

Town of Barnstable
Tax Incremental Financing (TIF) Guidelines

The following guidelines describe the process and standards for considering Tax Increment Financing Agreement applications. These are intended to guide negotiations of the Tax Increment Financing Committee based on the goals, objectives and priorities established by the Town of Barnstable.

Goals

The Town of Barnstable seeks to enter into Tax Increment Financing Agreements for qualifying projects that:

- A. Encourage qualifying existing businesses to expand.
- B. Attract new businesses that are compatible with the Barnstable Local Comprehensive Plan (LCP) and the goals of the Barnstable Economic Development Commission (BEDC)
- C. Stimulate capital investment and creation of jobs paying above the area median income for Barnstable. Provide substantive increases in employment with salaries higher than the area median income. Provide private capital investment resulting in a substantive increase in net taxable property value.
- D. Foster reconstruction and renovation of vacant or underutilized commercial properties.

Location

- A. The BEDC is particularly interested in TIF Agreements that support projects that enhance the Downtown Hyannis area, the Regional Commercial Center and the areas zoned as Industrial and Industrial Limited. Projects located in other appropriate areas in Barnstable may also be considered.

TIF Committee

- A. The Town's TIF Committee, designated by the Town Manager to review TIF project applications and make recommendation for action, shall consist of the Finance Director, the Assessor, Director of Growth Management or their designees, two members of the Barnstable Town Council and two members of the BEDC.
- B. To facilitate the review and recommendation of TIF projects the committee will develop a rating system to evaluate applications which will keep in mind the objectives of Barnstable's TIF program. The rating system should include the following factors:
 - The TIF applicant's current or previous presence in Barnstable
 - The number of current and projected jobs with documentation on how the projected new jobs will compare to the community's per capita income.
 - Compatibility of the applicant's business for the Town of Barnstable as well as the appropriateness of the business at the proposed location.
 - The pro forma amount and term of the TIF being requested.
 - The strength of the applicant's financial condition.
 - The timetable for completion of all investment or employment.
 - The project's community benefit and the applicant's commitment to supporting community activities - generally and fiscally.
 - The applicant's previous involvement in state or Town economic development programs or commitments.

Process

Each TIF Agreement application will be judged on individual merit.

- A.** Each applicant for a TIF shall participate in a pre-application meeting with the Growth Management Department who will consult with other appropriate town staff, boards or committees as necessary to ensure that the project meets the Comprehensive Plan goals and complies with applicable land use regulations
- B.** The applicant shall provide adequate information:
 - Demonstrating that the TIF agreement is important to the applicant's decision to establish a new business operation or expand an existing business operation in Barnstable.
 - Showing financial information such as business tax returns, year-to-date financial statements, and banking and credit references
- C.** The Growth Management Department shall forward each application to the BEDC with the checklist for their review.
- D.** Upon completion of their review, which shall not exceed four (4) weeks, the BEDC shall refer the application to the TIF Committee.
- E.** As soon as possible after receiving the application and required information, the TIF Committee shall begin negotiations with the applicant.
- F.** The TIF Committee, upon completion of its review, shall prepare a written recommendation to the Town Council copying the Town Manager using the TIF rating system and other metrics as required. The draft TIF Agreement shall be forwarded with the recommendation.
- G.** The TIF Committee, working with the Growth Management Department, shall prepare any changes or additions to the Economic Opportunity Area (EOA) designations as shown on the EOA Maps as may be required by the location of the property subject to the TIF Agreement. These EOA designation changes shall be forwarded to Town Council with the draft TIF Agreement.
- H.** The Town Council shall promptly forward any approved TIF Agreement and changes to EOA designations to the Economic Assistance Coordinating Council (EACC) for their review and action.
- I.** A TIF agreement shall not take effect until final approval is granted by Town Council and all necessary State approving agencies.
- J.** As required by enabling legislation TIF agreements shall be reviewed annually to ensure compliance with the terms of the agreement. The Town will decertify any TIF agreement that fails to fulfill obligations relative to employment and/or investment as described in the TIF agreement.