

Annual Report by City of Elkins, West Virginia
City of Elkins Redevelopment District No. 1
Fiscal Year ended June 30, 2024

1. The aggregate amount and the amount by source of revenue in the Tax Increment Financing (“TIF”) Fund:

Total current taxes:	\$ 0.00
Interest and Investment earnings:	\$ 0.00
Total:	\$ 0.00 ¹

2. The amount and purpose of expenditures from the tax increment financing fund:

Amount of Expenditures:	\$ 0.00
Purpose:	N/A

3. The amount of any pledge of revenues, including principal and interest on any outstanding tax increment financing indebtedness:

No TIF obligations have been issued from the TIF District.

4. The base assessed value of the development or redevelopment project or the development or redevelopment district, as appropriate:

Total Personal Property	\$34,157,729
Total Real Property (Class 2)	\$ 5,929,616
Total Real Property (Class 4)	<u>\$46,140,360</u>
Total Base Assessed Value	\$86,227,705

5. The assessed value for the current tax year of the development or redevelopment project property or of the taxable property having a tax situs in the development or redevelopment district, as appropriate:

Total Personal Property	\$37,263,214
Total Real Property (Class 2)	\$ 6,214,030
Total Real Property (Class 4)	<u>\$48,186,390</u>
Total Current Assessed Value	\$91,665,658

¹ Note: the City of Elkins Redevelopment District No. 1 was established on May 18, 2023. As of June 30, 2024, no TIF revenues had been transferred to the TIF Fund by the Sheriff’s Tax Office. However, based on information provided to the City by the County Assessor, the City expects collections to be approximately \$100,205 during the current tax year.

6. The assessed value added to base assessed value of the development or redevelopment project or the taxable property having a tax situs in the development or redevelopment district, as the case may be:

Total Current Assessed Value	\$91,879,344
Base Assessed Value	<u>-\$86,227,705</u>
Increase in Assessed Value	\$ 5,651,639

7. Payments made in lieu of taxes received and expended:

N/A

8. Reports on contracts made incidental to the implementation and furtherance of development or redevelopment plan or project:

There were no contracts awarded in the TIF District during the prior fiscal year.

9. A copy of any development or redevelopment plan, which shall include the required findings and cost-benefit analysis:

Please refer to Section II of the TIF Application for the TIF District, and as set forth on **Attachment 1** to this report.

10. The cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired or remodeled:

No property was acquired, disposed of, or improved in the TIF District using TIF revenues.

11. The number of parcels of land acquired by or through initiation of eminent domain proceedings:

No parcels of land in the TIF District have been acquired pursuant to eminent domain proceedings.

12. The number and types of jobs projected by the project developer to be created, if any, and the estimated annualized wages and benefits paid or to be paid to persons filling those jobs:

Please refer to Section II.B.2 of the TIF Application for the TIF District, as set forth on **Attachment 1** to this report.

13. The number, type and duration of the jobs created, if any, and the annualized wages and benefits paid:

The City has not begun to implement any of the projects in the Project Plan at the time of this report and therefore does not have any job creation or wage data for the TIF District.

14. The amount of disbursements from the tax increment financing fund during the most recently completed fiscal year, in the aggregate and in such detail as the Executive Director of WVDED may require:

Amount of Disbursements: \$ 0.00
Purpose: N/A

15. An annual statement showing payments made in lieu of taxes received and expended during the fiscal year:

No payments were made in lieu of taxes in the TIF District during the prior fiscal year.

16. The status of the development or redevelopment plan and projects therein:

17. The amount of outstanding tax increment financing obligations:

No tax increment financing obligations have been issued for the TIF District.

18. Any additional information the municipality preparing the report deems necessary or that WVDED may by procedural rule require:

The City recently authorized the creation of a bank account in which TIF revenues began being deposited in September 2024. The City is monitoring this account and working closely with the Sheriff of Randolph County and the Randolph County Assessor for this purpose.

The City also authorized the creation of a TIF Advisory Committee, the purposes of which are to advise the Common Council of the City of Elkins on (i) the status of revenues on deposit and projected to be on deposit in the TIF Fund, (ii) the priority of projects to be developed in the TIF District; and (iii) whether to finance projects in the Project Plan on a paygo basis or through the issuance of TIF Obligations. The TIF Advisory Committee had its initial meeting in August 2024 and anticipates meeting on a bi-monthly basis.

This annual report and additional information pertaining to the TIF District may be accessed online at <https://cityofelkinswv.com>.

Attachment 1:

Project Plan for the City of Elkins Redevelopment District No. 1 - on file with WVDED and The City of Elkins, West Virginia, and available upon request.

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.

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

Total Estimated Number of Permanent Jobs: 137

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	\$3,000,000
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, City Council adopted its 2018-2023 Strategic Plan which emphasizes improvements to downtown streetscapes, 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.**