183)	(4,371)	(5,065)	(5,217)	(5,373)	(5,534)	(5,700)	(5,871)	(6,048)	(6,229)	(6,416)	(6,416)
Legal/Accounting	(3,819)	(5,245)	(6,078)	(6,260)	(6,448)	(6,641)	(6,841)	(7,046)	(7,257)	(7,475)	(7,699)	(7,699)
Apt Make-Ready	(9,097)	(12,583)	(14,615)	(15,053)	(15,505)	(15,970)	(16,449)	(16,942)	(17,451)	(17,974)	(18,514)	(18,514)
Retail/Office Broker Fees	-	-	-	-	-	-	(5,231)	-	-	-	-	-
Retail/Office Make-Ready	-	-	-	-	-	-	(74,638)	-	-	-	-	-
Marketing/Leasing	(22,140)	(30,258)	(34,891)	(35,764)	(36,658)	(37,574)	(38,513)	(39,476)	(40,463)	(41,475)	(42,512)	(42,512)
Property Taxes	(358,429)	(358,429)	(531,475)	(542,104)	(552,946)	(564,005)	(575,285)	(586,791)	(598,527)	(610,497)	(622,707)	(622,707)
Building Reserve	(30,262)	(44,408)	(53,973)	(55,283)	(56,625)	(57,994)	(59,381)	(60,795)	(62,244)	(63,728)	(65,249)	(65,249)
Ground Rent (90 yr)	(40,000)	(90,000)	(120,000)	(139,113)	(139,113)	(139,113)	(139,113)	(139,113)	(161,270)	(161,270)	(161,270)	(161,270)
Operating Expenses	\$ (684,649)	\$ (809,361)	\$ (1,085,715)	\$ (1,127,330)	\$ (1,149,501)	\$ (1,172,159)	\$ (1,275,132)	\$ (1,218,861)	\$ (1,265,171)	\$ (1,289,891)	\$ (1,312,221)	\$ (1,312,221)
Expense Reimbursements	\$ 45,312	\$ 45,514	\$ 46,449	\$ 47,403	\$ 48,317	\$ 49,247	\$ 50,192	\$ 51,153	\$ 52,133	\$ 53,131	\$ 53,940	\$ 53,940
Net Operating Income	\$ 1,251,913	\$ 1,750,546	\$ 1,893,051	\$ 1,922,585	\$ 1,934,729	\$ 1,946,201	\$ 1,876,702	\$ 1,966,110	\$ 1,992,977	\$ 1,961,464	\$ 1,841,043	\$ 1,841,043
Senior Debt Service	\$ (445,700)	\$ (1,125,162)	\$ (1,459,430)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)	\$ (1,478,381)
Operating Cash Flow	\$ 806,214	\$ 625,384	\$ 433,621	\$ 444,204	\$ 456,348	\$ 467,820	\$ 398,320	\$ 487,729	\$ 474,596	\$ 483,083	\$ 362,662	\$ 362,662

February 2, 2022

Mr. Gregory Vaca
GRAVA Properties, LLC
144/152 Broad Street
Windsor, CT 06095

Subject: Financing to fund the leasehold-interest acquisition, construction and development of Phase I of a phased project located at 144/152 Broad Street in Windsor, Connecticut. Phase I totals 64,756 SF inclusive of 40, 1-bedroom apartments and eight (8) Retail units. This project is a joint venture between GRAVA Properties, LLC, PAC Group, LLC and MAR Partners, LLC.

Dear Gentlemen:

On behalf of Windsor Federal Savings, I am pleased to offer the following proposal for financing. Please note that this proposal is for discussion purposes only and is not a commitment to lend. A commitment is subject to the Bank's internal approval process and final terms may vary from those outlined below:

1. Term Loan.

- | | | |
|-----|--------------------------|--|
| (a) | <u>Borrower:</u> | 144 - 152 Broad Street, LLC |
| (b) | <u>Credit Amount:</u> | Up to the lesser of a.) \$8,606,656, b.) 75% of the appraised lease-hold interest value of the "as-stabilized" real estate value of Phase I and remaining value of future phases, c.) up to 70% of approved project costs. |
| (c) | <u>Type of Credit:</u> | Construction-to-Perm Term Loan |
| (d) | <u>Term/Amortization</u> | 10 years / 25 years. |
| (e) | <u>Interest Rate:</u> | Fixed at 4.25% for initial five years; thereafter, adjusting every 60 months at the corresponding FHLBB + 2.50%, Floor rate of 4.25%. |
| (f) | <u>Payments:</u> | <p>Ten Year Term, with the initial 24 months being interest-only, followed by monthly P & I payments based on a 25-year amortization. If the property is not stabilized (as defined in the appraisal) after 24 months, the Borrower will have the ability to extend the interest only period by 12 months.</p> <p>The interest-only period shall be used during construction (12 months) and the additional period (12-24 months) shall be used to rent-up / stabilize the project. After the "interest only" period, payments of principal and interest will commence based on a twenty-five (25) year amortization period.</p> |

144/152 Broad Street, Windsor Connecticut

(g) Prepayment Charge:

The Prepayment Charge shall be as follows:

For the first 5 years of the loan the following prepayment penalty shall apply: 5% of the principal amount prepaid during year 1, 4% during year 2, 3% during year 3, 2% during year 4, and 1% during year 5. Open at par thereafter.

No pre-payment penalties shall apply for any prepayment on account of casualty, condemnation, DSC cures or refinancing with Windsor Federal.

(h) Fees

½ Point Construction Fee (.50% or \$43,033).

2. Collateral.

A priority mortgage lien on the leasehold-interest in the property and improvements located at 144 - 152 Broad Street in Windsor, Connecticut and an assignment of leases and rents on the subject property. In addition, the Bank will take and assignment of all plans, specifications, contracts, permits approvals and other items necessary to complete the development and construction of forty (40) market rate apartments and eight (8) retail units, as well as, a UCC filing on all furniture, fixtures and equipment of the borrower. The Bank will also have a first security interest and assignment to the development rights. (assuming Borrower is a single asset entity).

3. Guarantor(s).

Completion Guarantee as well as an unlimited guaranty of all payment and performance obligations by the Sponsor, Gregory Vaca.

4. Financial Reporting.

The Borrower shall furnish the following financial reports:

<u>Type of Report(s)</u>	<u>Frequency</u>	<u>Due Date</u>
Tax Return	Annually	Within 120 days of calendar year end or such other date approved by the Bank.
Operating Statements / Rent Roll	Monthly until stabilized, thereafter annually or upon request.	

In addition, the Borrower shall furnish to the Bank such other reports as shall be required in the loan documents.

The Guarantors shall furnish to the Bank within 120 days after the end of the prior calendar year and when requested, personal financial statements addressed to the Bank in form satisfactory to the Bank, and within 120 days of the end of the prior calendar year end the Guarantor's filed tax returns for the prior year.

3. Financial Covenants.

a). Minimum lease up/occupancy requirement of 75% within 12 months of Certificate of Occupancy. If Covenant threshold is not met, Borrower shall cure the default by funding a reserve escrow of \$100,000. The reserve shall be released upon achievement of 80% Net SF leased, as measured at a future quarter end.

c). Minimum annual debt service coverage of 1.25X upon stabilization. The first covenant test date shall be 12/31/24. If Covenant threshold is not met, Borrower shall cure the default by funding an escrow equal to the amount between NOI and 125% of debt service. This cure is limited to 24 months of non-compliance and shall be released upon covenant compliance at a future quarter end.

The covenant will be specifically tied to the subject property and will be defined as net operating income generated on an annual basis divided by debt costs. Net operating income is defined as

total revenues less all non-debt expenses plus depreciation and amortization. Debt costs are defined as the entire principal and interest scheduled to be paid for the period being measured from the annual statement. The first test date shall be 12/31/24.

4. Equity Requirement.

The Borrower will be required to fund up to \$5,054,937 or approximately 37% of the total Phase I project costs. Prior to Bank funding, equity of \$1,193,777, grant funding of \$2,500,000 and mezzanine financing of 1,000,000 must be injected into the project. Prior to closing, the Borrower will fund an interest-reserve account of \$350,000 to be utilized for ongoing interest payments required on the outstanding balance throughout construction.

The proposed Phase I Development Fee of \$648,654 to be paid in monthly installments of \$12,500 during construction and stabilization (24 months). The remaining \$348,654 to be paid upon substantial completion/stabilization of Phase I of the project.

The above amounts are based on Phase I project costs of \$13,661,593.

5. Operating and Deposit Accounts.

The Borrower shall maintain with the Bank its primary operating and deposit accounts. At the option of the Bank, all loan payments and fees will automatically be debited from the Borrower's primary operating account and all advances will automatically be credited to the Borrower's designated account.

6. Other Conditions:

- The Bank shall have received, at its option, an appraisal satisfactory to the Bank of all real estate being encumbered (the "Real Estate"),
- Surveys or engineer's reports as the Bank shall require regarding the Real Estate,
- Satisfactory evidence concerning the existence of hazardous materials (Environmental Reports)
- Title and compliance with zoning and land use laws respecting the Real Estate
- Receipt and satisfactory review of all construction related contracts including, but not limited to, the Budget, Construction Contract and Architect's Contract as well as copies of the complete set of specifications and plans associated with each contract, as well as, the final AIA form between Borrower and Contractor as well as the construction schedule.
- Receipt and satisfactory review of the terms and conditions of the grant award and mezzanine financing. The grant award and mezzanine financing must be fully subordinated to the proposed Bank financing.
- Subject to Windsor Federal Directors Loan Committee approval.

7. Acceptance of Proposal. This proposal letter must be accepted and returned to the Bank no later than at the close of business on **February 18, 2022**, along with a **good faith deposit of \$10,000** that will be utilized to pay for the cost of the real estate appraisal or other underwriting costs.

8. Governing Law. This letter shall be governed by the laws of the State of Connecticut.

9. Counterparts. This letter may be executed in any number of counterparts, each of which shall be an original and all of which, when taken together, shall constitute one agreement.

This summary of terms and conditions set forth in this letter does not purport to include all of the conditions, covenants, representations, warranties, defaults, and other provisions, which will be contained in the definitive documents of this transaction. If the terms and conditions are to your satisfaction, please sign below.

In addition to definitive financial and business covenants, legal opinions, and business and financial reporting requirements, the Bank will include, but is not limited to, provisions relating to property and insurance,

144/152 Broad Street, Windsor Connecticut

access to books and records, payment of indebtedness, taxes, and other government charges and compliance with environmental laws and other federal and local statutes.

Once again, thank you for the opportunity to submit this proposal on behalf of Windsor Federal Savings and Loan Association. If you have any questions or comments on the terms of this letter, please do not hesitate to call me directly at (860) 298-1455.

Very truly yours,
Windsor Federal Savings

By: _____

Luke D. Kettles,
Executive Vice President, Commercial Lending

The above proposal is hereby accepted:

Borrower: 144 - 152 Broad Street, LLC

By: _____
Gregory Vaca, Manager

The above proposal is hereby accepted:

Guarantor: Gregory Vaca

By: _____
Gregory Vaca

GRAVA Properties Overview

Company Overview

GRAVA Properties was founded in 2020 by its principal, Gregory Vaca, a native of Windsor, CT, with extensive global real estate development experience. GRAVA is focused on mixed-use, urban infill projects in the Greater Hartford Area, especially ground-up multifamily rental development. The company has a pipeline of Transit Oriented Projects throughout the region.

In these efforts, GRAVA has a joint-venture with the PAC Group of Torrington, an experienced builder and developer of properties spanning residential, commercial, industrial and government buildings. The company is also funded by MAR Partners of New York, an experienced developer and asset manager.



Executive Experience

Upon graduation from Columbia University, Mr. Vaca started in real estate investment banking in New York City in 2003 before moving to Tishman Speyer, the world's premier developer of large-scale mixed-use properties, where his career spanned 14 years in New York City, São Paulo and Rio de Janeiro. Mr. Vaca served as a Managing Director of Acquisitions and Development for 9 of those years, the last 4 of which were spent as the Chief Operating Officer of Tishman Speyer's large Brazil business.

Over this time Mr. Vaca led or was a key decision maker in nearly every aspect of property acquisition, development, commercial leasing, property and asset management, dispositions and fundraising. He is particularly proud of developments such as the Patio da Maritima revitalization of Rio de Janeiro's port district, a 2 million square foot development whose first 800,000 square foot mixed-use phase is now the headquarters of several of Brazil's most important companies. Other developments in that region include a planned 900,000 square foot multi-phase urban residential mixed-use project, as well as the successful 450,000 square foot headquarters of Bradesco Insurance. He was part of the senior management guiding the iconic 260,000 square foot residential/mixed-use Alameda Jardins tower in São Paulo, among a dozen other such residential projects, and was responsible for property management of a 5 million square foot portfolio across Brazil. He led fundraising efforts that successfully raised over \$700 million.

Mr. Vaca has underwritten hundreds of projects over his career, guiding dozens of largescale projects through their respective business plans as a partner at Tishman Speyer. He started GRAVA Properties in order to bring his extensive and unique experience to bear at the village scale, in hopes of doing his part to alleviate the current housing crisis in the most sustainable way possible.

MAR Partners Overview

MAR Partners is a real estate investment and development company founded by Matt Ross in 2010. Directly or through affiliates, it currently manages over \$160 million of real property investments and has developed over \$70 million of residential and retail property. With permanent capital, MAR Partners is a multiple-driven, not IRR-driven, investor. It seeks to develop/acquire on its own or with operating partners long-term, tax-efficient cash flows in residential and commercial rental properties. These investments have, to date, focused on emerging neighborhoods of Brooklyn, Philadelphia, Los Angeles, Austin/San Antonio, and Denver.

Matt co-founded Patoma, a full service real estate development, construction, and management firm based in Brooklyn, where he remains an advisor and investor partner. Previously, Matt was a Vice President of Columbia River Capital Advisors, a real estate investment firm working in partnership with family offices, and an Associate at RCG Longview, a family of real estate private equity funds with over \$2 billion of assets under management. Matt began his career at Belvedere Capital Real Estate Partners, a private real estate investor and operator in New York City. Matt graduated cum laude from the Wharton School of Business at the University of Pennsylvania in 2004 where he received a B.S. in Economics.

Completed Ground-up Developments

1099-1105 Willoughby Ave, Bushwick, Brooklyn

- Land purchased in Sept 2011 for \$725,000
- Total construction capitalization of \$4,300,000
- Twelve 4-bedroom duplexes across four buildings
- Appraised value Feb 2016 of \$11,000,000

44-50 Withers Street, Williamsburg, Brooklyn

- Land purchased in Jul 2012 for \$2,390,000
- Total construction capitalization of \$6,500,000
- Environmental remediation of gas station awarded a 2015 Big Apple Brownfield Award
- Eight 4-bedroom duplexes and one retail space across three buildings
- Appraised value Nov 2014 of \$15,000,000

248-254 South Third Street, Williamsburg, Brooklyn

- Land purchased in Dec 2012 for \$2,400,000
- Total construction capitalization of \$7,250,000
- Twelve 4-bedroom duplexes across four buildings
- Appraised value Dec 2015 of \$14,600,000

1834-48 Frankford Ave, Fishtown, Philadelphia

- Land purchased in Apr 2016 for \$850,000
- Total construction capitalization of \$4,000,000
- Constructed 20 units (12 for-sale condominiums, 8 rental units) across seven four-story buildings
- Appraised value December 2019 of \$1,600,000

1837-47 Blair St, Fishtown, Philadelphia

- Land purchased in Apr 2016 for \$850,000
- Total construction capitalization of \$4,000,000
- Constructed 21 units (12 for-sale condominiums, 9 rental units) across seven four-story buildings
- Appraised value December 2019 of \$2,300,000

1141-49 Front St, Fishtown, Philadelphia

- Land purchased in Sept 2018 for \$1,500,000
- Total construction capitalization of \$10,000,000
- Constructed 45 units in a six-story elevator building
- Appraised value October 2021 of \$14,000,000

Current Ground-up Developments

1131-39 Front St, Fishtown, Philadelphia

- Land purchased in Sept 2018 for \$1,500,000; construction commenced in Q4 2021
- Total construction capitalization of \$11,000,000
- To be constructed 48 units in a six-story elevator building
- Projected NOI of \$700,000

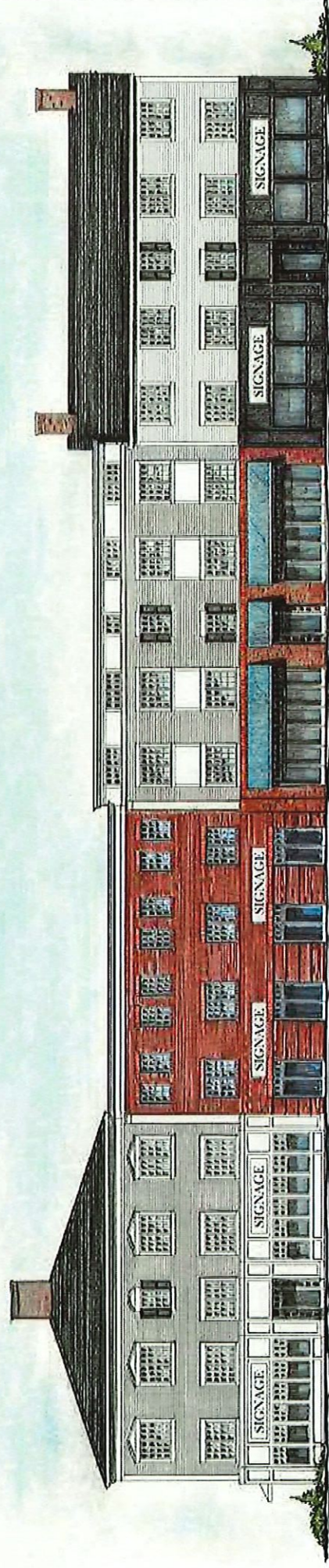
2717-27 Howard St, Kensington, Philadelphia

- Land purchased in Jan 2020 for \$800,000; construction commenced in Q1 2022
- Total construction capitalization of \$9,500,000
- To be constructed 56 units in a series of three-story buildings
- Projected NOI of \$650,000

NDC Windsor Center Plaza Presentation

1/19/22

Windsor Center Plaza



Presented by National Development Council
January 19, 2022



NDC Overview

For over 50 years NDC's mission has been to increase the flow of capital to under-resourced communities for affordable homes, sustainable jobs and neighborhood development.

Capacity

Technical Assistance



Training & Certification



Financing & Development

Corporate Equity Fund



Grow America Fund



HEDC



Technical Assistance – NDC field directors help define, design and execute development and business finance initiatives

Training — NDC instructors teach skills and knowledge needed to successfully facilitate housing and economic development projects

Corporate Equity Fund - NDC serves as a development partner as well as providing syndicated investments in housing and historic tax credits

Grow America Fund – NDC creates jobs through SBA small business lending

Housing & Economic Development Corporation (HEDC) – NDC finances and builds community and public facilities on behalf of our client communities through public-private partnerships and new markets tax credits

Town Assignment

- **Review Town application, development program, and developer financial model**
 - Financial Model submitted by developer(s)
- **Determine the need for financial assistance through Tax Increment Financing (“TIF”) program**
- **Offer comment and perspective on the sizing and terms of TIF assistance to the Town**
 - Establish the appropriate sizing of TIF to establish financial feasibility without providing “undue enrichment” to applicant/developer
 - Substantiate the “but for” test
 - Demonstrate Net Public Benefit to Town

Program and Sources and Uses

(Combined Phase I & II)

PROGRAM	Phase I	Phase II	Total
Total Units	70	36	106
Market Rate Units	56	28	84
Workforce Units (80% AMI)	14	8	22
Total Gross Square Feet			92,456
Commercial NSF	11,592	0	11,592
Total NSF			86,001
Parking Spaces			146
Acreage			4.96

USES OF FUNDS	\$	Per Unit	Per SF	%
Acquisition	\$2,152,992	\$20,311	\$23	7%
Site Work	\$650,000	\$6,132	\$7	2%
Construction Hard Costs	\$21,450,020	\$202,359	\$232	72%
Hard Cost Contingency	\$2,210,002	\$20,849	\$24	7%
Soft Costs and Professional Fees	\$3,379,008	\$31,877	\$37	11%
TOTAL	\$29,842,022	\$281,529	\$323	100%

SOURCES OF FUNDS*	\$	Per Unit	Per SF	%
Loan*	\$19,397,314	\$182,994	\$210	65%
Equity	\$7,244,708	\$68,346	\$78	24%
CT Communities Challenge Grant Award	\$3,200,000	\$30,189	\$35	11%
TOTAL	\$29,842,022	\$281,529	\$323	100%

* NDC capital structure sizes debt at 65% of total project costs

* Permanent Loan may be as high as...

\$23,873,617.60

Developer-Submitted Rent Roll (Phase I & II)

Unit Description	%	Units	NSF	Total NSF	Mo Rent	Rent/SF	Annual Rent
Building 1 (Market)							
Studio	8%	8	577	4,616	\$1,635	\$2.83	\$156,960
One Bedroom	23%	24	729	17,496	\$1,949	\$2.67	\$561,312
Building 1 (Workforce @ 80% AMI)							
One Bedroom	8%	8	729	5,832	\$1,691	\$2.32	\$162,336
Building 2 (Market)							
Studio	13%	14	531	7,434	\$1,637	\$3.08	\$275,016
One Bedroom	9%	10	688	6,880	\$1,862	\$2.71	\$223,440
Building 2 (Workforce @ 80% AMI)							
Studio	6%	6	531	3,186	\$1,578	\$2.97	\$113,616
Building 3 (Market)							
Studio	11%	12	554	6,648	\$1,627	\$2.94	\$234,288
One Bedroom	15%	16	705	11,280	\$1,862	\$2.64	\$357,504
Building 3 (Workforce @ 80% AMI)							
One Bedroom	8%	8	705	5,640	\$1,691	\$2.40	\$162,336
TOTAL / AVERAGE	100%	106	639	69,012	\$1,726	\$2.73	\$2,246,808

TIF SCHEDULE

Windsor Center Plaza

Current Taxes	\$39,997	Starting Abatement	100%
Improvement Taxes (Phase 1 / 2025)	\$317,764	TIF Term Decrease	6
"As Improved" (Full) Taxes (Phase 1 / 2025)	\$357,761	Decrease (after Year 4)	10.00%
Improvement Taxes (Phase 1 & Partial 2 / 2026)	\$382,492		
"As Improved" (Full) Taxes (Phase 1 & Partial 2 / 2026)	\$422,489		
Improvement Taxes (Phase 1 & 2 / 2027)	\$498,205		
"As Improved" (Full) Taxes (Phase 1 & 2 / 2027)	\$538,202		

Proposed Units

106

Estimated Taxes/Unit

\$5,077

Annual Escalator (Starting 2027)

2.00%

Operating Year	Year	Base Taxes	Taxes on Improvements	"As Improved" Full Taxes	\$ Amount to General Fund (25%)	\$ Amount to TIF Fund (75%)	% Reimbursed (from TIF Fund)	Rebate	Net Taxes Paid	Increment (Net Taxes Paid - Base Taxes)	\$ Deposit to TIF Fund
1	2025	\$39,997	\$317,764	\$357,761	\$79,441	\$238,323	100.00%	(\$238,323)	\$119,438	\$79,441	\$0
2	2026	\$39,997	\$382,492	\$422,489	\$95,623	\$286,869	100.00%	(\$286,869)	\$135,620	\$95,623	\$0
3	2027	\$39,997	\$498,205	\$538,202	\$124,551	\$373,654	100.00%	(\$373,654)	\$164,548	\$124,551	\$0
4	2028	\$39,997	\$508,969	\$548,966	\$127,242	\$381,727	100.00%	(\$381,727)	\$167,239	\$127,242	\$0
5	2029	\$39,997	\$519,948	\$559,945	\$129,987	\$389,961	90.00%	(\$350,965)	\$208,980	\$168,983	\$38,996
6	2030	\$39,997	\$531,147	\$571,144	\$132,787	\$398,360	80.00%	(\$318,688)	\$252,456	\$212,459	\$79,672
7	2031	\$39,997	\$542,570	\$582,567	\$135,643	\$406,928	70.00%	(\$284,849)	\$297,718	\$257,721	\$122,078
8	2032	\$39,997	\$554,221	\$594,218	\$138,555	\$415,666	60.00%	(\$249,400)	\$344,819	\$304,822	\$166,266
9	2033	\$39,997	\$566,106	\$606,103	\$141,526	\$424,579	50.00%	(\$212,290)	\$393,813	\$353,816	\$212,290
10	2034	\$39,997	\$578,228	\$618,225	\$144,557	\$433,671	40.00%	(\$173,468)	\$444,757	\$404,760	\$260,203
TOTAL		\$399,970	\$4,999,651	\$5,399,621	\$1,249,913	\$3,749,738		(\$2,870,233)	\$2,529,388	\$2,129,418	\$879,505

53% of full taxes

47% of full taxes

\$252,939 avg. during term

\$2,386 per unit annually

6.32 multiplier

TIF Financial Assistance Creates Financial Feasibility

- Property taxes are currently \$39,997
- In 2027, taxes at full assessment estimated to be \$538,202 or > @ \$5,000/unit
- With taxes at full assessment without reimbursement, development is not financially feasible
- Lender and investor thresholds are not met without TIF financial assistance
- TIF Schedule Summary
 - 100% reimbursement of 75% on improvement taxes deposited in TIF Fund in Years 1-4
 - 10% phase-in during years 5-10
- “But for” Test? **YES**
- Undue Enrichment? **NO**

Stabilized Operation Summary

- Project not feasible with full taxes

STABILIZED OPERATING PRO FORMA (Assumed to be 2029 / 3rd year of operations after Phase II completion)

	(1) WITHOUT TIF		(2) WITH TIF Assistance	
	\$	Per Unit	\$	Per Unit
Project Gross Income	\$2,835,263		\$2,835,263	
Vacancy	(\$141,763)	5.00% vacancy	(\$141,763)	5.00% vacancy
Effective Gross Income	\$2,693,500		\$2,693,500	
Operating Expenses Excl Taxes	(\$528,634)	\$4,987	(\$528,634)	\$4,987
RE Taxes	(\$559,945)	\$5,283	(\$559,945)	\$5,283
Reserves	(\$57,260)	\$540	(\$57,260)	\$540
Total Expenses	(\$1,145,839)	\$10,810	(\$1,145,839)	\$10,810
TIF Reimbursement	\$0		\$350,965	\$3,311 3rd year
Net Operating Income	\$1,547,661		\$1,898,626	
Debt Service	(\$1,433,191)		(\$1,433,191)	
Cash Flow	\$114,469		\$465,435	

METRICS

Debt Coverage Ratio 1.08

Cash on Cash Return 1.6%

Yield to Cost Return 5.8%

Leveraged Pre-Tax IRR Over Term 6%

1.32

6.4%

7.1%

13%

Typical in Market

>1.20

>6.5%

>7.0%

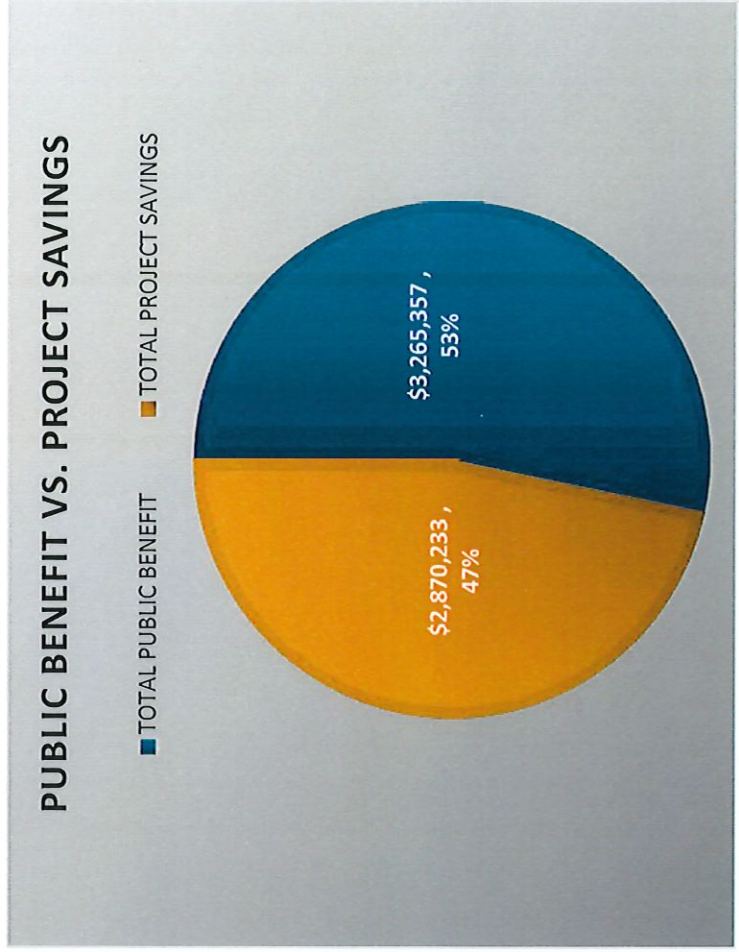
>12%

TIF Summary

- \$2.5 million in net taxes paid
 - 47% of full taxes over the 10-year period
- \$2.1 million increment
- \$253K average in net taxes paid per year
 - Equivalent to \$2,386 per unit annually
- Annual average is 6.32X multiplier over current
taxes paid on the properties



Project Benefit Summary

PUBLIC BENEFIT VS PROJECT SAVINGS	
Net Taxes Paid Over 10-Year Term	\$2,529,388
Building Permit Fee	\$294,615
Value of Workforce Housing (80% AMI)	\$441,354
TOTAL PUBLIC BENEFIT	\$3,265,357
Real Estate Tax Savings Over 10-Year Term	
TOTAL PROJECT SAVINGS	\$2,870,233
NET PUBLIC BENEFIT	\$395,124



Other Benefits

- Catalytic impact
- Walkable mixed-use mixed-income transit-oriented development becomes draw for downtown
- Creates a more walkable pedestrian friendly downtown
- Adds considerable disposable income (+/- \$3 million) to assist downtown retail trade



WINN-DIXIE TOWNSHIP OF

Windsor TIF Policy

Adopted

6/6/22



Town of Windsor

Tax Increment Financing Policy

Tax Increment Financing (TIF) is a local economic development tool, permitted under Connecticut law, that allows municipalities to use all, or a portion of the tax revenues generated from a new capital investment to assist in project development. TIF is designed to encourage industrial, commercial, retail or mixed-use development; increase employment opportunities; and broaden the tax base of the municipality.

The authority for creation of tax increment financing districts is established in state law:

CHAPTER 105B – TAX INCREMENT DISTRICTS

Town Council Adopted: June 6, 2022

INTRODUCTION

Tax Increment Financing (TIF) is a local economic development tool, permitted under Connecticut law, that allows municipalities to use all, or a portion of the real property tax revenues generated from a new capital investment to assist in project development. TIF is designed to encourage industrial, commercial, retail, mixed-use, and multi-family housing development; increase employment opportunities; and broaden the tax base of the Town of Windsor.

The purpose of this Policy is to provide a framework for the Town by which applications for TIF can be evaluated. Notwithstanding compliance with any or all of the guidelines below, the creation of a TIF District and development of Credit Enhancement Agreements (CEA) is a policy choice to be evaluated on a case-by-case basis by the Windsor Town Council.

The burden of establishing the public value of a TIF shall be placed upon the applicant and the application must substantially meet the criteria contained herein. The Town Council, however, reserves the right to consider any TIF proposal provided a majority of the Council believes that acceptance of the TIF is in the best interest of the Town of Windsor.

TIF Districts may be designated for up to 20 years and can be extended by vote of the Town Council. The percentage of capture of incremental taxes will be determined as each TIF District Master Plan is approved. The designation of a TIF district requires proper notice, a local public hearing, an advisory opinion of the Planning and Zoning Commission, and the majority vote of the Town Council.

General Provisions

Applications for Tax Increment Financing (whether initiated by the Town or requested by a developer or business) will be considered by Town staff and the Economic Development Commission - with all final approvals vested with the Town Council. Amendments to existing TIF Districts will follow this process. The terms and specific details of each TIF CEA agreement are developed on a case by case basis. The Town Manager and the Manager's designated departments will negotiate for the Town based on the merits of the project and this policy, following the process laid out in the Application Requirements Section. In developing the application, the applicant (the Town or the developer) shall meet the following basic provisions, as well as the policies and requirements stipulated in subsequent sections.

TIF is a tool that permits a municipality to further local projects by using all or some of the new property taxes from a capital investment within a designated geographic district. The Town has the right to retain TIF proceeds for public infrastructure improvements or TIF eligible expenses. The municipality has the option of using the "incremental" taxes to fund eligible municipal economic development activities, retire bonds it has issued for the project, or reimburse a developer or business for development project costs (via a *Credit Enhancement Agreement or CEA*).

Eligible Expenses

Eligible TIF expenses include but are not limited to:

1. Capital costs, including, but not limited to,
 - a. the acquisition or construction of land, improvements, infrastructure, public ways, parks, buildings, structures, railings, street furniture, signs, landscaping, plantings, benches, trash receptacles, curbs, sidewalks, turnouts, recreational facilities, structured parking, transportation improvements, pedestrian improvements and other related improvements, fixtures, and equipment for public use,
 - b. the acquisition or construction by the private sector of land, improvements, infrastructure, buildings, structures, including facades and signage, fixtures, and equipment for industrial, commercial, residential, mixed-use or retail use or transit-oriented development,
 - c. the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures, and fixtures;
 - d. environmental remediation;
 - e. site preparation and finishing work; and,
 - f. all fees and expenses associated with the capital cost of such improvements, including, but not limited to, licensing and permitting expenses and planning, engineering, architectural, testing, legal and accounting expenses;
2. Financing costs, including, but not limited to, closing costs, bonding issuance costs, reserve funds, and capitalized interest;
3. Real property assembly costs;
4. Costs of technical and marketing assistance programs;
5. Professional service costs, including, but not limited to, licensing, architectural, planning, engineering, development, and legal expenses;
6. Maintenance and operation costs;
7. Administrative costs, including, but not limited to, reasonable charges for the time spent by municipal employees, other agencies, or third-party entities engaged in the implementation of a district master plan; and,
8. Organizational costs relating to the planning and the establishment of the tax increment district, including, but not limited to, the costs of conducting environmental impact and other studies and the costs of informing the public about the creation of tax increment districts and the implementation of the district master plan.

Documentation

The applicant is required to provide all documentation associated with the application. This documentation becomes the basis by which the project's implementation is reviewed for compliance with final approvals.

Geographic Boundaries

The Town Council reserves the right, during the application process, to establish the size of the district necessary to meet the needs of the applicant or to meet the needs of infrastructure or other municipal improvements deemed necessary.

Personal Property

Personal property shall not be included in the calculations for the TIF.

TIF ADVISORY COMMITTEE

The Economic Development Commission (EDC) is designated and charged with advising the Town Council and Town Manager on the creation and implementation of the District Plans. The EDC may provide advisory recommendations as to the implementation of District Master Plans, make proposals and recommendations regarding revisions to District Master Plans and provide advisory comments to the Town Manager on the annual TIF budget for the operation and maintenance of the Districts for submission to the Town Council for approval. The EDC will solicit input from town staff, as well as residents and property owners within proposed or approved districts, including the opportunity for one or more citizen representatives with a connection to the district to be seated on the advisory committee during the development of its recommendations.

OVERVIEW OF CREDIT ENHANCEMENT AGREEMENTS

Credit Enhancement Agreements (CEAs) are a mechanism for providing assistance to property owners or developers undertaking development projects in the TIF District. A CEA is a contractual agreement between the Town and applicant that allows the Town to provide reimbursements of future incremental property tax revenues to the Applicant. This policy outlines the eligibility requirements, guidelines, process, and other details for how and when the Town will enter into CEA agreements.

The Town will review CEA applications on a case-by-case basis and is not obligated or bound to enter into a CEA.

CEA Goals

The Town of Windsor's goal for entering into a CEA is to create incentives for private partners, such as property owners or developers, to undertake improvements to privately owned parcels in a TIF District that would not otherwise be undertaken because the costs of such improvements make them financially infeasible.

General Provisions

AMOUNT OF FUNDS. The TIF funds reimbursed/returned to the developer will not exceed, over time, the amount of funds agreed to in the TIF document. The applicant is required to submit all documentation that will justify the expenditure to be reimbursed as estimated in the Credit Enhancement Agreement.

TERMS. Terms shall be negotiated between the Town and the applicant on a case-by case basis. Agreements can extend up to the full term of the district; and up to 100% of the annual TIF Revenues associated with the captured incremental value from the property can be reimbursed to the property owner depending on the merits. The term of the agreement shall not exceed the number of years remaining in the life of the district.

SUSPENSION AND RECAPTURE OF BENEFITS. The Credit Enhancement Agreements shall contain provisions for the suspension, termination, and/or recapture of benefits to the applicant. These actions will occur when the applicant does not meet the compliance standards outlined in the CEA. This would also include any statements or representations made by the applicant which would have a

bearing on the Town Council's decision to participate in a TIF and at what level. The agreements shall also provide for the termination and/or recapture of benefits from the applicant if the applicant relocates all or a substantial portion of the Windsor operation outside the town, during the term of the agreement and for three years beyond the term of the agreement.

Requirements

The Town of Windsor will consider a project for assistance through a Credit Enhancement Agreement only if all of the following requirements are met:

1. The TIF project must provide for the improvement of a property included in the Town of Windsor's Priority Redevelopment Properties List and Policy adopted December 2, 2002, as amended from time-to-time. The Town Council reviews the Priority Redevelopment Properties List on an annual basis.
2. The developer is able to demonstrate that "but for" the TIF assistance requested, the project in question could not reasonably be expected to move forward.
3. The Town Council has approved a District Master Plan for the project area in question.
4. TIF assistance is provided to the proposed development only to the degree necessary to accomplish the proposed development and only in a prudent and fiscally responsible manner.
5. The Tax Assessor reviews and opines as to the tax increment projected to be realized from the proposed development.
6. Neither the developer nor any related or affiliated persons or entities (including all partners and corporate stockholders with a 25% or greater interest in the developer, directly or indirectly) are delinquent on Town taxes or any other obligations to the Town
7. Unless otherwise specifically approved by the Town Council, the Town's commitment to provide TIF assistance is contingent upon commencement of the project within six (6) months of site plan approval and construction complete with two (2) years of site plan approval.
8. The developer demonstrates to the satisfaction of the Town the capacity to undertake and complete the proposed project.
9. The developer and the Town execute a legally binding development agreement.

EXTENT OF TOWN'S OBLIGATION. Under any CEA, the Town's obligation to make a periodic payment under the CEA will only arise to the extent the Town receives incremental real property tax revenue based on positive captured assessed value of the particular property during the appropriate period. In other words, in any CEA, the Town shall not obligate itself to make fixed payments without

receiving incremental tax revenues nor shall it be obligated to make payments if there is no increased assessed value.

MUNICIPAL PARTICIPATION

The Town will use various criteria to evaluate each application such as:

1. The value of the proposed public infrastructure
2. The project creates public infrastructure facilities that have application beyond the development, such as improvements to traffic patterns, parking facilities, access to water, the incorporation of sustainable technologies, green space, or environmental remediation
3. The project is generally consistent with goals and actions stated in the Town's Plan of Conservation and Development or other approved planning documents
4. The project assists an established business in the Town of Windsor, thus retaining existing employment opportunities
5. The project brings a new business to the community that is consistent with one of the business sectors identified below
6. The project supports, or will support, local efforts and programs that assist in the development of the following business sectors: medical industry, manufacturing, biotechnology, composite materials technology, environmental technology, financial services, information technology, mixed-use and multifamily housing.
7. The project creates long-term, permanent, and quality employment opportunities
8. The project contributes to the unique qualities of the Town, commercial and industrial districts or other areas in need of redevelopment
9. The project improves a blighted building site that will benefit from redevelopment
10. The project supports or will support community projects, provides job training, provides student internships, supports local contractors and suppliers
11. The project creates new multifamily housing that includes at least 20% of the units qualifying as affordable at or below 80% area median income.
12. The project utilizes quality materials and design
13. The project incorporates green technology or other sustainability measures such as LEED (Leadership in Energy and Environmental Design) certified construction, solar installation, EV charging stations or other alternative energy measures.

APPLICATION REQUIREMENTS FOR PROJECTS THAT INCLUDE A CREDIT ENHANCEMENT AGREEMENT

Applicants for a Credit Enhancement Agreement should demonstrate that the Town of Windsor's participation is economically necessary, and that participation is needed to undertake the project. Such justification is demonstrated by:

- The financial need to offset public infrastructure costs unique to the project or site
- The project is one that is supported in Windsor's Plan of Conservation and Development, in its capital improvement program, or in other supporting documents recognized by the Town

- The developer demonstrates the financial capacity to undertake the project and provides evidence in support of this capacity. Evidence will include but is not limited to:
 - o Development budget and pro-forma
 - o Financial commitments of project lenders
 - o A project implementation plan and schedule

All such information shall be kept confidential to the extent allowable under the State of Connecticut Freedom of Information statute.

- The developer is compliant with all statutory and regulatory guidelines of the Town of Windsor and the State of Connecticut
- The project represents a minimum investment of five hundred thousand dollars \$500,000 in development costs. The minimum investment shall not include the costs of land acquisition.
- The Applicant's equity contribution to the project is a minimum of ten percent (10%) of the project.

Fixed Assessment Agreements (FAA)

Within a TIF District the Town Council may approve a fixed assessment agreement per the Town's adopted Assessment Abatement Policy.

APPLICATION PROCESS FOR A NEW TIF DISTRICT

The Economic Development Department will coordinate all activities regarding applications for Tax Increment Financing projects, possible CEAs, and TIF Amendments. It is understood that the TIF process can precede other local approvals; however, the final TIF approval may be conditioned on receiving such approvals. Working with applicants, the Economic Development Department will coordinate the following process:

Phase 1: Economic Development Staff will provide information on Windsor's Tax Increment Financing program to the applicants and discuss the merits of the project proposal(s). Where appropriate, the staff will reach out to obtain preliminary input from Town departments, including the Town Manager, Tax Assessor, Town Attorney, Director of Public Works, Police and Fire Chiefs, and Development Services Team and advise applicants on the findings of Town staff.

Phase 2: The applicant shall file an application with the Economic Development Department including the District Master Plan. The District Master Plan should include all of the information required under State law. Economic Development staff shall review the application for completeness and then submit the application to the Economic Development Commission for their review and recommendation to the Council.

Phase 3: The Town Council, after referral to the Finance Committee, will determine whether the application is an appropriate use of TIF funding or not. The Town Council shall determine that (A) A

portion of the real property within the proposed district meets at least one of the following criteria: (i) be a substandard, insanitary, deteriorated, deteriorating or blighted area; (ii) be in need of rehabilitation, redevelopment or conservation work; or (iii) be suitable for industrial, commercial, residential, mixed-use or retail uses, downtown development or transit-oriented development; and (B) The original assessed value of a proposed tax increment district plus the original assessed value of all existing tax increment districts within the municipality may not exceed ten per cent of the total value of taxable property within the municipality as of October first of the year immediately preceding the establishment of the tax increment district. If so, the Town Council will schedule at least one public hearing on the proposed District approval and transmit the district master plan to the Planning and Zoning Commission for a written advisory opinion.

Phase 4: Subsequent to public hearing(s) and receipt of a written advisory opinion from the Planning and Zoning Commission, the District Master Plan will be presented to the Windsor Town Council for its final consideration.

Phase 5: During implementation, the Economic Development Department will monitor ongoing public and private investments in the development project to insure their compliance with the policies contained in the District Master Plan.

APPLICATION PROCESS FOR A CEA IN AN EXISTING DISTRICT

Working with applicants, the Economic Development Department will coordinate the following process:

Phase 1: Economic Development Staff will provide information on Windsor's Tax Increment Financing program to the applicants and discuss the merits of the project proposal(s). Where appropriate, the staff will reach out to obtain preliminary input from Town departments, including the Town Manager, Tax Assessor, Town Attorney, and Development Services Team and advise applicants on the findings of Town staff.

Phase 2: The applicant shall file an application with the Economic Development Department. Economic Development staff shall review the application for completeness and then submit the application to the Economic Development Commission for their review and recommendation to the Council.

Phase 3: The Town Council, after referral to the Finance Committee, will determine whether the application is an appropriate use of TIF funding and whether to extend a Credit Enhancement Agreement.

Phase 4: During implementation, the Economic Development Department will monitor ongoing public and private investments in the development project to insure their compliance with the policies contained in the District Master Plan.

Application Fee

Applications are available through the Economic Development Department, Windsor Town Hall, 275 Broad Street, Windsor, CT 06095.

All developer or business applicants are required to:

- Submit a non-refundable application fee of \$500 at the time of submission to the Town

WAIVER PROVISIONS

The Town Council, in its sole discretion, may waive the provisions of this policy.

MODIFICATIONS TO THE TIF POLICY

This Policy may be modified at any time by a majority of the Town Council.

**TOWN OF WINDSOR
PRIORITY REDEVELOPMENT PROPERTIES**

The following are the priority redevelopment properties in the Town of Windsor as determined by the Town Council:

<u>Plaza Building</u>	280-294 Broad Street
<u>Tobacco Valley Inn</u>	Dunfey Lane and Bloomfield Avenue
<u>Redevelopment Parcel</u>	418-446 Windsor Avenue
<u>Udolf Property</u>	156 Windsor Avenue
<u>Flamingo Inn</u>	19, 27, 29, and 35 Windsor Avenue
<u>Parcel north of 457 Windsor Ave</u>	459-465 Windsor Avenue
<u>Spillane property next to CITGO</u>	581 Windsor Avenue
<u>Former Scranton Chevrolet Site</u>	125 Poquonock Avenue
<u>Larsens Hardware Property</u>	144 Poquonock Avenue
<u>Former Printing Express Site</u>	20-26 Poquonock Avenue
<u>Windsor Center Plaza</u>	144-152 Broad Street

History

1. Initially adopted, December, 2002.
2. Revised, December, 2007 to delete 33 Mechanic Street and 853 Palisado Avenue.
3. Revised, August, 2010 to add 125 Poquonock Avenue, 147 Poquonock Avenue, and 144 Poquonock Avenue.
4. Revised, April 4, 2011 to add 2000 Day Hill Road.
5. Revised, February 4, 2013 to add 20-26 Poquonock Avenue
6. Revised, December 21, 2015 to delete 69 Mechanic Street, 147 Poquonock Avenue and 240 Broad Street.
7. Revised, January 21, 2020 to delete 2000 Day Hill Road
8. Revised January 4, 2021 to add 451 Windsor Avenue (former Roger Wolcott School)
9. Revised June 6, 2022 to delete 451 Windsor Avenue and add 144-152 Broad Street

Windsor Center TIF Master Plan

Adopted
10/17/22



Windsor Center Tax Increment Financing District Master Plan

Town Council Adopted: October 17, 2022

DISTRICT MASTER PLAN

Table of Contents

I.	Introduction to the District	3
II.	List of Property Tax Identification Numbers.....	7
III.	Description of the Present Condition and Uses of Land and Buildings.....	7
IV.	Description of the Public Facilities, Improvements, and Programs to be Added or Financed	8
	A. Municipal Costs, Public Facilities, and Infrastructure Activities within the District	9
	B. Municipal Costs, Public Facilities, and Infrastructure Activities outside of, but related to the District	10
V.	Description of the Commercial, Residential, Mixed-Use or Retail Improvements, or TOD Anticipated to be Financed in Whole or in Part	11
VI.	Financial Plan	12
VII.	Operation and Maintenance Plan	14
VIII.	Duration of the Tax Increment Financing District	14
IX.	Modifications to the District Master Plan	14

Appendix

- Exhibit A – District Boundary Map and Parcel Identification
- Exhibit B – Assessor’s Certification of Original Assessed Value (OAV)
- Exhibit C – Map of Planning Area for TOD Master Plan
- Exhibit D – Estimate of Captured Assessed Value (CAV) and Incremental Tax Revenue
- Exhibit E – Written Advisory Opinion of the Planning and Zoning Commission
- Exhibit F – Public Hearing Notice
- Exhibit G – Public Hearing Minutes
- Exhibit H – Town Council Resolution

I. INTRODUCTION TO THE WINDSOR CENTER DISTRICT

The Town of Windsor, a municipality organized under the laws of the State of Connecticut, plans to enhance and revitalize its historic downtown known as Windsor Center.

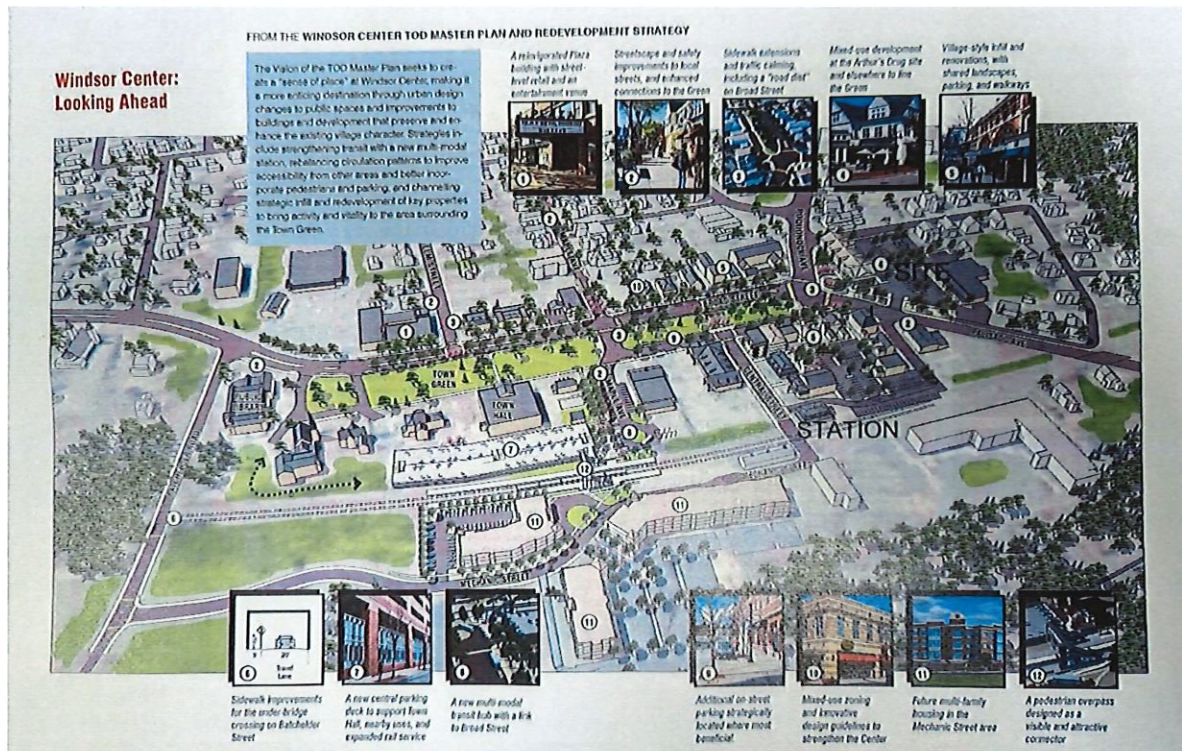
The residents of Windsor and its Boards and Commissions have identified the enhancement of the Center as a top priority as indicated in the Town of Windsor's Plan of Conservation and Development and Windsor Center Transit Oriented Development Master Plan.

Based on a series of workshops and planning exercises, participants in the Windsor Center transit-oriented development planning process developed an overall vision for the future of Windsor Center, which is as follows:

- **Walkable and Connected** – a compact district that takes advantage of transit and reinforces all of the uses by becoming an increasingly walkable, well-connected cluster of uses, places, services, and amenities;
- **Vibrant and Diverse Uses** – a vibrant district that boasts a diverse mix of uses that enhances the area as a place to live, work, visit, and play;
- **Accessible and Safe** – a convenient district that is easy to access from other areas and allows pedestrians, bicycles and automobiles to get around safely and efficiently; and
- **Attractive and Distinctive** – a clearly defined district through the urban design of its streets, ways and public spaces and through the consistent qualities of its constituent buildings that preserve and enhance the existing village character and historic and iconic assets, while encouraging new uses that provide additional attractions for people to come to the Center.

Broadly the objectives of this District Master Plan are to:

- Expand the economic vitality of the Town of Windsor;
- Provide new employment opportunities, and retain existing employment;
- Expand housing choice for all types of households;
- Construct or improve physical facilities and structures through the (re)development of commercial, residential, retail, mixed use, transit-oriented development and downtown development;
- Capitalize on unique assets such as the Farmington and Connecticut Rivers, the Town Green, and the Hartford Line commuter rail;
- Maximize the use of existing infrastructure; and,
- Implement the goals and objectives contained within the adopted *Town of Windsor Plan of Conservation and Development* and *Windsor Center Transit Oriented Development Master Plan*



Windsor Center Transit Oriented Development Planning Efforts

From 2012 to 2014, the Town undertook a community-based planning process to prepare the Windsor Center Transit-Oriented Development Master Plan (TOD Plan). This planning and facilitation study was intended to optimize the potential for town center development by identifying the key opportunities, identifying obstacles to redeveloping selected sites, completing a market analysis, and coordinating train station development with existing development and other transit services.

Housing is a key to support existing small businesses and spur additional enterprises to locate in the town center. The households residing in new market rate, workforce and senior housing will add vitality and generate daily economic activity. Opportunities for appropriately scaled and designed in-fill housing exist at several locations including Windsor Center Plaza (a.k.a. Arthur's Plaza), former Fusco site (20-26 Poquonock Avenue), and the Mack Street and Poquonock Avenue intersection.

Another important strategy is to bring both town residents and visitors to the town center on a more regular basis. This can be accomplished through continued programming at the Windsor Art Center, additional community events, creation of new entertainment or leisure attractions as well as new restaurants and shops. Completing the revitalization of the historic Plaza Building provides a catalytic opportunity. There are also other opportunities and locations that could contribute to bringing more individuals to the town center through creative partnerships.

With over 55,000 square feet of existing space, the various buildings located within the area bounded by Central and Union Streets, represent an opportunity to strengthen existing small businesses and attract new enterprises. The current mix of uses lends itself to attracting customers throughout the day and into the evening hours. By continuing to facilitate a number of relatively small incremental steps through a set of collaborative partnerships, this block could be enhanced.

A fourth strategic area relates to mobility. Mobility in terms of walking, traffic / parking management, coordination of multi-modes of transportation (trains, buses, bikes) is crucial to build upon the center's existing

compact, walkable nature. This strategy includes finding ways to link the east and west sides of Broad Street to take advantage of the many current and future transportation assets in the town center.

A significant mobility-related recommendation of the study is the reconfiguration of Broad Street to reduce the number of through lanes from two in both directions to one in each direction with dedicated turn lanes and the addition of formalized on-street parking. The goal is to reduce vehicle speed, shorten the distance of pedestrian street crossings and add more convenient parking. In FY21, the Town Council authorized staff to pursue this strategic recommendation through authorizing design. Partial project funding from the State of Connecticut in the amount of \$1.2 million has been awarded to date largely through the advocacy of State Representative Jane Garibay.

Lastly, the plan identified a number of actions that the town could employ to incentivize further investment in the town center. These include targeted financial assistance, adjustments to zoning regulations, and investments in roadways, sidewalks and coordinated/shared parking areas. The town has done this through offering a Façade Improvement Program, pursuing grants to construct sidewalks on Batchelder Road and Mechanic Street, as well as modifying zoning regulations and offering project-based incentives.

Windsor Center as a Community Focus

Prior to the potential use of Tax Increment Financing (TIF), the citizens of Windsor and its Boards and Commissions have supported revitalization through our annual budget. The Town has also pursued state grants for revitalization, such as the recently awarded Connecticut Communities Challenge Grant. The new TIF tool will be an important additional funding source to implement needed improvements.

One outcome of Windsor's multi-year and numerous planning efforts for the area is the consensus that a focus and commitment to revitalization is important. With the implementation of the Windsor Center TIF District Master Plan, and the enhancement of the Town's traditional business district, the Town envisions significant private investment in new business ventures, major redevelopment, rehabilitation of



historic properties, and new public infrastructure that will benefit the local community and economy. The Town foresees the enhancements funded through TIF will add to the Center's vibrancy and will successfully attract new businesses, visitors, and consumers, and maximizes its potential as one of Connecticut's great downtowns

Justification for Creation of the Windsor Center TIF District

The Windsor Center TIF District Master Plan seeks to combat sprawl and maximize the utilization of infrastructure already in place. Full implementation of this Plan will result in private investment that will generate new tax revenue to be used for implementation and sustainment of the development strategy. This program exemplifies the community's desire to undertake planned growth and development, and authorizes project costs such as administration, public projects, development incentives, and reimbursement of any bonded indebtedness which may occur to meet the needs of the development strategy. Furthermore, the provision of jobs for area residents creates opportunity, and stimulates our local economy. Therefore, this development strategy and the goals set

forth within contribute toward the advancement of the Town's goals to provide new employment opportunities, broaden the tax base, and improve our local economy.

This development strategy seeks to accomplish and contribute to the economic growth and betterment of the general health, welfare, and safety of the residents of Windsor. As such, the Town's designation of the District and creation of the Windsor Center Development Fund constitute a good and valid public purpose. Without the development strategy, the Windsor Center area will not reach its economic and community development potential.

The Mechanism of TIF as an Economic and Community Development Tool

Creating a Windsor Center TIF permits the community to establish a baseline of present property values to be known as Original Assessed Value (OAV) from which new incremental value will be calculated. A portion of the real property taxes generated from new incremental value in the district can be captured for use in the district. This plan calls for the use of 75% of the new taxes generated in the district to be utilized for downtown area related projects. By establishing a baseline of values and using the revenue for downtown-related projects, it creates a fund to offset those project costs in lieu of raising the funds through property taxes. This fund might be thought of as a forced savings account, which, due to its existence, may mitigate the tendency to delay necessary projects or improvements due to budgetary constraints.

This TIF shall provide capital reinvestment revenue for the Windsor Center district. Each project represents an important piece in the core development of the Center district and will play a significant part in maintaining the unique physical qualities of Windsor with access to retail and service activities. The investments are also meant to spur and assist with other economic development activities. Projects like downtown enhancement and railroad station area improvements are important for the historic fiber of Windsor Center and the fiscal health of the Town. In other cases, such as the Broad Street functional and streetscape improvements the projects are meant to address basic infrastructure needs that will serve residents and visitors alike. Improving mobility and accessibility will enhance the Windsor Center experience, improve pedestrian and vehicular safety, and positively impact property values.

The development fund from the TIF proceeds may be used to support economic development, assist in the retirement of debt related to projects, or be used annually toward individual projects identified below.

Over time, the development fund use will become more refined, but will be visited annually by town staff, the TIF Advisory Committee and Town Council as part of the annual budget approval process. Said annual review will include input from town staff, key stakeholders and citizens.

In Summary

Tax increment financing is a proven method of strengthening ties between businesses, the community, and the broader regional economy. To facilitate enhancement of the area, it is imperative that we acquire the ability to leverage initial investments occurring within Windsor Center as a catalyst for further investments. The Town of Windsor, in adopting this development strategy, will create a municipal Tax Increment Financing District. Tax increment revenues will be made available for several projects; some projects that are general in nature, and others that are site specific. The Town desires to capture 75% of the new incremental assessed valuations within the district. The TIF District will remain in place for a period of 20 years from adoption and will include tax increment revenues solely on real property.

The TIF District becomes effective upon adoption by the Town.

II. LIST OF THE TAX IDENTIFICATION NUMBERS FOR ALL LOTS OR PARCELS WITHIN THE TIF DISTRICT

As of October 1, 2021, the Original Assessed Value (OAV) of the taxable real property in the Windsor Center TIF District is \$43,524,768, The Assessor's Certificate of Original Assessed Value is included as Exhibit B.

The OAV of all proposed and existing TIF Districts in the Town (taxable real property) may not exceed the state-established maximum of 10% of the total taxable real property in the Town as of October 1 of the year immediately preceding the establishment of the tax increment district. The Town of Windsor does not have any pre-existing TIF Districts. Therefore, the OAV of proposed and existing TIF Districts in the Town of Windsor (taxable real property) represents 1.63% of the total taxable property in the Town as of October 1, 2021. As shown in Table 1, below, the OAV within all proposed and existing TIF Districts in the Town is below the state maximum.

Table 1: Original Asset Value (OAV) as a Percent of all Town Taxable Real Property

OAV, Proposed Windsor Center TIF District (Taxable Real Property)	\$43,524,768
OAV Existing TIF Districts (Taxable Real Property)	\$0
Total Proposed and Existing TIF Districts (Taxable Real Property)	\$43,524,768
October 1, 2021 Gross Taxable Real Estate Grand List	\$2,676,734,678
Total OAV within TIF Districts as % of All Gross Taxable Real Estate Grand List	1.63

Throughout the term of the District, the Increased Assessed Value (IAV) shall always be calculated based on the OAV. Decreases in the Captured Assessed Value shall not obligate the Town to make up any shortfalls in Tax Increment Revenues. All assessed real property value captured in the Windsor Center TIF District will be added to the general tax rolls at the end of the District's term.

A map delineating the properties in the tax increment financing district is attached as Exhibit A.

III. DESCRIPTION OF THE PRESENT CONDITION AND USES OF LAND AND BUILDINGS

Windsor Center has a number of competitive advantages such as three state routes converging downtown, the beautiful town green and municipal buildings and the presence of the Hartford Line and bus transit. However, there are a number of properties in need of redevelopment, buildings in need of restorative work, and commercial spaces to fill with businesses. To strengthen the center as a vibrant, walkable, mixed-use district, it will take a variety of public and private sector actions to capitalize on the positive attributes and to address the hurdles or challenges. The challenges and opportunities of Windsor Center are well documented in the Plan of Conservation and Development and the Windsor Center Transit Oriented Master Plan. These plans outline goals, objectives, and a roadmap to implement a comprehensive revitalization of these areas.

Windsor Center has the elements necessary for a vibrant downtown and a comprehensive approach to revitalization is needed focusing in on the sense of place, historic preservation, small business assistance, promotion of events, transit improvements, and well-maintained public spaces.

The Town has made significant strides in enhancing Windsor Center over the last two decades through such efforts as the First Town Square and Windsor Station Apartments. The Town would like to capitalize on these investments to encourage additional private sector investment. The TOD Master Plan determined that a financial subsidy program would need to be in place to attract developers and that modification to zoning regulations

would be required to support Transit Oriented Development. The Town has updated the zoning regulations for Windsor Center and the Windsor Center Tax Increment Financing District will satisfy the need for financial support to developers.

IV. DESCRIPTION OF THE PUBLIC FACILITIES, IMPROVEMENTS, AND PROGRAMS TO BE ADDED OR FINANCED

Collaboration through a strong public/private partnership is essential to the revitalization of Windsor Center and to the success of this TIF plan. A key objective is to encourage private capital investment through improvements in the District accomplished by dedicating "captured revenues" for municipal maintenance and improvements. The Town's expenditures act to support and enhance the investor's capital commitment by ensuring well-maintained infrastructure and esthetics for the public.

The Town approves the following list of activities as eligible and authorized project costs.

Capital Costs, including but not limited to:

- The acquisition or construction of land, improvements, infrastructure, public ways, parks, buildings, structures, railings, street furniture, signs, landscaping, plantings, benches, trash receptacles, curbs, sidewalks, turnouts, recreational facilities, parking, transportation improvements, transit equipment, pedestrian improvements and other related improvements, fixtures, and equipment for public use;
- The acquisition or construction of land, improvements, infrastructure, buildings, structures, including facades and signage, fixtures, and equipment for commercial, residential, mixed-use or retail use or transit-oriented development;
- The demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures, and fixtures;
- Historic preservation and restoration of buildings that are either eligible or listed on the State and/or National Register of Historic Places;
- Clean energy initiatives such as solar renewable energy, electric vehicle charging stations, etc.;
- Environmental remediation;
- Site preparation and finishing work; and
- Fees and expenses associated with the capital cost of such improvements, including, but not limited to, licensing, permitting, planning, engineering, architectural, testing, legal and accounting.

Financing Costs

Debt service payments, including closing costs, issuance costs, and bond retirement premiums, for indebtedness incurred for authorized project costs.

Professional Service Costs

Procurement of engineers, architects, planners, consultants, or attorneys, as needed, to facilitate implementation of the Transit Oriented Development Plan and Windsor Center District Master Plan.

Administrative Costs

Reasonable charges for the time spent by municipal employees, First Town Downtown, other agencies or third-party entities associated with the implementation of a district master plan.

Maintenance and Operation Costs

Costs of increased public services within the District that result from successful implementation of the Town's Plan of Conservation and Development Goals and Objectives, including but not limited to, increased public safety/security (police, fire, emergency), increased public maintenance (plowing, mowing, trash/litter removal, installation/replacement of marketing/promotion hardware, beautification), and increased utility costs

Technical and Marketing and Promotions Costs

- Marketing and promotion of events or programs organized by the municipality or First Town Downtown

- Establishing a permanent economic development revolving loan fund or targeted investment funds, to support municipal economic development strategies
- Providing skills development and workforce training for residents of the municipality

A. Municipal Costs, Public Facilities, and Infrastructure Activities within the District

Table 2 is a representative list of projects that could potentially benefit from the use of TIF revenue. However, the projects listed below may be completed with any combination of TIF revenue, general fund revenue, bonding, state and federal grants or other sources of funds.

<p>Table 2</p> <p>TIF District Project Costs</p>		
Project/Program/Category	Description	Preliminary Estimated Cost
Transit Oriented Development Area Predevelopment	Planning, appraisals, environmental reports, legal for town-owned Mechanic Street Lot	<i>\$50,000</i>
Broad Street Complete Streets	Planning and construction of complete streets improvements including but not limited to sidewalks, bumpouts, signals, street furniture, landscaping, etc.	<i>\$4,500,000</i>
Palisado Avenue Corridor Improvements	Accessibility and aesthetic improvement from Windsor Center to Historic District including repairs to retaining wall	<i>\$2,310,000</i>
Poquonock Avenue Streetscape Enhancements	Implementation of streetscape enhancements including, but not limited to, sidewalks, bike paths, bike lanes, street furniture, landscaping, etc.	<i>\$500,000</i>
Public Facilities	Repairs to Town Hall, Library, Luddy House, Train Station, Freight House	<i>\$1,000,000</i>
Improvements to Town Property, Public Spaces, and Parks	For purposes related to the physical improvement of Windsor Center and equipment related to maintenance and upkeep.	<i>\$500,000</i>

Building Improvements	Implement Façade, Signage and Building and Safety Code Improvements program to support private sector investment	<i>\$500,000</i>
Support First Town Downtown	Downtown Manager responsible for 4 Point Approach to revitalization	<i>\$50,000 annually</i>
Small Business Revolving Loan Fund	A revolving loan fund program to support business growth and expansion in Windsor Center	<i>\$250,000</i>
Poquonock Avenue Access to Millbrook Open Space	Provide for access point to Millbrook Open Space from Poquonock Avenue including pedestrian bridge	<i>\$500,000</i>
Economic Development Studies	Economic development studies including planning, market analysis, marketing, feasibility, and associated consulting fees.	<i>\$100,000</i>
Other Economic Development Projects and Programs	Any other projects or programs deemed important for the economic development and improvement within the district	<i>\$100,000</i>

B. Municipal Costs, Public Facilities, and Infrastructure Activities outside of, but related to, the District

Projects costs outside of, but related to, the district that are directly associated with infrastructure improvement and public safety may use TIF funds. Table 3 are specific activities eligible to receive TIF funds and shall be limited to properties within the planning area for the TOD Master Plan shown in Exhibit C or immediately adjacent thereto.

Table 3 Project Costs outside of, but related to, the District		
Project/Program/Category	Description	Estimated Cost
Neighborhood Streetscape Improvements	Implementation of streetscape enhancements including, but not limited to, sidewalks, bike paths, bike lanes, street furniture, or landscaping	<i>\$200,000</i>
Open Space and Park Improvements	Design and construction of enhancements to open space, trails and park facilities	<i>\$250,000</i>

V. DESCRIPTION OF THE COMMERCIAL, RESIDENTIAL, MIXED-USE OR RETAIL IMPROVEMENTS, OR TOD ANTICIPATED TO BE FINANCED IN WHOLE OR IN PART

Credit Enhancement Agreements (CEAs)

Credit enhancement agreements permit the "captured" property tax dollars to be channeled directly to the business doing the development. The money must be used for the project but the business is given considerable latitude in its use of these funds, unless stipulated otherwise by the municipality.

A portion of the captured tax increment may be used for a variety of private projects within the District; to include, but not be limited to Credit Enhancement Agreements (CEAs) for the rehabilitation or redevelopment of property, compliance with building codes, façade improvements, acquisition and demolition of privately owned property, and the provision of Revolving Loan Funds for inventory or operating capital and investments in real property.

Regardless of whether these projects are undertaken by existing property owners or future developers, all capital improvements made on private property for eligible qualified projects will be financed by each respective developer and become the sole liability of said developer. Additionally, all improvements must be done in compliance with local and state laws.

The Town of Windsor further proposes to enter into Credit Enhancement Agreements (CEAs), on a limited basis, within the structure of this District Master Plan and the Tax Increment Financing Policy set forth by the Windsor Town Council. The Town of Windsor, through a decade of planning, realizes the importance of development within Windsor Center, but more so the importance of development that conforms to the historical, social, and cultural characteristics of the community. CEAs provide the community a tool that is flexible and locally controlled to incentivize private development that conforms to its vision and goals.

The Town also asserts that it should assist developers that are willing to take a risk in innovative redevelopment/rehabilitation efforts within the District. As such, it makes sense for the Town to collaborate with these developers for projects that provide a direct public benefit. The Town has interest in collaborating in those specific real estate development projects that offer the greatest redevelopment potential and meet the Town's goals regarding land and building uses in the Windsor Center District. This is accomplished by identifying specific parcels of real estate within the District that the Town wishes to aid, and allocating a portion of the TIF proceeds to the project through a Credit Enhancement Agreement (CEA) with the property owner/developer.

CEAs may be negotiated individually with property owners or developers of properties listed on the Town's Priority Redevelopment Properties list. Financial incentives provided to individual owners/developers of these respective properties may be funded solely from the incremental tax revenues generated from their private investments. Furthermore, it must be demonstrated that investment would otherwise be inhibited but for the financial incentive. Tax increment revenues allocated for reimbursement to the developer or business as articulated in CEAs may not exceed 100% of the incremental tax revenue from any individual parcel, and the term of the agreement shall not exceed the number of years remaining in the life of the district. Each CEA must be in accordance with the Town's Municipal Tax Increment Financing Policy at the time it is executed.

VI. FINANCIAL PLAN

The Original Assessed Value (OAV) of the real taxable property in the District was \$43,524,768 as of October 1, 2021. The Town of Windsor will capture seventy five percent (75%) of the increased assessed value of the real property located within the District for the duration of the 20-year term of the District. The TIF revenues so collected will fund and/or contribute to the funding of the approved projects, including such projects described in Tables 2 & 3.

1. Cost estimates for the public improvements and developments anticipated in the district master plan

Municipal approval of the TIF District Master Plan will not constitute a financial appropriation. Annual action through the budget process by the Town Council will be required for financial appropriation for each community investment option. Also, it is recognized that TIF revenue must be spent per the municipally approved Town of Windsor Tax Increment Financing Policy.

2. The maximum amount of indebtedness to be incurred to implement the district master plan

It is presumed in most cases that public improvements will not be undertaken unless TIF revenues, or other sources, are available at an adequate level. However, the Town reserves the right, in those circumstances where it is imperative that public infrastructure be developed prior to a private investment, to incur debt to facilitate, in part or in whole, any of the projects outlined within the District Master Plan. This does not, however, obviate the need for a regular municipal legislative process for acquiring any financing through bonding.

3. Sources of anticipated revenues

The primary source of revenue to implement the District Master Plan is incremental revenues generated by the property tax. Other sources of revenues that may be used to fund projects and programs in Tables 2 & 3 include, but are not limited to, state and federal grants and general fund revenues.

4. A description of the terms and conditions of any agreements, including any anticipated assessment agreements, contracts or other obligations related to the district master plan

Any Credit Enhancement Agreements shall be approved under the Windsor Tax Increment Financing Policy.

5. Estimates of increased assessed values of the tax increment district

The estimates of the captured assessed values for the TIF district during the life of the District Master Plan are included in Exhibit D.

6. The portion of the increased assessed values to be applied to the district master plan as captured assessed values and resulting tax increments in each year of the plan

The original assessed value of taxable real property (land and buildings) within the district boundaries is \$43,524,768 as of October 1, 2021. A certification by the municipal assessor of the Town of Windsor that the

original assessed value established represents the taxable real property within the District's physical description, as delineated on the attached map, is attached as Exhibit B.

The Town of Windsor plans to capture 75% of the increased taxable assessed value. Taxes generated from the captured assessed value will be allocated to support approved municipal based costs within the district or associated with the district. Exhibit D is a 20 Year pro forma projecting the TIF revenue that will be generated from the District based on the captured assessed value. The estimate assumes 0.5% growth each year. It is estimated that \$12,332,990 in TIF revue will be generated over the life of the TIF.

7. Windsor Center Tax Increment Financing Development Fund

The Windsor Center Tax Increment Financing Development Fund provides for seventy-five percent (75%) of the increase in assessed value of the District to be captured and designated as captured assessed value. The tax increment (or TIF revenues) will be deposited by the Town into the Development Fund for a period of twenty (20) years. The Development Fund is pledged to and charged with the payment of the project costs. Credit Enhancement Agreements made with private property owners will be handled separately and independently from one another, and payments to a property owner or developer for reimbursement of eligible development costs under the terms of an agreement shall be restricted to no more than 100% of the captured incremental tax revenue from designated project.

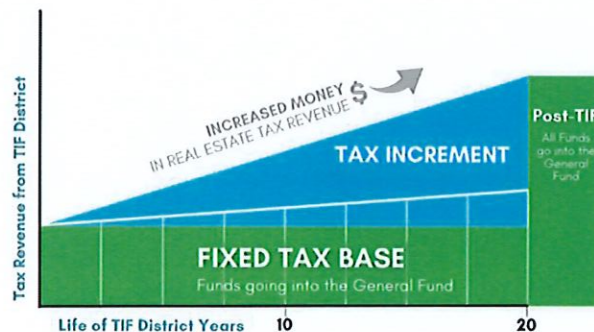


Illustration of TIF mechanism

The Windsor Center Tax Increment Financing Development Fund is established consisting of a project account (the "Project Account") pledged to and charged with payment of project costs. A separate Project Cost Subaccount will be established for each development project in the District that is subject to the development strategy in this plan. Development Subaccounts will also be created for each Credit Enhancement Agreement, which will be pledged to and charged with payment to the Developer under the terms of that agreement for reimbursement of eligible development costs.

In the instances of indebtedness issued by the municipality to finance or refinance project costs, a segregated project fund will be established for the repayment of principal, interests and costs. No bonding is anticipated at the inception of this District.

The Credit Enhancement Agreement executed between the Town and each separate Developer will make a provision for payments to the Developer from the applicable Development Subaccount. The TIF revenues disbursed pursuant to the Credit Enhancement Agreements are hereby understood and to be reflected in each CEA to be used by the developer for costs that are deemed eligible within the development strategy. In each fiscal year, pursuant to the Credit Enhancement Agreements, the Town will make payment to the Developer(s) within sixty (60) days from which time the associated property taxes are paid in full for that year.

Credit Enhancement Agreements will specify that reimbursement will only be made to the Developer in those years where the Town's valuation for the entire District exceeds the assessed valuation of the District assigned by the Town to the District as of October 1, 2021.

VII. OPERATIONAL AND MAINTENANCE PLAN

Improvements in the TIF District within the public way will at all times be owned by the Town of Windsor, or its successors, designees, and assigns, which will be responsible for payments of all maintenance expenses on said improvements, except those State-owned public ways within the TIF District. Improvements made to private properties will be owned and maintained by each individual owner of record. During the life of the district, the Town Manager, or their designee(s), after considering the advice of the TIF Advisory Committee, will be responsible for all administrative matters concerning the implementation and operation of the district.

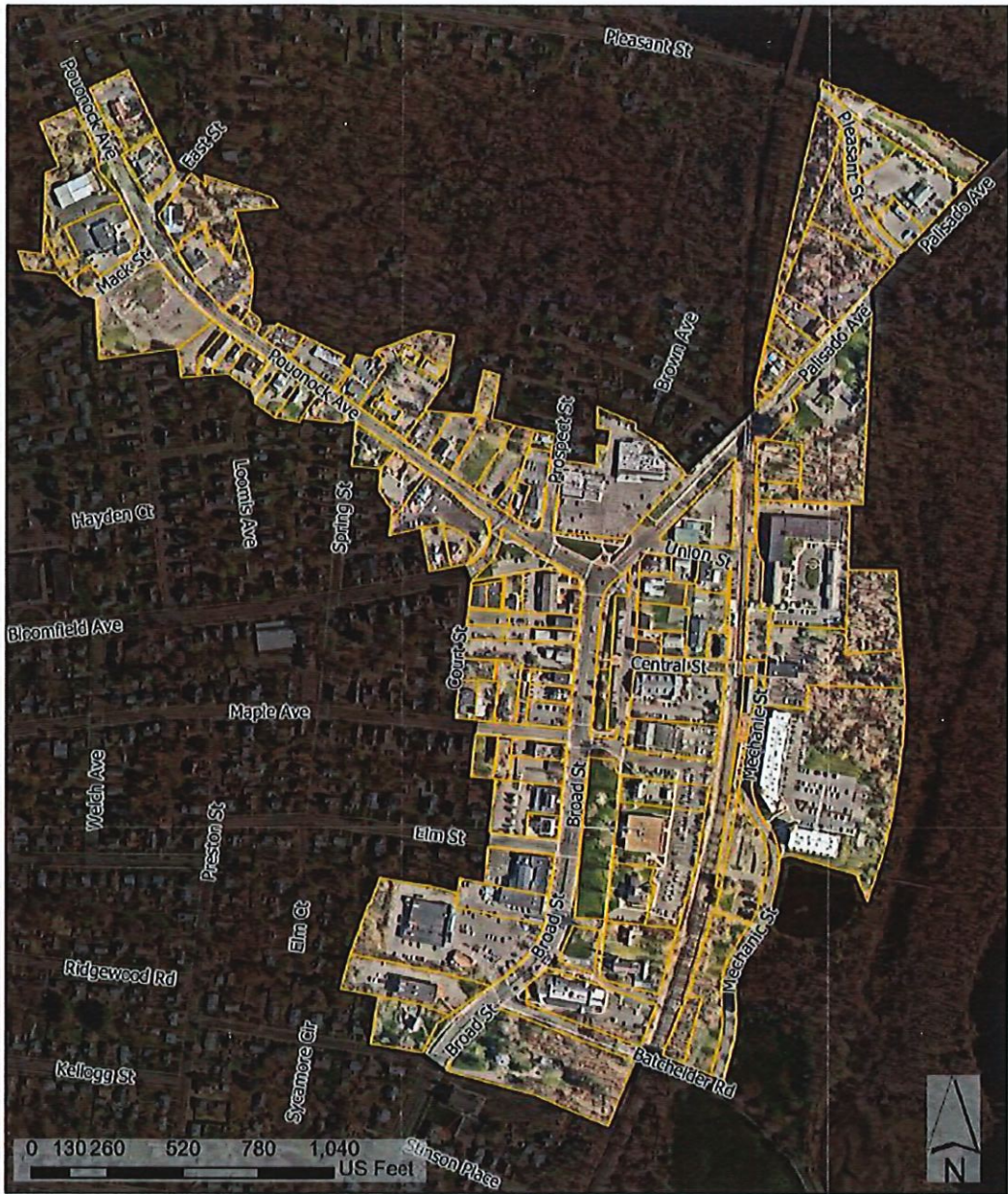
VIII. DURATION OF THE TAX INCREMENT FINANCING DISTRICT

The term of the Windsor Center TIF district is twenty (20) years commencing on the date that the Plan is approved by the legislative body of the Town and ending 20 years from such approval date.

IX. MODIFICATIONS TO THE DISTRICT MASTER PLAN

This District Master Plan may be modified at any time by a majority of the Town Council after the Council has entertained comments and concerns at a properly advertised public hearing to be held prior to, or simultaneously with, the Council meeting at which the proposed amendment will be considered.

EXHIBIT A – DISTRICT BOUNDARY MAP and PARCEL IDENTIFICATION



Town of Windsor, CT

Printed: 8/31/2022 9:08 AM

The proposed Windsor Center Tax Increment Financing District incorporates primarily B2, NZ and R-8 zoned land fronting on Poquonock Avenue, Palisado Avenue, Bloomfield Avenue, Broad Street, Union Street, Central Street, Mechanic Street, Batchelder Road, Maple Avenue and Court Street.

Parcels in the District:

M B L	Location	Property Use	Taxable Real Property	Non Taxable Real Property	Total
76 460 5	5 PALISADO AVE	Single Family	92,330		92,330
76 64 1	10 PALISADO AVE	Com/Res Mix Use	346,570		346,570
76 460 4	11 PALISADO AVE	Single Family	86,590		86,590
76 460 3	15 PALISADO AVE	Com/Res Mix Use	109,690		109,690
76 460 2	33 PALISADO AVE	Auto Repr	110,390		110,390
76 460 1	41T PALISADO AVE	Com Ln Undv	980		980
76 460 1	45 PALISADO AVE	Restaurant	170,786		170,786
76 460 1	55 PALISADO AVE	Restaurant	230,860		230,860
76 111 8	67 PALISADO AVE	Municipal		5,250	5,250
76 96 5A	210 PLEASANT ST	Land	1,260		1,260
65 96 32	25 PROSPECT ST	Single Family	102,270		102,270
65 96 34	6 POQUONOCK AVE	Com/Res Mix Use	346,430		346,430
65 96 35	10 POQUONOCK AVE	3 Family	89,810		89,810
65 96 36	14 POQUONOCK AVE	Res/Com Mix Use	126,700		126,700
65 96 37	20 POQUONOCK AVE	Park Lot	22,330		22,330
65 97 5	23 POQUONOCK AVE	State		105,420	105,420
65 96 38	26 POQUONOCK AVE	Vac Com Land	117,250		117,250
65 97 3	35 POQUONOCK AVE	Rest/Clubs	231,000		231,000
65 96 39	38 POQUONOCK AVE	Com/Res Mix Use	243,530		243,530
65 97 2	41 POQUONOCK AVE	Com/Res Mix Use	407,540		407,540
65 96 40	46 POQUONOCK AVE	Prof Bldg	235,970		235,970
65 97 1	53 POQUONOCK AVE	Store	184,800		184,800
65 96 41	54 POQUONOCK AVE (54A)	Condo	30,240		30,240
65 96 41	54 POQUONOCK AVE (54B)	Condo	35,630		35,630
65 96 41	60 POQUONOCK AVE (60A)	Condo	48,720		48,720
65 96 41	60 POQUONOCK AVE (60C)	Condo	31,080		31,080
65 96 41	62 POQUONOCK AVE (62-1)	Condo	47,040		47,040
65 96 41	62 POQUONOCK AVE (62-2)	Condo	51,380		51,380
65 96 41	62 POQUONOCK AVE (62-3)	Condo	40,320		40,320
65 96 41	62 POQUONOCK AVE(62-4)	Condo	38,990		38,990
65 96 41	62 POQUONOCK AVE (62-5)	Condo	38,500		38,500
65 96 41	62 POQUONOCK AVE (62-6)	Condo	38,710		38,710
65 96 41	64 POQUONOCK AVE (64A)	Condo	50,820		50,820
65 96 41	64 POQUONOCK AVE (64B)	Condo	48,370		48,370
65 96 41	64 POQUONOCK AVE (64C)	Condo	48,370		48,370
65 96 41	64 POQUONOCK AVE (64D)	Condo	50,820		50,820
65 96 44	66 POQUONOCK AVE	Com/Res Mix Use	300,300		300,300
65 98 3	73 POQUONOCK AVE	Store	128,310		128,310
65 96 45	76 POQUONOCK AVE	Store	323,477		323,477
65 98 2	79 POQUONOCK AVE	Two Family	118,510		118,510
65 98 1	85 POQUONOCK AVE	Store	176,260		176,260
65 101 5	95 POQUONOCK AVE	Com/Res Mix Use	320,880		320,880
65 96 46	96 POQUONOCK AVE	Res/Com Mix Use	259,000		259,000

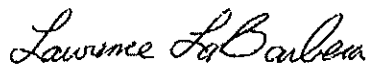
65 101 4	101 POQUONOCK AVE	Store	194,600		194,600
65 96 47	102 POQUONOCK AVE	Single Fam	76,300		76,300
65 101 3	103 POQUONOCK AVE	Com/Res Mix Use	451,780		451,780
65 96 48	106 POQUONOCK AVE	Two Family	103,110		103,110
65 101 2	109 POQUONOCK AVE	Vacant Com	73,360		73,360
65 96 50	124 POQUONOCK AVE	Restaurant	336,980		336,980
65 101 1	125 POQUONOCK AVE	Vacant Com	342,650		342,650
65 96 52	144 POQUONOCK AVE	Com/Res Mix Use	171,780		171,780
65 456 74	147 POQUONOCK AVE	Comm Bldg	343,140		343,140
65 102 8	150 POQUONOCK AVE	Prof Bldg	364,210		364,210
65 456 165	165 POQUONOCK AVE	Store	357,840		357,840
65 102 9	180 POQUONOCK AVE	Prof Bldg	260,820		260,820
65 456 75	22 MACK ST	Com Ln Undv	12,810		12,810
76 468 1	139 BROAD ST	Rest/Clubs	413,336		413,336
76 95 9	144 BROAD ST	Store	819,910		819,910
76 494 1	153 BROAD ST	Fraternl Org	147,630		147,630
76 494 11	159 BROAD ST	Com/Res Mix Use	264,740		264,740
76 494 10	175 BROAD ST	Com/Res Mix Use	201,390		201,390
76 86 3	176 BROAD ST	Office Bldg	925,610		925,610
76 86 4	186 BROAD ST	Com/Res Mix Use	207,550		207,550
76 494 9	187 BROAD ST	Office Bldg	136,990		136,990
76 86 5	190 BROAD ST	Com/Res Mix Use	326,249		326,249
76 494 8	195 BROAD ST	Com/Res Mix Use	246,477		246,477
76 86 6	208 BROAD ST	Pvt School		300,860	300,860
76 86 7	216 BROAD ST	Rest/Clubs	365,981		365,981
76 93 1	219 BROAD ST	Store	1,426,250		1,426,250
76 86 8	226 BROAD ST	Store	231,910		231,910
76 86 9	240 BROAD ST	Municipal		101,360	101,360
76 93 2	245 BROAD ST	US Govt		830,620	830,620
76 85 11	250 BROAD ST	Bank Bldg	804,930		804,930
76 85 12	260 BROAD ST	Bank Park	104,930		104,930
76 93 4	261 BROAD ST	Municipal		292,670	292,670
76 85 13/1	270 BROAD ST	Bank Bldg	515,340		515,340
76 93 5	275 BROAD ST	Municipal		3,446,450	3,446,450
76 85 14	276 BROAD ST	Fraternl Org	289,660		289,660
76 84 19	280 BROAD ST	Mixed Use	1,154,160		1,154,160
76 93 5	281 BROAD ST	Municipal		12,530	12,530
76 93 5	287 BROAD ST	Municipal		41,790	41,790
76 93 6	289 BROAD ST	Office Bldg	649,670		649,670
76 84 21	296 BROAD ST	Store	544,460		544,460
76 93 7	311 BROAD ST	Church		1,040,060	1,040,060
76 93 9	323 BROAD ST	Municipal		4,481,400	4,481,400
77 84 21	330 BROAD ST	Supermkt	1,228,150		1,228,150
77 84 22	340 BROAD ST	Prof Bldg	923,230		923,230
66 84 23	354 BROAD ST	Single Fam	172,200		172,200
77 65 1	355 BROAD ST	Pvt School		623,000	623,000
76 86 2	17 BLOOMFIELD AVE	Bank Bldg	191,450		191,450
76 86 1	29 BLOOMFIELD AVE	Comm Condo	262,430		262,430
65 97 6	34 BLOOMFIELD AVE	Office Bldg	192,640		192,640

76 86 1	35 BLOOMFIELD AVE	Rtl Condo	234,710		234,710
65 97 7	40 BLOOMFIELD AVE	Res/Com Mix Use	223,300		223,300
76 494 5	15 CENTRAL ST	Office Bldg	149,030		149,030
76 494 25	25 CENTRAL ST	Store	161,840		161,840
76 494 5	35 CENTRAL ST	US Govt		241,430	241,430
76 494 5	45 CENTRAL ST	Municipal		78,960	78,960
76 93 5	50 CENTRAL ST	Municipal		26,320	26,320
76 494 2	10 UNION ST	4 Family	207,480		207,480
76 494 3	20 UNION ST	Municipal		392,000	392,000
76 64 2	1 ROWLAND LN	Vacant	700		700
76 86 17	31 COURT ST	Park Lot	73,010		73,010
76 86 16	35 COURT ST	Park Lot	69,580		69,580
76 86 14	43 COURT ST	Office Bldg	133,210		133,210
76 64 9	7 MECHANIC ST	3 Family	108,570		108,570
76 64 8	19 MECHANIC ST	Single Fam	104,020		104,020
76 93 5	40 MECHANIC ST	US Govt		143,360	143,360
76 64 6	41 MECHANIC ST	Com/Res Mix Use	427,042		427,042
76 64 4	69 MECHANIC ST	Apartments	12,161,100		12,161,100
76 64 80	80 MECHANIC ST	Municipal		72,940	72,940
76 64 101	33 MECHANIC ST (101)	Condo	129,150		129,150
76 64 102	33 MECHANIC ST (102)	Condo	121,520		121,520
76 64 103	33 MECHANIC ST (103)	Condo	127,750		127,750
76 64 104	33 MECHANIC ST (104)	Condo	124,250		124,250
76 64 105	33 MECHANIC ST (105)	Condo	156,310		156,310
76 64 106	33 MECHANIC ST (106)	Condo	127,120		127,120
76 64 107	33 MECHANIC ST (107)	Condo	113,120		113,120
76 64 108	33 MECHANIC ST (108)	Condo	130,690		130,690
76 64 109	33 MECHANIC ST (109)	Condo	161,070		161,070
76 64 110	33 MECHANIC ST (110)	Condo	103,880		103,880
76 64 111	33 MECHANIC ST (111)	Condo	138,320		138,320
76 64 112	33 MECHANIC ST (112)	Condo	109,970		109,970
76 64 113	33 MECHANIC ST (113)	Condo	115,080		115,080
76 64 114	33 MECHANIC ST (114)	Condo	118,230		118,230
76 64 115	33 MECHANIC ST (115)	Condo	117,250		117,250
76 64 116	33 MECHANIC ST (116)	Condo	117,320		117,320
76 64 117	33 MECHANIC ST (117)	Condo	157,570		157,570
76 64 118	33 MECHANIC ST (118)	Condo	117,670		117,670
76 64 201	33 MECHANIC ST (201)	Condo	177,520		177,520
76 64 202	33 MECHANIC ST (202)	Condo	176,120		176,120
76 64 203	33 MECHANIC ST (203)	Condo	173,600		173,600
76 64 204	33 MECHANIC ST (204)	Condo	178,290		178,290
76 64 205	33 MECHANIC ST (205)	Condo	173,320		173,320
76 64 206	33 MECHANIC ST (206)	Condo	176,190		176,190
76 64 207	33 MECHANIC ST (207)	Condo	130,340		130,340
76 64 208	33 MECHANIC ST (208)	Condo	112,630		112,630
76 64 209	33 MECHANIC ST (209)	Condo	131,180		131,180
76 64 210	33 MECHANIC ST (210)	Condo	161,070		161,070
76 64 211	33 MECHANIC ST (211)	Condo	168,140		168,140
76 64 212	33 MECHANIC ST (212)	Condo	156,590		156,590
76 64 213	33 MECHANIC ST (213)	Condo	117,530		117,530

76 64 214	33 MECHANIC ST (214)	Condo	117,460		117,460
76 64 215	33 MECHANIC ST (215)	Condo	114,380		114,380
76 64 216	33 MECHANIC ST (216)	Condo	114,100		114,100
76 64 217	33 MECHANIC ST (217)	Condo	114,100		114,100
76 64 218	33 MECHANIC ST (218)	Condo	154,700		154,700
76 64 219	33 MECHANIC ST (219)	Condo	114,030		114,030
76 64 301	33 MECHANIC ST (301)	Condo	130,340		130,340
76 64 302	33 MECHANIC ST (302)	Condo	115,780		115,780
76 64 303	33 MECHANIC ST (303)	Condo	133,910		133,910
76 64 304	33 MECHANIC ST (304)	Condo	164,150		164,150
76 64 305	33 MECHANIC ST (305)	Condo	163,450		163,450
76 64 306	33 MECHANIC ST (306)	Condo	156,520		156,520
76 64 307	33 MECHANIC ST (307)	Condo	117,530		117,530
76 64 308	33 MECHANIC ST (308)	Condo	114,310		114,310
76 64 309	33 MECHANIC ST (309)	Condo	117,530		117,530
76 64 310	33 MECHANIC ST (310)	Condo	117,250		117,250
76 64 311	33 MECHANIC ST (311)	Condo	117,250		117,250
76 64 312	33 MECHANIC ST (312)	Condo	154,000		154,000
76 64 313	33 MECHANIC ST (313)	Condo	120,330		120,330
76 86 11	14 MAPLE AVE	Office Bldg	100,310		100,310
76 85 10	19 MAPLE AVE	Motel	367,570		367,570
76 85 9	21 MAPLE AVE	Com Ln Dev	79,100		79,100
76 86 10	22 MAPLE AVE	Office Bldg	286,370		286,370
76 86 12	26 MAPLE AVE	Prof Bldg	226,100		226,100
76 86 13	30 MAPLE AVE	Office Bldg	322,350		322,350
77 63 3	2 BATCHELDER	Pvt School		60,060	60,060
77 63 3	4 BATCHELDER (LOT)	Pvt School		74,620	74,620
			43,524,768	12,371,100	55,895,868

EXHIBIT B – ASSESSOR’S CERTIFICATE OF ORIGINAL ASSESSED VALUE

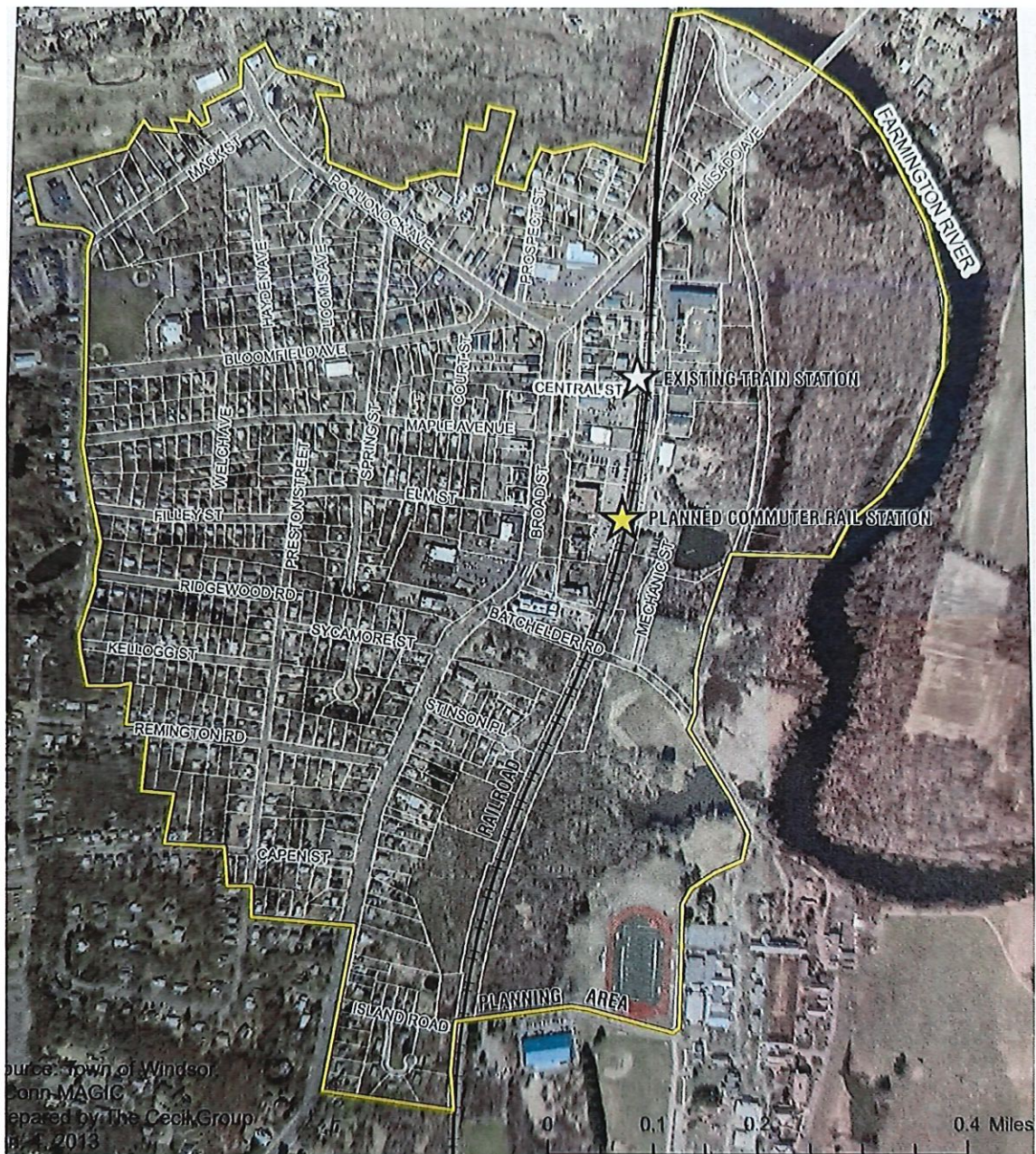
In accordance with Sections 7-339ee (B) and 7-339gg of the Connecticut General Statutes, I hereby certify that the total amount of gross taxable assessment of properties located in Tax Increment Finance District of the Town of Windsor as established by a vote of the Town Council on October 17, 2022 does not exceed ten per cent (10%) of the total value of gross taxable real property on the Grand List of October 1, 2021. The total gross taxable assessment for all real property located in the Windsor Center Tax Increment Finance District of the Town of Windsor as of the Grand List of October 1, 2021 equals \$43,524,768 which is equal to 1.63% of the total gross taxable assessment of all real property as of the Grand List of October 1, 2021.

A handwritten signature in cursive script, reading "Lawrence LaBarbera".

Lawrence LaBarbera, Town Assessor

Date: October 20, 2022

EXHIBIT C – PLANNING AREA FOR TOD MASTER PLAN



The planning area for the TOD Master Plan and Development Strategy encompasses properties within approximately ½ mile of the proposed future rail station in Windsor Center, a convenient walking distance and a meaningful measure of the scale of compact village and mixed-use districts.

EXHIBT D – FORECASTED ESTIMATE OF CAPTURED ASSESSED VALUE (CAV) AND INCREMENTAL TAX REVENUE

TIF Year	CENTER PLAZA	ARDERY SITE	Remainder of District	Total Incremental Assessed Value	Total Incremental Tax Revenue	75% to District	25% to General Fund
1			217,624	217,624	7,240	5,430	1,810
2	9,407,230		218,712	9,625,942	320,255	240,191	80,064
3	14,356,720	11,209,730	219,806	25,786,256	857,909	643,432	214,477
4	14,428,504	11,265,779	220,905	25,915,187	862,198	646,649	215,550
5	14,500,646	11,322,108	222,009	26,044,763	866,509	649,882	216,627
6	14,573,149	11,378,718	223,119	26,174,987	870,842	653,131	217,710
7	14,646,015	11,435,612	224,235	26,305,862	875,196	656,397	218,799
8	14,719,245	11,492,790	225,356	26,437,391	879,572	659,679	219,893
9	14,792,841	11,550,254	226,483	26,569,578	883,970	662,977	220,992
10	14,866,806	11,608,005	227,615	26,702,426	888,390	666,292	222,097
11	14,941,140	11,666,045	228,753	26,835,938	892,832	669,624	223,208
12	15,015,845	11,724,375	229,897	26,970,118	897,296	672,972	224,324
13	15,090,925	11,782,997	231,047	27,104,968	901,782	676,337	225,446
14	15,166,379	11,841,912	232,202	27,240,493	906,291	679,718	226,573
15	15,242,211	11,901,122	233,363	27,376,696	910,823	683,117	227,706
16	15,318,422	11,960,627	234,530	27,513,579	915,377	686,533	228,844
17	15,395,014	12,020,430	235,702	27,651,147	919,954	689,965	229,988
18	15,471,989	12,080,533	236,881	27,789,403	924,553	693,415	231,138
19	15,549,349	12,140,935	238,065	27,928,350	929,176	696,882	232,294
20	15,627,096	12,201,640	239,256	28,067,991	933,822	700,367	233,456
20-year Total	279,109,527	210,583,610	4,565,559	494,258,696	16,443,987	12,332,990	4,110,997

Assumptions:

Original Assessed Value of the District as of October 1, 2021 Grand List - \$43,524,768

20 year TIF Term

Center Plaza (144-152 Broad Street) redevelopment incorporates two phases

Phase I Assessment = \$9,407,230 (est.)

Phase I&2 Combined = \$14,356,720 (est.)

Ardery Site (109-125 Poquonock Avenue) redevelopment - \$11,209,730 (est.)

Constant Mill Rate of 33.27

0.5% annual increase projections are for planning purposes

Assessment growth from development and market forces evenly spread for simplicity of forecasting

75% Capture

TIF Year	CENTER PLAZA	ARDERY SITE	Remainder of District	Total Incremental Assessed Value	Total Incremental Tax Revenue
1			217,624	217,624	7,240
2	9,407,230		218,712	9,625,942	320,255
3	14,356,720	11,209,730	219,806	25,786,256	857,909
4	14,428,504	11,265,779	220,905	25,915,187	862,198
5	14,500,646	11,322,108	222,009	26,044,763	866,509
6	14,573,149	11,378,718	223,119	26,174,987	870,842
7	14,646,015	11,435,612	224,235	26,305,862	875,196
8	14,719,245	11,492,790	225,356	26,437,391	879,572
9	14,792,841	11,550,254	226,483	26,569,578	883,970
10	14,866,806	11,608,005	227,615	26,702,426	888,390
11	14,941,140	11,666,045	228,753	26,835,938	892,832
12	15,015,845	11,724,375	229,897	26,970,118	897,296
13	15,090,925	11,782,997	231,047	27,104,968	901,782
14	15,166,379	11,841,912	232,202	27,240,493	906,291
15	15,242,211	11,901,122	233,363	27,376,696	910,823
16	15,318,422	11,960,627	234,530	27,513,579	915,377
17	15,395,014	12,020,430	235,702	27,651,147	919,954
18	15,471,989	12,080,533	236,881	27,789,403	924,553
19	15,549,349	12,140,935	238,065	27,928,350	929,176
20	15,627,096	12,201,640	239,256	28,067,991	933,822
20-year Total	279,109,527	210,583,610	4,565,559	494,258,696	16,443,987
Assumptions:					
Original Assessed Value of the District as of October 1, 2021 Grand List - \$43,524,768					
20 year TIF Term					
Center Plaza redevelopment incorporates two phases					
Phase I Assessment = \$9,407,230 (est.)					
Phase I&2 Combined = \$14,356,720 (est.)					
Ardery Site redevelopment - \$11,209,730 (est.)					
Constant Mill Rate of 33.27					
0.5% annual increase projections are for planning purposes					
Assessment growth from new development and market forces evenly spread for simplicity of forecasting					
75% Capture					

EXHIBIT E – WRITTEN ADVISORY OPINION OF THE PLANNING COMMISSION

Memorandum

To: Honorable Mayor and Council Members
Cc: Peter Souza, Town Manager
From: Eric Barz, Town Planner
Date: October 12, 2022
Re: Review of Windsor Center TIF District Master Plan

The Planning and Zoning Commission discussed the proposed Tax Increment Financing (TIF) District Master Plan for Windsor Center at their regular meeting held on October 11, 2022. The Commission found the Windsor Center TIF will further the community and economic development goals contained in the Town's Plan of Conservation and Development.

The Commission recommends that the Town Council approve the Windsor Center TIF District and District Master Plan.

EXHIBIT F – PUBLIC HEARING NOTICE

Legal Notice Town of Windsor

The Windsor Town Council will hold a public hearing on the “Windsor Center Tax Increment Financing District and District Master Plan”, Monday, October 17, 2022 at 7:20 p.m. in the Council Chambers, Town Hall, 275 Broad Street, Windsor, Connecticut to review and discuss the following:

Authorizing the Creation of the Windsor Center Tax Increment Financing District and Adopting the Windsor Center Tax Increment Financing District Master Plan.

The proposed Windsor Center Tax Increment Financing District incorporates primarily B2, NZ and R-8 zoned land fronting on Poquonock Avenue, Palisado Avenue, Bloomfield Avenue, Broad Street, Union Street, Central Street, Mechanic Street, Batchelder Road, Maple Avenue and Court Street. All as more specifically depicted in the proposed Windsor Center Tax Increment Financing District Master Plan.

At the public hearing interested persons may be heard and written communications may be received. The Windsor Center Tax Increment Financing District Master Plan is available for public inspection during normal business hours in the Town Clerk’s Office, at the Windsor Public Library and on the Town’s website.

Information on how to attend the Zoom meeting via phone or computer will be included on the Town Council agenda. Please go to www.townofwindsorct.com, click on the virtual meeting info button found on the front page and select Town Council meeting for October 17, 2022. The agenda will be posted 24 hours prior to the meeting.

EXHIBIT G – PUBLIC HEARING MINUTES

**TOWN OF WINDSOR
TOWN COUNCIL
HYBRID MEETING
OCTOBER 17, 2022
PUBLIC HEARING**

APPROVED MINUTES

1) CALL TO ORDER

The Public Hearing was called to order at 7:20 p.m. by Mayor Trinks.

Present: Mayor Donald Trinks, Deputy Mayor Lisa Rampulla Bress, Councilor Black-Burke, Councilor James Dobler, Councilor Ronald Eleveld, Councilor Kristin Gluck Hoffman, Councilor Kenneth Smith, Councilor Jody Terranova, and Councilor Len Walker (arrived at 7:25 p.m.)

Mayor Trinks read aloud the notice of the public hearing to hear public comment on:

“AUTHORIZING THE CREATION OF THE WINDSOR CENTER TAX INCREMENT FINANCING DISTRICT AND ADOPTING THE WINDSOR CENTER TAX INCREMENT FINANCING DISTRICT MASTER PLAN.”

2) PUBLIC COMMENT

Coralee Jones, 1171 Matianuck Avenue, stated although she loves the town green and is in favor of ideas that would benefit the town and favor the green, she is not confident that the TIF plan is how to do this. The Tax Increment Financing District Master (TIF) plan carves out money to benefit a few. Based on today's assessments, the town's budget would get about \$650,000 less revenue per year for 20 years. She is wondering how the Town Council will address that short fall. She and Linda Alexander were part of First Town Downtown (FTDT) when it was first created. A road diet was discussed then. It was decided at that time that the best way to handle this was to do a trial basis and see how it worked. Individuals living in the Wilson area have complained about the traffic issues they have getting onto Route 159 since the narrowing of the road. The next 20 years is a long time. She knows we need to build a fund, but with the uncertainty of what things will look like even in the next few years, 20 years is way long time to speculate what can happen. She is in favor of improving the town center, however, she is not convinced this plan is a fair way to accomplish that objective.

Linda Alexander, 155 Fieldstone Drive, echoed what Coralee Jones said. She also was a part of when FTDT was first established. She is opposed to the TIF plan. This plan will divert tax revenues from the usual beneficiaries, the taxpayers of Windsor, and the services they depend upon. It will instead give it to a select group of people, namely developers and contractors to

pay for things the taxpayers don't support, want or need. Among the items for consideration is \$4.5 million to narrow Broad Street, which can be done on a trial basis which will cost less money and will determine if it would help or hurt businesses. She asked how a person would shop for groceries, etc. in the town center without a car. Overall, the plan will take money away from taxpayers, residents and existing town businesses who are struggling to recover from COVID mandates. It may sound great on paper but it doesn't take into account the needs of the majority of Town of Windsor taxpayers. It's selective and discriminatory. It does not support businesses in Wilson, Deerfield, Hayden Station, Poquonock or Rainbow Road where you'll find many long-time business owners operating in older buildings that can use some rehab.

Richard Esposito, 4 Batchelder Road, stated he is the President of the Board of Directors of FTDT, was a past member of the Windsor Chamber of Commerce for many years and was also on their Board of Directors. He has lived in Windsor for over 12 years and appreciates and enjoys the Town of Windsor as a wonderful and diverse community to reside, work and play in. Windsor is a very welcoming, vibrant and well run town due to the wonderful work and high standards of its town residents, town officials and town staff. This excellence is exemplified by the town's AAA S&P credit rating, its reputation as a business-friendly environment and significant tax base, all of which are the envy to surrounding towns and beyond. This evening he speaks for himself and FTDT stating that they both support the TIF district plan. He believes that innovative programs like the proposed TIF district plan are essential elements for a comprehensive town strategy to maintain the vitality and to build upon the existing potential that exists in the town's center.

Michele Vannelli, 1152 Poquonock Avenue, stated she will not pretend to understand all the intricacies of the TIF plan. It seems complex and confusing as to how and where generated funds would be channeled within the confines of this new tax district. Frankly, she views this plan as fractionalizing Windsor's taxpayers. If you want to generate and track tax money for exclusive use in a targeted zone, she suggested that generating a plan that would facilitate the joint Department of Transportation construction of the long overdue Day Hill North flyover would be a good start. The creation of a tax district inclusive of Day Hill Road and Kennedy Road would benefit everyone if we are to create a targeted funding mechanism for the continual maintenance and possible redesign of town-owned roads such as Day Hill Road and Kennedy Road. Like it or not, we will soon experience an expansive explosion of tractor trailer traffic as we've never seen it before. Their use of the roads will make them deteriorate more quickly. This is a much more pressing issue than the targeted downtown zone. Also, there will be 17 more tractor trailers using Day Hill Road once the Town Planning & Zoning approves the proposal at the 415/425 Day Hill Road site. She asks that the Town Council forgo this TIF plan. We need to avoid telling tax payers that their taxes have to increase to offset the amount of money allotted for road way destruction caused by Amazon and other tractor trailer traffic.

William Pelkey, 133 Portman Street stated he is not in favor of the TIF plan due to the way it is currently written. He feels the town should rewrite it. When you start looking at this type of district, you'll be thinking there will be more development. There is always a potential issue when you start creating one district only. There may be more development, but it may be moved from somewhere else that it would have landed in town. I think if someone were looking to have

a restaurant or build some housing in the town, it may move to the center opposed to somewhere else. Where do we start to focus ourselves? He is concerned with the current 75/25 split. We know that property values tend to appreciate over time. From a mathematical standpoint, when you start out, it takes a while to gain some funds but it takes a while to build or develop as well. So in the first few years, we are stealing from town funds for this. He'd like to see the language changed so that in the first few years we aren't taking what could have been normal appreciating growth that would have just gone to the town as a whole and having to split it off. One other concern is to do with some of the phrasing from town staff and other boards and commissions on how we can 'lock in' our current priorities and goals. He thinks that is the problem as it is our 'current' priorities and goals. Over 20 years, things can change. We won't have the flexibility. Lastly, a lot of what the district does, as per the proposed TIF plan, are things that other tools like the Property Tax Abatement already do for the town. He does not see the full benefit from that portion of the TIF plan. He encouraged the Council to listen to what the citizens are saying tonight.

Donald Jepsen, 495 Palisado Avenue, stated that he is generally in favor of the TIF. Going back to the grand list of last year sounds wonderful, but it was really four years ago. That was our last revaluation. In a few months, we will have another revaluation. As we all know, residential values have sky rocketed post COVID as have vacancy rates. He wishes the baseline would be on the next revaluation. He feels that would be more fair. He asked how the Council would spend the money during the annual budget process. Would this budget go before the voters as a part of the process during the referendum? If it failed, what would be the mechanisms? Either way, if the referendum did fail, the mill rate will change and will affect the way the Council uses the money for the TIF plan. There was a lot of talk about a TIF Advisory Commission. He does not see anything about this Commission anywhere. How do you get on it, who is on it, etc? There was a redevelopment agency years ago that perhaps we can reactivate for that purpose. Those are his observations.

Alfred Loomer, 5 Sarah Anne Lane, stated he is a member of the Economic Development Commission (EDC) that worked on that policy through the summer. The EDC is a bipartisan committee which painstakingly went through and reviewed the TIF plan with the thought of what they can do to help the town center. The purpose of the TIF policy is to segregate property taxes of Windsor town center residents and reinvest it. It is merely an accounting mechanism. It does not specifically designate money. It does not take policy away from Town Council to segregate that money but it incents the EDC for providing incentives to possible developers and other developments in town. We spent a lot of time on this. He thanked the Council for their time and hoped that they consider this policy in their deliberations.

Paul Panos, 48 Brookview Road, stated that if there is any government money that will be used to encourage a developer to do anything, they should be rejected. This is his overall view of the TIF plan.

3) ADJOURNMENT

Mayor Trinks declared the Public Hearing closed at 7:45 p.m.

Respectfully Submitted,

Helene Albert
Recording Secretary

EXHIBIT H – TOWN COUNCIL RESOLUTION

AUTHORIZING CREATION OF THE WINDSOR CENTER TAX INCREMENT FINANCING DISTRICT AND ADOPTING THE WINDSOR CENTER TAX INCREMENT FINANCING DISTRICT MASTER PLAN FOR THE DISTRICT

WHEREAS, Chapter 105b of the Connecticut General Statutes authorizes municipalities in Connecticut to create tax increment financing (“TIF”) districts for the purpose of incentivizing economic development and infrastructure, and supporting employment, housing, economic growth and other projects; and

WHEREAS, the proposed district, to be known as the Windsor Center Tax Increment Financing District (the “District”), will be created pursuant to the Act and the Windsor Center Tax Increment Financing District Master Plan attached hereto as Exhibit A (the “District Master Plan”), which details the creation, structure, development, financing, operation and maintenance of the District; and

WHEREAS, pursuant to the District Master Plan, the Town of Windsor (the “Town”) will capture seventy five percent (75%) of the future increased assessed property values within the District for an anticipated term of 20 years and utilize up to one hundred percent (100%) of the real property tax revenues generated from such increased property values, along with private funds, to fund infrastructure improvements, economic development programs, traffic and road improvements, streetscaping, branding and administrative costs; and

WHEREAS, the Town is in need of economic development and infrastructure improvements in the Windsor Center area; and

WHEREAS, there is a need to provide continuing employment opportunities for the citizens of Windsor and the surrounding region; to improve and broaden the tax base in the Town; and to improve the economy of the Town and the State of Connecticut; and

WHEREAS, a portion of the real property within the proposed District (i) is in a substandard, deteriorated, deteriorating or blighted area; (ii) is in need of rehabilitation, redevelopment or conservation work; or (iii) is suitable for commercial, residential, mixed-use or retail uses, downtown development or transit-oriented development; and

WHEREAS, as shown in Exhibit B of the District Master Plan, the original assessed value of the taxable property within the District does not exceed ten percent (10%) of the total value of taxable property within the Town as of October 1, 2021; and

WHEREAS, the creation of the District will help to provide continued employment for the citizens of the Town and the surrounding region; to improve and broaden the tax base in the Town; and to contribute to the economic growth and well-being of the Town and the State of Connecticut; and

WHEREAS, the establishment of the District would not be in conflict with the Town's Charter; and

WHEREAS, the District Master Plan was transmitted to, and a study of the District Master Plan and a written advisory opinion as required by the Act was requested from, the Town Planning and Zoning Commission to the authorization and the establishment of the District; and

WHEREAS, the Town Council has held a public hearing on the proposal to establish the District in accordance with the requirements of the Act, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town; and

WHEREAS, the Town Council has considered the comments provided at the public hearing, both for and against the District.

NOW THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF WINDSOR AS FOLLOWS:

Section 1. The Town Council of the Town of Windsor hereby authorizes creation of the Windsor Center Tax Increment Financing District, the boundaries of which are included in the District Master Plan, and adopts the Windsor Center Tax Increment Financing District Master Plan attached hereto as Exhibit A.

Section 2. The Town Council of the Town of Windsor hereby authorizes that seventy-five percent (75%) of the future increased assessed property values within the District shall be retained as captured assessed value in accordance with the District Master Plan and up to one hundred percent (100%) of the real property tax revenues generated from such captured assessed value may be used to fund the various costs and improvements set forth in the District Master Plan.