Board of Finance

Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall

Please click the link below to join the webinar:
https://zoom.us/j/91566251542
Or Telephone: +1 309 205 3325 US

****CCTV link: https://www.youtube.com/playlist?list=PLljLFn4BZd2PwCge7lNoKug676jIf_iUA ****

1. Agenda

Subject	**1.1. Motion to adopt agenda**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	1. Agenda
Department	Council and Board
Type	Action Procedural
Recommended Action	Motion to adopt agenda

2. Public Forum

Subject	**2.1. Verbal Comments**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	2. Public Forum
Department	Council and Board

Type	Action Procedural
Recommended Action	open Public Forum close Public Forum

3. Consent Agenda

Subject	**3.1. Motion to adopt the consent agenda and take the actions indicated**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	3. Consent Agenda
Department	Council and Board
Type	Action (Consent) Procedural
Recommended Action	Motion to adopt the consent agenda and take the actions indicated

Subject	**3.2. Approval to Execute Master Lease - C/T**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	3. Consent Agenda
Department	Clerk/Treasurer's Office
Type	Action (Consent)
Recommended Action	to approve and recommend that the City Council authorize Katherine Schad, Chief Administrative Officer, or designee to execute a Tax-Exempt Lease Purchase with NBT Bank for the amount $1,092,704 with an annual payment of $177,454 to be paid out of Water Resources, and Recycling Budgets within the approved Fiscal year 2024 Budgets subject to review by the City Attorney’s Office

4. Deliberative Agenda

Subject	**4.1. Memorandum of Agreement Between Burlington Fire Fighters Association (BFFA) and the City of Burlington regarding Retention Bonus, Article 10.5A of the Collective Bargaining Agreement (FY22-FY25) - CAO, HR and Fire**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Clerk/Treasurer's Office
Type	Action
Recommended Action	1. To approve, and recommend that the City Council approve and authorize the Fire Chief to execute on behalf of the City, the proposed Memorandum of Agreement. 2. To recommend that the City Council authorize the Chief Administrative Officer, or their designee, to effect all necessary budget amendments and transfers of funds to and

from the above-referenced funding sources as needed to pay the proposed retention bonuses.

Subject	**4.2. FY23 City of Burlington Tax Increment Financing District Annual Reports to the Vermont Economic Progress Council (VEPC) - C/T**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Clerk/Treasurer's Office
Type	Action Report
Recommended Action	waive the reading, accept the report and place it on file

Subject	**4.3. Resolution: Authorization for Refinancing City of Burlington's $18,840,000 General Obligation Waterfront Tax Increment Note, Series 2023 - C/T and CEDO**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Clerk/Treasurer's Office
Type	Action Resolution
Recommended Action	to recommend that the City Council approved the attached resolution

Subject	**4.4. Resolution: Authorization for Reimbursement from Public Improvement Bonds for School District Capital Improvements for Integrated Arts Academy - BSD**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	4. Deliberative Agenda
Department	Burlington School District
Type	Action
Recommended Action	to recommend that the City Council approve the attached resolution

5. Adjournment

Subject	**5.1. Motion to adjourn**
Meeting	April 15, 2024 - Special Board of Finance Meeting - Monday, April 15, 2024, 5:00 PM, Bushor Conference Room 1st Floor, City Hall
Category	5. Adjournment
Department	Council and Board

Type	Action Procedural
Recommended Action	Motion to adjourn

OFFICE OF THE CLERK/TREASURER
City of Burlington
City Hall, Room 20, 149 Church Street, Burlington, VT 05401
Voice (802) 865-7000
Fax (802) 865-7014
TTY (802) 865-7142

MEMORANDUM

TO: Board of Finance and City Council

FROM: Darlene Bayko, Assistant Director of Finance

DATE: April 15, 2024

RE: Approval to Execute Master Lease

Overview

On March 12, 2024, the City of Burlington sent out a Request for Proposals ("RFP") to solicit proposals from qualified firms to enter into a capital lease agreement (the "Lease") in the amount of $1,092,704 for the financing of various fleet purchases which were approved July 18, 2022 & June 20, 2023 by the Board of Finance and City Council. As the motion for that fleet purchase said at the time, financing would be determined by the Clerk/Treasurer's Office "at a rate not to exceed 5% and a term of up to 7 years." We now are bringing to the Council those financing terms.

The City determined that the leased assets had a useful life of seven years and the finance term may not exceed the useful life of such asset. The terms of the financing are summarized and are shown in Appendix A attached.

A complete detailed list of proposed Fleet to be leased is shown in Appendix B is attached. Please note that the lease payments will be covered under Water Resources and Recycling.

RFP Process

The RFP was posted to the City's website, and we sent emails to several reputable leasing companies across the United States. The City received bids as required by the April 1, 2024 deadline from the following firms: Bank Funding, LLC, JP Morgan Chase Bank, NA, M&T Bank, and NBT Bank.

As shown in Appendix A (Attached), we received four bids that were deemed responsive: the lowest bid was $1,242,200 from NBT Bank followed by M&T Bank $1,257,934 then BankFunding, LLC for $1,260,723, and J.P. Morgan Chase for $1,265,160.

Recommendation

We recommend awarding the contract to the lowest bidder, NBT Bank. Although the City has not worked with NBT previously, we welcome the opportunity.

MOTION:

Board of Finance:

To approve and recommend that the City Council authorize Katherine Schad, Chief Administrative Officer, or designee to execute a Tax-Exempt Lease Purchase with NBT Bank for the amount $1,092,704 with an annual payment of $177,454 to be paid out of Water Resources, and Recycling Budgets within the approved Fiscal year 2024 Budgets subject to review by the City Attorney's Office.

City Council:

To approve and authorize Katherine Schad, Chief Administrative Officer, or designee to execute a Tax-Exempt Lease Purchase with NBT Bank for the amount of $1,092,704 with an annual payment of $177,454 to be paid out of Water Resources and Recycling Budgets within the approved Fiscal Year 2024 Budgets subject to review by the City Attorney's Office.

Appendix A
City of Burlington, Vermont
Capital Lease Financing
RFP Summary 2024

	BankFunding, LLC	J.P. Morgan	M&T Bank	NBT Bank
Financed Amount	**$1,092,704**	**$1,092,704**	**$1,092,704**	**$1,092,704**
Term	7 years	7 years	7 years	7 years
Interest Rate	4.64%	4.60%	4.408%	4.00%
Total Cost	**$1,260,723**	**$1,265,160**	**$1,257,934**	**$1,242,200**
Payments	Fourteen (14) variable payments, payable semi-annually, first payment due 6/1/2024	Fourteen (14) payments of $90,368.59, payable semi-annually, first payment due 6/1/2024	Fourteen (14) leval payments of $89,852.42 payment semi-annual, first payment 6/1/2024	Fourteen (14) payments of $88,728.57, payable semi-annually, first payment due 6/1/2024
Prepayments	Will have the option to pre-pay the remainng lease balance on any payment date after the first anniversary for 102% of the remaining balance.	Financing may be prepaid in whole, but not in part, prior to maturity on any payment date, with 30 days prior written notice. Payment may be subject to a fixed rate/ "make whole" break funding charge.	Provided there are no events of default Lessee may prepay all, but not less than all, of the lease on any lease payment date for an amount equal to the then remaining principal balance	None
Notes	In order to hold the interest rate through the date of funding into escrow, Lessee must notify Lessor that the Lessor is the apparent winner of the bid by April 8, 2024. If notice is not received by April 8, 2024, or if funding does not take place by May 8, 2024, the Lease Rate and Lease Payment Amounts may be adjusted up or down in accordance with 79% of any change in 3-year SOFR swap rate	The interest Rate and Payment quoted herein are based on current market rates as indicated by th 4 year SOFR Interest Rate Swap ("Index Rate"), which was 4.086% as of March 29, 2024. For every change in the Index Rate an adjustment will be made to the Interest Rate and Payment in order to maintain Lessor's economics. The final Interest Rate and Payment will be agreed to prior to	M&T does not typically obtain a formal credit approval until after a lease has been awarded.	Origination Fee due at closing: Bank standard 1/4 Point Fee based on Loan Amounts ***WAIVED! Pricing to be held for 60 days from the date of the term sheet.***

Prepared by Darlene Bayko, Assistant Director of Finance

Appendix B
CITY OF BURLINGTON, VERMONT
FISCAL YEAR 2024 CAPITAL LEASE COST ESTIMATES

RECYCLE	G03	INTERNATIONAL	HV607	RECYCLING TRUCK	$299,145
STORMWATER	SW02	FORD	MAVERICK	DISTRIBUTION	$26,523
WATER	Z01	FORD	E-TRANSIT	CARGO VAN	$56,746
WATER	Z20	FORD	F550	FLAT BED W AIR COMPRESSOR	$65,897
WATER	ADDITION	GEM	ELXD	FLUSHING UNIT	$27,347
WATER	ADDITION	FORD	MAVERICK	DISTRIBUTION	$26,523
WATER	WR01	NISSAN	LEAF	SHARED	$29,312
POLICE		DODGE	RAM PROMASTER 2500	CARES VAN	$84,995
RECYCLE	G02	INTERNATIONAL	HV607	RECYCLING TRUCK	$276,921
WATER	Z13	FORD	F350	ONE TON TRUCK	$58,940
WATER	Z13V	VERMEER	ECO25	VAC UNIT	$32,324
WATER	Z312	FORD	F550	SERVICE TRUCK	$108,031
FY24 TOTAL					**$1,092,704**

Board of Finance and City Council Submission Checklist

Department: Clerk Treasurer Office Submitter: Darlene Bayko

Title/Subject: Fiscal Year 2024 Fleet Master Lease Approval

	Approval:	Meeting Date:
☐	Board of Finance	Click or tap to enter a date.
☐	City Council	Click or tap to enter a date.
☒	Concurrent	4/15/2024

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	4/9/2024	Katherine Schad
Mayor's Office informed and approved memo	N/A		Click or tap here to enter text.
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	4/9/2024	Erik Ramakrishnan
CAO has reviewed budget, financing, and memo	Yes	4/9/2024	Click or tap here to enter text.
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Appendix A & B
Draft Resolution or Motion?	Yes	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

Date: April 15, 2024

To: Board of Finance and City Council

From: Katherine Schad, Chief Administrative Officer
Kerin Durfee, Director of Human Resources
Michael LaChance, Fire Chief

CC: Mayor Emma Mulvaney-Stanak

Memo: Memorandum of Agreement Between Burlington Fire Fighters Association (BFFA) and the City of Burlington regarding Retention Bonus, Article 10.5A of the Collective Bargaining Agreement (FY22-FY25)

Overview:
During the most recent negotiations between the City and the BFFA, the parties agreed to article 10.5A which states: "The parties will agree on an appropriate distribution system of annual retention bonuses based on tenure…" After signing the agreement, the collective bargaining teams for both the City and BFFA continued to meet over a period of months and have reached agreement on the attached system for distribution of the annual retention bonuses. This system was voted on by the members of the BFFA and has the support of the City's bargaining team and Mayor.

This system balances affordability while also recognizing the dedication and contributions of the dedicated members of the BFFA at 3-year increments until they get to Year 21. Both parties have agreed that if article 10.5A is modified or removed in the future, that the Memorandum of Agreement is no longer valid or enforceable by either party.

Finances:

- MOA Plan Year 1/FY23 the budget will come from the assigned fund balance, money originally reserved for regional dispatch which is no longer needed will cover this expense
- MOA Plan Year 2/FY24 the budget will come from the increased ambulance revenues of the Fire department
- MOA Plan Year 3/FY25 we will include this expense in the forthcoming budget

Requested Actions:

Board of Finance:

1. To approve, and recommend that the City Council approve and authorize the Fire Chief to execute on behalf of the City, the proposed Memorandum of Agreement.
2. To recommend that the City Council authorize the Chief Administrative Officer, or their designee, to effect all necessary budget amendments and transfers of funds to and from the above-referenced funding sources as needed to pay the proposed retention bonuses.

City Council:

1. To approve the proposed Memorandum of Agreement and authorize the Fire Chief to execute it on behalf of the City.
2. To authorize the Chief Administrative Officer, or their designee, to effect all necessary budget amendments and transfers of funds to and from the above-referenced funding sources as needed to pay the proposed retention bonuses.

MEMORANDUM OF AGREEMENT
BETWEEN
BURLINGTON FIRE FIGHTERS ASSOCIATION, LOCAL 3044 AND THE CITY OF BURLINGTON
RE: ANNUAL RETENTION BONUS, ARTICLE 10.5A OF THE COLLECTIVE BARGAINING AGREEMENT ('22-'25)

This is an Agreement between the Burlington Firefighters' Association ("BFFA" or "Union") and the City of Burlington ("City"), acting by and through the Fire Department, collectively the "Parties", meant to memorialize the Parties' understanding and agreement of a distribution system and the terms and conditions relevant to payment of retention bonuses to members of the Union covered by the collective bargaining agreement.

WHEREAS the City and the Department wish to recognize the dedication and contributions of the dedicated members of the BFFA; and

WHEREAS, Article 10.5A of the Collective Bargaining Agreement between the Parties states that the "[P]arties will agree upon an appropriate distribution of retention bonuses, based on tenure . . ."; and

WHEREAS, the Parties have participated in good faith negotiations to arrive at an agreeable distribution system of retention bonus payments within the spirit of Article 10.5A of the Collective Bargaining Agreement; and

WHEREAS, the Parties wish to memorialize such through this Agreement;

NOW THEREFORE, in recognition of the foregoing, the Parties agree as follows:

1.) Philip C. Luedee and Sean S. Ploof will each receive a one-time payment of $10,000.00 in recognition of their twenty-two years of service to the Department and the City of Burlington.

2.) Retention Bonuses will be paid out in accordance with the following chart, on the anniversary of an employee's respective employment with the City of Burlington, so long as they are still a covered employee under the Collective Bargaining Agreement between the City and the Union at the time of their anniversary date:

Years of Service	Retention Bonus Payout
22 Years or Greater	$2,500
21 Years	$10,000
18 Years	$8,000
15 Years	$7,000
12 Years	$6,000
9 Years	$5,000
6 years	$4,000
3 Years	$3,000

3. The retention bonus payments made pursuant to this Agreement shall be added to eligible employees' next regular paychecks as reasonable practicable after the anniversary date of their employment with the City.

4. The Retention Bonuses shall be retro-actively applied to the effective date of the Collective Bargaining Agreement, July 1, 2022.

5. The retention bonus payments shall be subject to all necessary taxes and withholdings as determined by the City. Such sums are understood to be a gross amount and the Union understands and agrees that actual amounts remitted to eligible employees will be on a net basis.
The above-mentioned terms, beliefs and conditions are agreed upon by both Parties and shall not be altered or amended unless further agreed upon and reduced to writing by both parties. The Parties agree that this Memorandum of Agreement in no way alters the terms or conditions of the Collective Bargaining Agreement between the City and the Union, and that if Article 10.5A of the Collective Bargaining Agreement is modified or removed in the future, that this Memorandum of Agreement is no longer valid or enforceable by either party.

Dated at Burlington, VT this ____ day of April 2024.

City of Burlington	Burlington Fire Fighters Association, Local 3044
By:____________________________	By:__________________________________
Michael LaChance, Fire Chief	Kyle Blake, President - Duly Authorized Agent

	MOA plan year 1	MOA plan year 2	MOA plan year 3	MOA plan contract total
Luedee, Philip C.	$ 10,000.00	$ 2,500.00	$ 2,500.00	$ 407,000.00
Ploof, Sean S.	$ 10,000.00	$ 2,500.00	Retired	
Laramie, Christopher S.		$ 10,000.00	$ 2,500.00	
Aumand, Francis X. IV		$ 10,000.00	$ 2,500.00	
Macbeth, Aaron R.		$ 10,000.00	$ 2,500.00	
Wilson, Dennis E.		$ 10,000.00	$ 2,500.00	
Franzen, Christopher A		$ 10,000.00	$ 2,500.00	
Charney, Michael J.		$ 10,000.00	$ 2,500.00	
Sullivan, Christopher G.		$ 10,000.00	$ 2,500.00	
Barrett, Thomas J.			$ 10,000.00	
Edgerley, Philip J.			$ 10,000.00	
O’Brien, Kevin M.	$ 8,000.00			
McDonough, Mark W.		$ 8,000.00		
Ferris, Timothy J.		$ 8,000.00		
Burns, Timothy P.	$ 7,000.00			
Perkins, Nathan R.	$ 7,000.00			
Wilson, Braddon E.	$ 7,000.00			
Mathieu, Bryan J.	$ 7,000.00			
Pitrowiski, Andrew J.		$ 7,000.00		
Raymond, Jeremy		$ 7,000.00		
Colgrove, Timothy J.			$ 7,000.00	
Critchlow, Thomas	$ 6,000.00			
Lanphear, Kathleen M.	$ 6,000.00			
Anderson, Kyle R.	$ 6,000.00			
Cochran, Eric D.		$ 6,000.00		
Jordan, Michael		$ 6,000.00		
Moniz, John H.		$ 6,000.00		
Porter, Joshua J.		$ 6,000.00		
Savoy, Adam M.		$ 6,000.00		
LaBombard, Michael D.	$ 5,000.00			
Alexander, Kevin D	$ 5,000.00			
Kirtlink, Joshua	$ 5,000.00			
Trudo, Kyle	$ 5,000.00			
Stewart, Patrick	$ 5,000.00			
Fitzpatrick, Ryan J.	$ 5,000.00			
Hoodiman, Thomas D.	$ 5,000.00			

	MOA plan year 1	MOA plan year 2	MOA plan year 3	MOA plan contract total
Charest, Jason M.	$ 5,000.00			
Blake, Kyle	$ 5,000.00			
Virnig, Andrew T.			$ 5,000.00	
Ploof, Ryan J.			$ 5,000.00	
Lyons, William A			$ 5,000.00	
Casavant, Eric M.	$ 4,000.00			
Bonoyer, Casey J.	$ 4,000.00			
Gulia, Gina		$ 4,000.00		
Mund, Camden		$ 4,000.00		
Rice, Frank			$ 4,000.00	
Gavelis, Derek			$ 4,000.00	
Bronson, Jenny			$ 4,000.00	
Paul, Jason	$ 3,000.00			
Shaw, Benjamin		$ 3,000.00		
Smith, Jason S.		$ 3,000.00		
DeThomasis, Nick		$ 3,000.00		
Stratton, Robert		$ 3,000.00		
O'Grady, Connor		$ 3,000.00		
Schafsteck, Nathan		$ 3,000.00		
Bettencourt, Brian		$ 3,000.00		
Husbands, John			$ 3,000.00	
Delzer, Riley A.			$ 3,000.00	
Sparks, Brett			$ 3,000.00	
Fiske, Collin P.			$ 3,000.00	
Doig, Ian			$ 3,000.00	
Wells, Jacob			$ 3,000.00	
Mead, Harrison			$ 3,000.00	
Walters, Dawson C.			$ 3,000.00	
Andrade, Nicholas			$ 3,000.00	
Guido, Christopher			$ 3,000.00	
LaBombard, Bradley			$ 3,000.00	
McCormick, Ian			$ 3,000.00	
Jung, Brenden			$ 3,000.00	
Markovsky, Jared				
Birecki, Jackson				
Corron, Logan				
Barlow, Tye				
Nault, Norman				
Reinfurt, Christopher				
Van Vuuren, Arie				
Epidy, Theodore				
Rathbun, Samuel				

	MOA plan year 1	MOA plan year 2	MOA plan year 3	MOA plan contract total
Johnson, Alec				
Cantwell, Justin				
Macaluso, Adam				
O’Connor, Sean				
Vacant Position				
Vacant Position				
Vacant Position				
Vacant Position				
	$ 130,000.00	$ 164,000.00	$ 113,000.00	

MEMORANDUM

To: Board of Finance & City Council

Fr: Ashley Parker, Capital Program Director

Cc: Brian Pine, CEDO Director
Joseph Turner, City Assessor
Katherine Schad, CAO

Re: FY23 City of Burlington TIF District Reports to the Vermont Economic Progress Council (VEPC)

Date: April 15, 2024

Under state law, the City is required to report annually on the status of its two Tax Increment Financing (TIF) districts. City staff have worked interdepartmentally, with VEPC and the Vermont Department of Taxes to compile these reports. We are now certifying to the municipal legislative body (City Council) the amount by which the value within the stated fiscal year within each of our two tax increment financing (TIF) districts has increased or decreased relative to the original taxable value (OTV) for each of the respective districts and that the information provided in the reports represent true and accurate statements. Having thus certified and presented these reports to Burlington's municipal legislative body as required by law, we will then execute the certification forms which are included in the materials provided with the attached Waterfront TIF District and Downtown TIF District reports for FY23. These reports will next be certified and submitted by Mayor Mulvaney-Stanak to VEPC on or before May 1, 2024. Please do not hesitate to contact us with any questions or concerns.

VERMONT

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

VEPC Staff Contact Information:
Angie Farrington, (802) 461-6421, angela.farrington@vermont.gov

Reports are due on or before January 1, 2024
Please submit reports to accd.vepctifannualreport@vermont.gov
Please submit GL22 TIF Proceeds Report with the District Annual Report

I. District Information:

Municipality & District	**Burlington: Waterfront TIF District**	Reporting Period:	**July 1, 2022 - June 30, 2023**
Name of Person Completing Report	Ashley Parker	Grand List Year:	**2022**
Title	Capital Program Director		
Email Address	aparker@burlingtonvt.gov		
Telephone	802-734-0292		
Date Report Completed	12/29/2023		

NOTE: All information reported on this form by the municipality must be for the Reporting Period and Grand List Year identified above.

II. TIF District Data:

Base Data (Original Taxable Value)	1996 Value	2010 Value
Municipal	$ 42,412,900	$ 122,127,620
Homestead- Education	$ 1,728,200	$ 18,908,100
Non Residential- Education	$ 40,684,700	$ 103,219,520
Total Education	$ 42,412,900	$ 122,127,620

	2 Parcels	All Others
OTV Total Acres	0.31	104.91
OTV Total Parcels	2	111

Parcel Information (All Parcels)	
Current Acres	104.47
Current Parcels	109

Taxable Values as of April 1	Cherry St - 2 Parcels	Full District
Municipal	$ 30,297,700	$ 151,817,800
Commercial 120% Surcharge	$ 2,805,800	$ 12,324,860
Homestead- Education		$ 25,439,100
Non Residential- Education	$ 30,297,700	$ 126,095,732
Total		$ 151,534,832

Tax Rates Applied to the April 1 Grand List	
Municipal (General Fund)	$ 0.7082
Homestead	$ 1.3891
Non Residential	$ 1.4041

Increase (Decrease) in Taxable Values (auto-calculated)	From 1996 Value	From 2010 Value
Municipal	$ 79,714,720	$ 59,987,880
Homestead- Education	$ 17,179,900	$ 6,531,000
Non Residential- Education	$ 62,534,820	$ 22,876,212
Total Education	$ 79,714,720	$ 29,407,212

List Special Municipal Tax Rates		
1	Local Agreement	$ 0.0003
2	DID Tax Rate	$ -
3		$ -
4		$ -
5		$ -
6		$ -
7		$ -
	Total Special Municipal Tax Rates	**$ 0.0003**
	Total Municipal (General Fund) & Special Rates	**$ 0.7085**

TIF Increment Revenue Retained for Reporting Year*	
Municipal	$ 775,134
Commercial 120% Surcharge	$ 87,285
DID Lump Sum	$20,880.33
Homestead- Education	$ 306,688
Non Residential- Education	$ 1,118,955
Total Education	$ 1,425,643
Total TIF Revenue	**$ 2,308,941**

***Provide VEPC with documentation of the calculation of increment.**

Other TIF Fund Income

	Source	Education	Municipal	Total
1		$ -	$ -	$ -
2				$ -
3			$ -	$ -
4			$ -	$ -
5			$ -	$ -
	Total:	$ -	$ -	$ -

Changes to Individual Parcels		
	SPAN Number	Describe Change
1	114-035-14455	Added and elevator that was not previously accounted for
2	114-035-14861	Valuation methodology was changed due to property use
3	114-035-20755	Rental and vacancy rates were adjusted
4	114-035-20792	Small adjustment due to a calculation error
5	114-035-20808	Small adjustment due to a calculation error
6	114-035-52634	Rental and vacancy rates were adjusted

Additional Information

III. Votes and Financing:

Public Vote Information. Check the appropriate box. Make sure to provide the date if information has been submitted to VEPC.

☐ No public votes or debt obligations occurred during this reporting period.

☑ Yes there were public votes and/or debt obligations during this reporting period.

☑ Vote and debt obligation documents were submitted to VEPC. (Enter date submitted) — Date Submitted: 9/11/2023

☐ Vote and debt obligation documents are uploaded with this report.

Debt Instruments

	Infrastructure and Debt	Term in Years	Period (ie. 1/1/2016-12/31/2026)	Interest Rate	Principal	Interest	Total	Total Payment for Reporting Period	Remaining Principal Balance	Date Approved by Voters
Existing Debt:										
1	Waterfront Renovation Project (Interfund Transfer - Bike Path & Waterfront North)	10	2014 Series B (2014-2024)	4.28%	$ 7,800,000	$ 1,143,738	$ 8,943,738	$ 840,743	$ 1,560,000	11/6/2012 + 3/4/2014
2	Moran Redevelopment	10	2014 HUD Sec 108 10 Years (2015-2025)	5.00%	$ 2,091,000	$ 185,694	$ 2,276,694	$ 208,484	$ 563,000	3/4/2014
3	Waterfront Fishing Pier	5	2016B COPS 5 Years (2015-2021)	5.00%	$ 143,489	$ 17,959	$ 161,448			2006
4	Lakeview , College, Westlake Garage	9	2016A COPS 9 Years (2016-2024)	5.00%	$ 5,145,000	$ 1,098,078	$ 6,243,078	$ 594,375	$ 1,125,000	2006
	General Obligation Waterfront Tax Increment Bond Series 2018E	8	11/28/2018-5/1/2025	5.00%	$ 745,000	$ 119,180	$ 864,180	$ 130,480	$ 245,000	3/4/2014
5	Series 2018C - Burlington Harbor Marina, ECHO	8	11/28/2018-5/1/2025	5.00%	$ 405,000	$ 76,106	$ 481,106	$ 75,000	$ 135,000	3/4/2014
6	New Moran Inc. $3,559,000; BTC Public Improvement $801,000	6	Series 2019 12/20/2019-06/30/2025	2.61%	$ 4,360,000	$ 573,369	$ 4,933,369	$ 248,690	$ 3,850,273	3/4/2014
New Debt:										
Example: Main Street Lights - General Obligation Bond		11	1/1/2016-12/31/2025	5.60%	$ 3,250,000	$ 500,000	$ 3,750,000	$ 340,909	$ 2,950,000	
7	City Place Burlington, $18,840,000; Series 2023									11/1/2016
8										
				Total	$ 20,689,489	$ 3,214,124	$ 23,903,613	$ 2,097,772	$ 7,478,273	

Annual Debt Service

Principal Paid	$ 1,821,636
Interest Paid	$ 276,135
Fees/Other Costs Paid	$ -
Total Paid	$ 2,097,772

Refinancing. Was any portion of TIF District debt refinanced during this reporting period?

☐ No

☐ Yes, please provide details.

Direct Payments: Enter the total amount of any TIF direct payments made during this period.	$ -	**Date Approved by Voters:**	

Additional Information

The City closed on financing in the form of a Note in June 2023. As a result, the City does not have an amortization schedule as of yet. Attached to this report is a Memo from the City's Bond Counsel that details this financing tool, including how it serves an indebtedness tool and which types of expenses are eligible for reimbursement. Also attached to this memo is another memo that was provided to VEPC in March 2023 to describe this financing tool and the City's overall financing plan for the remaining projects in this District.

IV. Improvements and Funding:

Improvement Expenditures

	Name of Improvement	Of the Total Expenditure listed: The amount paid with TIF Revenues	The amount paid with Non-TIF Revenues	Total Improvement Expenditure for this report period
1	Bike Path			
	Completed in FY17.	$ -	$ -	$ -
2	Waterfront Access North			
	Completed in FY19.	$ -	$ -	$ -
3	Waterfront Park Upgrades			
	Completed in FY19.	$ -	$ -	$ -
4	Moran Building			
	The City cut the Ribbon on the Moran Frame project in November 2022, opening this new park, anchored by the distinctive tiered-shape of the Moran structure, to the public for the first time and completing the transformation of the northern waterfront. Completion of construction included final site work with a network of gravel paths and grassy areas, distinctive lighting, safety signage, the return of the original, "City of Burlington" letters and interpretive panels available in the City's top ten languages via a QR code. There is a small amount of remaining work for FY24 to close out the Environmental Reporting.	$ 71,288	$ -	$ 71,288
5	Lake Champlain Community Sailing Center			
	Completed in FY18.	$ -	$ -	$ -
6	Burlington Harbor Marina			
	Completed in FY19.	$ -	$ -	$ -
7	ECHO Sustainability Park			
	Completed in FY19.	$ -	$ -	$ -
8	Cherry & Bank Street Streetscape Improvements (Street improvements to the City's "Great Streets" standards for six blocks of public rights of way on Cherry Street (from Battery to Church Street) and Bank Street (from Pine to Church Street)			
	In FY 22 an Amended Development Agreement executed. Design advancement for the Streetscape improvements has resumed. Construction to start FY 2024 (see additionalcomments in Current TIF Activity at the end of Section V of this report)	$ -	$ -	$ -
9	St. Paul Street Extension (Acquisition and construction of St. Paul Street, creating new blocks of City Public rights of way).			
	In FY 22 an Amended Development Agreement executed. Design advancement for the Streetscape improvements has resumed. Construction to start FY 2024 (see additionalcomments in Current TIF Activity at the end of Section V of this report)	$ -	$ -	$ -
10	Pine Street Extension (Acquisition and construction of Pine Street, creating new blocks of City Public rights of way).			
	In FY 22 an Amended Development Agreement executed. Design advancement for the Streetscape improvements has resumed. Construction to start FY 2024 (see additionalcomments in Current TIF Activity at the end of Section V of this report)	$ -	$ -	$ -

Total	$	71,288	$	-	$	71,288
				Check	$	71,288

	Sources of Non-TIF Revenues	Total Amount Secured for Each Source	Total Amount Spent to Date	Total Amount Spent this Period	Closed
1	VT Trans Revenue	$ 2,500,000	$ 2,500,000	$ -	X
2	VT Sales Tax Reallocation	$ 229,498	$ 229,498	$ -	X
3	Developer's Payment	$ 144,037	$ 144,037	$ -	X
4		$ -	$ -	$ -	☐
5		$ -	$ -	$ -	☐
6		$ -	$ -	$ -	☐
7		$ -	$ -	$ -	☐
8		$ -	$ -	$ -	☐
	Total	**$ 2,873,535**	**$ 2,873,535**	**$ -**	
	Non-TIF Revenues Reported under Improvement Expenditures			$ -	

Related Costs

	List and describe the related cost(s)	Vendor	The amount paid with Education Revenue	The amount paid with Municipal Revenue	Total Cost for this report period
1	Municipal Staff Time and Benefits	Community & Economic Development Office (CEDO)	$ -	$ 74,074	$ 74,074
2	Professional Consultant Services	See attached Prof & Consult Vendor Breakdown	$ 189,965	$ 117,707	$ 307,672
3	State Audit Expenses	State Auditor's Office	$ 147,402	$ 91,334	$ 238,736
4			$ -	$ -	$ -
5			$ -	$ -	$ -
		Total	$ 337,367	$ 283,115	$ 620,482
				Check	$ 620,482
				Check	$ -

V. Performance Indicators:

Standard

Real Property Development

1	**Burlington Harbor Marina**	
	Burlington Harbor Marina (75 Penny Lane) - public parking improvements and public infrastructure were built in support of this private development project - the property became taxable for the April 1, 2020 Grand List	$786,900
2	**ECHO**	
	ECHO (1 College St) - tax exempt property - project completed and reported FY 2020	$15,200,600
3	**Lake Champlain Community Sailing Center**	
	Lake Champlain Community Sailing Center (505 Lake St) - tax exempt property - project completed and reported FY 2018	$2,563,500
4	**Moran Frame**	
	Moran Frame (475 Lake St) Phase 1A completed its finishing touches in FY 2023 - a tax exempt City propert, operated by the Department of Parks and Recreation - Benefit to the City and the State come in the form of increased enhancement of the City's Waterfront - translating to tourist dollars (tax revenues to include Rooms and Meals tax, etcetera), and increased property values throughout the City and the County by virtue of the vitality of the City's Waterfront	$2,262,400
CityPlace Real Property Development		
5	**Phase 1: CityPlace, Retail, Parking, & Storage:**	
	(130 Cherry St) During this reporting period, CityPlace Partners began site work and construction of the foundation/podium for the South Tower. As part of this scope of work, the subsurface utilities and footings were installed and the foundation/podium was completed. Just after this reporting period closed, the steel was erected and vertical construction on the South Tower got underway.	

6	**Phase 1: CityPlace Residential/ Housing:**	
	(130 Cherry St) During this reporting period, CityPlace Partners began site work and construction of the foundation/podium for the South Tower. As part of this scope of work, the subsurface utilities and footings were installed and the foundation/podium was completed. Just after this reporting period closed, the steel was erected and vertical construction on the South Tower got underway. CPP has shifted the uses on this site to include about 30 housing units and a hotel along with ground floor retail and a portion of the public parking to be located in the public parking garage. Exact housing unit and hotel room counts are yet to be determined.	$10,970,200
7	**Phase 2: Hotel:**	
8	**Phase 2: Residental/ Housing:**	
9	**Phaes 2: Retail & Parking:**	
	Total	$31,783,600

Employment Opportunities

Completion of the City's 2012 and 2014 TIF projects has directly spurred activity and vibrancy at Burlington's Waterfront (now one of the State's top tourist destinations). New businesses along Lake Street, Battery Street and Cherry Street now thrive in locations where previously no economic activity was occurring at all (potentially next years report will provide actual data updates for this project).

Additional Information

The above reported properties constitute active development of the Waterfront TIF District which has taken place (and/or will potentially take place) under the City's Waterfront TIF District Reconciliation Plan. Development activity which took place within the Waterfront TIF District during the years prior to the adoption of the reconcilliation plan has been otherwise documented in other sources and reports. Further details concerning the advancement of the CityPlace Partners project is provided in Current TIF Activity at the end of Section V of this report. That project commenced construction midway through FY 2023 and projects a Grand List assessment of $120 million on the main parcel (with an additional future phase of development projected for the two smaller parcels). Further details will be provided as part of the City's upcoming Substantial Change Request for the Waterfront TIF District in early 2024.

Mandated

Jobs at June 30, 2021

	NAICS Code	Increase or (Decrease)	Previous Location (if known)		NAICS Code	Increase or (Decrease)	Previous Location (if known)
1	11			**11**	53		
2	21			**12**	54		
3	22			**13**	55		
4	23			**14**	56		
5	31-33			**15**	61		
6	42			**16**	62		
7	44-45			**17**	71		

8	48-49	6		**18**	72		
9	51			**19**	81		
10	52			**20**	92		
					Total Jobs Increase (Decrease)		**6**

Identify Source/Method for Obtaining Jobs Information

See the attached report. Burlington staff used State data-bases to generate district-wide estimates - thereby offering employment numbers with high and low estimates for each entity in the various sectors. We then utilize the median each sector to populate this table and gauge total growth.

Vermont Firms

	Name of Vermont Firm	Total amount of work performed		Name of Vermont Firm	Total amount of work performed
1	White & Burke	$ 149,948	**11**		$ -
2	Downs Rachlin Martin	$ 90,356	**12**		$ -
3	Paul Frank & Collins, Inc.	$ 10,139	**13**		$ -
4	State of Vermont	$ 238,736	**14**		$ -
5	VEPC	$ 4,930	**15**		$ -
6	DEW	$ 52,642	**16**		$ -
7	Freeman French Freeman	$ 8,702	**17**		$ -
8	VHB	$ 8,949	**18**		$ -
9	Sammel Group Inc.	$ 995	**19**		$ -
10		$ -	**20**		$ -
				Total Amount of Work Performed	**$ 565,396**

Additional Information

TIF District Specific

Transportation Enhancements: proposed new transportation enhancements for the district are under construction as the CityPlace project moves forward. Over $30M in federal grant funds were secured by the City to augment the TIF-funded improvements. All together, over $50M in transportation enhancements will be completed as a reulst of the CityPlace project along with related efforts to upgrade the surrounding public infrastructure.
Affordable Housing Development: CityPlace Partners have chosen to meet the requirements of both the State of VT Priority Housing for Act 250 exemption and the City's Inclusionary Zoning with affordable housing incorparated into the same residential buildings as the market-rate housing.
Moran Frame involves the City addressing removal of decommissioned Generating plant with Brownfields remediation, and creation of a new City Park public facility as the final element of redeveloping the City’s northern waterfront. This new public asset will serve as an attraction for locals and tourists.

Housing Changes (optional)

	Affordable Housing	Market Rate Housing	Total
New	0	0	0
Elminated	0	0	0

Net Total	0	0	0

Unforeseen Events: Please describe any unforseen events (such as flooding) that have impacted the TIF District, its improvement projects, or private developments. Also detail how the municipality is working through those challenges.
An unforeseen event with respect to the affordable housing aspect of CityPlace has required significant effort by the City. As noted in this report. CityPlace Partners shifted their plans for creating the required affordable housing in a fairly major way: they will meet the requirements of both the State of VT Priority Housing for Act 250 exemption and the City's Inclusionary Zoning with affordable housing incorparated into the same residential buildings as the market-rate housing. In addition, the program has evolved to include the development of at least one and very possibly two hotels. This requires amendments to both the zoning permit and the Amended and Restated Development Agreement (ARDA) 2.0.

Current TIF District Activity: Please provide details regarding FY24 activities. This can include updates regarding specific projects, potential substantial change requests, etc.
Transportation Enhancements: proposed new transportation enhancements for the district are under construction as the CityPlace project moves forward. Over $30M in federal grant funds were secured by the City to augment the TIF-funded improvements. All together, over $50M in transportation enhancements will be completed as a reulst of the CityPlace project along with related efforts to upgrade the surrounding public infrastructure. Affordable Housing Development: CityPlace Partners have chosen to meet the requirements of both the State of VT Priority Housing for Act 250 exemption and the City's Inclusionary Zoning with affordable housing incorparated into the same residential buildings as the market-rate housing. Moran Frame involves the City addressing removal of decommissioned Generating plant with Brownfields remediation, and creation of a new City Park public facility as the final element of redeveloping the City’s northern waterfront. This new public asset will serve as an attraction for locals and tourists.

VERMONT

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

ACTUALS - VALUE/INCREMENT/REVENUES			1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
																	(GL 2012)	(GL 2013)	07/2014-06/2015 (GL 2014)	(GL 2015)	(GL 2016)	(GL 2017)	(GL 2018)	(GL 2019)	(GL 2020)	(GL 2021)	(GL 2022)	(GL 2023)	(GL 2024)
Non TIF Revenues	**Total Secured**	**Total Expensed**																											
Returned TIF to VT (Gilabane)	$ (163,177)	$ (163,177)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (163,177)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -					
VT Trans Revenue	$ 2,500,000	$ 2,500,000	$ -	$ 500,000	$ 250,000	$ 250,000	$ -	$ -	$ 750,000	$ 250,000	$ 250,000	$ 250,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -					
VT Sales Tax Reallocation	$ 229,498	$ 229,498	$ -	$ -	$ 159,653	$ -	$ 69,845	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -					
Developer's Payment	$ 144,037	$ 144,037	$ -	$ -	$ -	$ -	$ -	$ 144,037	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -					
0	$ -	$ -																			$ -	$ -	$ -	$ -	$ -		$ -		
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0	$ -	$ -																			$ -	$ -	$ -	$ -	$ -		$ -		
Total Other Sources	**$ 2,710,358**	**$ 2,710,358**	**$ -**	**$ 500,000**	**$ 409,653**	**$ 250,000**	**$ 69,845**	**$ 144,037**	**$ 750,000**	**$ 250,000**	**$ 86,823**	**$ 250,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**		**$ -**		
	Check	$ 2,710,358																											

	Check	$ 5,468,752																											
Other TIF Fund Income	**Total All Years**																												
Interest Earnings (Education)	$ -																						$ -	$ -	$ -		$ -		
Interest Earnings (Municipal)	$ -																						$ -	$ -	$ -		$ -		
Total Interest Earnings	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
0	$ -																						$ -	$ -	$ -		$ -		
0	$ -																						$ -	$ -	$ -		$ -		
0	$ -																						$ -	$ -	$ -		$ -		
0	$ -																						$ -	$ -	$ -		$ -		
Total:	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		

VERMONT

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

Debt service:		Principal	Interest	Total Service	Total Year to Date
Lake Street Construction	1999- HUD Sec 108 18 Years (2000-2017)	$ 1,110,133	$ 640,843	$ 1,750,976	$ 1,750,977
Lake Street Extension	1999 - HUD Sec 108 15 Years (2000-2014)	$ 495,000	$ 382,757	$ 877,757	$ 877,763
Urban Reserve Acquisition	1999 COPS 19 Years (2000-2018)	$ 1,390,000	$ 690,652	$ 2,080,652	$ 2,080,653
Lakeview Parking Garage	1999 - COPS 19 Years (2000-2018)	$ 5,500,000	$ 2,521,308	$ 8,021,308	$ 7,157,210
Waterfront Fishing Pier	2000 - COPS 20 Years (2001-2021)	$ 407,130	$ 287,004	$ 694,134	$ 526,412
Lakeview, College, Westlake Garage	2005 - COPS 20 Years (2006-2026)	$ 7,870,000	$ 4,164,943	$ 12,034,943	$ 6,330,185
College Street Garage Improvements	2012(FY) Lease Financing (2011-2016)	$ 436,610	$ 22,348	$ 458,958	$ 417,235
Waterfront Renovation Project	Interfund Transfer (Bike Path & Waterfront North	$ 7,800,000	$ 1,143,738	$ 8,943,738	$ 7,287,471
Moran Redevelopment		$ 2,091,000	$ 185,694	$ 2,276,694	$ 1,710,546
Waterfront Fishing Pier	2016B COPS 5 Years (2015-2021)	$ 143,489	$ 17,959	$ 161,448	$ 160,653
Lakeview , College, Westlake Garage	2016A COPS 9 Years (2016-2024)	$ 5,145,000	$ 1,098,078	$ 6,243,078	$ 5,031,160
; 2018C - Burlington Harbor Marina, ECHO	11/28/2018-5/1/2025	$ 405,000	$ 76,106	$ 481,106	$ 335,856
:erfront Tax Increment Bond Series 2018E	11/28/2018-5/1/2025	$ 745,000	$ 119,180	$ 864,180	$ 603,270
;9,000; BTC Public Improvement $801,000	Series 2019 12/20/2019-06/30/2025	$ 4,360,000	$ 573,369	$ 4,933,369	$ 872,590
Place Burlington, $18,840,000; Series 2023	0	$ -	$ -	$ -	$ -
0	0	$ -	$ -	$ -	$ -
Total Debt		$ 37,898,362	$ 11,923,979	$ 49,822,341	$ 35,141,980
		$ 20,689,489	$ 3,214,124	$ 23,903,613	$ 16,001,545
					Total Related Costs All Years
				Related Costs	**$ 2,255,819**

Updated based upon Reconciliation Report filed 2015

Debt service:	1999	2000	2001	2002	2003	2004	2005	2006	2007
Lake Street Construction	$ 20,000	$ 90,948	$ 95,856	$ 93,432	$ 110,167	$ 116,518	$ 107,893	$ 109,126	$ 100,049
Lake Street Extension	$ -	$ -	$ -	$ -	$ -	$ 12,765	$ 26,411	$ 26,411	$ 26,411
Urban Reserve Acquisition	$ 25,304	$ 104,943	$ 103,368	$ 106,680	$ 104,855	$ 102,980	$ 105,958	$ 103,785	$ 106,470
Lakeview Parking Garage	$ 98,423	$ 236,216	$ 476,316	$ 505,716	$ 523,559	$ 535,131	$ 535,884	$ 545,816	$ 540,031
Waterfront Fishing Pier			$ 22,329	$ 33,924	$ 34,250	$ 34,040	$ 33,802	$ 33,538	$ 33,247
Lakeview, College, Westlake Garage								$ 297,174	$ 330,194
Total Debt	$ 143,727	$ 432,107	$ 697,869	$ 739,752	$ 772,831	$ 801,434	$ 809,948	$ 1,115,850	$ 1,136,402
Related Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Debt service:	2008	2009	2010	2011	2012	2013	2014	2015	2016
						(GL 2012)	(GL 2013)	07/2014-06/2015 (GL 2014)	(GL 2015)
Lake Street Construction	$ 90,847	$ 69,349	$ 72,694	$ 71,741	$ 70,382	$ 68,656	$ 76,560	$ 74,169	$ 82,142
Lake Street Extension	$ 26,411	$ 26,411	$ 26,411	$ 26,411	$ 26,411	$ 26,411	$ 26,411	$ 26,411	$ 26,411
Urban Reserve Acquisition	$ 104,025	$ 106,446	$ 108,610	$ 105,591	$ 107,373	$ 108,845	$ 575,420	$ -	$ -
Lakeview Parking Garage	$ 548,529	$ 551,104	$ 298,091	$ 299,640	$ 295,664	$ 296,094	$ 291,081	$ 290,584	$ 289,331
Waterfront Fishing Pier	$ 32,930	$ 34,035	$ 33,585	$ 33,590	$ 33,542	$ 32,958	$ 33,313	$ 33,579	$ 33,750
Lakeview, College, Westlake Garage	$ 635,194	$ 632,994	$ 635,393	$ 632,193	$ 633,593	$ 634,394	$ 634,594	$ 633,231	$ 631,231
College Street Garage Improvements					$ 83,447	$ 83,447	$ 83,447	$ 83,447	$ 83,447
Waterfront Renovation Project							$ -	$ 136,368	$ 940,161
Moran Redevelopment							$ -	$ 6,809	$ 198,551
Total Debt	$ 1,437,936	$ 1,420,339	$ 1,174,784	$ 1,169,166	$ 1,250,412	$ 1,250,805	$ 1,720,826	$ 1,284,598	$ 2,285,024
Related Costs	$ 3,195	$ -	$ 3,125	$ 2,875	$ 3,000	$ 10,376	$ 119,501	$ 172,552	$ 258,186

Debt service:	2017	2018	2019	2020	2021	2022	2023	2024	2025
	(GL 2016)	(GL 2017)	(GL 2018)	(GL 2019)	(GL 2020)	(GL 2021)	(GL 2022)	(GL 2023)	(GL 2024)
Lake Street Construction	$ 107,712	$ 122,736							
Lake Street Extension	$ 26,411	$ 264,930	$ 256,725						
Urban Reserve Acquisition	$ -								
Lakeview Parking Garage	$ -								
Waterfront Fishing Pier	$ -								
Lakeview, College, Westlake Garage	$ -								
College Street Garage Improvements	$ -								
Waterfront Renovation Project	$ 933,664	$ 925,100	$ 913,727	$ 899,430	$ 835,751	$ 862,528	$ 840,743		
Moran Redevelopment	$ 209,945	$ 218,176	$ 219,297	$ 217,652	$ 218,261	$ 213,371	$ 208,484		
Waterfront Fishing Pier	$ 32,007	$ 32,059	$ 32,426	$ 32,099	$ 32,061	$ -	$ -		
Lakeview , College, Westlake Garage	$ 880,100	$ 886,400	$ 883,300	$ 597,625	$ 594,360	$ 595,000	$ 594,375		
; 2018C - Burlington Harbor Marina, ECHO		$ -	$ 43,606	$ 73,500	$ 70,750	$ 73,000	$ 75,000		
:erfront Tax Increment Bond Series 2018E			$ 78,615	$ 134,240	$ 129,725	$ 130,210	$ 130,480		
;9,000; BTC Public Improvement $801,000				$ 114,227	$ 257,198	$ 252,475	$ 248,690		
Place Burlington, $18,840,000; Series 2023					$ -	$ -			
0					$ -	$ -			
Total Debt	$ 2,189,839	$ 2,449,400	$ 2,427,697	$ 2,068,772	$ 2,138,105	$ 2,126,584	$ 2,097,772	$ -	$ -
							$ 2,097,772		
Related Costs	$ 222,554	$ 148,320	$ 227,228	$ 274,823	$ 51,079	$ 138,523	$ 620,482		
							620482.04		

NOT APPLICABLE AT THIS TIME FOR BURLINGTON WATERFRONT TIF DISTRICT.

COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

149 CHURCH STREET • ROOM 32 • CITY HALL • BURLINGTON, VT 05401
(802) 865-7144 • (802) 865-7024 (FAX)
www.burlingtonvt.gov/cedo

TO: Jessica Hertblen, Executive Director, Vermont Economic Progress Council (VEPC)

FROM: Brian Pine, CEDO Director

DATE: March 27, 2024

RE: Waterfront TIF District 2023 Annual Report supplemental materials

This memo and the attached file is in response to your request for more information about the ir and outcomes of the Waterfront TIF (WTF TIF) District since it was created in 1996.

As Vermont's first TIF District, since 1996 the City has made strategic investments in the Waterfr District including public infrastructure upgrades and parking garage additions to stimulate the m for residential development, along with commercial, retail and office market segments. The Orig Taxable Value of this District in 1996 was $42,412,900 and is projected to reach $146,311,032 wl main portion of the District closes in 2025.

With the passage of Act 134 (effective May 25, 2016), the General Assembly amended § 18 of Ac (2013) for three specific parcels within the Burlington WTF TIF District, extending the periods for District to incur debt to June 30, 2021 and retain municipal and education property taxes to June 2035, subject to meeting certain benchmarks which were met. This extended District is expectec an additional $115,000,000 in taxable value from the redevelopment of CityPlace and an additio $60,000,000 from so-called Phase 2 expected on the remaining land from the three parcels that extended by the legislature. This is expected to bring the total value in the district to $320 millior 2029. All together, the City has invested $28,127,135 in public improvements to stimulate grow development described in this material.

The infrastructure improvements to Lake Street, the Westlake Garage, and the Lakeside Parking have encouraged business growth. Private "anchor projects" include the Courtyard Marriot Hote Westlake Residential (34 condos), Hotel Vermont, a major new office and retail building on Lake and 16 residential condos and 40 residential units of affordable housing also along Lake Street. T massive TIF-funded public improvement project linked to City Place, represents a once-in-a-gene investment to reconnect the heart of our downtown 50 years after the devastating impacts of U Renewal.

Other TIF District outcomes include:

- Acquisition and upgrade of Urban Reserve (North 40)
- 29 units of market rate housing at 200 and 216 Lake Street

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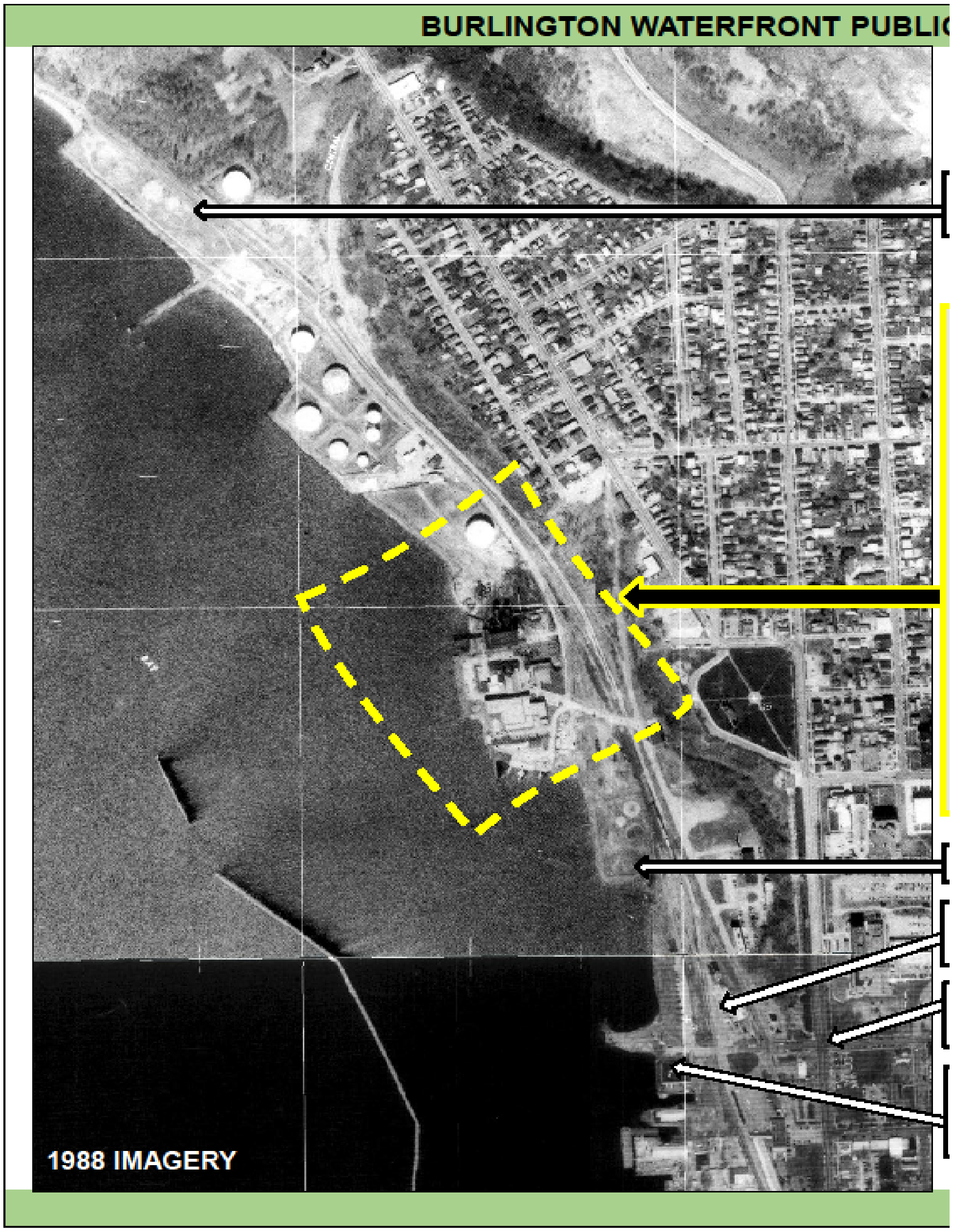


C IMPROVEMENTS PROJECTS, 1988 TO PRESENT

Burlington Bike Path

See Next Slide:

Waterfront North Public Parking

Lake Street & Lake St Extension

Waterfront Apartments

Burlington Harbor Marina

Fishing Pier

Waterworks Park

Moran FRAME

A_Dog Skate Park

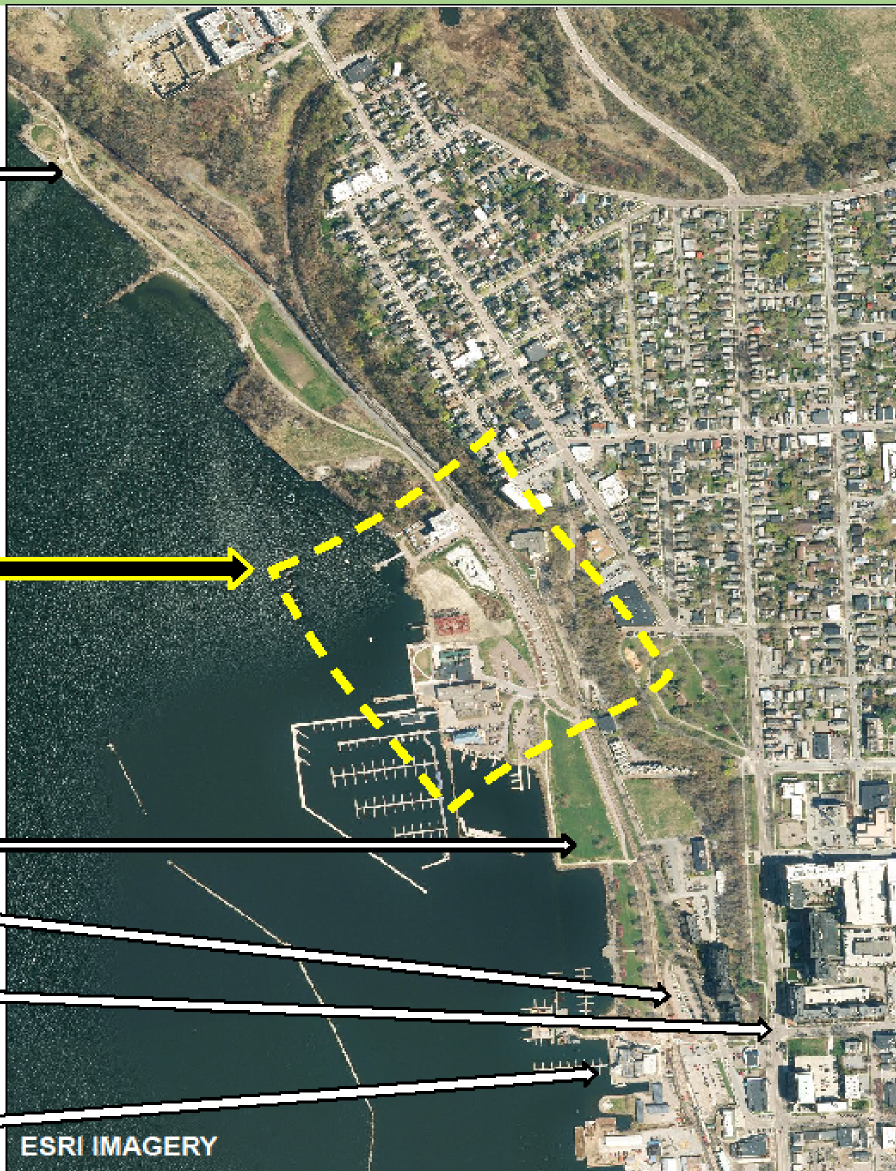
Lake Champlain Sailing Center

Waterfront Park

Pease Parking & Restrooms

Lake Street & College Street

ECHO Leahy Center for Lake Champlain



Prepared by CEDO, March 2024

CERTIFICATION OF INCREMENT AND ANNUAL REPORT

STATUTORY REQUIREMENT: (24 VSA §1895) "As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the total valuation as determined in accordance with 32 VSA Chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value."

RULE REQUIREMENT: (SECTION 903) "Increase/Decrease in Assessed Valuation: Each year following the year of creation, the listers or assessor shall certify to the municipal legislative body the amount by which the total assessed valuation of taxable properties within the TIF District has increased or decreased compared to the municipal and education OTV. Prior to providing the certification to the municipal legislative body, the listers or assessor shall have the calculation of the increase or decrease, including an examination of the disposition and tax status of each parcel within the District, verified by a second party. Selection of the second party is up to the municipality and may be an individual within or outside of the municipal government. However, the individual should be familiar with parcel listings and valuation, property tax status, and the concepts of OTV and District increment. A copy of the certification of the value and the increase or decrease must be included in the Annual Report required by Section 1004.2 of this Rule along with a certification that a second party reviewed the information. The Council will provide a form on which to provide this certification."

SECTION 1: Certification of Increment by Assessor or Lister and 2nd Party Reviewer

Check both certification boxes and sign this form. If the boxes or signatures are not completed, this form will be considered incomplete. The second party reviewer should be familiar with parcel listings and valuation, property tax status, and the concepts of OTV and District increment.

☐ We certify that, per TIF Rule Sections 903 and 1004.2, we have examined and verified the current value, the calculation of the increase or decrease in property values, the disposition and tax status of each parcel within the District, and any other issues relevant to the parcels listed in the Certified OTV Property Report.

☐ We have certified to the municipal legislative body, at a regular or duly warned meeting that the information provided in this report represent true and accurate statements.

Signature of Assessor or Lister

Name: ______ Title ______ Date ______

Signature of 2nd Party Reviewer

Name: ______ Title ______ Date ______

SECTION 2: Certification of Annual Report

Provide the date the annual report was presented to the municipal legislative body. Check both certification boxes and sign this form. If the boxes or signatures are not completed, this form will be considered incomplete.

Date report presented to the municipal legislative body: ______

☐ I certify that I am an official of the reporting municipality with the authority to report on this TIF District on behalf of the municipality.

☐ I certify that the annual report data entered and all documents attached in support of this annual report are true, correct and complete to the best of my knowledge.

Signature of Authorizing Official*

Name: ______ Title ______ Date ______

* *Authorizing Official is the Chief Executive Officer of the municipality as defined by 10 VSA § 683(8) such as a Select Board or City Council Member, Town or City Manager, or Town Administrator.*

VERMONT

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

VEPC Staff Contact Information:
Angie Farrington, (802) 461-6421, angela.farrington@vermont.gov

Reports are due on or before January 1, 2024
Please submit reports to accd.vepctifannualreport@vermont.gov
Please submit GL22 TIF Proceeds Report with the District Annual Report

I. District Information:

Municipality & District	**Burlington: Downtown TIF District**	Reporting Period:	**July 1, 2022 - June 30, 2023**
Name of Person Completing Report	Ashley Parker	Grand List Year:	**2022**
Title	Capital Program Director		
Email Address	aparker@burlingtonvt.gov		
Telephone	802-734-0292		
Date Report Completed	12/29/2023		

NOTE: All information reported on this form by the municipality must be for the Reporting Period and Grand List Year identified above.

II. TIF District Data:

Base Data (Original Taxable Value)	
Municipal	$ 170,006,600
Homestead- Education	$ 3,265,056
Non Residential- Education	$ 166,741,544
Total Education	$ 170,006,600

OTV Total Acres	61.27
OTV Total Parcels	287

Parcel Information	
Current Acres	61.25
Current Parcels	282

Taxable Values as of April 1	
Municipal	$ 285,445,200
Commercial 120% Value	$ 15,789,835
Homestead- Education	$ 10,034,530
Non Residential- Education	$ 274,873,779
Total Education	$ 284,908,309

Tax Rates Applied to the April 1 Grand List	
Municipal (General Fund)	$ 0.7082
Homestead	$ 1.3891
Non Residential	$ 1.4041

Increase (Decrease) in Taxable Values (auto-calculated)	
Municipal	$ 115,438,600
Homestead- Education	$ 6,769,474
Non Residential- Education	$ 108,132,235
Total Education	$ 114,901,709

List Special Municipal Tax Rates		
1	DID Tax Rate	
2	Local Exemption	$ 0.0003
3		$ -
4		$ -
5		$ -
6		$ -
	Total Special Municipal Tax	**$ 0.0003**
	Total Municipal (General Fund) & Special Rates	**$ 0.7085**

TIF Increment Revenue Retained for Reporting Year*	
Municipal (100% Share)	$ 817,882
Commercial 120%	$ 111,824
DID Sum	$ 25,374
Homestead- Education	$ 70,526
Non Residential- Education	$ 1,138,714
Total Education	$ 1,209,240
Total TIF Revenue	**$ 2,164,320**

***Provide VEPC with documentation of the calculation of increment.**

Other TIF Fund Income

	Source	Education	Municipal	Total
1		$ -	$ -	$ -
2	Development Agreement Fee*		$ 260,000	**$ 260,000**

3			$ -	**$ -**
4			$ -	**$ -**
5			$ -	**$ -**
	Total:	**$ -**	**$ 260,000**	**$ 260,000**

**Per VEPC approval of October 2020 Substantial Change Request, Development Agreement Fee must be deposited into the TIF Fund.*

Changes to Individual Parcels		
	SPAN Number	Describe Change
1	See below for all parcels	Post COVID Adjustment
2	114-035-15312; 114-035-	Internal Calculation Error
3	114-035-16972	Use Change and upfit change
4	114-035-17267	Fire damage
5	114-035-17485	Lot line change
6		

Additional Information

Post COVID Adjustment Parcels: #114-035-14879; #114035-15306; #114-035-15307; #114-035-05309; 114-035-15314; #114-035-15315; #114-035-15319; #114-035-15344; #114-035-17078; #114-035-17091; #114-035-17104; #114-035-17188; #114-035-17440; #114-035-17444; #114-035-17464; #114-035-17500; #114-035-20589

the

III. Votes and Financing:

Public Vote Information. Check the appropriate box. Make sure to provide the date if information has been submitted to VEPC.

- ☐ No public votes or debt obligations occurred during this reporting period.
- ☑ Yes there were public votes and/or debt obligations during this reporting period.
  - ☑ Vote and debt obligation documents were submitted to VEPC. (Enter date submitted) 10/20/2022
  - ☐ Vote and debt obligation documents are uploaded with this report.

	Debt Instruments								
	Infrastructure and Debt	Term in Years	Period (ie. 1/1/2016-12/31/2026)	Interest Rate	Principal	Interest	Total	Total Payment for Reporting Period	Remaining Principal Balance
	New Debt:								
1	Side Streets - Great Streets: St. Paul/Main Streets	19	12/20/2017-11/01/2035	5.00%	$ 3,400,000	$ 1,738,852	$ 5,138,852	$ 284,850	$ 2,700,000
2	Great Streets - St. Paul Street, Main Street stormwater improvements, Series 2019=8D	18	11/28/2018-11/1/2035	5.00%	$ 1,570,000	$ 803,363	$ 2,363,362	$ 137,250	$ 1,310,000
3	Interfund Loan	5	1/1/2019-12/31/2023	0.00%	$ 250,000	$ -	$ 250,000	$ 50,000	$ 25,000
	New Debt								
	Example: Main Street Lights - General Obligation Bond	11	1/1/2016-12/31/2025	5.60%	$ 3,250,000	$ 500,000	$ 3,750,000	$ 340,909	$ 2,950,000
4	Great Streets - Main Street: General Obligation Downtown Tax Increment Bonds, Series 2022B		8/31/2022-11/1/2035	5.00%	$ 30,120,000	$ 11,844,433	$ 41,964,433	$ 1,008,183	$ 30,120,000
5							$ -		
6							$ -		
				Total	$ 35,340,000	$ 14,386,648	$ 49,716,647	$ 1,480,283	$ 34,155,000

Debt Ceiling Approved by VEPC	$ 35,802,725

Annual Debt Service

Principal Paid	$ 270,000
Interest Paid	$ 1,210,283
Fees/Other Costs Paid	$ -
Total Paid	$ 1,480,283

Refinancing. Was any portion of TIF District debt refinanced during this reporting period?

- ☑ No
- ☐ Yes, please provide details.

Direct Payments: Enter the total amount of any TIF direct payments made during this period.	$ -	**Date Approved by Voters:**	

Additional Information
Please note that the City is including $115,000 of issuance costs in the total amount of improvements expenditures for the year shown in the next section. You can see this in the attached Final Schedule for Bond Series 2022B. Also, please note that the City is attaching a memo from its Bond Counsel associated with investment earnings related to the Series 2022B. At the close of FY23, the City was showing interest earnings of $511,616.52. Please let the City know how VEPC would like this information reported in future years.

IV. Improvements and Funding:

Improvement Expenditures					
		Name of Improvement	Of the Total Expenditure listed: The amount paid with TIF Revenues	The amount paid with Non-TIF Revenues	Total Improvement Expenditure for this report period
Phase 1 Filing	1	Streets & Infrastructure: Streetscape, storm water, and utility upgrade improvements.			
		Main - South Union to Battery Streets			
		Contract drawings for this project were completed in FY23 and the Team prepared the project for bidding. The anticipated start of construction is mid-FY24.	$1,657,405	$ -	$ 1,657,405
		St. Paul/Main Concept Design			
		Completed and reported in FY 2020	$ -	$ -	$ -
		St. Paul - Main to Maple (includes King to Maple with underground)			
		Completed and reported in FY 2020	$ -	$ -	$ -
		Stormwater - North side Main Street/City Hall Park			
		Completed and reported in FY 2021			$ -
	2	Brownfields: Remediation of parking structure site (Brown's Court).			
		Completed and reported in FY 2019	$ -	$ -	$ -
	3	Parking Structure Upgrades: Church Street Marketplace Garage.			
		Completed and reported in FY 2017	$ -	$ -	$ -
		Total	$ 1,657,405	$ -	$ 1,657,405
				Check	$ 1,657,405

	Sources of Non-TIF Revenues	Total Amount Secured for Each Source	Total Amount Spent to Date	Total Amount Spent this Period
1	Water Distribution	$ 95,350	$ 95,350	$ -
2	BED Capital	$ 45,606	$ 45,606	$ -
3	Encumbrance Fee Payment(s)	$ 25,950	$ 25,950	$ -
4	Third Party Communications (Outside Utilities)	$ 156,207	$ 156,207	$ -
5	City Capital - Annual Capital Improvement Program (CIP) Bond	$ 113,591	$ -	$ -
6		$ -	$ -	$ -
7		$ -	$ -	$ -
8		$ -	$ -	$ -

9		$ -	$ -	$ -
	Total	$ 436,704	$ 323,113	$ -
	Non-TIF Revenues Reported under Improvement Expenditures			$ -

Related Costs					
	List and describe the related cost(s)	Vendor	The amount paid with Education Revenue	The amount paid with Municipal Revenue	Total Cost for this report period
1	Municipal Staff Time and Benefits	Community & Economic Development Office (CEDO)	$ -	$ 32,788	$ 32,788
2	Professional & Consultant Services	See attached Prof & Consult Svs Vendor Breakdown	$ 42,221	$ 53,262	$ 95,483
3	Municipal Staff Time and Benefits	Department of Public Works (DPW)	$ -	$ 70,000	$ 70,000
4			$ -	$ -	$ -
5			$ -	$ -	$ -
		Total	$ 42,221	$ 156,050	$ 198,271
				Check	$ 198,271

V. Performance Indicators:

Standard

Real Property Development		
1	Stratos Project (Stuart Chase) - 33 housing units (inc. 5 inclusionary units - Champlain Housing Trust, all others market-rate).	
	193 St. Paul: Project completed and previously reported	$ 10,174,000

2	Redstone-TD Bank Block - Hotel & compatible use in Armory building w/two decks of parking.	
	161 St. Paul: Hilton Garden Hotel completed	$ 6,287,200
3	151-157 South Champlain Street - Market rate Housing with required 15% IZ units.	
	For this reporting period, the development commened on 48 rental housing units. By 6/30/23, the construction reached nearly 60% complete with the occupancy on schedule for January 2024. Although the project met the State of VT requirements for the Priority Housing exemption from Act 250 (20% of units affordable to households at 80% of HUD AMI), the developer chose to make a payment-in-lieu (PIL) of meeting the City's IZ requirement that 15% of the	$ 918,600
4	Eagles - Champlain College - Over 300 beds for Champlain college students.	
	194 St. Paul: Completed in FY 2019 - taxable as an educational facility	$ 2,556,000
5	Gateway (aka "superblock") - Mixed use redevelopment 20,000 of commercial space and 60,000 SF mixed income housing.	
	145 S. Union & 220 Main St.: During the reporting period, the City engaged various stakeholders if exploring potential redevelopmnent scenarios for the Memoiral Auditorium and the nearby Municipal parking lot. After this reporting period closed, the City Council authorized the Mayor to execute a Letter of Intent with local developers Eric Farrell and Joe Larkin to engage in due diligence to determine the feasibility of a public-private partnership to redevelop some or	$ 7,194,100
6	South Champlain/Maple Street - Currently surface parking and vacant lot. Concepts by owner - ground floor parking, upper floor offices/residential.	
	193-201 S Champlain St.: TBD - the developer has not advanced a proposal for the site in the City's permitting process.	$ 449,700
7	121 Pine Street - 30,000 SF residential building.	
	121-123 Pine St: TBD - the developer has not advanced a proposal for the site in the City's permitting process.	$ 549,700
8	86 Main Street - 23 housing units with ground floor office.	
	TBD - the developer has not advanced a proposal for the site in the City's permitting process.	$ 1,134,900
9	Former Free Press Property - To be redeveloped into 38 one bedroom apartments with 12,500SF commercial.	
	191 College St: This project was completed in FY 2018	$ 1,208,300

10	266 College Street - 142 guest room hotel with restaurant	
	During the reporting period, the property owner granted a purchase option to a local developer operating under the business name Green Castle Group (GCG). GCG conducted due diligence and determined the feasiblity of an all-residential redevelopment of the former YMCA. A zoning permit for 89 rental housing units was approved in the summer of 2023 and the GCG purcahsed the property in the fall of 2023. Construction is slated to be underway over the winter of 2024 and the construction is estimated to be complete in the summer of 2025. The project will meet the	$ 3,453,600
11	Champlian Housing Trust- VFW	
	(176 South Winooski Ave) As of midway through FY 2024, Champlain Housing Trust has secured all necessary permits and financing. Project features 38 units of mostly affordable housing along with community space for a new VFW and about 4,000 square feet of office space for the City's Community Justice Center. More detailed geo-technical assessment is underway in December 2023 with construction to be underway in the spring of 2024. Completion is slated for late 2025.	$ 1,547,500
Total		$ 35,473,600

Employment Opportunities

Jobs connected to these projects have been previously reported as the projects were completed. The current capital expenditures for the Main St. Great Streets are primarily design and and engineering for this reporting period. The City will document and provide employment figures for redevelopment projects at 157 South Champlain St., former VFW and the former YMCA as these proejcts advance to completion in the coming year.

Additional Information

Despite repvious requests that the VFW property on South Winooski Avenue be added to list set out above, it has not been added by VEPC staff. The City reported the potential redevelopment of that site in its 2021 Substantial Change Request and asked that it be added. As of midway through FY 2024, Champlain Housing Trust has secured all necessary permits and financing. Project features 38 units of mostly affordable housing along with community space for a new VFW and about 4,000 square feet of office space for the City's Community Justice Center. More detailed geo-technical assessment is underway in December 2023 with construction to be underway in the spring of 2024. Completion is slated for late 2025.

Mandated

Jobs at June 30, 2023

	NAICS Code	Increase or (Decrease)	Previous Location (if known)		NAICS Code	Increase or (Decrease)	Previous Location (if known)
1	11	0		**11**	53	0	
2	21	0		**12**	54	0	
3	22	0		**13**	55	0	
4	23	0		**14**	56	0	
5	31-33	0		**15**	61	0	
6	42	0		**16**	62	0	
7	44-45	56		**17**	71	0	
8	48-49	0		**18**	72	(39)	
9	51	0		**19**	81	(3)	
10	52	0		**20**	92	0	

Total Jobs Increase (Decrease)	15

Identify Source/Method for Obtaining Jobs Information
See the attached report. Burlington staff used State data-bases to generate district-wide estimates - thereby offering employment numbers with high and low estimates for each entity in the various sectors. We then utilize the median each sector to populate this table and gauge total growth.

Vermont Firms

	Name of Vermont Firm	Total amount of work performed		Name of Vermont Firm	Total amount of work performed
1	White & Burke	$ 26,120	11		$ -
2	Paul Frank & Collins	$ 3,604	12		$ -
3	Nancy Winship Milliken Studio, LLC	$ 1,000	13		$ -
4	Lydia Kern	$ 1,000	14		$ -
5	Noa Younse - Pixel Patch Creative, LLC	$ 1,000	15		$ -
6	Clay Mohrman	$ 1,000	16		$ -
7	Vanasse Hangen Brustlin, Inc.	$ 1,541,136	17		$ -
8	Paw Print & Mail	$ 1,269	18		$ -
9		$ -	19		$ -
10		$ -	20		$ -
				Total Amount of Work Performed	**$ 1,576,129**

Additional Information

TIF District Specific

Transportation Enhancements
FY23 saw the continued advancements of the Great Streets Main Street design, which includes Main Street improvements that meet the City's Great Streets standards, as well as stormwater improvement work related to the ravine/sewer portion of the project. Contract drawings were completed in FY23 and the project was prepared for bidding. Construction is slated to begin in mid-FY24.

Affordable Housing Development
Although there are no new completed housing units to report in the Table below for this reporting period, 49 private-sector rental housing units at 157 South Champlain St. reached approximately 60% completion as of 6/30/23. The project will include 10 rental housing units renting at a level that is affordable to houseolds at or below 80% of HUD Area Median Income (AMI). Project is leasing up for initial occupancy in January 2024. The former VFW site on South Winooski Ave. will be under construction in spring of 2024 with CHT developing mixed-use building with 38 affordable housing units and a total of 6,000 square feet of office and community space. This property will be taxed according to State taxation policy. Lastly, the former YMCA is now permitted for 89 mixed-income rental housing units and demolition is underway in late Decebmer 2023. The developer has pledged to meet both the State's Priority Housing requirement and the City's IZ requirement resulting in 13 units affordable to households at or below 65% HUD AMI and another 5 units affordable to housreholds at or below 80% of HUD AMI.

Housing Changes

	Affordable Housing	Market Rate Housing	Total
New	0	0	0
Elminated	0	0	0
Net Total	0	0	0

Unforeseen Events: Please describe any unforseen events (such as flooding) that have impacted the TIF District, its improvement projects, or private developments. Also detail how the municipality is working through those challenges.

Current TIF District Activity: Please provide details regarding FY24 activities. This can include updates regarding specific projects, potential substantial change requests, etc.
The Main Street Design reached the final design phase in FY23, and the project was put out to bid in early FY24. The resulting bids showed a continuing increase in construction costs, and City plans to discuss this with VEPC during the substantial change request hearing that will take place in Calendar Year 2024. This substantial change is a continuation of the City's July 2023 Substantial Change Request which involves an update to the City's District Financing Plan, and will also include an overview of the current project based on the realities of the Post-COVID inflationary construction economy. As a reminder, VEPC required the City to include the Champlain College Development Fee ($260,000) in the TIF Fund in FY22; and repay the TIF Fund utilizing a reduction in education increment retention (to 69%) starting in FY24. The City is fully aware of this and will be incorporating that change in the FY24 increment calculation.

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

Non TIF Revenues (List Source and Year Awarded)	Total Secured	Total Expensed	2012	2013 (GL 2012)	2014 (GL 2013)	2015 (GL 2014)	2016 (GL 2015)	2017 (GL 2016)	2018 (GL 2017)	2019 (GL 2018)	2020 (GL 2019)	2021 (GL 2020)	2022 (GL 2021)	2023 (GL 2022)	2024 (GL 2023)	2025 (GL 2024)	2026 (GL 2025)	2027 (GL 2026)	2028 (GL 2027)	2029 (GL 2028)	2030 (GL 2029)	2031 (GL 2030)	2032 (GL 2031)	2033 (GL 2032)
Water Distribution	$ 95,350	$ 95,350						$ -	$ -	$ -	$ 95,350		$ -	$ -										
BED Capital	$ 45,606	$ 45,606						$ -	$ -	$ -	$ 45,606		$ -	$ -										
Encumbrance Fee Payment(s)	$ 25,950	$ 25,950						$ -	$ -	$ -	$ 25,950		$ -	$ -										
Third Party Communications (Outside Utilities)	$ 156,207	$ 156,207						$ -	$ -	$ -	$ 156,207		$ -	$ -										
City Capital - Annual Capital Improvement Program (CIP) Bond	$ 113,591	$ -								$ -	$ -		$ -	$ -										
0	$ -	$ -								$ -	$ -		$ -	$ -										
0	$ -	$ -								$ -	$ -		$ -	$ -										
0	$ -	$ -								$ -	$ -		$ -	$ -										
0	$ -	$ -								$ -	$ -		$ -	$ -										
Total	**$ 436,704**	**$ 323,113**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 323,113**	**$ -**	**$ -**	**$ -**										
	Check	$ 323,113												$ -										

VERMONT

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

Based on TIF District Phase Filing (Approved November 2014)

TIF Debt Summary	Status of Debt	Principal	Interest	Total Service	Total Paid
1. Interfund Loan - renovation of structured parking facilities	7/1/2016-6/30/2017	$ 200,000	$ -	$ 200,000	$ 200,000
2. Side Streets - Great Streets: St. Paul/Main Streets	12/20/2017-11/01/2035	$ 3,400,000	$ 1,738,852	$ 5,138,852	$ 1,472,527
3. Great Streets - St. Paul Street, Main Street stormwater improvements, Series 2019=8D	11/28/2018-11/1/2035	$ 1,570,000	$ 803,363	$ 2,373,363	$ 582,112
4. Interfund Loan	1/1/2019-12/31/2023	$ 250,000	$ -	$ 250,000	$ 225,000
5. Great Streets - Main Street: General Obligation Downtown Tax Increment Bonds, Series 2022B	8/31/2022-11/1/2035	$ 30,120,000	$ 11,844,433	$ 41,964,433	$ 1,008,183
6. 0	0	$ -	$ -	$ -	$ -
7. 0	0	$ -	$ -	$ -	$ -
				Totals	$ 3,487,822

	2012	2013 (GL 2012)	2014 (GL 2013)	2015 (GL 2014)	2016 (GL 2015)	2017 (GL 2016) Debt Incurred Retention Begins	2018 (GL 2017)	2019 (GL 2018)	2020 (GL 2019)	2021 (GL 2020)	2022 (GL 2021)	2023 (GL 2022)
1.						$ 200,000						
2.							$ 55,202	$ 280,400	$ 282,750	$ 284,300	$ 285,025	$ 284,850
3.								$ 33,362	$ 137,000	$ 138,875	$ 135,625	$ 137,250
4.								$ 25,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000
5.									$ -		$ -	$ 1,008,183
6.									$ -		$ -	$ -
7.									$ -		$ -	$ -
Totals	$ -	$ -	$ -	$ -	$ -	$ 200,000	$ 55,202	$ 338,762	$ 469,750	$ 473,175	$ 470,650	$ 1,480,283
												1480283.33

	2024 (GL 2023)	2025 (GL 2024)	2026 (GL 2025)	2027 (GL 2026)	2028 (GL 2027)	2029 (GL 2028)	2030 (GL 2029)	2031 (GL 2030)	2032 (GL 2031)
Totals	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

2033 (GL 2032)
$ -

VERMONT

Tax Increment Financing District
Vermont Economic Progress Council
Vermont Department of Taxes

Updated to reflect October 2020 Substantial Change Request

PROPORTIONALITY CHECK

PROJECT:	As Approved (Year of Construction) Total Projected Costs	TIF Financed Amount	TIF Financed Proportion	Non-TIF Amount	Non-TIF Proportion	Actual Total Costs	Total Cost Check	TIF Financed Amount	TIF Financed Proportion	Non-TIF Amount	Non-TIF Proportion	Source
PHASE 1 FILING												
Streets & Infrastructure: Streetscape, storm water, and utility upgrade improvements for eight city blocks:												
Main - South Union to Battery Streets	$ 30,658,933	$ 30,183,933	98%	$ 475,000	2%	$ 1,657,405	$ 2,210,953	$ 2,210,953	133%	$ -	0%	
St. Paul/Main Concept Design	$ 335,666	$ 260,300	78%	$ 75,366	22%	$ 260,300	$ 260,300	$ 260,300	100%	$ -	0%	
St. Paul - Main to Maple (includes King to Maple with underground)	$ 4,539,113	$ 4,216,000	93%	$ 323,113	7%	$ 4,539,113	$ 4,539,113	$ 4,157,923	92%	$ 381,190	8%	
Stormwater - North side Main Street/City Hall Park	$ 613,591	$ 500,000	81%	$ 113,591	19%	$ 613,591	$ 613,591	$ 500,000	81%	$ 113,591	19%	
Brownfields: Remediation of parking structure site (Brown's Court).	$ 507,839	$ 507,839	100%	$ -	0%	$ 507,839	$ 507,839	$ 507,839	100%	$ -	0%	
Parking Structure Upgrades: Church Street Marketplace Garage.	$ 876,388	$ 134,653	15%	$ 741,736	85%	$ 876,389	$ 876,389	$ 134,653	15%	$ 741,736	85%	
Totals:	$ 37,531,530	$ 35,802,725		$ 1,728,806		$ 8,454,637	$ 9,008,185	$ 7,771,668		$ 1,236,517		Totals:

PROJECT:	2011 Total TIF	2011 Non-TIF	2012 Total TIF	2012 Non-TIF	2013 Total TIF	2013 Non-TIF	2014 Total TIF	2014 Non-TIF	2015 Total TIF	2015 Non-TIF	2016 Total TIF	2016 Non-TIF
PHASE 1 FILING												
Streets & Infrastructure: Streetscape, storm water, and utility upgrade improvements for eight city blocks:												
Main - South Union to Battery Streets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
St. Paul/Main Concept Design	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
St. Paul - Main to Maple (includes King to Maple with underground)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Stormwater - North side Main Street/City Hall Park	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Brownfields: Remediation of parking structure site (Brown's Court).	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Parking Structure Upgrades: Church Street Marketplace Garage.	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 134,653	$ 741,736
Totals:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 134,653	$ 741,736

PROJECT:	2017 Total TIF	2017 Non-TIF	2018 Total TIF	2018 Non-TIF	2019 Total TIF	2019 Non-TIF	2020 Total TIF	2020 Non-TIF	2021 Total TIF	2021 Non-TIF	2022 Total TIF	2022 Non-TIF	2023 Total TIF	2023 Non-TIF
PHASE 1 FILING														
Streets & Infrastructure: Streetscape, storm water, and utility upgrade improvements for eight city blocks:														
Main - South Union to Battery Streets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,657,405	$ -	$ 553,548		$ 1,657,405	$ -
St. Paul/Main Concept Design	$ -	$ -	$ 260,300	$ -	$ -	$ -	$ -	$ -	$ -	$ -			$ -	$ -
St. Paul - Main to Maple (includes King to Maple with underground)	$ -	$ -	$ 179,782	$ 150,000	$ 2,373,020	$ 140,956	$ 1,605,121	$ 90,234	$ -	$ -			$ -	$ -
Stormwater - North side Main Street/City Hall Park	$ -	$ -	$ -	$ -	$ -	$ -	$ 364,570	$ -	$ 135,430	$ 113,591			$ -	$ -
Brownfields: Remediation of parking structure site (Brown's Court).	$ -	$ -	$ -	$ -	$ 507,839	$ -	$ -	$ -	$ -	$ -			$ -	$ -
Parking Structure Upgrades: Church Street Marketplace Garage.	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			$ -	$ -
Totals:	$ -	$ -	$ 440,082	$ 150,000	$ 2,880,859	$ 140,956	$ 1,969,691	$ 90,234	$ 1,792,835	$ 113,591	$ 553,548	$ -	$ 1,657,405	$ -
													$ 1,657,405	$ -

CERTIFICATION OF INCREMENT AND ANNUAL REPORT

STATUTORY REQUIREMENT: (24 VSA §1895) “As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the total valuation as determined in accordance with 32 VSA Chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value.”

RULE REQUIREMENT: (SECTION 903) “Increase/Decrease in Assessed Valuation: Each year following the year of creation, the listers or assessor shall certify to the municipal legislative body the amount by which the total assessed valuation of taxable properties within the TIF District has increased or decreased compared to the municipal and education OTV. Prior to providing the certification to the municipal legislative body, the listers or assessor shall have the calculation of the increase or decrease, including an examination of the disposition and tax status of each parcel within the District, verified by a second party. Selection of the second party is up to the municipality and may be an individual within or outside of the municipal government. However, the individual should be familiar with parcel listings and valuation, property tax status, and the concepts of OTV and District increment. A copy of the certification of the value and the increase or decrease must be included in the Annual Report required by Section 1004.2 of this Rule along with a certification that a second party reviewed the information. The Council will provide a form on which to provide this certification.”

SECTION 1: Certification of Increment by Assessor or Lister and 2nd Party Reviewer

Check both certification boxes and sign this form. If the boxes or signatures are not completed, this form will be considered incomplete. The second party reviewer should be familiar with parcel listings and valuation, property tax status, and the concepts of OTV and District increment.

☐ We certify that, per TIF Rule Sections 903 and 1004.2, we have examined and verified the current value, the calculation of the increase or decrease in property values, the disposition and tax status of each parcel within the District, and any other issues relevant to the parcels listed in the Certified OTV Property Report.

☐ We have certified to the municipal legislative body, at a regular or duly warned meeting that the information provided in this report represent true and accurate statements.

Signature of Assessor or Lister

Name: ______ Title ______ Date ______

Signature of 2nd Party Reviewer

Name: ______ Title ______ Date ______

SECTION 2: Certification of Annual Report

Provide the date the annual report was presented to the municipal legislative body. Check both certification boxes and sign this form. If the boxes or signatures are not completed, this form will be considered incomplete.

Date report presented to the municipal legislative body: ______

☐ I certify that I am an official of the reporting municipality with the authority to report on this TIF District on behalf of the municipality.

☐ I certify that the annual report data entered and all documents attached in support of this annual report are true, correct and complete to the best of my knowledge.

Signature of Authorizing Official*

Name: ______ Title ______ Date ______

* *Authorizing Official is the Chief Executive Officer of the municipality as defined by 10 VSA § 683(8) such as a Select Board or City Council Member, Town or City Manager, or Town Administrator.*

Board of Finance and City Council Submission Checklist

Department: CT Office Submitter: Ashley Parker

Title/Subject: Certification of FY23 TIF District Annual Reports to VEPC

	Approval:	Meeting Date:
☐	Board of Finance	2/20/2024
☐	City Council	2/26/2024
☒	Concurrent	4/15/2024

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	4/9/2024	Katherine Schad
Mayor's Office informed and approved memo	N/A	4/9/2024	Click or tap here to enter text.
Board/Commission, if required	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	4/9/2024	Erik Ramakrishnan
CAO has reviewed budget, financing, and memo	Yes	4/9/2024	Katherine Schad
Human Resources, if personnel action -Identify HR Manager in note	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	Choose an item.	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Yes	District Certification Forms & Final Annual reports for certification from VEPC
Draft Resolution or Motion?	N/A	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

Resolution Relating to

AUTHORIZATION FOR REFINANCING CITY OF BURLINGTON'S $18,840,000 GENERAL OBLIGATION WATERFRONT TAX INCREMENT NOTE, SERIES 2023

RESOLUTION________

Sponsor(s): Bd. of Finance
Introduced: ______________________
Referred to: ______________________
____
Action: ___________________________
Date: ______________________________
Signed by Mayor: ___________________

CITY OF BURLINGTON

In the year Two Thousand Twenty-Four...……………………………………………………………………

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, on January 22, 1996, the City Council created the Waterfront Tax Increment Finance (TIF) District along the central and northern end of the Burlington waterfront; and

WHEREAS, in June of 1997, the City Council authorized an expansion of the Waterfront TIF District to include property extending along the south side of Cherry Street from Battery Street to Church Street, utilizing a special TIF grandfathering provision of Act 60 (1997); and

WHEREAS, on May 25, 2016, the Vermont legislature authorized the City to extend by ten years the debt retention period within the Waterfront TIF District for the properties which together comprise the Burlington Town Center property (the "Property"), in accordance with a request from the City for purposes of enabling redevelopment of the Property; and

WHEREAS, at a special meeting of the City held on November 8, 2016 the voters authorized the City Council to pledge the credit of the City to secure the repayment of indebtedness or make direct payments for the purpose of funding one or more public improvements and related costs attributable to projects serving the Waterfront TIF District, including Pine Street Acquisition, Construction and Streetscape Improvements, St. Paul Street Acquisition, Construction and Streetscape Improvements, Cherry Street Streetscape Upgrades, Bank Street Streetscape Upgrades, and including reimbursement for TIF eligible related costs incurred by the City for the administration of the Waterfront TIF District, in a total principal amount not to exceed $21,830,000.00, and to issue bonds, notes or make inter-fund loans for such purpose (together, the "Projects"); and

WHEREAS, several City residents challenged the results of the November 2016 special election, alleging that the City did not comply with certain technical and procedural requirements related to the public notice process; and

WHEREAS, the Vermont Superior Court found inconsistencies in the rules for public notices and held that the technical and procedural errors raised by the plaintiffs fell short of the threshold required to justify the extreme remedy of election invalidation; and

WHEREAS, Act 134 (2016) passed by the Vermont legislature, effective in 2016 extended the time period by which the City could incur indebtedness against revenues of the Waterfront TIF District for the three properties located within the Waterfront TIF District at 49 Cherry Street and 75 Cherry Street (together, the "Parcels") to June 30, 2021 and extended the period in which the City could retain the municipal and education tax increment for the Parcels to June 30, 2035; and

WHEREAS, in accordance with a request from the City, effective July 1, 2021, Act 73 (2021) of the Vermont legislature further extended the time period by which the City could incur indebtedness against revenues of the Waterfront TIF District for the three Parcels to June 30, 2023; provided, that, such extension is subject to the City's submission to the Vermont Economic Progress Council ("VEPC") of an executed construction contract with a completion guarantee by the owner of the Parcels evidencing commitment to construct not less than $50 million of private development on the Parcels; and

WHEREAS, the City submitted a substantial change request to VEPC on February 2, 2023, providing the required executed construction contract and completion guarantee to VEPC and requesting formal authorization to incur the remainder of the authorized indebtedness under the Waterfront TIF District, which substantial change request was granted by VEPC on March 30, 2023; and

WHEREAS, the City previously issued its $18,840,000 General Obligation Waterfront Tax Increment Note, Series 2023 (the "Prior Note") on June 21, 2023 in order to provide financing to the City for the Projects and to provide an opportunity to limit the overall total debt to be incurred for the Projects pending the receipt of certain grants and additional information regarding development plans for the Parcels; and

WHEREAS, the Prior Note matures on May 31, 2024; and

WHEREAS, the City continues to work with the private developers on the finalization of the development for the Parcels and the City Council at its February 12, 2024 meeting approved an amendment to the Development Agreement with Cityplace Partners, LLC, which, among other things, extended the time for the developer to meet certain conditions with respect to the payment obligations of the City; and

WHEREAS, the City has been awarded a $22,384,000 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant for construction of the Great Streets Bank and Cherry project, and to build two new segments of Saint Paul Street and Pine Street, and for a workforce development program that further supports the long-term financing for the Projects; and

WHEREAS, the City is currently waiting on the determination of certain additional grant applications, the progress for meeting conditions under existing development agreement for the Projects, and the finalization of additional development plans for the Parcels, which may provide additional tax increment; and

WHEREAS, in connection with the City's submission of its substantial change request, the City notified VEPC of its intention to issue one or more redeemable short-term notes in order to have the opportunity to minimize the eventual indebtedness of the Waterfront TIF District; and

WHEREAS, in order to limit the overall total debt to be incurred for the Projects and to provide an opportunity for a reduction in risk to the taxpayers if the City receives such pending grants and depending on the results of such additional development plans, the City is currently exploring the possibility of issuing one or more notes to refinance the Prior Note and extend the maturity date thereof; and

WHEREAS, Section 801 of the Tax Increment Financing Districts Rule adopted by VEPC permits the refinancing of existing TIF district debt in order to take advantage of improved rates or terms without the need for public vote or prior notification of VEPC; and

WHEREAS, the City is soliciting proposals from underwriting firms and financial institutions to sell, in a negotiated or competitive sale, one or more notes to refinance the Prior Note; and

WHEREAS, the City Council wishes to authorize the City's Chief Administrative Officer to approve the final terms of such general obligation tax increment financing notes without the requirement for prior approval by the City's Board of Finance so long as the true interest cost of such notes does not exceed six percent (6.00%) per annum, and to authorize the City's Board of Finance to approve the final terms of such notes in the event the true interest cost of such notes exceeds six percent (6.00%) per annum;

NOW, THEREFORE, BE IT RESOLVED that the City Council has determined that it is necessary to pledge the credit of the City in an amount not to exceed $18,840,000 in the aggregate principal amount and to issue notes, including one or more notes that may be subject to early redemption and prepayment, in connection therewith (the "Obligations") to finance the public improvements and related costs attributable to the Projects within the Waterfront TIF District; and

BE IT FURTHER RESOLVED that the Obligations may be sold in a private placement, public offering, competitive sale, or negotiated sale with one or more underwriters or underwriting firms, and the City may enter into a bond purchase agreement or loan agreement with the lender, underwriter, or the Vermont Bond Bank, as the case may be, for such purpose; and

BE IT FURTHER RESOLVED that the pledging of the City's credit for such Obligations is hereby authorized, with the amount, the term, and the form of the evidence of indebtedness to be issued, the interest rates, and payment schedule, to be further determined by the Chief Administrative Officer or the Assistant Director of Finance; provided that the true interest cost for the Obligations as determined by the Chief Administrative Officer, shall not exceed six percent (6.00%) per annum; and

BE IT FURTHER RESOLVED that in the event that the true interest cost of the Obligations would exceed six percent (6.00%) per annum, the prior approval of the City's Board of Finance shall be required; and

BE IT FURTHER RESOLVED that the Obligations, when issued and delivered, shall be valid and binding general obligations of the City payable according to the terms and tenor thereof from tax increments from properties within the Waterfront TIF District, which tax increments may be pledged to the payment of such Obligations; and

BE IT FURTHER RESOLVED that the full faith and credit of the City shall be pledged to payment of the Obligations in the event that the tax increments from properties within the Waterfront TIF District are not sufficient to pay the principal and interest on the Obligations; and

BE IT FURTHER RESOLVED that the Mayor, the Chief Administrative Officer, and the Assistant Director of Finance are, and each one of them is, hereby authorized and directed to prepare one or more Official Statements of the City as they deem necessary in the City's best interest. The Mayor, the Chief Administrative Officer, and the Assistant Director of Finance are, and each one of them is, hereby authorized to execute and deliver one or more final Official Statements and to execute and deliver such agreements, including one or more bond purchase agreement with the purchaser or underwriter(s) for the Obligations, continuing disclosure certificates, certificates as to use of proceeds and all other documents, agreements and instruments necessary or convenient in connection with the issuance of the Obligations; and

BE IT FURTHER RESOLVED that if in the opinion of the Chief Administrative Officer and/or the Assistant Director of Finance, it is desirable and in the City's best interest to obtain bond insurance for the Obligations, the Mayor, the Chief Administrative Officer, and the Assistant Director of Finance are, and each one of them is, hereby authorized, to enter into such agreements and instruments with the insurer in order to obtain a bond insurance policy for the Obligations; and

BE IT FURTHER RESOLVED that any defect or irregularity in the holding of the November 6, 2016 or the public notice issued for such special meeting was the result of oversight, inadvertence or difference of interpretation of applicable law and rules, and all acts and things heretofore done by the officers of the City and its City Council, in, about, or concerning the public notice for such special meeting and the conducting the vote at the meeting held November 6, 2016 are hereby validated and confirmed; and

BE IT FURTHER RESOLVED that as permitted by statute, the City intends to retain the municipal and education tax increment for the Parcels for the maximum period and in the amounts as permitted under applicable law, including as authorized under Act 134 (2016).

DB/TM/Resolutions 2024/*Authorization For Refinancing City Of Burlington's $18,840,000 General Obligation Waterfront Tax Increment Note, Series 2023*
April 15, 2024

COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

149 CHURCH STREET • ROOM 32 • CITY HALL • BURLINGTON, VT 05401
(802) 865-7144 • (802) 865-7024 (FAX)
www.burlingtonvt.gov/cedo

To:	City Council
From:	Brian Pine, CEDO Director
	David G. White, White + Burke Real Estate Advisors
Date:	April 9, 2024
Re:	Resolution to authorize refinancing $18,840,000 in a project note for Waterfront TIF District public improvements associated with CityPlace Burlington

Summary
On May 1, 2023, the City Council authorized the borrowing of up to $18,840,000 to fund the public infrastructure improvements associated with the CityPlace project. This resolution seeks authorization to refinance the project note since the note reaches maturity on May 31, 2024. We have received all necessary prior approvals, including from the voters, City Council, and the Vermont Economic Progress Council to enable this borrowing.

Background

This memo is intended to bring the City Council up to date relative to the planned refinancing of notes to help pay for the public improvements associated with CityPlace.

By way of a reminder, before the City was allowed to issue any TIF debt for public improvements associated with the redevelopment of the property known as CityPlace Burlington, the City held multiple public hearings, obtained voter approval, and authorization from the VT Economic Progress Council (VEPC). With authorization from the City Council in May 2023, the City issued $18,840,000 in a one-year note. After consultation with the City's bond counsel and the City's outside financial advisors, the City chose to issue project notes, rather than a long-term bond, for financing. For a number reasons, this was deemed to be the most advantageous financing for taxpayers and the City.

The City was under a legislatively imposed deadline of June 30, 2023 beyond which authorization to issue debt for the Waterfront TIF district ceased. At that time two key factors remained uncertain: 1) the final incremental value of CityPlace was estimated, but not certain and thus the amount of debt the incremental taxes could repay was not firm, and 2) the City was in process of applying for various federal grants that might decrease the amount needed to be funded by TIF for the public infrastructure. Issuing a project note allowed the City to meet the June 30, 2023 deadline, but retain the flexibility to later repay a portion of the debt if either less was needed due to grants and/or less could be afforded if CityPlace resulted in lower incremental value than expected.

With the one-year note approaching maturity, the City must consider refinancing. It is our recommendation that it is in the best interest of taxpayers and the City that it be refinanced through another one-year note. There are now three reasons. First, the City has successfully obtained two significant federal grants, totaling $34,384,000. In addition, the City has secured two State Sales Tax Reallocation awards totaling $1,467,111. These leveraged funds will help pay for the public infrastructure immediately associated with CityPlace and expand the scope of public improvements to encompass Cherry Street from Battery to South Winooski and Bank Street from Pine to South Winooski. While this will reduce the amount needed to be funded from TIF, it is important to retain flexibility in the final TIF financing amount until construction bids are obtained and pricing is known. Second, while construction is well underway with CityPlace, the program for the north building along Cherry Street while close to final, is not yet entirely solidified. Thus, the final assessed value cannot be firmly determined leaving the question of debt capacity somewhat open. Thirdly, with interest rates at their highest level in many years, and with the expectation that rates will be coming down over the next 12 to 24 months, it is prudent to delay issuing the final bond in anticipation of lower interest rates.

Thus, our recommendation is that the note be refinanced, and final long-term bonding be delayed. Once the final amount of debt is determined, which will not exceed the $18,840,000 already borrowed, the City will pay off the note and issue long-term tax-exempt bonds to lower the cost of borrowing and lock in the lowest possible borrowing cost for the maximum period of time.

As part of the City's submission of its substantial change request to VEPC, the City notified them of its intention to issue one or more redeemable short-term notes in order to have the opportunity to minimize the eventual indebtedness of the Waterfront TIF District and to minimize risk to the taxpayers. This included that long-term bonds would be used at the appropriate time to refinance the notes to obtain the most favorable terms.

Approval by the City Council of this approach, represented in the attached resolution, will enable the City to re-finance the existing note while exercising fiscal prudence to minimize potential financial risk to taxpayers and to ensure that the City has the requisite funding available to meet its obligations to pay for the public improvements. Council approval is required for the City to issue a formal request for proposals from underwriting firms and financial institutions to sell, in a negotiated or competitive sale, one or more notes to refinance the prior note.

We will be in attendance at the Council meeting on April 15 to answer any questions that may arise, but feel free to reach out to Brian Pine to discuss at 802-578-6953 or bpine@burlingtonvt.gov.

Board of Finance and City Council Submission Checklist

Department: Clerk Treasurer Office Submitter: Darlene Bayko

Title/Subject: Resolution to Authorize Refinancing for Waterfront TIF

	Approval:	Meeting Date:
☐	Board of Finance	Click or tap to enter a date.
☐	City Council	Click or tap to enter a date.
☒	Concurrent	4/15/2024

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	4/9/2024	Click or tap here to enter text.
Mayor's Office informed and approved memo	N/A		Click or tap here to enter text.
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	4/9/2024	Reviewed by Bond Counsel
CAO has reviewed budget, financing, and memo	Yes	4/9/2024	Click or tap here to enter text.
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Summary of BIDS
Draft Resolution or Motion?	Yes	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.

Resolution Relating to

AUTHORIZATION FOR REIMBURSEMENT FROM PUBLIC IMPROVEMENT BONDS FOR SCHOOL DISTRICT CAPITAL IMPROVEMENTS FOR INTEGRATED ARTS ACADEMY

RESOLUTION_______
Sponsor(s): Bd. of Finance
Introduced: ____________________
Referred to: ____________________
____
Action: _________________________
Date: ___________________________
Signed by Mayor: ________________

CITY OF BURLINGTON

In the year Two Thousand Twenty Four ……………………………………………………………………

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, on March 7, 2017, voters of the City of Burlington approved a ballot question and authorized the City Council to issue general obligation bonds or notes in an aggregate principal amount not to exceed Nineteen Million Dollars and 00/100 ($19,000,000.00) for the purpose of accomplishing capital improvements at each of the school district's buildings in order to eliminate or substantially reduce the deferred maintenance of such buildings in order to preserve their value for future educational use (the"Project");

WHEREAS, pursuant to such voter authorization, the City issued $6,000,000 of its General Obligation Public Improvement Bonds, Series 2018B; $300,000 of its General Obligation Public Improvement Bonds, Series 2017C; and $2,000,000 of its General Obligation Public Improvement Bonds, Series 2023A, leaving $10,700,000 of authorized but unissued debt;

WHEREAS, the City, at the request of the Burlington School District, intends to issue, on behalf of the Burlington School District, and utilize the proceeds of tax-exempt bonds or other debt to pay the costs of such Project;

WHEREAS, the City intends to utilize the proceeds of tax-exempt bonds or other debt to pay the costs of such Project for school purposes, and may incur some capital costs prior to the issuance of bonds to finance the capital improvements, it being understood and expected that the funds for such Project shall come from the available funds of the Burlington School District and not the City's General Fund;

WHEREAS, while the school department is managed by a board of school commissioners who are separately elected from the City Council, the City Council is responsible for the issuance of bonds for school purposes; and

WHEREAS, the board of school commissioners is required under the City Charter to allocate sufficient funds for the payment of the principal and interest due or coming due on City bonds issued for school purposes;

NOW THEREFORE, BE IT RESOLVED that it is the official intent of the City Council to reimburse some capital expenditures made for capital improvements for the Project, particularly the Integrated Arts Academy, in an amount not to exceed $3,000,000 in the aggregate, with the proceeds of tax exempt bonds, in accordance

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with the requirements of Section 1.150-2 of the Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended. The City reasonably expects on the date hereof that it will reimburse such expenditures with the proceeds of tax exempt bonds.

BE IT FURTHER RESOLVED, that the City's Chief Administrative Officer and the Superintendent of the Burlington School District, in consultation with the Chief Administrative Officer, are each further authorized to declare additional official notices of intent to reimburse capital expenditures made in furtherance of the Project with the proceeds of tax exempt bonds.

Resolution Relating to

AUTHORIZATION FOR REIMBURSEMENT FROM PUBLIC IMPROVEMENT BONDS FOR SCHOOL DISTRICT CAPITAL IMPROVEMENTS FOR INTEGRATED ARTS ACADEMY

RESOLUTION_______

Sponsor(s): Bd. of Finance
Introduced: ____________________
Referred to: ____________________
____
Action: ________________________
Date: __________________________
Signed by Mayor: ________________

CITY OF BURLINGTON

In the year Two Thousand Twenty-Four...…………………………………………………………………

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, on March 7, 2017, voters of the City of Burlington approved a ballot question and authorized the City Council to issue general obligation bonds or notes in an aggregate principal amount not to exceed Nineteen Million Dollars and 00/100 ($19,000,000.00) for the purpose of accomplishing capital improvements at each of the school district's buildings in order to eliminate or substantially reduce the deferred maintenance of such buildings in order to preserve their value for future educational use (the"Project"); and

WHEREAS, pursuant to such voter authorization, the City issued $6,000,000 of its General Obligation Public Improvement Bonds, Series 2018B; $3,000,000 of its General Obligation Public Improvement Bonds, Series 2017C; and $2,000,000 of its General Obligation Public Improvement Bonds, Series 2023A, leaving $10,700,000 of authorized but unissued debt; and

WHEREAS, the City, at the request of the Burlington School District, intends to issue, on behalf of the Burlington School District, and utilize the proceeds of tax-exempt bonds or other debt to pay the costs of such Project; and

WHEREAS, the City intends to utilize the proceeds of tax-exempt bonds or other debt to pay the costs of such Project for school purposes, and may incur some capital costs prior to the issuance of bonds to finance the capital improvements, it being understood and expected that the funds for such Project shall come from the available funds of the Burlington School District and not the City's General Fund; and

WHEREAS, while the school department is managed by a board of school commissioners who are separately elected from the City Council, the City Council is responsible for the issuance of bonds for school purposes; and

WHEREAS, the board of school commissioners is required under the City Charter to allocate sufficient funds for the payment of the principal and interest due or coming due on City bonds issued for school purposes;

NOW, THEREFORE, BE IT RESOLVED that it is the official intent of the City Council to reimburse some capital expenditures made for capital improvements for the Project, particularly the Integrated Arts

Academy, in an amount not to exceed $3,000,000 in the aggregate, with the proceeds of tax exempt bonds, in accordance with the requirements of Section 1.150-2 of the Treasury Regulations adopted under the Internal Revenue Code of 1986, as amended. The City reasonably expects on the date hereof that it will reimburse such expenditures with the proceeds of tax exempt bonds; and

BE IT FURTHER RESOLVED that the City's Chief Administrative Officer and the Superintendent of the Burlington School District, in consultation with the Chief Administrative Officer, are each further authorized to declare additional official notices of intent to reimburse capital expenditures made in furtherance of the Project with the proceeds of tax exempt bonds.

DB/TM/Resolutions 2024/*Authorization For Reimbursement From Public Improvement Bonds For School District Capital Improvements For Integrated Arts Academy*
April 15, 2024

OFFICE OF THE CLERK/TREASURER

City of Burlington

City Hall, Room 20, 149 Church Street, Burlington, VT 05401 T: (802) 865-7000

MEMORANDUM

To: Board of Finance and City Council

From: Darlene Bayko, Assistant Director of Finance

Re: Proposed Reimbursement Resolution for Integrated Art Academy

Date: April 15, 2024

Introduction: Proceeds of tax-exempt bonds, including tax-exempt leasing, are subject to Internal Revenue Code restrictions on arbitrage yield, arbitrage rebate requirements and other limitations. Generally speaking, when the proceeds of tax-exempt bonds are spent for the governmental purpose, they are no longer treated as proceeds of such bonds and therefore are no longer subject to these restrictions.

It is expected that the Burlington School District may spend money on a capital project before tax-exempt bonds are actually issued. In such case, the City may wish to subsequently reimburse such expenditures from the bond proceeds when the bonds are issued.

On March 7, 2017, voters of the City of Burlington approved a ballot question and authorized the City Council to issue general obligation bonds or notes in one or more series in an aggregate principal amount not to exceed Nineteen Million Dollars and 00/100 ($19,000,000.00) for the purpose of completing capital improvements to the Burlington School District's buildings in order to eliminate or substantially reduce the deferred maintenance of such buildings in order to preserve their value for future educational use ("the Project"). From such authorized amount, the City previously issued $8,300,000 of bonds pursuant to such authorization leaving $10,700,000 of authorized but unissued debt.

The City, at the request of the School District, intends to utilize the proceeds of tax-exempt bonds or other debt to pay the costs of the Project. In advance of the issuance of such bonds or other debt to finance the Project, the City and the School District and may incur some capital costs.

Summary: The proposed reimbursement resolution provides for use of the School District's general fund money that may be allocated to capital expenditures prior to issuance of the bonds, particularly the Integrated Arts Academy. The adoption of the official intent allows the City to reimburse itself and the School District from the proceeds of tax-exempt bonds that may be issued in the future. The use of bond proceeds to reimburse a prior expenditure for capital project is governed by Treasury Regulation §1.150-2.

Discussion: Under the Internal Revenue Code and U.S. Treasury Regulations, an allocation of bond proceeds to reimburse the issuer of tax-exempt bonds for any expenditure made before the bond is actually issued is treated as an expenditure of bond proceeds if the following three requirements are met:

1. The nature of the expenditure must be a capital expenditure;
2. The issuer has to adopt an "official intent" in a timely manner; and
3. The reimbursement must occur during a specific period of time.

The expenditure to be reimbursed must be a capital expenditure and may include cost of issuing the bonds or other capital expenses. The official intent is considered timely if, not later than 60 days after payment of an expenditure, the issuer declares its official intent to reimburse itself with proceeds of the tax-exempt borrowing. It is important to note that this requirement is tied to the *payment* of an expenditure and not the incurrence of the expenditure, meaning the official intent will allow the City to reimburse itself for any qualifying expenditures made at least 60 days prior to the date the official intent is adopted. The declaration of official intent must generally describe the project and must state the maximum principal amount of bonds expected to be issued for such project.

The bond proceeds must be allocated to reimburse an original expenditure within 18 months after the later of (i) the date the original expenditure is paid, or (ii) the date the project is placed in service, but in no event more than three years after the date the original expenditure is paid.

The requirement that the City adopt an official intent in order to reimburse itself and the School District for capital expenditures prior to the issuance of bonds does not apply to any preliminary expenditures, up to an amount not in excess of 20% of the aggregate issue price of the bonds. Preliminary expenditures include architectural, engineering, surveying, soil testing, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project (excluding land acquisition, site preparation, and similar costs incidental to construction commencement). Additionally, there is also a *de minimis* exception for costs of issuance of any bond or to an amount not in excess of the lesser of $100,000 or 5% of the proceeds of the issue.

The resolution for reimbursement provides the City with the benefit of reimbursement with future tax-exempt bonds. The reimbursement resolution does not obligate the City or the School District to expend money on any particular project. The expenditure for a capital project would remain subject to normal budgeting and appropriation rules and policies.

Board of Finance and City Council Submission Checklist

Department: Clerk Treasurer Office Submitter: Darlene Bayko

Title/Subject: Reimbursement Resolution for Integrated Arts Academy

	Approval:	Meeting Date:
☐	Board of Finance	Click or tap to enter a date.
☐	City Council	Click or tap to enter a date.
☒	Concurrent	4/15/2024

This form must be completed by the person submitting the materials, and sent with the final submission. Please do not indicate that a signoff was received until it has actually been obtained.

Signoffs Received

Signoff Needed	Received	Date Received	Note
Department Head	Yes	4/9/2024	Click or tap here to enter text.
Mayor's Office informed and approved memo	N/A		Click or tap here to enter text.
Board/Commission, if required	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved contract and/or legal documents, -Identify attorney in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
City Attorney's Office has approved memo and motion(s) or resolution(s) -Identify attorney in note	Yes	4/9/2024	Reviewed by Bond Counsel
CAO has reviewed budget, financing, and memo	Yes	4/9/2024	Click or tap here to enter text.
Human Resources, if personnel action -Identify HR Manager in note	N/A	Click or tap to enter a date.	Click or tap here to enter text.
CIO, if an IT-related investment/purchase	N/A	Click or tap to enter a date.	Click or tap here to enter text.

Materials Included

	Included?	Note
Final Memo Attached?	Yes	Click or tap here to enter text.
Contract Attached, if applicable?	Choose an item.	Click or tap here to enter text.
Additional Materials, if necessary	Yes	Summary of BIDS
Draft Resolution or Motion?	Yes	Click or tap here to enter text.
If for submission to Council, are sponsors identified?	Choose an item.	Click or tap here to enter text.