

The cost of this project is substantial, and the most vexing issue is how to pay for its implementation. Unfortunately, the power of a plan alone will not carry it forward. Without money to back them up, great ideas remain stuck as abstract visions. This chapter describes potential cost and discusses many funding opportunities. *(For backup and detailed information, see Appendix A8.)*

The following topics are addressed in this chapter:

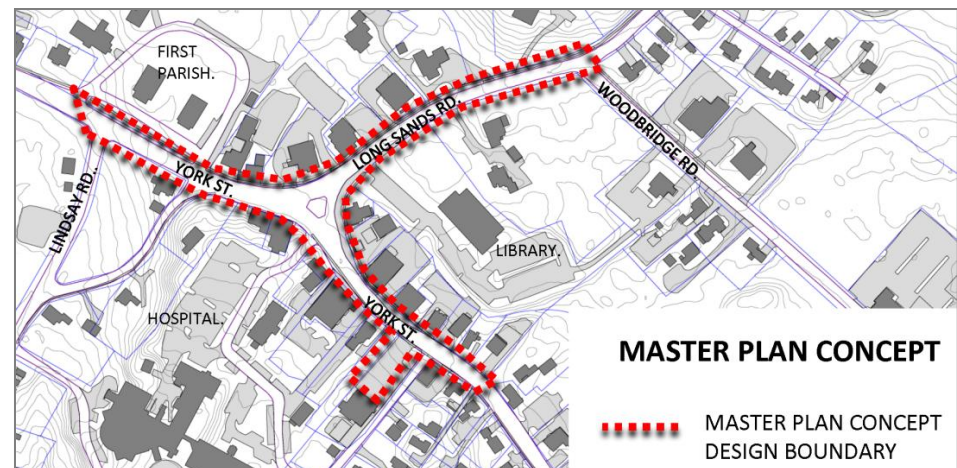
- 8.1 What is the Cost of Implementation?
- 8.2 What is Included in the Conceptual Budget?
- 8.3 What is the Conceptual Budget Based On?
- 8.4 Impractical to Phase Implementation
- 8.5 Funding Implementation Requires Multiple Sources
- 8.6 Combining Funding Sources Requires a Coordinated Strategy
- 8.7 Leadership is Required to Create and Manage the Coordinated Funding Strategy
- 8.8 Early Public Investment Leadership is needed
- 8.9 Public Investment in the Village is Good for Business
- 8.10 Municipal Wireless Wifi Network Another Asset
- 8.11 Continually Engage the Business Community
- 8.12 Prioritize pursuit of Non-municipal Funding Opportunities
- 8.13 Non-municipal Funding Opportunities Database
- 8.14 Pursue a Village Tax Increment Financing District
- 8.15 Promote Investment Incentives for Historic Buildings
- 8.16 Recommendations

## 8.1 WHAT IS THE COST OF IMPLEMENTATION?

- **Master Plan Without Relocating Overhead Utilities Underground**  
The Conceptual Budget, including Hard Costs (construction with overhead utilities remaining), Soft Costs (design), and a Contingency, is approximately **\$3.6 million.**
- **Relocating Overhead Utilities Underground** Placing the overhead utilities underground and removing numerous poles within the master plan area, with Soft Costs and Contingency will cost approximately **\$7.9 million.**
- **Total Master Plan Including Relocating Overhead Utilities Underground** will cost approximately **\$11.5 million.**

## 8.2 WHAT IS INCLUDED IN THE CONCEPTUAL BUDGET?

The Conceptual Budget includes costs to improve the public right-of-way within the Master Plan Area, as illustrated below. Not included are improvements to private property, such as the Hodgin Lot. Estimated costs to improve the Hodgin Lot are in Appendix A8.



### 8.3 WHAT IS THE CONCEPTUAL BUDGET BASED ON?

The Conceptual Budget was prepared with input from The Downtown Revitalization Collaborative team members. The budget includes:

- **Hard Costs (construction)** - Hard costs are organized into primary categories, and secondary scopes of work within each category. Associated costs are identified for each category and scope of work. Because this is a concept-stage budget, cost estimates are based on the ideas presented on the Concept Plans plus informed assumptions, rather than a detailed scope of work from design drawings.
- **Soft Costs (design)** - Soft Costs include fees for designers and consultants who prepare construction drawings, bid documents and contracts and monitor construction to ensure it meets the design.
- **Owner's Contingency** - The Contingency is purposefully left high at this point because of numerous assumptions and unknowns regarding scope. At a subsequent stage, design will be advanced, scope will be determined, and cost estimates will be refined. Estimate amounts then become the basis for budget discussions and potential funding.

The Conceptual Budget is summarized below.

(For backup and detailed information, see Appendix A8.)

<b>Master Plan Without Relocating Overhead Utilities Underground</b>	
<b>Estimated Hard Costs (Construction)</b>	
<b>Demolition &amp; Site Work</b>	<b>\$164,990</b>
Includes: Temporary erosion control + Tree protection + Saw cut pavement + Pavement removal + Tree removal / selective clearing + Excavation for roadway & landscaping + Demo existing raised landing	
<b>Road Improvements</b>	<b>\$641,020</b>
Includes: Aggregate base course + Hot mix asphalt (3" base) + Hot mix asphalt (1" surface) + Pavement markings + Vertical Curb, straight & radius	
<b>Stormwater Improvements</b>	<b>\$257,500</b>
Includes: Storm drain (12") + Storm drain (18") + Storm drain (24") + Catch Basins + Stormwater Treatment (t.b.d.)	
<b>Streetscape Improvements</b>	<b>\$1,375,595</b>
Includes: Reset steps & cheek walls + Relocate monument + Brick sidewalk repairs + Sidewalk aggregate base course + Brick sidewalk + Detectable warning + Granite edging, straight + Seat wall + Retaining wall + Granite wall cap + Ornamental guardrail - railing + Granite steps + Signage, entrance & directional + Signage, interpretive + Signage, Professional services + Granite bollards + Ornamental bollards + Benches + Bicycle racks + Light pole assemblies + Utility Service	
<b>Landscape Improvements</b>	<b>\$56,260</b>
Includes: Loam + Shade trees + Shrubs + Herbaceous + Seeding + Mulch	
<b>Subtotal Hard Costs (w/o utility relocate UG)</b>	<b>\$2,495,365</b>
<b>Mobilization &amp; General Conditions Fees</b>	<b>\$249,600</b>
Mobilization & General Conditions	\$249,600
<b>Total Hard Costs (w/o utility relocate UG)</b>	<b>\$2,744,965</b>
<b>Estimated Soft Costs &amp; Contingency</b>	
Design & Engineering	\$274,500
Contingency	\$549,000
<b>Total Soft Costs (w/o utility relocate UG)</b>	<b>\$823,500</b>
<b>Total Hard + Soft Conceptual Budget</b>	<b>\$3,568,465</b>

<b>Relocating Overhead Utilities Underground</b>	
<b>Estimated Hard Costs (Construction)</b>	
<b>Utilities Relocation Underground</b>	
Includes: Electrical Utility (CMP) + Cable Utility (TWC) + Telecom Utility (Fairpoint) + Misc conduit, manholes	
<b>Hard Costs Subtotal</b>	<b>\$6,080,000</b>
<b>Estimated Soft Costs &amp; Contingency</b>	
Design & Engineering	\$608,000
Contingency	\$1,216,000
<b>Soft Costs &amp; Contingency Subtotal</b>	<b>\$1,824,000</b>
<b>Total Hard + Soft Conceptual Budget</b>	<b>\$7,904,000</b>

#### 8.4 IMPRACTICAL AND COST PROHIBITIVE TO PHASE IMPLEMENTATION

Large and expensive projects can sometimes be phased according to the following approaches:

- **Discreet Sub Projects** that can be initiated at different times (due to funding or other reasons) and completed independently to accomplish a whole project
- **Layering Multiple Steps** on the same project area over time (due to funding or other reasons) to eventually complete and accomplish a whole project.

For reasons described below, phasing the York Village Concept Plan is impractical and cost prohibitive and consequently most of the project must be completed at one time. Some opportunities for sequencing of scope may be evident once development design is advanced.

- **Discreet Sub Projects** - The Concept Plan is based on long sweeping roadway alignment changes that in turn create space and opportunity for sidewalks, parking, and landscaping. This fact combined with significant intersection change makes it difficult to create transition points and therefore impractical to phase the infrastructure. It may be possible, once design moves toward more detailed plan work and engineering, that some amount of phasing will be evident, but because of the reasons stated above and the conceptual nature of the design transitions and phasing are not immediately evident.
- **Layering Multiple Steps** - The Concept Plan requires significant subsurface utility work (such as stormwater system improvements and possibly relocating electric power underground) which can only be accessed thru the surface of roadway and sidewalks. It is neither practical nor cost effective to leave the surface unfinished for long periods, or to dig up a newly finished surface at a later date to do subsurface utility work. Layering also prolongs any disruption, which is never appreciated by businesses. In some instances, infrastructure and hardscape can be placed and landscape improvements can be delayed. Sometimes these landscape areas can be an opportunity for fundraising efforts. As is the case with the discrete sub-projects, these layered phasing opportunities will become evident when a more detailed design effort is underway.

## 8.5 FUNDING IMPLEMENTATION REQUIRES MULTIPLE SOURCES

As mentioned earlier, because the cost of the project is substantial and is impractical to phase, the most vexing issue is how to pay for its implementation. Many municipalities are reluctant or unable to fully pay for plan implementation from the Town’s General Fund Tax Revenues. This funding generally comes from a combination of the following sources:

- **Non Municipal Opportunities** – all potential sources beyond the town’s local tax base, such as State and Federal programs.
- **Tax Increment Financing (TIF)** – powerful, widely used economic strategies by which increased revenues accrue to the Town for the purpose of public improvements.
- **Town General Fund Tax Revenues & Bonds** –property tax revenues and bonds used to borrow money for plan implementation with debt service payments derived from the General Fund.
- **Private Investment in Buildings & Sites**– Publicly-funded financial benefits that incentivize private property owners to invest in certain historic structures. For example, State and Federal Historic Rehabilitation Tax Credits (HRTC’s).

## 8.6 COMBINING FUNDING SOURCES REQUIRES A COORDINATED STRATEGY

Each of these source categories has a different set of sequences, deadlines, amounts, competitiveness, eligibility, citizen approval etc. Therefore, combining and leveraging these varied sources requires a Coordinated Funding Strategy.

A coordinated funding strategy is essential for pursuing, obtaining and utilizing competitive non-municipal funding opportunities. It should identify all potential sources, organize them into a common comparable template (category, name, purpose, deadlines, cycles, amounts, etc), and then arrange them by deadlines into a calendar-based work plan format. With this information easily understood and manipulated, it can be used to make informed choices about which sources to pursue when, and their likelihood of success.

### **Framework For Coordinated Funding Strategy**

The overall framework of a coordinated funding strategy might look like this:

<b>Funding Source by Category</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
State & Federal Non-municipal Funding Opportunities (Top Priority)	t.b.d	t.b.d	t.b.d
Tax Increment Financing	t.b.d	t.b.d	t.b.d
Town General Fund Tax Revenues & Bonds	t.b.d	t.b.d	t.b.d
Private Investment in Buildings & Sites	t.b.d	t.b.d	t.b.d

## 8.7 LEADERSHIP IS REQUIRED TO CREATE AND MANAGE THE COORDINATED FUNDING STRATEGY

Strong clear leadership is critical while creating and managing the Economic Development Strategy. The preferred scenario is a dedicated Town staff person who is experienced, knowledgeable, and practical and who demonstrates expertise “in the office,” “on the street,” and interfacing between the office and the street. This role is typically described as a Community and Economic Development Director. Ideally, this individual would provide joint leadership for both Funding and Economic Development.

The Community and Economic Development Director would be charged to:

- **Develop the Economic Development Strategy** – Match funding sources, deadlines, and cycles for projects to create an action plan and to prioritize projects to match funding. Orchestrate multiple components into a larger whole.
- **Prepare Grant Applications** - Proactively pursue non municipal-based funding (grants and programs) as a priority.
- **Lead Municipal-based Funding** - Proactively lead municipal based tax funding, as the success of grants is unpredictable.
- **Coordinate with Design Professionals** to implement the Plan.
- **Interface with the Business Community** – Frequently interface with merchants and business leaders to understand their needs and challenges, and be an advocate to address them. Proactively pursue targeted new business potential.
- **Provide Digital Technology Leadership** - Serve as the town’s point person for a municipal wireless Wifi network and broadband high speed internet access.

## 8.8 EARLY PUBLIC INVESTMENT LEADERSHIP NEEDED

Revitalization rarely happens by itself. The private sector is often reluctant to take a first step, being cautious of the inherent risks of investment. Consequently, municipalities should assume leadership roles to encourage progress.

This recommendation is supported and echoed by the Maine State Planning Office. Their 2008 Downtown Revitalization report noted that upgrading infrastructures such as lighting, landscaping, roads, and parking are necessary investments for communities seeking to draw private investment into downtowns. The Brookings Institute backs up the premise that, for downtown revitalization, every \$1 of public investment will typically stimulate \$10-15 of private investment.

The bulk of public investment is required early in the revitalization process in order to attract private development and investment in the downtown. Public improvements projects, such as those recommended in the York Village Master Plan, are therefore necessary first steps in leveraging future business and investments in the Village center. A typical infrastructure improvement project requires substantial design and engineering - and often times, substantial funding. Consequently they must be planned over a longer period of time. Both the Maine State Planning Office and The Maine Downtown Center make the point that communities seeking to draw private investment into downtowns must “set the stage” for redevelopment by taking leadership.

(Sources: State of Maine, Maine Downtown Center and State Planning Office. (2004). *Revitalizing Maine's downtowns*; State of Maine, State Planning Office. (2008). *Downtown revitalization*; The Brookings Institution, Metropolitan Policy Program. Leinberger, C. (2006). *Turning around a downtown: 12 steps to revitalization*.)

## 8.9 PUBLIC INVESTMENT IN THE VILLAGE IS GOOD FOR BUSINESS

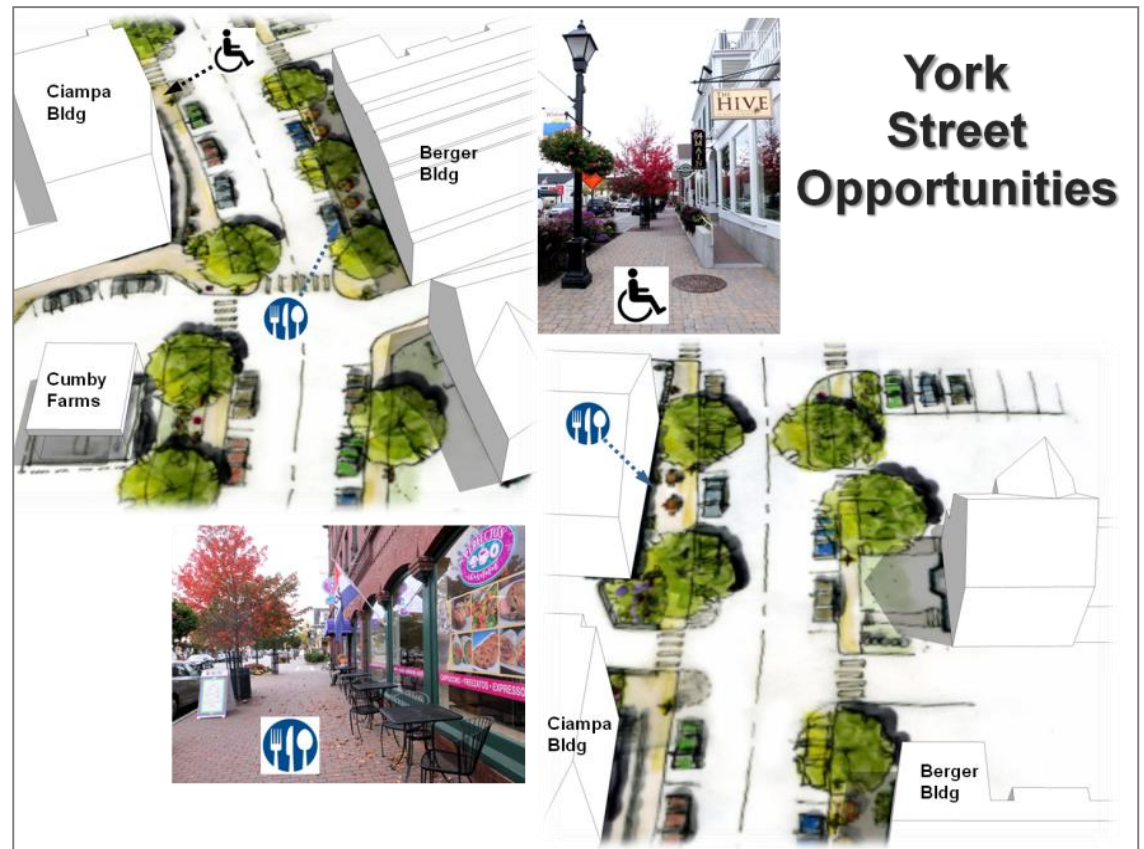
Walkability, quality of life, outdoor recreational opportunities, and digital technology are key considerations for attracting new businesses and residents to a community center such as York Village. For traditional downtowns, high pedestrian and bicycle activity along with attractive streetscapes translate to consumer dollars and long-term economic sustainability. Public investments in complete streets – those that improve sidewalks, introduce landscaping, reduce traffic speeds and provide accommodations for bikes – are very good for business for the following specific reasons:

- **Virtual Commuters Seek Out Quality of Place**

Digital commuters, those who can choose where they work because they are connected digitally, often seek locations that reflect a high “quality of place.” This typically includes attractive walkable downtowns with leisure and recreational opportunities and “third places (such as coffee shops) where they can meet their friends and neighbors. Quality of Place was a key point of the Brookings Institute’s 2006 *Charting Maine’s Future* and also the Governor’s Council on Maine’s Quality of Place. This is especially true for York Village.

- **Attracting Retirees** - According to the American Planning Association, mobile retirees are also seeking communities that provide scenic beauty as well as leisure and recreational opportunities. “Retirement Migration” has been defined as a “new, clean, growth industry in America today.” By the year 2050, 25 percent of Americans will be aged 65 or older).

- **Increased Property Values** - A 2009 study funded by CEOs for Cities also demonstrated a positive correlation between walkability and home values. The study concluded “urban leaders should pay close attention to walkability as a key measure of urban vitality and as an impetus for public policy that will increase overall property values – a key source of individual wealth and of revenues for cash-strapped governments.”



According to the Governor’s Council on Maine’s Quality of Place, prosperity requires planning and investment in Maine’s traditional downtowns: acquisition of land and easements for parks and trails, the rehabilitation of historic community buildings and physical enhancements, such as sidewalks, street lamps and benches.

The importance of setting the stage for redevelopment cannot be understated. Walkable urbanism relies upon a physical definition of place which requires having a comprehensive planning strategy and the financial support and determination to see it through.

(Sources: The Brookings Institution, (2006). *Charting Maine’s Future*; Maine, Governor's Council on Maine's Quality of Place. (2007). *Linking Maine's built and natural environments*; American Planning Association. (2002). *How cities use parks for economic development*; CEOs for Cities, (2009). Cortright, J. *Walking the walk: How walkability raises home values in U.S. cities.* )

## **8.10 MUNICIPAL WIRELESS WIFI NETWORK ANOTHER ASSET**

Municipal wireless network (Municipal Wi-Fi, Muni Wi-Fi or Muni-Fi) is the concept of turning an entire downtown or village into a Wireless Access Zone, with the ultimate goal of making wireless access to the Internet a universal service. This is usually done by deploying a wireless mesh network to provide municipal broadband via Wi-Fi to large parts or all of a municipality. Municipal broadband deployments are broadband Internet access services provided either fully or partially by local governments. The typical deployment design uses multiple routers deployed outdoors, often on telephones poles as shown here. The operator of the network acts as a wireless internet service provider.

## **8.11 CONTINUALLY ENGAGE THE BUSINESS COMMUNITY**

A better functioning, more active, safer, and more prosperous Village requires strengthening businesses along with physical improvements. In order to thoroughly understand how best to support the existing business community, the Downtown Revitalization Collaborative community and economic development planner, Rodney Lynch - AICP, met one-on-one with business leaders, property owners and merchants to learn how this effort might help support their aspirations, meet their challenges, address their concerns, and understand the level of support they need.

In particular, they were asked: *“What are your individual business needs and what concerns and/or needs are common across the business community, so that we can design an integrated funding strategy to address them?”* Their responses included many of the issues previously identified: parking, walkability, economics, their Village identity and the potential for grant-writing in support of Village revitalization. One message that was heard loud and clear was that – **“non-municipal funding opportunities are a priority.”**

## 8.12 PRIORITIZE PURSUIT OF NON-MUNICIPAL FUNDING OPPORTUNITIES

All possible non-municipal funding opportunities should be explored and developed to the greatest extent possible, in order to minimize dependency on property tax revenues for plan implementation. Listed below are all possible funding sources beyond the town's local tax base for this project. They are organized by category, created specifically for and tailored to York for the Master Plan. Some programs cover several categories. *Please see Appendix A8 for full description of the programs.*

### Infrastructure

- CDBG (Community Development Block Grant) Economic Development
- MaineDOT Safe Routes to School and Transportation Enhancement
- Downtown Revitalization Grant (DR) Program (CDBG)
- CDBG Public Infrastructure (PI)
- York Village Tax Increment Financing (TIF) District
- The Three-Ring Binder (3RB) Project Broadband (High-Speed Internet Service Fiber Optic Cable)
- Department of Agriculture, Conservation and Forestry Maine Coastal Program's Communities Grant Program
- Maine Agriculture, Conservation and Forestry Project Canopy

### Transportation

- MaineDOT Municipal Partnership Initiative (MPI)
- MaineDOT Safe Routes to School and Transportation Enhancement

### Buildings

- Federal Historic Rehabilitation Tax Credit Program Administered by Maine Historic Preservation Commission
- Maine Historic Rehabilitation Tax Credit administered by the MHPC and the Maine Revenue Service

- Maine Small Project Rehabilitation Tax Credit Administered by MHPC and Maine Revenue Service
- Micro-Enterprise Assistance: Business Façade Grants (CDBG)
- Belvedere Historic Preservation Grant

### Trails, Open Space & Parks

- Maine Bureau of Parks and Public Lands (BP&L), Recreation Trail Program Development (RTP), Dept of Agriculture
- Bureau of Geology, Natural Areas and Coastal Resources Maine Coastal Program, Maine Dept of Agriculture
- National Park Service's (NPS) Rivers Trails and Conservation Assistance (RTCA)

### Water Quality

- DEP 319 Watershed Program Matching
- MS4 Municipal Separate Storm Sewer System
- Department Conservation Maine Coastal Program
- Wild and Scenic River Designation

### Downtown Revitalization

- Downtown Revitalization Grant (DR) Program (CDBG)
- Maine Downtown Center & Maine Downtown Network (MDN)
- Creative Communities = Economic Development (CCED) Grant



### 8.13 NON-MUNICIPAL FUNDING OPPORTUNITIES DATABASE

The same programs listed above are also in a database format which allows them to be sorted in a variety of ways. For example, by Short Term Activity (2015 to 2017), Medium Term Activity (2018 to 2022), Dates and Deadlines, Category, Program and Funding Entity, Source (Federal, State, Local, other), Funding Cycle (rolling, annual, semi-annual etc) and Possible Dollar Amount, etc. An excerpted example of the database is below. The full database is in Appendix A7. With this information easily understood and manipulated, it can be used to make informed choices about which sources to pursue when, and their likelihood of success.

Short Term 2015 to 2017 (Activity)	Med Term 2018 to 2022 (Activity)	Dates & Deadlines	Category	Program & Funding Entity	Source (Federal, State, Local, other)	Funding Cycle (rolling, annual, semi annual etc)	Possible \$	Notes
2015	TBD	2015 - 1/??	Approvals	Board of Selectman	Town		TBD	
2015	TBD	2015 - 5/16	Approvals	Town Meeting	Town	Triennially (3x/yr.)	TBD	
2015 (Planning)	none	2016- 7/1	Infrastructure	Department Agriculture, Conservation and Forestry Maine Coastal Program's Communities Grant Program	Coastal Program/Town	Annually	Up to \$50,000 with 25% local match	Storm water management, open space planning
2015 (Planning)	2017 (Application)	2017 - 12/19 Application	Infrastructure	Maine Department Agriculture, Conservation and Forestry Project Canopy	Me Forest Service/Town	Annually	Up to \$10,000 and 50/50 match	Tree planting and maintenance
2015 (Planning)	June Anytime	June Anytime	Water Quality	DEP 319 Watershed Program Matching	DEP/Town	Annually	\$23-\$98,000	Watershed plan, plan implementation
2015 (Planning)	2018 (Application)	March	Downtown	Maine Downtown Network Community	Downtown Center	Annually	None	4 Points: Organization Promotion, Design, Economic Restructuring
2015 (Village Plan)	2020 (Application)	2020 - 4/17	Infrastructure	CDBG Downtown Revitalization	State DECD/Town 25% local match.	Annually	Up to \$400,000	To be eligible adopted Downtown Revitalization Plan & area declaration of slum and blight.
2015 (Village Plan)	Construction	None	Transportation	MaineDOT Municipal Partnership Initiative (MPI)	State 50/50 Match	Anytime	Up to \$500,000	Roadway, sidewalks, curb, lighting
2015 (Village Plan)	2020 (Application)	2020 - 4/17	Downtown	Downtown Revitalization Grant (DR) Program (CDBG)	DECD/Town	Annually	Up to \$400,000	Streetscapes, sidewalks, curbing, cross walks, street lighting, parks, underground utilities.
2015 - 16 (Planning)	2018 (Application)	October	Downtown	Creative Communities = Economic Development (CCED) Grant:	Arts Commission	Annually	Upto \$75,000	Arts vibrant downtown
2016 (Planning)	TIF Preparation	TBD	Infrastructure	York Village Tax Increment Financing (TIF) District	Adopted local district and DECD approval	Anytime	TBD by the town.	Storm sewer, streetscapes, parking.
2016 or 2017 (Planning & Application)	2018 to 2021 (Construction & Other)	1st Friday each month	Infrastructure	CDBG (Community Development Block Grant) Economic Development	State DECD/Town 25% local cash match.	Quarterly	Up to \$1,000,000	Grants to Municipalities in support of a local business for sewer, water & storm drainage.

#### **8.14 PURSUE A VILLAGE TAX INCREMENT FINANCING DISTRICT**

Tax Increment Financing (TIF) is a powerful and widely used economic strategy by which increased revenues accrue to the Town for the purpose of public improvements, which in turn “set the stage” for improved business and commercial activity. In addition, the Town can incur debt to facilitate building or facilities improvements and/or public infrastructure improvements through the issuance of municipal bonds. The TIF revenues are then set aside for the relief or payment of this indebtedness. The advantage is that the Town would not have to wait for sufficient TIF revenues to accrue over time before undertaking needed improvements. In turn, this means growing property tax valuations in the village so that additional captured property taxes can flow to the coffers of the TIFs to assist with plan implementation.

#### **8.15 PROMOTE INVESTMENT INCENTIVES FOR HISTORIC BUILDINGS**

Repair, maintenance and improvement of historic buildings to meet 21<sup>st</sup> century expectations for safety, function, efficiency, and convenience is expensive. Fortunately there are State and Federal Historic Rehabilitation Tax Credits (HRTCs), which are publicly-funded financial incentives to assist private property owners with the costs of rehabilitation for historic structures that are listed individually or listed as a contributing building to a National Register (not local) Historic District.

Because they are a direct dollar-for-dollar credit, HRTCs are the most powerful tool for private-side investment in revitalization. The Maine HRTC rate is 25% of eligible rehabilitation expenses and the Federal HRTC rate is 20%. When both programs are utilized, the combined rate is 45% of eligible rehabilitation expenses.

Within the National Register, York Historic District and the Master Plan Village core, four properties are both “contributing historic” and “commercial or income producing.” The following properties are potentially eligible to utilize these powerful financial incentives.

- The York Realty Co. (Ciampa) building at 242 York Street which houses the Village Art Gallery, Tayla Mac retail, Rick’s Restaurant, a Laundromat and rental apartments.
- 250 York Street which houses Daisy Jane’s and Yoga on York.
- The former automobile dealership and garage building at 241 York Street which houses the Fat Tomato Grill, York Flower Shop, a barber, a salon and Berger’s Bike Shop.
- The Old Methodist Church, which once was used as a retail outlet, is now vacant, and is owned by York Hospital.

#### **8.16 RECOMMENDATIONS**

- **Identify a leader to develop, implement and manage the Coordinated Funding Strategy.**
- **Pursue public investment up front to “set the stage” and attract private investment**
- **Fund technology as a key economic development consideration**
- **Continually engage the business community**
- **Prioritize non-municipal funding opportunities**
- **Pursue a Downtown TIF District**
- **Promote private investment incentives for historic buildings**