



PUBLIC NOTICE
CITY OF SOUTH BURLINGTON
CITY CENTER TAX INCREMENT FINANCING DISTRICT BOND

This Public Notice has been prepared by the City of South Burlington. It provides information regarding the Article IV on the March 7, 2023 ballot. Article IV seeks voter authorization to issue bonds, pledge the credit of the City, incur indebtedness and expend funds of the City to finance and pay for improvements benefitting the City Center Tax Increment Financing (TIF) District – more particularly City Center Park Phase II, Garden Street (Williston Road intersections), Williston Road Streetscape and the East-West Crossing (walk bike bridge) – to be repaid using a portion of the tax revenue derived from real property development within the TIF District (TIF increment).

By this notice the City's voters are provided information concerning the proposed projects, the improvements to be made, the debt and terms of indebtedness to be incurred, the total incurred to date, and the expected sources of funds to repay that indebtedness.

The City's lawful voters are also provided information concerning the anticipated development or redevelopment to occur and a notice regarding the nature of the debt as backed by the full faith and credit of the City.

WARNING AND PUBLIC VOTE

The City Council held a public hearing at its December 5, 2022 meeting to take public comment and approved a necessity resolution at its December 19, 2022 meeting, "Resolution of Necessity for City Center TIF District Capital Improvement Projects." By resolution, the City Council authorized the following question be placed on the ballot for the March 7, 2023 Town Meeting:

ARTICLE IV

CITY CENTER TAX INCREMENT FINANCING DISTRICT BOND

Shall general obligation bonds or notes of the City of South Burlington be issued, the full faith and credit of the City pledged, direct payments of TIF increment be made, or any combination thereof, in an aggregate principal amount not to exceed, after taking into account state or federal grants-in-aid and other funds currently available to the City, Fifteen Million Eighty-Six Thousand Four Hundred Thirty and 00/100 Dollars (\$15,086,430) to fund public infrastructure or capital

improvements and related costs of projects in or having a nexus to the City Center Tax Increment Financing (TIF) District, specifically:

- (a) City Center Park (boardwalk connection): being the construction of new paved pathways and an elevated boardwalk between Barrett Street, Market Street and Garden Street and related amenities;
- (b) Garden Street (Williston Road intersection realignment and intersection improvements): being realignment of the Williston Road-White Street-Midas Drive intersection and improvements to the Hinesburg Road-Patchen Road- Williston Road intersection, and related transportation and utility upgrades;
- (c) Williston Road Streetscape: being the installation of a shared-use path on the south side of Williston Road between Dorset Street and Midas Drive and related utility and transportation upgrades; and
- (d) East-West Crossing: being a walk-bike bridge over I-89 at Exit 14,

recognizing that tax increment revenue from taxable properties within the TIF District shall be pledged to and appropriated for payment of TIF District debt? To date, City voters have approved TIF District debt totaling \$29,402,000, of which \$14,430,062 has been or is eligible to be repaid in whole or in part using TIF District incremental revenue.

FINANCING OF PUBLIC IMPROVEMENTS - INDEBTEDNESS

Subject to the receipt of necessary voter approval, the City intends to finance the portion of the TIF improvements that is eligible for TIF District Financing by issuing bonds (or notes in anticipation of bonds) or incurring interfund indebtedness, the total principal amount of which shall not exceed \$15,086,430.

Bond Issues

The City may issue such bonds through a direct competitive or negotiated sale, sell them through the Vermont Municipal Bond Bank or take out a loan, as the City Council determines to be most appropriate. The term of the debt may vary and would not exceed twenty years, and the interest rate, costs, and other terms fees will be determined based upon market conditions at the time the debt is issued.

Debt Service

The City has options as to the type of debt, from whom the City obtains financing, and the payment structure. Depending upon market conditions, the City may make direct payments, use an anticipation note, take out an interfund loan or bond, delay interest payments, or otherwise structure financing in such a way as to most benefit the taxpayers.

Use of Bond Anticipation Notes

If voters approve the issuance of debt, the City may use Bond Anticipation Notes to cover anticipated costs of construction. It is expected that this would be repaid in full by one or more bonds as applicable. The City will take into account prevailing market conditions, and the build-out schedule for the capital improvements, and the financial implications in the decision to issue bond anticipation notes (BANs). It is the City's intention that any BANs (together with accrued but unpaid interest) and any interfund loan would be repaid from bond proceeds. Please note that if an interfund loan is used as a bond anticipation note, interfund loans are, by law, interest free borrowings.

Direct Payments of TIF Increment

Direct payments of TIF increment to reimburse TIF project expenditures require voter authorization under the TIF Statute and this option is included in Article IV. This authorization of direct payments is required prior to any reimbursement to the City for project expenditures from the TIF Fund using TIF increment. Direct payments would only occur at a time that TIF increment is available in the TIF Fund.

Pledge of the Credit of the City

Although the City projects that TIF increment will be sufficient to service the City's obligations if the voters approve Article IV on the March 7, 2023 ballot, voters are reminded that if the TIF funds are insufficient to pay the principal and interest on the debt as the same comes due, for whatever reason, including a decrease in property tax or repeal of a state property tax source, unless otherwise determined at the time of such repeal, the City shall remain liable for payment of the principal and interest for these obligations for the term of indebtedness until fully paid.

Tax Increment Financing Authorization

At this point in time the City is asking voters to approve the City's proposed debt issuance for the TIF eligible portion of the four City Center projects: \$15,086,430. This public investment will support future development projects within the TIF District including the multiple buildings included in Catamount Run and other future private developments along Market Street, Garden Street, Dorset Street, San Remo Drive and Hinesburg Road which are supported by these transportation and park infrastructure improvements. See [City Center TIF District](#) for more information on expected TIF District development outcomes and revenues.

If approved by the voters on March 7, 2023, the City Council will be authorized to issue TIF financed debt and service it with TIF increment, and/or make direct payments for project costs. The combined value of TIF debt proceeds and direct payments of TIF increment may not exceed the \$15,086,430 authorization.

TIF District Votes and Debt Approved or Incurred

State statutes require that City Center TIF District financed debt must be incurred by March of 2024.

The City Council is not required to issue all or any TIF District financed debt under this authorization, even once approved by the voters, but if the City Council does so, it is only authorized by the State to do if issued by the end of March 2024.

To date, the City has issued \$10,429,962 of debt serviced by TIF increment. This is the total cumulative amount of TIF district financed debt incurred.

Voters approved \$5,000,000 for Market Street and City Center Park Phase II in 2016, in 2017 a bond was issued for \$5,000,000.

Voters approved \$20,400,000 for the South Burlington Public Library and City Hall in 2018, \$5,429,962 was issued as TIF financed debt in 2020 and 2022, with the remainder of the authorization issued as separate bonds and financed by City Reserve funds (not TIF financed).

Voters approved \$4,002,550 for Garden Street and related costs in 2021, no debt has been issued or direct payments made to date under this authorization.

THE FOUR TIF PROJECTS

There are four projects that may be funded with this authorization:

City Center Park Phase II (boardwalk connection): This project will result in paved pathways for bicyclists and pedestrians to travel between Market Street, Garden Street and City Center Park (with an elevated boardwalk across Tributary 3 to the Potash Brook wetlands) and through City Center Park to Barrett Street.

These new walk bike pathways and upgrades to the existing path will include paving and related amenities such as lighting, benches, bicycle parking, landscaping, wetland protection, and signage.



Overview of City Center Park Phase II pathways to be added/upgraded connecting the park to City Center and creating a north-south connection for walking and biking.

Garden Street (Williston Road intersection improvements): The Garden Street project includes the public construction of roadway segments A, C and D. This TIF District financing authorization will enable the construction of **Segment D**. Funds may also be used on a portion of Segment C, specifically the **Midas Drive** segment.



Garden Street Project Overview

Segment D – Williston Road Intersections. This segment is shown as D on the Garden Street Project Overview. It will align White Street and Midas Drive so they form a right-angle intersection with Williston Road. Crosswalks and turning lanes (left and right) will be located on all four roadway “legs” of the intersection.



Figure 1: Illustration of the proposed realignment of the Williston Road White Street/Midas Drive intersection and the improvements to the Hinesburg Road/Patchen Road intersection with improvements between.

Improvements are also planned for the Hinesburg Road, Patchen Road and Williston Road intersection and Williston Road between these two intersections. Improvements include roadway, traffic signal, pedestrian and bicycle accommodation, stormwater treatment, utility, lighting and other transportation and streetscape upgrades.

Segment C – Connector. Funding already authorized. From the northern edge of the existing Garden Street roadway north of Market Street through Midas Drive. This segment (shown as C on the Garden Street Project Overview) includes roadway construction southeast of Midas Drive and curb, paving, utility, streetlight, walking and bicycle facilities, and landscaping on Midas Drive. Portions of the Midas Drive segment may be funded under this authorization.

Segment A – West End. Funding already authorized. From Dorset Street through to the bridge – between Trader Joes and Healthy Living. This segment includes utilities, street lights, walking and bicycling facilities, curb work, intersection signal work and landscaping (shown as A on the inset diagram Garden Street Project).

Segment B – Private Sector funded. Segment B has been constructed north of Market Street and is in progress south of Market Street. Segment B is being undertaken by South Burlington City Center, LLC as part of the Snyder-Braverman development of the surrounding land.

Williston Road Streetscape: The Williston Road Streetscape will result in accommodations for pedestrians and bicycles on the south side of Williston Road (a shared-use path). The project’s wider green space between the curb and the shared-use path, where feasible, will improve the condition for walkers and bicyclers in inclement weather, provide snow storage and a buffer from traffic. New pedestrian-oriented streetlights will improve evening visibility on the shared-use path, at crosswalks, and at transit stops.



Williston Road Streetscape Location

This project extends from Dorset Street to Midas Drive. This project will not affect the width of the Williston Road vehicular paved area.

This project is also supported by a federal grant in the amount of \$800,000, for which the TIF District financing is also a required match.

East-West Crossing (a walk bike bridge over I-89 at Exit 14): This project will facilitate travel throughout the region via a bridge over Interstate 89 at Exit 14. Shared-use paths for bicycles and pedestrians will connect the bridge over the interstate to Williston Road at Staples Plaza and the existing Dorset Street path at the CVS. Spur paths will connect the project to Quarry Hill (a future connection) and the University Mall. The paths and bridge will be well-lit, with resting places to enable access for multiple abilities and ages. Some landscaping is planned for the bridge. This facility is planned to be open 24-hours per day, 7-days per week all year.



Location Map: East-West Crossing Walk Bike Bridge Project



Artist's rendering of the project in the evening and approaching the bridge from the east path.

This project is also supported by a federal RAISE grant in the amount of \$9.8 million, for which the TIF District financing is most of the required match.

SUMMARY OF EACH PROJECT'S TIF DISTRICT FINANCING ELIGIBILITY

<i>Project</i>	<i>TIF Eligibility</i>	<i>Note (See Funding Sources Section Also)</i>
City Center Park	95%	As the City's 5% share of total project costs was funded from recreation impact fees during Phase I, the proposed TIF district financing will fund 100% of Phase II .
Garden Street	100%	No City funds required.
Williston Road Streetscape	50%	The City has an \$800,000 federal grant for most of the 50% match and has planned to use a grant or reserve funds or a grant for the remainder.
East West Crossing – Walk Bike Bridge over I-89	30%	The City has a \$9.7 M federal grant for 67% of the cost and will seek funding or use funds already set aside for City Center, transportation or pedestrian and bicycle improvements for the remaining 3%.

TIF DISTRICT FINANCED PROJECT COSTS

Categories of expenditures for TIF district financed public improvements includes:

- environmental assessment and remediation;
- surveying;
- engineering, design, permitting and inspection;
- general site work (including site preparation and stabilization);
- utility infrastructure, connections and relocation (water, sewer, electrical, communications, and stormwater);
- green infrastructure;
- public accessibility improvements;
- preparation of design & maintenance guides associated with the projects;
- construction of all improvements
- bike amenities;
- public amenities;
- public art and place-making;
- wayfinding and signage;
- landscape improvements;
- bridges, boardwalks, spans, supports, embankments, earthworks and other associated structures
- walls, stonework, railing, benches, bicycle parking and other outdoor permanent furniture;
- road, sidewalk, crosswalk, lighting, landscaping and parking infrastructure;
- preparation of design & maintenance guides associated with the projects;

and eligible related costs associated with the above categories, or as attributable to the projects.

PROJECT FUNDING IN ADDITION TO TIF DISTRICT FINANCING

The estimated cost for all four projects is \$26,573,388. The total debt authorization on the ballot is for \$15,086,430.

The budgeted cost for these improvements is \$26,573,388 based on secured funding and estimated costs as follows:

TIF Project	PROJECTED EXPENSE		TOTAL FUNDING SOURCES	
	Budgeted Cost	TIF District Financing (this vote)	Federal Funds (secured)	Other funds (such as grant or designated fund)
City Center Park	\$1,148,082	\$1,148,082	0	
Garden Street	\$8,272,560	\$8,272,560	0	
Williston Road Streetscape	\$2,596,776	\$1,298,388	\$800,000	\$231,888
East-West Crossing	\$14,555,970	\$4,367,400	\$9,768,834	\$480,000
<i>Total:</i>	<i>\$26,573,388</i>	<i>\$15,086,430</i>	<i>\$10,568,834</i>	<i>\$721,888</i>

Specifically:

Debt Authorization on the March 7, 2023 ballot: \$15,086,430

Tax Increment Financing Debt, with an estimated 14-year term at 4.26% with 5-year delayed principle payments and level payments thereafter.

Federal Funds: \$10,568,834

RAISE US Department of Transportation Grant for the East-West Alternative Transportation Crossing (\$9,768,834)

Federal Aid (VTrans Award) for the Williston Road Streetscape (\$800,000)

Other City funds: \$721,000

Revenues to be made up by grants or existing funds for City Center or pedestrian/bicycle improvements

AMOUNT PER PROJECT IS ESTIMATED

The amount of debt used for each specific project may be adjusted from that estimated as actual costs are incurred. The total aggregated amount of debt issued under this authorization shall not exceed \$15,086,430.

CITY CENTER TIF DISTRICT

In March of 2015, the Vermont Economic Progress Council (VEPC) unanimously approved the City Center Tax Increment Financing Plan. This was updated in December 2021 by an [approved Substantial Change](#). The TIF District allows the City to annually retain 75% of the growth in property tax revenues (TIF increment) since 2012 within the TIF District to finance public improvements included in the Financing Plan.

Actual use of TIF financing may occur only if approved by a public vote.



***TIF Increment** is 75% of new property tax revenues generated by the growth in property value in the City Center TIF District since April 1, 2012. It is collected annually through tax year 2036-2037.*

REVENUES TO SERVICE TIF DISTRICT FINANCED DEBT

The City began collecting TIF increment in tax year 2017-2018 (FY 2018). Increment is property tax revenue generated by new development - the TIF District's increase in property value since the April 1, 2012 baseline.

TIF increment is 75% of both a) these new State Education property taxes and b) these new Municipal property taxes. The City will collect this revenue through tax year 2036-2037 (FY 2037) – a 20-year period. These revenues would not exist but for the City's investment in public capital projects. After FY 2037, 100% of these new revenues go to the State Education Fund and the City's General Fund.

There are over 40 properties within the current boundary of the TIF District. Private development or redevelopment of any one of these properties between now and the April 1, 2036 Grand List increases the property value resulting in an increase in TIF increment collected.

Each year TIF increment collected is added to a special City TIF increment fund where it is held apart to be available only to service outstanding TIF District debt.

The City's projection of these TIF District revenues shows that debt issued under this authorization will not raise the tax rate as the TIF District debt is able to be serviced with TIF increment.

PROJECTED TIF INCREMENT REVENUES

The City estimates that the TIF increment (tax revenue generated from taxable improvements made in the City Center TIF District and lawfully retained by the City) will be sufficient to cover:

- the costs of the proposed capital improvements that are TIF District financing eligible (City Center Park, Garden Street, Williston Road Streetscape and East-West Crossing walk bike bridge over I-89), and
- debt service on the indebtedness incurred to finance these capital improvements.

TIF funds are dependent upon the pace, intensity and taxable value of development that occurs in the TIF District. The City has projected the growth of development occurring in the TIF District and the expected TIF funds to be generated over time using assumptions and expectations that have been reviewed by VEPC as reasonable.

Financial Model – Two TIF Increment Projections

This notice includes a financial model: 2023 Town Meeting TIF Revenue and Debt Model. This model shows projections of City Center TIF district tax increment revenues until 2037. The model has two TIF increment projections. One projection is the City's estimate of TIF increment revenues – **All Projected Development** – which projects the TIF revenues due to development over the life of the TIF District. This is the revenue the City expects to collect.

This projection is updated from the projection that was provided to VEPC in the [TIF District Substantial Change Approved December 17, 2021](#) (which revised the TIF District Financing Plan post-COVID). For more information on the projection assumptions please see the [Substantial Change](#) as it describes the construction of the projection in great detail. Newer information such as the Catamount Run development and the higher interest rates on municipal bonds that was not known in 2021 has been incorporated.

Because of the TIF District investments in City public infrastructure, the City Center TIF District projection – All Projected Development – estimates that resulting private development will generate:

- \$49 M of increment to be available for TIF district financing.
- Of this, \$36 M represent new State funds and \$13 M represent new City funds that will be set aside in a special fund (75% of the taxes on growth-new development-over 20 years – the TIF increment).
- \$4.3 M in new revenues that will go to the City’s General Fund and \$12 M in new revenues will go to the State Ed Fund (25% of the taxes on growth over 20 years).
- At the completion of the TIF District (2037) City tax revenues in the amount of \$2 M annually for the City and \$5.8 M annually for the State.
- A surplus of \$8.4 M, which will be distributed to the City and the State Ed Fund.

If TIF funds are insufficient to pay all the principal and interest on the City’s TIF related indebtedness, for whatever reason, the City will be required to pay the principal and interest remaining. There is no guarantee that development will occur or occur in the time or of the type(s) forecast. To understand the risks, the City prepared the **Existing Development and Pipeline** projection.

This second projection shows the estimated TIF increment revenues on existing and pipeline development. Development projected is limited to existing buildings built since April 1, 2012 and those which are in development, subdivision or environmental permit review, with no other activity through 2037.

These two projections have been prepared and are shown in the attached 2023 Town Meeting Revenue and Debt Model as a high and low in order to show both 1) the City’s expectation of what would occur, and 2) what if nothing beyond what is in the pipeline were to be developed.

In the Existing Development and Pipeline projection, if after pipeline projects were developed, no other parcel were to develop in the TIF District, there would be a shortfall of \$6.7 M in 2039 when all debt is paid off.

If no additional development (the Existing Development and Pipeline projection) occurs, the projection shows the City Center TIF District outcomes as follows:

- \$34 M will be available for TIF district financing.
- Of this, \$25.2 M represent new State funds and \$8.8 M represent new City funds that will be set aside in a TIF special fund (75% of the taxes on growth-new development-over 20 years – the TIF increment).

- Over the life of the TIF district, \$2.9 M in new revenues will go to the City’s General Fund and \$8.4 M in new revenues will go to the State Ed Fund (25% of the taxes on growth over 20 years).
- At the completion of the TIF District (2037) City tax revenues will have risen to \$1.1 M annually for the City and \$3 M annually for the State.

The City also has a reserve fund (currently servicing the debt on the South Burlington Public Library and City Hall, including the Senior Center) which would reduce the out-of-pocket amount from \$6.7 M to \$3.9 M. See the section entitled [Reserve Fund Model](#) to learn more about the role of the Reserve Fund, as well as the attached 2023 Town Meeting TIF Revenue and Debt Model. While the existing and pipeline projection is not what the City expects, see also the section [Risk Management](#) for more information on how the City is planning to mitigate this risk.

DEBT SERVICE

The City anticipates that the bulk of the private development throughout the TIF District will occur after the City incurs this debt and has constructed public infrastructure to support such development. The City expects over the twenty years it is permitted to collect TIF increment (Fiscal Year 2037), that it will collect more than enough tax increment to fully service debt issued. However, during some periods of development of the District, the TIF Increment Fund, in the servicing of the debt, will likely not collect sufficient funds to fully service the debt in some years, and this shortfall will be made up in later years.

Debt Service Model

The hypothetical debt presented in the attached 2023 Town Meeting TIF Revenue and Debt Model is based on estimated debt service schedules from the Vermont Bond Bank bond. This models the fund balances over the life of and at the conclusion of the TIF District.

The model includes the maximum authorization (\$15.1 million). It divides the debt service between the four projects according the estimated amount each would use of the bond. Debt payments would begin in FY 2024. This debt modeled has a 14-year term with a 4.26% interest rate, five years of interest-only payments (delayed-principal payments) and level payments thereafter. This is a more expensive debt structure, the City will seek the best structure to fit the City’s finances at the time of application for debt.

The model also incorporates existing debt and expected debt which voters have already authorized (Market Street, City Center Park Phase I, 180 Market Street, and Garden Street (segments A and C).

To address the anticipated lower levels of increment in the earlier years of private property development, the City has modeled the effects of using the City Center CIP Reserve Fund to ensure that if the TIF increment fund has a cumulative shortfall in any given year (expected), the

City has the cash flow necessary to service debt obligations until the TIF increment collected is sufficient.

Reserve Fund Model

The City Center Reserve Fund is funded annually through the collection of taxes. Over the past seven years, this fund has grown to an annual contribution of as much as \$860,000. The funding level for fiscal year 2023 is \$800,000, and there is currently \$2.9 million dollars in the fund.

This fund is used to service debt for non-eligible portions of TIF District projects and is currently servicing debt on the South Burlington Public Library and City Hall.

This fund is shown in the attached model in a secondary function of this fund – a cash cushion. The cash cushion enables the City is able to make TIF District financing debt payments in a timely manner while allowing the increment to accrue to the fund over time.

Fund Balances Model

The 2023 Town Meeting TIF Revenue and Debt Model, in addition to showing two projections of increment revenue generation over the remaining term of the TIF District, also models the TIF increment fund balance for All Projected Development and for Existing Development and Pipeline using the total estimated debt service.

The first projection, the All Projected Development, shows the TIF increment the City estimates to receive. This is the revenue the City will use to service all TIF financed debt including for these projects.

The second shows the estimated TIF increment to be collected from existing, permitted, or anticipated to be permitted development in the near term (the remaining property owned by SBCC, LLC and under contract to be developed by Snyder-Braverman) – the Existing Development and Pipeline projection.

These are presented as best- and worst-case scenarios to demonstrate both the expected outcome of a net TIF increment surplus of \$8.4 million that would be apportioned to the State Education Fund and the City and the no-additional-development estimated risk of a \$6.7 million shortfall (defrayed by the Reserve Fund for an estimated final shortfall of \$3.9 million).

The annual balance of the Reserve Fund is also modeled. There are figures showing the annual transfer of tax revenues to the Reserve Fund and debt payments from the reserve fund for non-TIF financed debt. The Reserve Fund balances are modeled in order to show how the Reserve Fund acts as a cash cushion in years when the TIF debt service is greater than the TIF increment available at the time (expected under either projection).

Risk Management

The City is taking steps to realize the City's All Projected Development estimate. While the Existing Development and Pipeline Projection is not the expected outcome it is a tool to allow the City to evaluate risk. The incorporation of the Reserve Fund balance into model does defray the risk to \$3.9 million, however, this does not make it optimal.

To address this, the City will focus on reaching out to potential developers and property owners throughout the TIF District to encourage full buildout of prime properties in City Center.

In addition, the City will seek additional grant funding for federal aid eligible projects: Williston Road, Garden Street Intersections (on Williston Road), and the East-West Crossing.

The City also will continue to evaluate debt instruments and lenders. The final instrument, structure, source and terms chosen will be that which at the time is the best fit for the needs of the City due to factors such as condition of financial markets, projected private development in the TIF District, and interest rates.

ESTIMATED DEVELOPMENT AND DISTRICT OUTCOMES EXPECTED TO OCCUR BECAUSE OF THE PROJECTS

The City's All Projected Development shows estimated revenues based on existing and expected private investment including what has been built since 2012, pipeline projects and that which would reasonably occur on the remaining developable TIF District parcels through 2036. The projected TIF District increment is based on modeling the build-out of the remaining undeveloped or underdeveloped parcels. This excludes protected wetlands, the school parcel, parcels developed in the past 30 years and small parcels.

Overall, over 1,000 new units of housing, and over 200,000 square feet of new commercial (retail and office) are anticipated expected be built because of the TIF District public investments.

Many private projects have already been built – Union Place (opening this spring), Dover Place, Champlain Housing Trust's Garden Apartments, Allard Square affordable senior housing, Blackbay Venture's two town home projects, Trader Joe's, and Pier 1.

One project is in construction - Prospect Place. This project will add 120 housing units (the largest development to be constructed to date), a day care and a space for a ground floor commercial business.

The largest TIF District property, owned by South Burlington City Center, LLC is the site of many these projects. This site also contains the South Burlington Public Library and City Hall. Snyder-Braverman, the developers for the property, have completed state-level wetland, stormwater and Act 250 permitting for the entire property to support future development.

These developers are in the process of permitting the remainder of the property, the bulk of which will be developed as [Catamount Run](#). This project includes investment from UVM and will result in an estimated 36,000 new square feet of commercial space and at least 295 new housing units. A site plan approval was just issued for the first block of this development.



Catamount Run artist's illustration of B Block – three buildings that received site plan approval in 2023 including over 18,000 square feet of ground floor commercial.

A full build-out of the TIF District is estimated to add just over \$310,000,000 worth of assessed value to the City's Grand List. As of April 1 of 2022, more than \$30,000,000 in new assessed property value has already been added to the TIF District. The Existing Development and Pipeline model (which excludes additional development) is projected to generate just over half that amount or \$163,000,000.

Access to the park area, the expanded capacity for pedestrians and bicyclists, intersection capacity and safety upgrades, and improved access to resources such as transit, schools, and public buildings supports this private investment. These public resources enable the private sector to build more homes and space for commercial activity at a higher rate of development than would have occurred otherwise.

This material and other information regarding the history of the City Center TIF District are available online at www.SouthBurlingtonVT.gov. You may also call 802-846-4107 if you have questions.

The public is also invited to a Public Information Session/Public Hearing on this bond and other ballot items which will be held on March 6, at 6:30 PM in the Auditorium at the South Burlington Public Library and City Hall located at 180 Market Street in South Burlington, VT.

2023 TOWN MEETING TIF REVENUE AND DEBT MODEL

	July 1 2017 - June 30 2018																	
	2018 (FY)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
	1 (Year of TIF Revenue)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
TIF DISTRICT FUND PROJECTION (PRELIMINARY - FALL 2022)																		
ANNUAL INCOME: PROJECTED TIF DISTRICT INCREMENT REVENUE																		
ALL PROJECTED DEVELOPMENT	\$	72,939.84	\$ 84,928.06	\$ 158,868.78	\$ 264,380.07	\$ 413,448.15	\$ 468,742.47	\$ 628,813.73	\$ 975,926.66	\$ 1,791,747.94	\$ 2,383,732.05	\$ 3,068,505.98	\$ 3,247,191.44	\$ 3,318,274.75	\$ 3,571,866	\$ 3,760,503	\$ 4,295,231	\$ 4,473,423
EXISTING DEVELOPMENT AND PIPELINE (SBCC, LLC - SNYDER-BRAVERMAN)	\$	72,939.84	\$ 84,928.06	\$ 158,868.78	\$ 264,380.07	\$ 413,448.15	\$ 471,775.84	\$ 631,915.14	\$ 979,097.69	\$ 1,434,694.83	\$ 1,756,272.92	\$ 2,394,858.20	\$ 2,559,986.23	\$ 2,617,210.23	\$ 2,675,768	\$ 2,735,691	\$ 2,797,014	\$ 2,859,771
<i>FY 2018-FY2022 is ACTUAL REVENUE (INCREMENT)</i>																		
INCREMENT TOTAL																		
ALL PROJECTED DEVELOPMENT	\$	49,172,630.29																
EXISTING DEVELOPMENT AND PIPELINE	\$	34,101,991.88																

	2018 (FY)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
ANNUAL EXPENDITURES - TIF FUND																		
TIF FINANCING BOND PAYMENT SCHEDULES (amt, purpose, term, interest)																		
<i>All TIF Debt has 5 Year Delayed Principle Payments</i>																		
2017 Market St & City Center Park (\$5M, 20 YR, 3.39%)	voted 2016	\$	134,660.75	\$ 162,133.34	\$ 162,133.34	\$ 162,133.34	\$ 162,133.34	\$ 491,383.39	\$ 482,933.34	\$ 473,983.34	\$ 464,533.34	\$ 454,583.34	\$ 444,250.01	\$ 433,566.68	\$ 422,567	\$ 411,300	\$ 399,783	\$ 388,050
2020 180 Market Street (\$5M, 17 YR, 1.90%)	voted 2018	\$			71,373.60	87,099.98	87,099.98	87,099.98	87,099.98	502,412.81	499,433.64	495,912.81	491,041.97	484,239.88	475,954	466,936	457,398	448,088
2022 TIF Bond Payment (\$0.43M, 15 YR, 2.03%)	voted 2018	\$			4,693.30	5,613.25	5,613.25	5,613.25	5,613.25	50,582.46	50,296.98	49,963.69	49,582.60	49,154	48,677	48,099	47,380	
Estimated 2023 Garden St Phase I (\$3.52M, 14 YR, 4.26%)	voted 2021	\$	100,467.84	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	149,952.00	
Estimated 2024 Garden Street Phase II (\$8.27M, 14 YR, 4.26%)	vote 2023	\$				236,115.41	352,411.06	352,411.06	352,411.06	352,411.06	352,411.06	352,411.06	1,125,821.62	1,125,821.62	1,125,822	1,125,822	1,125,822	1,125,822
Estimated 2024 Williston Road Streetscape (\$1.23M, 14 YR, 4.26%)	vote 2023	\$				37,058.59	55,311.33	55,311.33	55,311.33	55,311.33	55,311.33	55,311.33	176,699.02	176,699.02	176,699	176,699	176,699	176,699
Estimated 2023 City Center Park Boardwalk (\$1.15M, 14 YR, 4.26%)	vote 2023	\$				32,768.56	48,908.29	48,908.29	48,908.29	48,908.29	48,908.29	48,908.29	156,243.72	156,243.72	156,244	156,244	156,244	156,244
Estimated 2024 Ped/Bike Bridge over I-89 (\$4.37M, 14 YR, 4.26%)	vote 2023	\$				124,654.33	186,051.24	186,051.24	186,051.24	186,051.24	186,051.24	186,051.24	594,364.18	594,364.18	594,364	594,364	594,364	594,364

RELATED COSTS - DIRECT REIMBURSEMENT																							
	\$	477,650																\$	364,400	\$	5,100	\$	5,100
<i>voted 2021</i>																							
Subtotal TIF BOND SERVICE:	\$	40,284,594.18																					
Total TIF FUND EXPENDITURES:	\$	40,762,244.18 (with direct reimbursement)																					

	2018 (FY)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
FUND BALANCE - TIF INCREMENT																		
ANNUAL BALANCE - PROJECTED																		
ALL PROJECTED DEVELOPMENT	\$	(61,721)	(77,205)	(3,265)	30,873	159,522	181,127	(502,487)	(392,354)	17,105	576,549	1,275,079	(270,233)	(181,284)	92,022	(62,979)	852,681	1,052,637
EXISTING DEVELOPMENT AND PIPELINE	\$	(61,721)	(77,205)	(3,265)	30,873	159,522	184,161	(483,246)	(389,183)	(339,948)	(50,910)	601,431	(957,439)	(882,348)	(804,076)	(1,087,790)	(645,536)	(561,016)
CUMULATIVE BALANCE - PROJECTED																		
ALL PROJECTED DEVELOPMENT	\$	(61,721)	(138,926)	(142,191)	(111,318)	48,204	229,331	(273,156)	(665,510)	(648,405)	(71,857)	1,203,222	932,989	751,705	843,727	780,748	1,633,430	2,686,066
EXISTING DEVELOPMENT AND PIPELINE	\$	(61,721)	(138,926)	(142,191)	(111,318)	48,204	232,365	(250,882)	(640,064)	(980,013)	(1,030,923)	(429,492)	(1,386,931)	(2,269,279)	(3,073,355)	(4,161,145)	(4,806,681)	(5,367,697)
FINAL YEAR (2037) TIF INCREMENT FUND BALANCE																		
ALL PROJECTED DEVELOPMENT	\$	8,361,478																
EXISTING DEVELOPMENT AND PIPELINE	\$	(6,693,021)																

	July 1 2017 - June 30 2018																	
	2018 (FY)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
RESERVE FUND PROJECTION																		
ANNUAL INCOME																		
TRANSFERS FROM GENERAL FUND																		
		\$	750,000	\$ 860,000	\$ 750,000	\$ 860,000	\$ 800,000	\$ 800,000	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000	
<i>Annual Transfer to City Center Reserve Fund</i>																		
ANNUAL EXPENDITURES - RESERVE FUND																		
CITY SHARE OF PROJECT COSTS - DEBT PAYMENTS FRm THE CITY CENTER RESERVE FUND																		
		\$	583,452	\$ 926,056	\$ 917,423	\$ 908,626	\$ 899,596	\$ 890,239	\$ 877,532	\$ 867,452	\$ 859,308	\$ 846,624	\$ 832,620	\$ 817,496	\$ 801,487	\$ 784,733	\$ 767,387	
		\$		5,306	58,100	57,312	56,525	55,737	54,949	54,162	53,374	52,586	51,798	51,011	50,223	49,435		
		\$			3,238	29,271	28,585	27,899	27,214	26,528	25,842	25,157	24,471	23,785	23,100			
		\$																
RESERVE FUND BALANCE																		
	\$	2,700,000	\$ 3,450,000	\$ 3,726,548	\$ 3,158,000	\$ 3,095,271	\$ 2,928,545	\$ 2,768,399	\$ 2,652,365	\$ 2,550,511	\$ 2,460,210	\$ 2,379,527	\$ 2,313,001	\$ 2,261,952	\$ 2,227,501	\$ 2,210,532	\$ 2,211,790	\$ 2,231,868
<i>Accounts for non-debt payment debits to fund</i>																		

	July 1 2017 - June 30 2018																	
	2018 (FY)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	
CASH CUSHION: Annual Reserve Balance PLUS TIF Increment MINUS TIF and City Share Debt Service																		
ALL PROJECTED DEVELOPMENT	\$	2,638,279	\$ 3,311,074	\$ 3,584,357	\$ 3,046,682	\$ 3,143,475	\$ 3,157,876	\$ 2,495,243	\$ 1,986,855	\$ 1,902,105	\$ 2,388,353	\$ 3,582,749	\$ 3,245,990	\$ 3,013,657	\$ 3,071,228	\$ 2,991,280	\$ 3,845,220	\$ 4,917,935
EXISTING DEVELOPMENT AND PIPELINE	\$	2,638,279	\$ 3,311,074	\$ 3,584,357	\$ 3,046,682	\$ 3,143,475	\$ 3,160,910	\$ 2,517,517	\$ 2,012,300	\$ 1,570,498	\$ 1,429,287	\$ 1,950,034	\$ 926,070	(7,327)	(845,854)	(1,950,613)	(2,594,891)	(3,135,829)

2023 TOWN MEETING TIF REVENUE AND DEBT MODEL

	2035	2036	2037	2038	2039	TOTALS:
	18	19	20			
TIF DISTRICT FUND PROJECTION (PRELIMINARY - FALL 2022)						
ANNUAL INCOME: PROJECTED TIF DISTRICT INCREMENT REVENUE						<i>Total:</i>
ALL PROJECTED DEVELOPMENT	\$ 4,792,325	\$ 5,394,282	\$ 6,007,500			(High) \$ 49,172,630
EXISTING DEVELOPMENT AND PIPELINE (SBCC, LLC - SNYDER-BRAVERMAN)	\$ 2,923,995	\$ 3,100,025	\$ 3,169,351			(Low) \$ 34,101,992
<i>FY 2018-FY2022 is ACTUAL REVENUE (INCREMENT)</i>						
INCREMENT TOTAL						
ALL PROJECTED DEVELOPMENT	\$ 49,172,630.29					
EXISTING DEVELOPMENT AND PIPELINE	\$ 34,101,991.88					

ANNUAL EXPENDITURES - TIF FUND	2035	2036	2037	2038	2039	
TIF FINANCING BOND PAYMENT SCHEDULES (amt, purpose, term, interest)						
						<i>BOND PAYMENT TOTAL:</i>
2017 Market St & City Center Park (\$5M, 20 YR, 3.39%) <i>voted 2016</i>	\$ 376,117	\$ 364,017	\$ 351,800	\$ 339,500	\$ -	\$ 7,243,694
2020 180 Market Street (\$5M, 17 YR, 1.90%) <i>voted 2018</i>	\$ 439,332	\$ 430,384	\$ 425,855	\$ -	\$ -	\$ 6,036,760
2022 TIF Bond Payment (\$0.43M, 15 YR, 2.03%) <i>voted 2018</i>	\$ 46,539	\$ 45,596	\$ -	\$ -	\$ -	\$ 513,017
Estimated 2023 Garden St Phase I (\$3.52M, 14 YR, 4.26%) <i>voted 2021</i>	\$ 479,041	\$ 479,041	\$ 479,041			\$ 5,011,641
Estimated 2024 Garden Street Phase II (\$8.27M, 14 YR, 4.26%) <i>vote 2023</i>	\$ 1,125,822	\$ 1,125,822	\$ 1,125,822			\$ 11,778,154
Estimated 2024 Williston Road Streetscape (\$1.23M, 14 YR, 4.26%) <i>vote 2023</i>	\$ 176,699	\$ 176,699	\$ 176,699			\$ 1,848,595
Estimated 2023 City Center Park Boardwalk (\$1.15M, 14 YR, 4.26%) <i>vote 2023</i>	\$ 156,244	\$ 156,244	\$ 156,244			\$ 1,634,595
Estimated 2024 Ped/Bike Bridge over I-89 (\$4.37M, 14 YR, 4.26%) <i>vote 2023</i>	\$ 594,364	\$ 594,364	\$ 594,364			\$ 6,218,137
						Total: \$ 40,284,594

RELATED COSTS - DIRECT REIMBURSEMENT						<i>DIRECT REIMBURSEMENT</i>
\$477,650	<i>voted 2021</i>	\$ 5,100	\$ 5,100	\$ 5,100	\$ 5,100	\$ 82,650
						\$ 477,650
<i>Subtotal TIF BOND SERVICE:</i>	\$	40,284,594.18				
Total TIF FUND EXPENDITURES:	\$	40,762,244.18	(with direct reimburs			

FUND BALANCE - TIF INCREMENT	2035	2036	2037	2038	2039	
ANNUAL BALANCE - PROJECTED						
ALL PROJECTED DEVELOPMENT	\$ 1,393,068	\$ 2,017,017	\$ 2,692,577	\$ (344,600)	\$ (82,650)	
EXISTING DEVELOPMENT AND PIPELINE	\$ (475,261)	\$ (277,240)	\$ (145,573)	\$ (344,600)	\$ (82,650)	
CUMULATIVE BALANCE - PROJECTED						
ALL PROJECTED DEVELOPMENT	\$ 4,079,135	\$ 6,096,151	\$ 8,788,728	\$ 8,444,128	\$ 8,361,478	
EXISTING DEVELOPMENT AND PIPELINE	\$ (5,842,958)	\$ (6,120,198)	\$ (6,265,771)	\$ (6,610,371)	\$ (6,693,021)	
FINAL YEAR (2037) TIF INCREMENT FUND BALANCE						
ALL PROJECTED DEVELOPMENT	\$	8,361,478				
EXISTING DEVELOPMENT AND PIPELINE	\$	(6,693,021)				

RESERVE FUND PROJECTION	2035	2036	2037	2038	2039	2040	2041
ANNUAL INCOME							
TRANSFERS FROM GENERAL FUND							
Annual Transfer to City Center Reserve Fund	\$ 860,000	\$ 860,000	\$ 860,000	\$ 860,000.00	\$ 860,000.00	\$ 860,000	\$ 860,000.00
ANNUAL EXPENDITURES - RESERVE FUND							
CITY SHARE OF PROJECT COSTS - DEBT PAYMENTS FRm THE CITY CENTER RESERVE FUND							
2019 180 Market Street Bond - (\$14M, 30 YR, 3.7%)	\$ 749,850	\$ 732,140	\$ 714,299	\$ 696,449.00	\$ 678,394.00	\$ 660,695	\$ 643,102.00
2022 Bond - 180 Market St (.97M, 30 YR, 2.03%)	\$ 48,648	\$ 47,860	\$ 47,072	\$ 46,284.72	\$ 45,497.04	\$ 44,709	\$ 43,921.68
Estimated 2024 Bond - Williston Rd Streetscape - (0.4M, 20 YR, 4.31%)	\$ 22,414	\$ 21,728	\$ 21,043	\$ 20,356.95	\$ 19,671.26	\$ 18,986	\$ 18,299.90
RESERVE FUND BALANCE							
Cumulative City Center Reserve Fund Balance:	\$ 2,270,957	\$ 2,329,228	\$ 2,406,814	\$ 2,503,723.49	\$ 2,620,161.19	\$ 2,755,771	\$ 2,910,447.67
<i>Accounts for non-debt payment debits to fund</i>							

CASH CUSHION: Annual Reserve Balance PLUS TIF Increment MINUS TIF and City Share Debt Service	2035	2036	2037	2038	2039
ALL PROJECTED DEVELOPMENT	\$ 6,350,091	\$ 8,425,379	\$ 11,195,542		
EXISTING DEVELOPMENT AND PIPELINE	\$ (3,572,002)	\$ (3,790,970)	\$ (3,858,957)		