

IN THE COMMON COUNCIL OF THE CITY OF ELKINS, WV

AN ORDINANCE OF COMMON COUNCIL

(#327)

AN ORDINANCE APPROVING AND CREATING A TAX INCREMENT FINANCING ADVISORY COMMITTEE TO ADVISE THE CITY OF ELKINS ON THE PRIORITY OF PROJECTS AND USE OF FUNDS IN CONNECTION WITH THE “THE CITY OF ELKINS REDEVELOPMENT DISTRICT NO. 1”; AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, The City of Elkins, West Virginia (the “City”) is authorized by the West Virginia Tax Increment Financing Act, Chapter 7, Article 11B of the Code of West Virginia 1931, as amended (the “Act”) to create tax increment financing districts, approve project plans, issue tax increment financing obligations and take such other actions as necessary or desirable to facilitate the orderly development and economic stability of the City, all as more fully set forth in the Act;

WHEREAS, by Ordinance enacted on May 18, 2023 (the “TIF Ordinance”), the City authorized and created a redevelopment district designated as “The City of Elkins Redevelopment District No. 1”, the boundaries of which are more fully described in **Exhibit A** hereto (the “TIF District”), and approved a redevelopment project plan designated as “Project Plan No. 1”, as more fully described in **Exhibit B** hereto (the “Project Plan”), all in accordance with the applicable provisions of the Act;

WHEREAS, the TIF Ordinance established a tax increment financing fund from which the City is authorized to issue tax increment finance obligations or expend tax increment revenues on a pay as you go basis, all in order to finance the costs of planning, acquiring, constructing and equipping the Project Plan, being necessary public infrastructure and related improvements within the TIF District;

WHEREAS, to meet the objectives of the Project Plan, the Common Council of the City (“Council”) finds it appropriate to establish an advisory committee for the purpose of rating and prioritizing projects within the Project Plan (the “TIF Advisory Committee”);

WHEREAS, the Council has determined to enact this Ordinance that approves and creates the TIF Advisory Committee.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF ELKINS, AS FOLLOWS:

1. TIF Advisory Committee.

(a) The Council hereby creates an advisory committee to be known as “The TIF Advisory Committee” which shall consist of the City Clerk, the Operations Manager, the Executive Director of the Randolph County Development Authority, and the Executive Director of Woodlands Development Group, Inc.

(b) The purposes of the Committee are as follows:

i. to create a system of objective criteria for rating and prioritizing development or redevelopment projects as described in the Project Plan to foster economic development in the TIF District;

ii. to adopt and establish rules and regulations and develop forms as it deems necessary so as to fulfill the purposes for which the Committee has been established; and

iii. to recommend to the Council, prior to the tax increment financing fund being used to pay or support costs of any development or redevelopment project, including any debt service on any TIF obligations issued from the TIF District, that

(A) all requirements of any applicable law, rule or regulation and all due process requirements have been satisfied; and

(B) the particular project for which proceeds from the TIF Fund will be expended meets one of the following objectives: (1) eliminates a public health or safety hazard; (2) provides an economic or community development benefit; or (3) will result in a beautification impact to the TIF District and the City of Elkins.

(c) Unless sooner dissolved by subsequent action of the Council, the Committee shall be dissolved, without any action by the Council, upon having fulfilled the purpose for which it is created or upon expiration of the TIF District.

(d) It is the express intent of the Council that the Committee is an ad hoc advisory committee for the limited purposes herein stated, and this Ordinance should not be construed to create a permanent or temporary municipal department, office, board or agency.

2. Severability of Invalid Provisions. If any section, paragraph, clause or provision of this Ordinance should be held invalid by any court of competent jurisdiction, the invalidity of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

3. Headings, Etc. The headings and catch lines of the articles, sections and subsections hereof are for convenience of reference only, and shall not affect in any way the meaning or interpretation of any provision hereof.

4. Conflicting Provision Repealed. All ordinances, resolutions, indentures or orders, or parts thereof, that conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed with respect to the subject matter of this Ordinance.

5. Effective Date. This Ordinance shall take effect immediately upon enactment.

First Reading April 4, 2024

Second Reading April 16, 2024

[Signature Page Follows]

CITY OF ELKINS

Adopted this 4/16, 2024.

THE CITY OF ELKINS

By: John A. Mump
Its Mayor

ATTEST:

By: [Signature]
City Clerk

CERTIFICATION

The undersigned, being the duly qualified, elected and acting Clerk of The City of Elkins, does hereby certify that the foregoing Ordinance was duly adopted by the Common Council of The City of Elkins at regular meetings duly held, pursuant to proper notice thereof, on April 4, 2024 and April 16, 2024, a quorum being present and acting throughout, and which Ordinance has not been modified, amended or revoked and is a true, correct and complete copy thereof as of this 16th day of April, 2024.

By: 

City Clerk

Exhibit A

TIF District Boundaries

The TIF District is located in the City of Elkins, West Virginia, and includes approximately 437 acres of contiguous real property located in Elkins Corporation property tax district, as set forth on the map below, including the specifically delineated TIF District boundary.

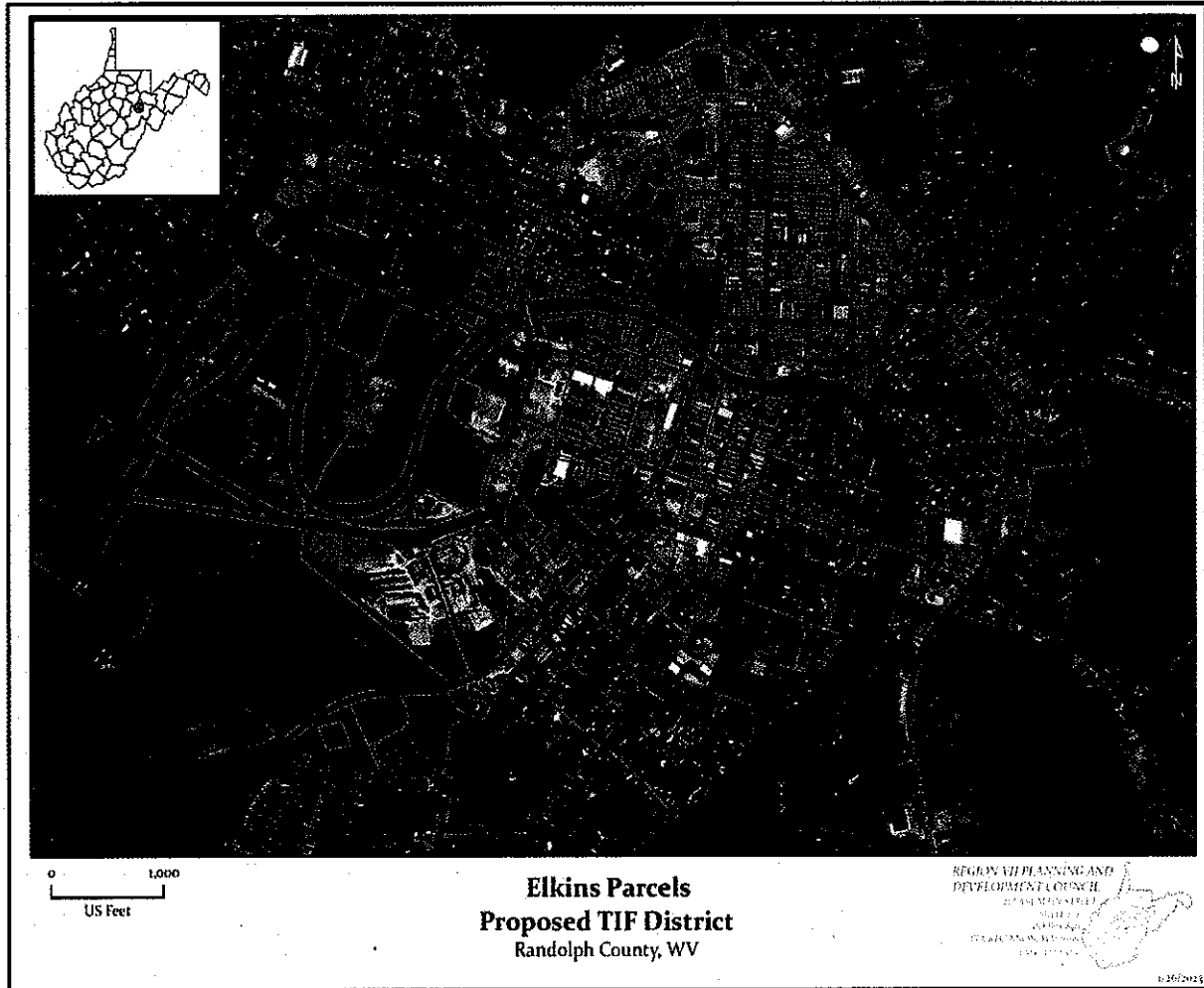


Exhibit B

Project Plan

(attached hereto)

SECTION II.

PROJECT INFORMATION

A. DETAILED DESCRIPTION OF PROJECT

Include a description of how the project fits with the overall development plans for the Redevelopment District or the overall development plans of the city, county, or region.

The TIF District

The City of Elkins (the "City") is proposing the creation of the "City of Elkins Redevelopment District No. 1" (the "TIF District"). The proposed TIF District includes approximately 437 acres of contiguous real property located in Elkins Corporation property tax district. A map of the TIF District boundaries is provided in **Attachment 1**. The proposed TIF District is comprised of parts of the downtown business district, the Industrial Park managed by the Randolph County Development Authority, and the Elkins Railyard. The proposed TIF District is generally bounded to the north by Seneca Trail, to the east by Randolph Avenue and Livingston Avenue, to the south by Georgetown Road and to the west by portions of Haddix Road and is bisected by the Tygart Valley River. The TIF District is being created by the City for the purposes of facilitating the planning, design, acquisition, construction and equipping of capital improvements within the TIF District or on land not in the TIF District that is contiguous to the TIF District and which contains infrastructure or other facilities which serve the TIF District.

The TIF Projects

The City proposes to develop certain capital improvements within or which serve the TIF District and include the design, permitting, acquisition, construction and equipping of site, infrastructure and other improvements, both public and private, that will facilitate development within, or for the benefit of, the TIF District (collectively, the "TIF Projects"), including, but not limited to, the following:

- Waterlines, waterworks facilities, sanitary sewer lines, sewerage facilities, stormwater facilities, telecommunications, cable, fiber optic, electric, natural gas and related public infrastructure improvements and relocations;
- Construction of roads, sidewalks, street lighting, traffic signals and other roadway and streetscape improvements and related appurtenances including curbing and gutters;
- Acquisition of land within the TIF District or outside of the TIF District which contains or will contain infrastructure or other facilities which serve the TIF District;
- Demolition, site preparation and excavation and other earthwork necessary for and incidental to the construction and installation of infrastructure and other improvements;
- Other related improvements, extensions, renovations and additions; and
- All professional service fees and consultant fees in connection with the foregoing, including but not limited to engineering and other design fees, legal fees, fees of property tax revenue consultants, property tax consultants, trustees, continuing disclosure agents and all fees and costs incurred in connection with the preparation and approval of the Project Plan.

The TIF Projects are expected to include, but not be limited to, (i) riverfront development and beautification along the Tygart Valley River; (ii) recreational trail system improvements throughout the proposed TIF District; (iii) streetscaping, wayfinding, lighting, and sidewalk improvements in the downtown business district; (iv) improvements to the Elkins Railyard, including the Roundhouse Plaza and construction of a new event center; and (v) improvements to the Randolph County Industrial Park.

The TIF Projects which are currently contemplated for the TIF District are more particularly indicated on the maps provided in **Attachment 2**. The proposed TIF Projects and the capital improvements and expenditures currently contemplated pursuant to such phases are presented by way of example only and the actual capital improvements and expenditures for each phase or project may differ substantially from those described herein so long as such improvements and expenditures are included within the description of the TIF Projects described herein.

Tax Increment Financing Obligations

To finance all or portions of the TIF Projects, the City proposes to issue tax increment revenue bonds or other obligations (the "TIF Obligations") in an estimated amount not to exceed \$25,000,000, with maturities not to exceed 30 years from the date of the creation of the TIF District. Such TIF Obligations may be issued from time to time in one or more series. Proceeds of the TIF Obligations are generally planned to be used to (i) finance costs of the TIF Projects, including architectural, engineering, legal and other professional fees and expenses; (ii) finance costs of creating the TIF District and obtaining approval of the TIF Projects; (iii) fund reserves for the TIF Obligations, as necessary; (iv) fund capitalized interest on the TIF Obligations, as necessary; and (v) pay costs of issuance of the TIF Obligations and related costs. To the extent that surplus tax increment funds are available, portions of the TIF Projects may be financed directly with such surplus on a pay-as-you-go basis. See **Section II.E** for more detailed Financing information and **Section II.G** for additional information on the proposed TIF Obligations.

B(1):**ESTIMATES**

Projected increases in Assessed Values of the TIF District:

Please see the attachments to **Section II.G Tax Increment Financing Obligations** herein for the Preliminary Development Schedule prepared by the City, and the Projection of Net Property Tax Increment, which includes projected increases in assessed values of the TIF district.

B(2):

ESTIMATES

Number of jobs to be created by this project in the TIF District. Estimated jobs are as follows:

Estimated Job Creation within the TIF District

Job Category: Professional

Wages:	\$75,000 - \$150,000
Benefits:	Industry Standard
Number of Construction Jobs:	3
Number of Permanent Jobs:	15

Job Category: Clerical and Admin

Wages:	\$25,000 - \$75,000
Benefits:	Industry Standard
Number of Construction Jobs:	2
Number of Permanent Jobs:	20

Job Category: Skilled

Wages:	\$40,000 - \$75,000
Benefits:	Industry Standard
Number of Construction Jobs:	60
Number of Permanent Jobs:	26

Job Category: Semi-Skilled

Wages:	\$20,000 - \$40,000
Benefits:	Industry Standard
Number of Construction Jobs:	40
Number of Permanent Jobs:	27

Job Category: Unskilled

Wages:	\$20,000 - \$40,000
Benefits:	Industry Standard
Number of Construction Jobs:	38
Number of Permanent Jobs:	49

Total Estimated Number of Construction Jobs:	153
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Total Estimated Number of Permanent Jobs:	137
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C. CAPITAL IMPROVEMENTS

The City proposes to develop certain capital improvements within or which serve the TIF District and include the design, permitting, acquisition, construction and equipping of site, infrastructure and other improvements, both public and private, that will facilitate development within, or for the benefit of, the TIF District (collectively, the "TIF Projects"), including, but not limited to, the following:

- Waterlines, waterworks facilities, sanitary sewer lines, sewerage facilities, stormwater facilities, telecommunications, cable, fiber optic, electric, natural gas and related public infrastructure improvements and relocations;
- Construction of roads, sidewalks, street lighting, traffic signals and other roadway and streetscape improvements and related appurtenances including curbing and gutters;
- Acquisition of land within the TIF District or outside of the TIF District which contains or will contain infrastructure or other facilities which serve the TIF District;
- Demolition, site preparation and excavation and other earthwork necessary for and incidental to the construction and installation of infrastructure and other improvements;
- Other related improvements, extensions, renovations and additions; and
- All professional service fees and consultant fees in connection with the foregoing, including but not limited to engineering and other design fees, legal fees, fees of property tax revenue consultants, property tax consultants, trustees, continuing disclosure agents and all fees and costs incurred in connection with the preparation and approval of the Project Plan.

The TIF Projects are expected to include, but not be limited to, (i) riverfront development and beautification along the Tygart Valley River; (ii) recreational trail system improvements throughout the proposed TIF District; (iii) streetscaping, wayfinding, lighting, and sidewalk improvements in the downtown business district; (iv) improvements to the Elkins Railyard, including the Roundhouse Plaza and construction of a new event center; and (v) improvements to the Randolph County Industrial Park. The TIF Projects which are currently contemplated for the TIF District are more particularly indicated on the maps provided in **Attachment 2**. The TIF Projects and the capital improvements and expenditures currently contemplated pursuant to such phases are presented by way of example only.

The City has prepared preliminary cost estimates for the TIF Projects, as summarized in the following table and described on the following page:

Type of Improvements	Estimated Cost*
Riverfront Development	\$3,300,000
Recreational Trails	\$3,000,000
Streetscaping	\$1,800,000
Railyard	\$3,600,000
Industrial Park	<u>\$3,000,000</u>
Total:	\$14,700,000*

* Assumes the maximum estimated cost.

1. Riverfront Development and Related Improvements

There has been a dismissive or negative attitude surrounding the section of the Tygart Valley River that flows through the heart of Elkins for many years. Past efforts to change this perception and revitalize the river were recently stimulated by the rehabilitation of the Tygart Hotel and the community's participation in HubCAP. As a result, the Elkins Riverfront Development plan was created by GAI Consultants. The cost of this design work was paid for by the City and HubCAP. The plan provides a vision to restore ecological function, provide safe alternative transportation routes, and incorporate recreational opportunities. Projected costs as part of the design work are estimated to cost between \$2,400,000 to \$3,300,000 to implement.

2. EAST Trail Design and Related Improvements

The City is uniquely situated to access unparalleled recreational opportunities in the eastern United States, including whitewater runs, climbing routes, and down-hill/cross country ski resorts, all within an hour and half. However, the City itself lacks high-quality, purpose-built, accessible trails. To address this limitation, the City has partnered with Elkins Area Shared Trails (EAST), a collaborative organization that brings together land managers, trail development and design experts, community development organizations, and civic leaders to improve trail systems within the City. To facilitate trail master planning in the area, EAST has been awarded \$80,000 in grant funding from two sources, to be matched by over \$23,000 of in-kind partner-based support and \$30,000 cash. Current cost estimates for construction are between \$1,300,000 to \$3,000,000.

3. Streetscaping and Related Improvements

In 2016, the Design Committee of Elkins Main Street, Inc. prepared the Elkins Streetscape Vision to provide a framework to advance streetscape improvements in downtown. In 2017, the Common Council adopted its 2018-2023 Strategic Plan which emphasizes improvements to downtown streetscapes, signage, signage, lighting, and sidewalks. The City has engaged an architectural and engineering firm to produce design plans and standard drawings suitable for plan implementation. The cost of design is \$30,000 and implementation costs are estimated at \$200,000 to \$300,000 per block, with a total estimated cost of \$1,200,000 to \$1,800,000 (based on 6 blocks).

4. Elkins Railyard and Related Improvements

The City intends to facilitate the development of the Elkins Railyard, including roadways, the construction of a new public events center, development of the Roundhouse Plaza, and public infrastructure improvements. The City estimates the total cost of these projects at \$3,600,000.

5. Industrial Park Property Development and Related Improvements

The City intends to make necessary investments in the Randolph County Industrial Park to include site preparation, sidewalks, lighting and other infrastructure improvements at an estimated cost of \$2,000,000 to \$3,000,000.

D. ESTIMATED BREAKDOWN OF PROJECT COSTS*

The below preliminary breakdown of estimated costs of the TIF Project is anticipated to be fully financed from TIF Obligations and/or from Pay-As-You-Go funds from the TIF Fund. See **Section II.G – Tax Increment Financing Obligations** and **Section II.E – Financing** for more detailed information. The Costs of the TIF Projects set forth on this and the prior pages are based on the best available information at the time of this Application. Some of these costs are based on conceptual layouts using a cost per linear foot and other costs are based on allocated budgets to the anticipated scope of the work. All indicated costs are estimates only and are subject to change and the actual costs will likely differ from the amounts stated herein.

	TOTAL*	<u>Proposed Financing Method</u>
1. Capital Costs	\$ (see 8 below)	
2. Estimated Financing Costs	\$ <u>423,514</u>	TIF Obligations
3. Professional Services	\$ (see footnote)	
4. Land	\$ <u>unknown</u>	
5. Relocation Costs	\$ <u>-0-</u>	
6. Environmental Impact Studies	\$ <u>-0-</u>	
7. Public Information	\$ <u>-0-</u>	
8. Construction of Capital Improvements	\$ <u>7,000,000</u>	TIF Obligations
9. Costs of the sale/lease of County property that results in a loss to County	\$ <u>-0-</u>	
10. Capitalized Interest Fund	\$ <u>462,786</u>	TIF Obligations
11. Reserve Fund	\$ <u>570,700</u>	TIF Obligations
Total Project Cost:	\$ <u>8,457,000</u>	TIF Obligations
12. Additional Capital Improvements	\$ <u>7,700,000</u>	TIF Obligations/Pay-As-You-Go

***Notes to Items 1 through 12:**

- 2) Estimated Financing Costs for the TIF Obligations are provided in **Section II.G.**
- 3) Estimated Professional Services costs are included in Construction of Capital Improvements.
- 6) Estimated Environmental Impact Studies costs are included in Construction of Capital Improvements.
- 8) See **Section II.C** for estimated breakdown of costs.
- 10) Estimated capitalized interest are provided in **Section II.G.**
- 11) Estimated Reserve Fund for the TIF Obligations are provided in **Section II.G.**