

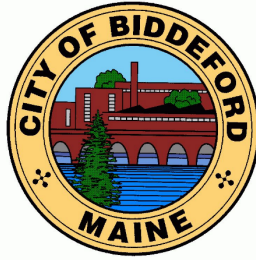
## PROPOSED RIVERWALK and PARKING SOLUTIONS

*between the*

CITY of BIDDEFORD

*and*

Biddeford  
Innovation  
Inc.



The City of Biddeford has seen a wave of unprecedented growth and entrepreneurialism in its downtown over the past five years. Development in Biddeford's urban core and Historic Mill District is particularly intense at this time, with multiple new development projects planned to begin in the next 12 to 18 months.

However, the historic downtown area was designed in the 1800s and is not suited for a lifestyle where most people travel by car to get to their destination. Even though there is a large amount of real estate capacity for continued growth, there is very little available parking for patrons and employees of possible new developments. The community's infrastructure needs must be met in order to continue to attract additional business activity to Biddeford.

### Project Overview

At the September 17 Council Meeting, the Biddeford City Council is considering entering a Joint Development Agreement with Treadwell Franklin Infrastructure Capital (TFIC) and James W. Sewall Company (Sewall) to:

- Create and establish Biddeford Innovation, Inc.
- Provide up to \$3 million to complete the next phases of the RiverWalk/pedestrian improvements.
- Design, build, finance, operate and maintain a parking garage on the 3 Lincoln Street property, and to manage the surface parking lots within the downtown area.

*Will the project cause the tax rate to increase or use residential property tax dollars?*

**No.** The City will fund the project through existing TIF revenues or, if necessary, a Special Assessment District specific to the Mill District. No property tax dollars will be used.

## What are the highlights of this proposed project?

- ✓ 640-space parking garage built on the 3 Lincoln Street property.
- ✓ Completion of RiverWalk/pedestrian connections and provision of funding, up to \$3 million.
- ✓ Provides a long-term viable, safe and reliable solution to parking congestion issues in Biddeford, supporting local businesses, tourism and the community.
- ✓ Allows the City to work with a private firm with expertise in parking to develop and operate the parking garage while maintaining control over decision making.
- ✓ Provides for economic upside to remain with the City.
- ✓ Certainty of timing and completion of the parking structure and RiverWalk.
- ✓ No / minimal impact on City bonding capacity.
- ✓ Facilitates continued Mill District and downtown development.

## How does a parking garage help the average property taxpayer?

A parking garage promotes continued Mill District and downtown development. This matters to the average property taxpayer because new development makes buildings and properties more valuable. More valuable buildings contribute significantly more to the property tax base. In fact, **the construction of the garage is expected to provide the City of Biddeford an additional \$16,407,604 in property taxes in the first 10 years of operation and a net benefit of \$39,772,744 over the 25 year lifetime of the agreement.**

## How much will the parking garage cost to build?

The cost of construction is estimated at \$22,297,150. The price will be confirmed by a formal bidding process and will be capped at \$24,631,350. All of the cost savings will go to the City if construction bids fall below the \$22 million estimate. If the bids come in higher than expected, the City will need to contribute an additional \$16,500 for every \$250,000 above the model.

## How will the garage be paid for? Will residential property tax dollars be used?

Biddeford Innovation, Inc. will provide the up-front financing to build and operate the parking garage. The City will make pre-determined annual payments to Biddeford Innovation, Inc. over a 25-year lease period. These payments will be made from the Mill District TIF (Tax Increment Financing) fund. Money in the TIF fund comes from sheltered property tax payments from businesses and developments in the Mill District. The second source of payments for the garage will be the revenues that are received from users who park in the garage. **No residential property tax dollars will be used to fund this project.**

The City has made a detailed spreadsheet of the financing model for this project available at [www.biddefordmaine.org/parking](http://www.biddefordmaine.org/parking).

## How were the revenue projections calculated? What happens if the garage doesn't generate as much revenue as expected?

The projections for revenues are calculated conservatively by a consultant based on the parking demands of the surrounding buildings and development projects that have recently been announced. Even with these conservative projections, the parking demand on the site is expected to exceed the 640-space garage.

If the garage does not generate as much revenue as is projected, then the City will pay the difference and collect payments from property owners in the proposed Special Assessment District. The Special Assessment District includes the properties that surround the 3 Lincoln Street site. Funds will be collected from the property owners in the Special Assessment District if revenues fall below 90% of projections. This mechanism is in place to ensure that no residential property tax dollars will be used for this project.

## What happens if the garage generates more revenue than projected?

If revenues exceed 110% of projections, the City will receive 100% of the extra revenues, up to the point when all upfront expenses have been repaid. When that point is reached, the City would then receive \$0.90 of each dollar of additional benefits and Biddeford Innovation, Inc. would receive the remaining \$0.10 of each dollar.

## What will it be like to park in the garage?

The garage will have 640 spaces. It is expected to open in 2021. For the first two years of operation, the costs to park in the garage are projected to be the same as current costs to park in the downtown parking lots. The hourly rate and the monthly rate for both the garage and the surface parking lots will see planned adjustments as time goes on.

### Hourly Rate Information

Years 1-3: \$2/hour  
Years 4-8: \$2.50/hour  
Years 9-13: \$3/hour  
Years 14-18: \$3.50/hour  
Years 19-23: \$4.25/hour  
Years 24+ \$5.00/hour

### Monthly Permit Rate Information

Two types of parking permits will be offered: a Daytime monthly permit or a 24/7 monthly permit.

For the first two years that the garage is open, permits will be sold at the current rate for the surface parking lots (\$55 for a daytime permit and \$70 for a 24/7 permit).

Starting in Year 3, prices will increase by \$2 - \$3 per month each year.

The City will have the ability to review and "buy down" rate increases if city officials determine that rates are set too high. The City may also add reasonable cost increases above the rates that are currently set if they should be needed to keep up with demand.

## Will this agreement affect free on-street parking?

**No.** On-street parking will remain **free** and under the management of the City of Biddeford.

## What happens to the surface lot parking permit program if the City enters into this agreement?

Under the proposed agreement, Biddeford Innovation, Inc. will assume operational responsibility for the following surface lots in the downtown area:

- Downtown (Yellow) Lot – between Washington and Alfred Streets • Washington Street (Red) Lot • Federal/Franklin Street (Green) Lot • Foss Street (Purple) Lot • Alfred Street (Blue) Lot • Gas House (Maroon) Lot • Wastewater Treatment Plant (Brown) Lot

Operation and management of the surface lots and the parking garage will be operated in common. This means rates, hours and practices will be consistent and sensible across all the lots and garage. Parking will be operated consistent with the goals and agreements with the City of Biddeford, including allocation of certain free surface lot parking spaces supporting local downtown businesses. The City and Biddeford Innovation, Inc. have agreed that parking costs in the surface lots will not go up during the garage construction period.

## Who will handle operations, maintenance and enforcement?

Biddeford Innovation, Inc. will hire a qualified operator to manage the commercial operation and maintenance of the parking garage and surface parking lots. Parking revenues and the payments from the TIF will be used to cover operation and maintenance costs.

## How will the Riverwalk expand as part of the project, and why is it included in the proposal?

Once completed, the RiverWalk will connect from Mechanics Park to the 3 Lincoln Street property. The construction of the RiverWalk provides additional pedestrian connections between the parking structure and other segments of the downtown.

## What happens at the end of the lease?

After 10 years, the City will have three options:

- Continue the lease through Year 25
- Purchase the garage from Biddeford Innovation, Inc.
- Sell the garage

If the City chooses to continue the lease until Year 25, it will take over ownership of the garage at the end of the lease at no cost.

## Where can I get more information?

Additional information about this project is available on the City of Biddeford website at [www.biddefordmaine.org/parking](http://www.biddefordmaine.org/parking). In addition, once the project is approved, Biddeford Innovation Inc. will launch its website, [www.biddefordinnovation.com](http://www.biddefordinnovation.com), that will provide constant updates on the project and operations.



# Biddeford Innovation Project Team:



- **Lead Project Developer**
- Developer/Owner of infrastructure assets and infrastructure service companies.
- Focus on Municipal and Institutional infrastructure.
- Financial Arranger / Advisor



- **Construction and program management expertise.**
- 140-year old iconic Maine engineering company, with GIS, Survey, Civil engineering and traffic planning capabilities.
- Acquired by TFIC in May 2018.



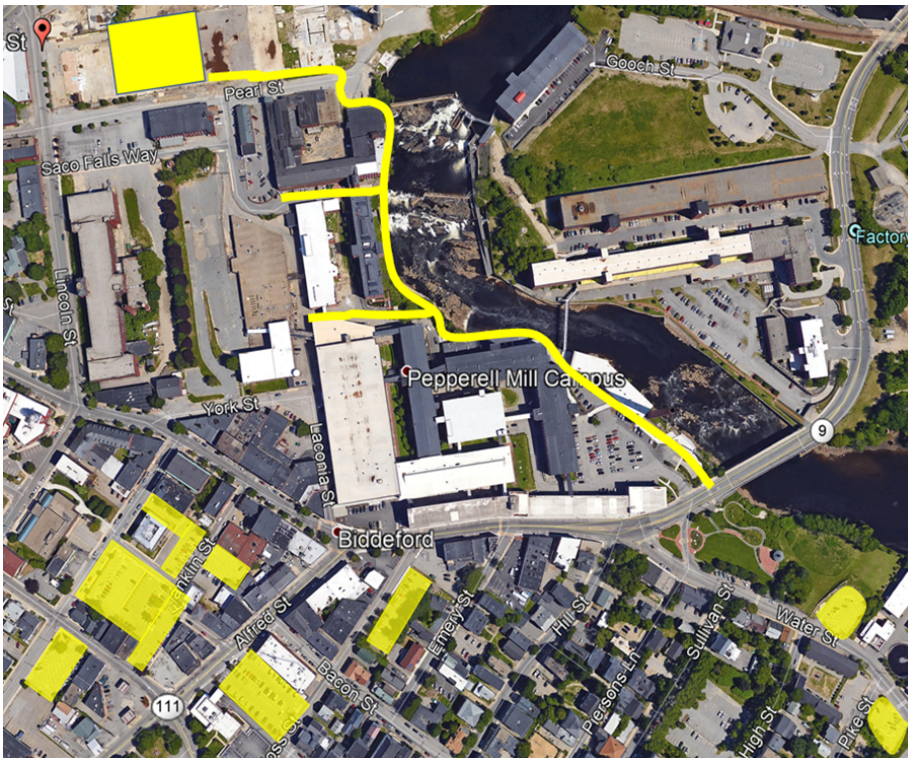
- **Engaged to conduct Market Study / Feasibility Analysis**
- Established 1973 as professional corporation focused on parking and transportation planning.
- More than 100 professional employees, with more than 5000 projects completed to date.



- **Equity Sponsor**
- Over \$10 billion in assets under management.
- Infrastructure real asset investor manager focused on: Real Estate, Infrastructure & Sustainable Energy
- More than 135 projects completed. 20-year history
- Long-Term partner with buy and hold strategy



- **Project Debt Provider**
- Experienced Lender
- Selected based on price and deliverability



Biddeford Innovation Inc. will provide consistent, safe and reliable parking service to the Mill District and Downtown, and all connected by the completed Riverwalk!