

TOWN OF BARNSTABLE TAX INCREMENT FINANCING (TIF) GUIDELINES

GOALS

The Town of Barnstable seeks to enter into Tax Increment Financing Agreements to support investment for development and redevelopment projects that:

- Stimulate capital investments that result in a 50% increase in net taxable property value
- Attract new businesses that are compatible with the Barnstable Comprehensive Plan (BCP), Town Council, and Economic Development Commission goals.
- Foster reconstruction and/or renovation of blighted, vacant, and/or underutilized commercial or industrial properties.
- Support new construction for business in locations compatible with local plans and goals.
- Expand existing businesses including the conversion of a seasonal business to a year round business.
- Locate in the Growth Incentive Zone, Regional Commercial Center, Industrial, and Industrial Limited zoned areas.
- Support desirable projects that are otherwise financially infeasible
- Adds to or enhances the firm's employment levels with salaries that compare to or exceed Area Median Income

TIF COMMITTEE

The TIF Committee shall be a Sub Committee of the Town Council and shall consist of Town Council members. The TIF Committee shall review draft TIF agreements and shall make recommendation for Town Council action.

Town staff supports the TIF Committee as follows: Finance Director, Assessing Director, Town Attorney, Growth Management Director and/or their designees, GMD Economic Development Specialist.

PRE-APPLICATION REVIEW

TIF applicant shall participate in a pre-application meeting with TIF Committee support staff who will review the draft application for consistency with TIF goals. TIF Committee support staff may request additional information as may be necessary and may consult with town staff, boards, or committees. In advance of the pre-application meeting the applicant shall provide:

- Letter of Intent to the Massachusetts Office of Business Development Regional Director and the Town of Barnstable Growth Management Director.
- Completed Commonwealth of Massachusetts EDIP Application including the Local Incentive Valuation information.
- Demonstration that project financing requires tax relief with an operating pro-forma
- Demonstration that the TIF agreement is essential to the applicant's decision to establish a new business or expand an existing business.
- Demonstration that the TIF request does not equal the entire new revenue amount calculated over the term of the TIF agreement
- Financial information such as business tax returns, year-to-date financial statements, banking and credit references
- Number of current and projected jobs including comparison of new job salaries with Barnstable's Area Median Income.
- Draft TIF Agreement

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Upon completion of the pre-application process support staff shall forward a report on the application, associated materials, and draft TIF Agreement to the TIF Committee, the Economic Development Commission, and the applicant.

TIF APPLICATION REVIEW

The TIF applicant shall meet with the TIF Committee to negotiate the terms of the draft TIF Agreement. The TIF Committee may request additional information as may be necessary and may consult with town staff, boards or committees.

The draft TIF Agreement shall be submitted to the Economic Development Commission for their review. The Economic Development Commission shall submit their advisory recommendation to the Town Council.

TOWN COUNCIL ACTION

If the application is accepted for Town Council action, the applicant, working with the Growth Management Department, shall prepare any changes or additions to the Economic Opportunity Area (EOA) as may be necessary. These EOA designation changes shall be submitted to the Town Council with the draft TIF Agreement, the TIF Committee recommendation, and the Economic Development Commission advisory recommendation.

In the event of Town Council TIF Agreement approval Town Council shall forward, in coordination with the applicant, an approved TIF Agreement and EOA designation changes to the Economic Assistance Coordinating Council (EACC) for their review and action.