

FORM 7

Project Criteria

The public and private projects identified in the TIF District Plan meet Project Criteria 1, 4, and 5 – Substantial Public Investment, New or Expanded Business, and Transportation, respectively.

Project Criterion 1: “The development within the TIF District clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.”

Attachment 7A: Public Investment Need

Include a narrative explanation indicating why the municipality believes the TIF District requires public investment over and above the normal municipal operating or bonded debt expenditures and how that debt level is substantially over and above normal for that municipality.

The Town cannot afford not to make the public infrastructure improvements which are estimated at \$62.4 million. In the past ten years, the Town’s Grand List value has decreased. Funding these investments would effectively double the Town tax rate, which is too much for taxpayers to bear. The upfront cost of the municipal water system is not something that can be supported by normal municipal operating or bonded debt expenditures.

The Town developed a sustainable capital budget plan in 2014 that utilized lifecycle costs to project a stable tax rate structure to replace all existing infrastructure with minimal borrowing required. As a result, the capital appropriation has changed from \$654,727 (.0828 tax rate) in 2014 to \$1,650,537 (.2086 tax rate) in 2022. This represents a 252% increase in the capital funding. The capital appropriation does not account for any new investment in infrastructure and only maintains and/or replaces existing. In 2019, the Town voted to build its first Public Safety Building a cost of about \$5.6M. The Bond issue results in \$285,961 in annual bond payments or another .0361 on the tax rate. This brings the total increase to .1619. The capital appropriation increases plus the increased cost of operations over the 8-year period have created a tax rate increase from .3087 to .5425. These increases occurred during a time when the Town saw a net decrease in the Grand list. The Town needs the TIF District and other sources of funding so that it can construct the necessary infrastructure improvements required to move the Town forward without placing an undue burden on the taxpayers.

Project Criterion 4: “The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, quality, full-time jobs that meet or exceed the prevailing wage for the region as reported by the Department of Labor.”

Attachment 7J: New Business Narrative.

Include a narrative regarding expected new business(es) or business expansion(s) included.

The proposed Six Peaks Village will result in the creation of several new businesses as well as the expansion of existing businesses. The proposed project includes 31,000 sq. ft. of commercial space which will be occupied by a range of restaurants and retail shops. While some of these facilities may be a relocation from the existing Snowshed and Ramshead Base lodges, the project will result in the creation and expansion of several new businesses.

In 2011, SP Land commissioned Northern Economic Consulting to prepare “An Economic, Demographic, and Fiscal Impact of the Proposed Killington Village Master Plan in Killington, Vermont.” The study concluded that the commercial space to be created in Phases A-D would result in the creation of 130 new retail jobs and 125 new restaurant/bar jobs. These jobs would result in a payroll in excess of \$4.7 million based upon 2010 wage data. Adjusted by CPI, this would equate to \$6.1 million in 2022.

In addition to the retail and restaurant jobs, the residential portion of the project will result in 20 new jobs in the property management sector. These jobs will generate an estimated \$600,000 in new payroll based upon 2010 wage data. Adjusted by CPI, this would equate to \$785,000 in 2022.

The creation of 275 jobs would be a 76% increase in jobs within the TIF District. While the Town is optimistic these projections could materialize, even 50-60% of these projections would be a significant increase in employment for the Town and region.

Dataset 7K Business and Employment List.

Completed Tab 7K in the TIF District Data Workbook regarding existing businesses within TIF District.

See attached in 'Data Workbook.'

Project Criterion 5: "The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems."

Attachment 7L: Transportation Enhancements

Attach a narrative description of the transportation enhancements and resulting transportation improvements that will occur, including, but not limited to:

- **Current traffic pattern and flow difficulties.**
- **How traffic patterns and flow will be improved.**
- **Public transportation system improvements.**
- **Any other enhancements.**

The proposed TIF District infrastructure improvements include the reconstruction of Killington Road. Killington Road is a major traffic collector that connects US Route 4/VT Route 100 from the north to East Mountain Road and the Resort to the south, providing access to most of the business and residential neighborhoods in Town. In 2020, the Town retained VHB to prepare a master plan for Killington Road. The VHB study identified issues with the roadway that are hampering the Town's ability to move forward with key development projects. These issues are outlined on Page 14 of the TIF District Plan. According to the Vermont Department of Transportation, Killington Road has one of the highest fatalities and equivalent property damage only ("EPDO") in the Region. The intersection of Route 4 and Killington Road is included in the list of the 650 worst segments of roadways in the State of Vermont. The steep grade at the base of Killington Road and the lack of "landing pad" has resulted in numerous accidents over the years.

The VHB study included a conceptual plan that contains specific corridor-wide enhancements that will increase capacity, improve the operations and safety for all users, and maintain efficient travel through the corridor. These improvements will enhance pedestrian, bike, and bus travel through the addition of an 8-foot shared use path along the west roadway, a 5-foot sidewalk along the east roadway, bus pull-offs, pedestrian crosswalks, intersection improvements and lighting and landscaping improvements. The lower portion of the roadway will be reconstructed to eliminate the unsafe grade which is one of the key issues with the road.

As part of the reconstruction of Killington Road, upgrades will be made to the stormwater management system to better control flows and provide for enhanced treatment. This will address existing drainage issues at the base of the road but also result in upgrading the road to meet current standards for managing storm flows. These

improvements will make the road more resilient and better able to withstand impacts associated with climate change.

Additionally, the intersection of Killington Road and East Mountain Road will be redesigned to include a roundabout. Road H and Old Mill Road will be upgraded to provide secondary access in the event the roundabout is blocked. The Town will assume ownership from the Resort and SP Land the portion of Killington Road from the Lookout/Glazebrook intersection to Vale Road and East Mountain Road from its intersection with Killington Road to the Killington Grand Hotel plus the two secondary Roads know as Road H and Old Mill Road.

These improvements will significantly improve the safety of Killington Road while at the same time make the road more pedestrian and bike friendly. The inclusion of bus pull offs and bus shelters will be significant upgrade to the public transportation system.

Attachment 7M: Transportation Enhancement Map

Attach a map indicating municipal and TIF District boundaries and the location of transportation projects, using colors or symbols for various categories of transportation projects.

See attached map.

Attachment 7N: Transportation Studies

Include copies of traffic studies, transportation studies, or any other documentary evidence supporting current transportation difficulties and/or proposed transportation solutions. If study or document is large and is available online, do not include with application but include name and URL in your list.

See attached "Killington Road Master Planning Study," prepared by VHB, and dated August 26, 2021.

Attachment 7O: Transportation Enhancement Grant

If the municipality has applied, or will apply, to the Vermont Agency of Transportation for a "Transportation Enhancement Grant," check box and include that information or a copy of the TEG application.

The Town will apply for paving and structures grants when the time comes. Killington has never been awarded any paving grants, as they are highly competitive. With one culvert to replace in the Killington Road project, the Town will apply for a structures grant, but there is no guarantee of funding at this time.