

# THE DOWNS

*LIVE. WORK. PLAY.*

---

An Economic Engine for the Town of Scarborough

*Development Status Update to the Town of Scarborough August 19,  
2020*

# Looking Ahead - Development Pipeline Forecast

## August 2020 through the end of 2023

- An Economic Engine
- Non-Residential Development
  - Development Pipeline in Planning and Design
  - Impact of Covid-19
  - WEX
  - Downtown
- Residential Development
- Infrastructure & Planning
- Key Takeaways

The following is an overview of the future of The Downs.

**This information is not required per the CEA with the Town**

# The following is helpful for understanding this presentation:

- Data is for future development - current August 2020 through estimated end of 2023
- Numbers based on calendar years unless otherwise noted. Therefore figures may not align with Town CEA reporting. Overall findings are consistent
- Throughout this presentation we will be referring to the development status that is non-speculative. This includes the following development phases:
  - Completed
  - Under Construction
  - Approved
  - In Permitting
  - Pipeline in Planning and Design
- What's not included is additional prospects which have not yet been in discussions and will emerge in the market.

# **An Economic Engine for the Town of Scarborough-**

---

**Cascading Effects of The Downs**

# Property Tax Value of The Downs

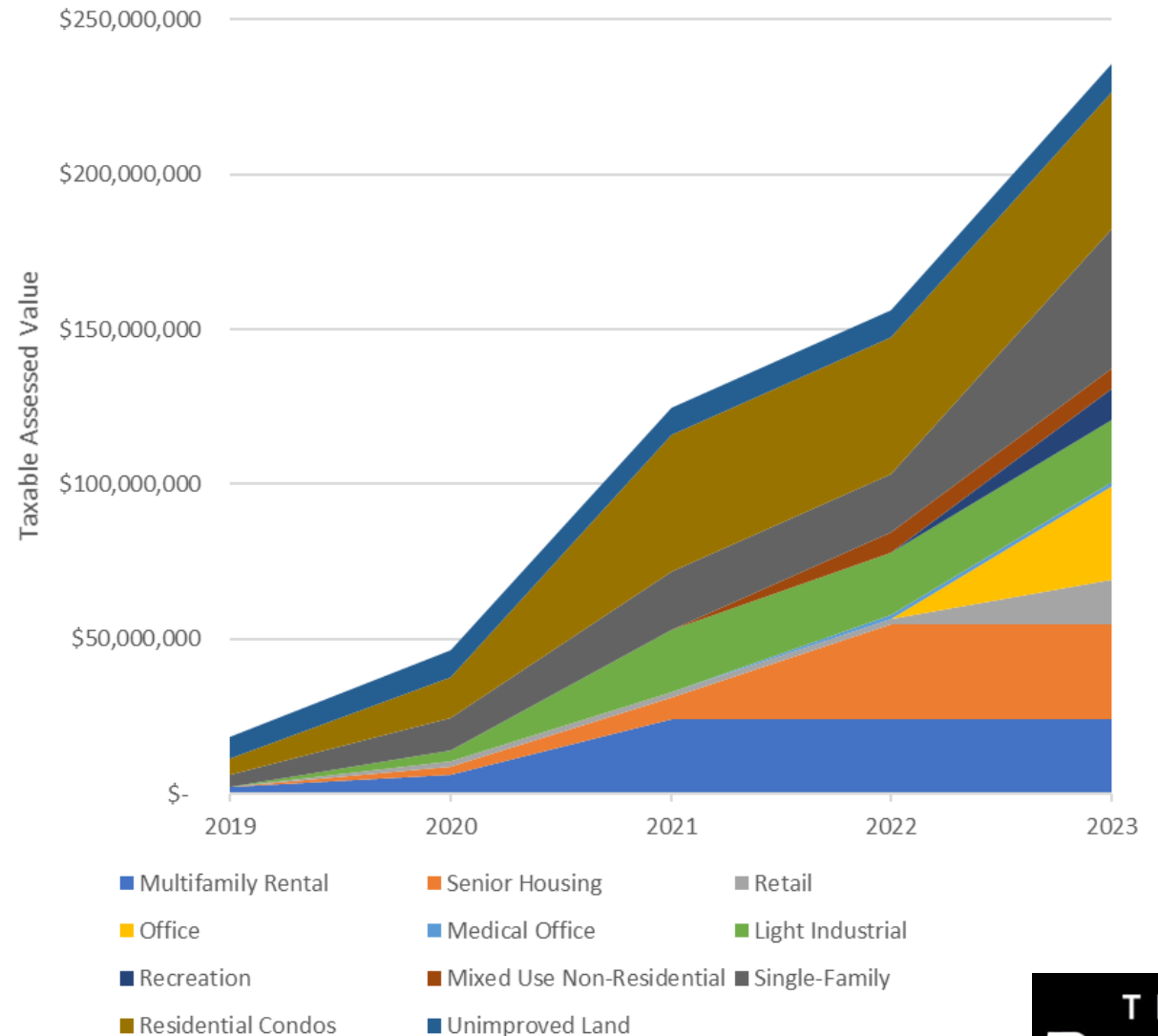
Including Non-residential & Residential

The Downs has already created significant value and will rise rapidly over the next three years

Value including completed through pipeline in planning and design:

- \$46 million value as of March 31, '20
- Increasing to \$235 million by end of 2023
  - Representing an estimated 4%+ of the Town's total taxable valuation

Cumulative Taxable Assessed Value  
by Development Type and Year,  
Past and Pipeline



# Economic Engine - Cascading Effects of The Downs

## Direct Spending to Date (thru Aug '20)

Local Business Spending, Pct. of Total		
Location	Business Spending	Pct. of Total
Scarborough	\$ 9,209,167	19.1%
Cumberland County*	\$ 39,804,872	82.4%
York County	\$ 3,965,431	8.2%
Maine	\$ 47,410,620	98.2%
Total	\$ 48,284,338	100.0%

\*Cumberland County spending includes Scarborough

Source: Crossroads Holdings LLC

- To date, over \$48 million has been spent on development
- \$42 million to businesses in Cumberland and York counties
- \$9 million to Scarborough-based businesses (58 in Scarborough)

**All creating economic opportunity for Scarborough**

# Economic Engine - Cascading Effects of The Downs

## Direct and Indirect - Spending Impacts

Economic Impact of Construction Spending	
Sales To Businesses	
Direct	\$48,284,338
Indirect	\$32,804,680
<b>Total</b>	<b>\$81,089,018</b>
Multiplier	1.68

*Source: Emsi*

- The \$48 million spent on development further circulates in the local and regional economy resulting in an **additional \$33 million** in spending, for a total impact of **\$81 million**

# Town Impact & Mitigation Fees

(Paid & Forecasted in Pipeline through '23)

## Traffic Mitigation

- Traffic Impact Fees Paid as of March 31<sup>st</sup> - **\$110,775**
- Traffic Impact Fees for Development in Pipeline - **\$461,138**
- Value of Off-Site Improvements Scheduled - Next 6 months - **\$306,433**
- Transit Expansion Contribution - **\$15,000**

## School Impact Fees

- School Impact Fees Paid as of March 31<sup>st</sup> - **\$252,590**
- School Impact Fees for Dev Pipeline - **\$736,640**

## Recreation Fee Contributions

- Rec Fees Paid as of March 31<sup>st</sup> - **\$63,000**
- Rec Fees for Dev Pipeline - **\$172,000**

Town Impact Fees Paid - \$426,365  
Town Impact Fees for Pipeline - \$1,369,778  
Off-Site Trans. Improvements - \$321,433  
Total Town Mitigation - \$2,117,576

Sanitary District Capacity Reserve Fee (Impact Fee) - Paid as of March 31<sup>st</sup> - \$91,462  
Fee Forecast for Dev Pipeline - \$1.75M - \$2.25M

Total Impact Fees  
to Town & SSD -  
\$4.35M through  
2023

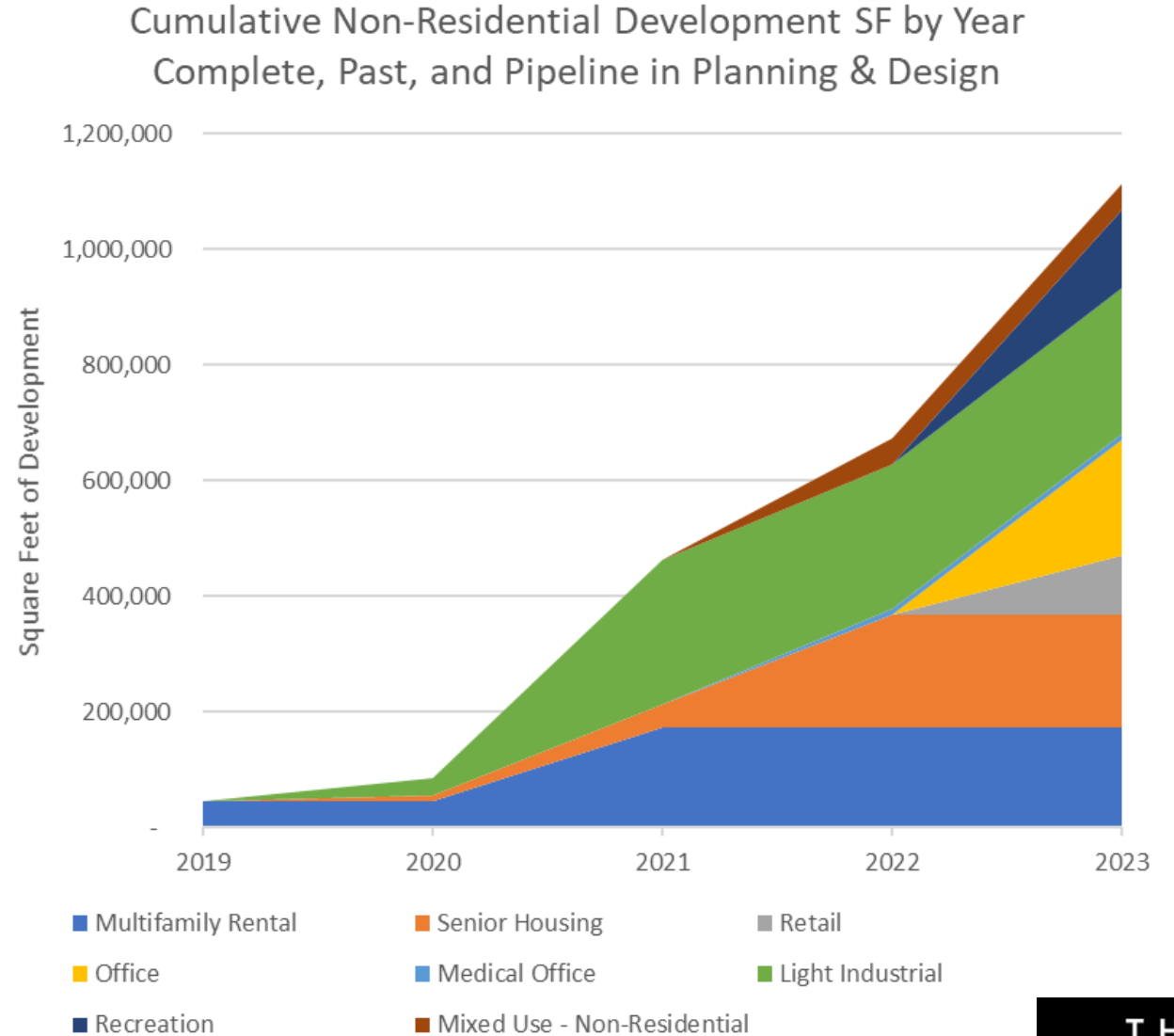


# **Non-Residential Development**

---

# Non-Residential | Cumulative Buildout

- Development in pipeline will be increasing significantly reaching over 1.1 million SF by the end of 2023
- By 2023 we will be well in excess of 500,000 SF required per CEA by 2029
- Need exists for additional Town staff support to capitalize on economic potential



# Non-Residential Development Status

August 2020 through end of 2023

Non-Residential Development by Development Phase and Type (SF), August 2020 Status						
Type of Development	Completed	Under Construction	Approved	In Permitting	Pipeline in Planing & Design	Grand Total
Light Industrial	29,387	34,602	12,355	123,696	50,000	250,040
Office					200,000	200,000
Retail					103,500	103,500
Medical Office					10,000	10,000
Recreation					135,000	135,000
Mixed Use Non-Residential					45,000	45,000
Senior Housing	9,652		60,100		125,000	194,752
Multifamily Rental	46,080			62,696	65,000	173,776
<b>Total Non-Residential</b>	<b>85,119</b>	<b>34,602</b>	<b>72,455</b>	<b>186,392</b>	<b>733,500</b>	<b>1,112,068</b>

Source: Crossroads Holdings LLC

- 1.1 million+ SF of non-residential including completed through development pipeline

# Non-Residential | Covid-19 Historic Market Shifts

- Covid has created increased demand for warehouse and distribution, grocery will remain strong.
- Restaurants, hospitality, general retail and office, and indoor recreation are particularly hard hit and will take time to recover.
- **We must change with the times to meet demand market. This will require zoning changes to capitalize on including allowing warehouse and distribution, and restaurant drive thru.**

Use Type	Impact of Covid-19
Grocery Retail	↑
Restaurants	↓
Hospitality	↓
General Retail	↓
General Office	↓
Medical Office	↔
Indoor Recreation	↓
Light Industrial	↔
Warehouse & Distribution	↑

## WEX Office

- Proceeding - but with delay
- State & Federal permitting on-track - Oct. '20 permits
- Local subdivision for WEX lot under review
- Permitting & construction schedule = late 2022 building delivery

## ESG Sports Complex

- Need update on Town Process/outcome
- Facility design to be adapted based on Town decisions & Covid-19 implications
- Covid-19 creating Est.12-Month Delay

# The Downtown

---

# CEA Required | Downtown Planning

- Section 8.14 of the CEA requires the Town to undertake a public process to define and refine the elements and costs of a Downtown within the project by March 31, 2024
- The Developer has agreed to reserve land within the project for a suitable Downtown until that time. We have identified an area within the project for a suitable Downtown (shown on the next slide) and intend to develop a Downtown within that location as part of the master plan
- The Town is establishing a committee and the Developer is looking forward to working with that Committee to hear its ideas for this portion of the project



# CEA Required | Downtown Planning





# Residential Development

---

# Residential Dwelling Units / Assisted Beds - Complete thru Pipeline

## August 2020 thru end of 2023

Dwelling Units/Assisted Living Beds by Development Status and Type (Units), August 2020 Status						
Type of Development	Completed	Under Construction	Approved	In Permitting	Pipeline in Planning & Design	Grand Total
Single-Family	30		23		75	128
Residential Condos	48		24		84	156
Multifamily Rental	48			66	72	186
Senior Housing			77			77
Continuing Care /Assisted Living Beds	12				125	137
<b>Total</b>	<b>138</b>	<b>0</b>	<b>124</b>	<b>66</b>	<b>356</b>	<b>684</b>

Source: Crossroads Holdings LLC

- 138 dwelling units/beds complete to date with an additional 546 on the horizon through end of 2023. Majority (81%) are senior, assisted living, multi-family, and condos

# School Impacts

---

# School Impacts | Actual Mill Commons School-Age Children

Children in Mill Village Units					
	Dwelling Units	Total School-Age (5-17)	School-Age Children per Unit	Actual School Enrollment to Date	Actual Enrollment per Unit
				<i>Source: School Dept.</i>	
Single-Family	30	20	0.667	12	0.400
Duplex Condos	16	1	0.063	1	0.063
Garden Condos	32	3	0.094	1	0.031
1-BR Apartments	24	0	0.000	0	0.000
2-BR Apartments	24	3	0.125	1	0.042
Total	126	27	0.214	15	0.119

*Source: Downs Sales Team; Camoin 310; Town of Scarborough School Dept.*

- Condos and apartments generate very few school-age children (Less than 0.08 school-aged per dwelling unit)
- Single-family homes contribute 2/3rds of a school-age child per unit (and 0.4 currently enrolled)

# CEA Required School Sites

- Section 8.16 of the CEA requires the Town to engage in a public process to define and refine the elements and costs of a school building project to be located within the project before March 31, 2024
- The Developer has agreed to reserve land within the project for a site suitable for a school until that time. We have identified two potential sites within the project that are suitable for a school (shown on the next slide) as part of the master plan
- The Developer is looking forward to working with the Town's Committee to hear its ideas for this portion of the project



## 22



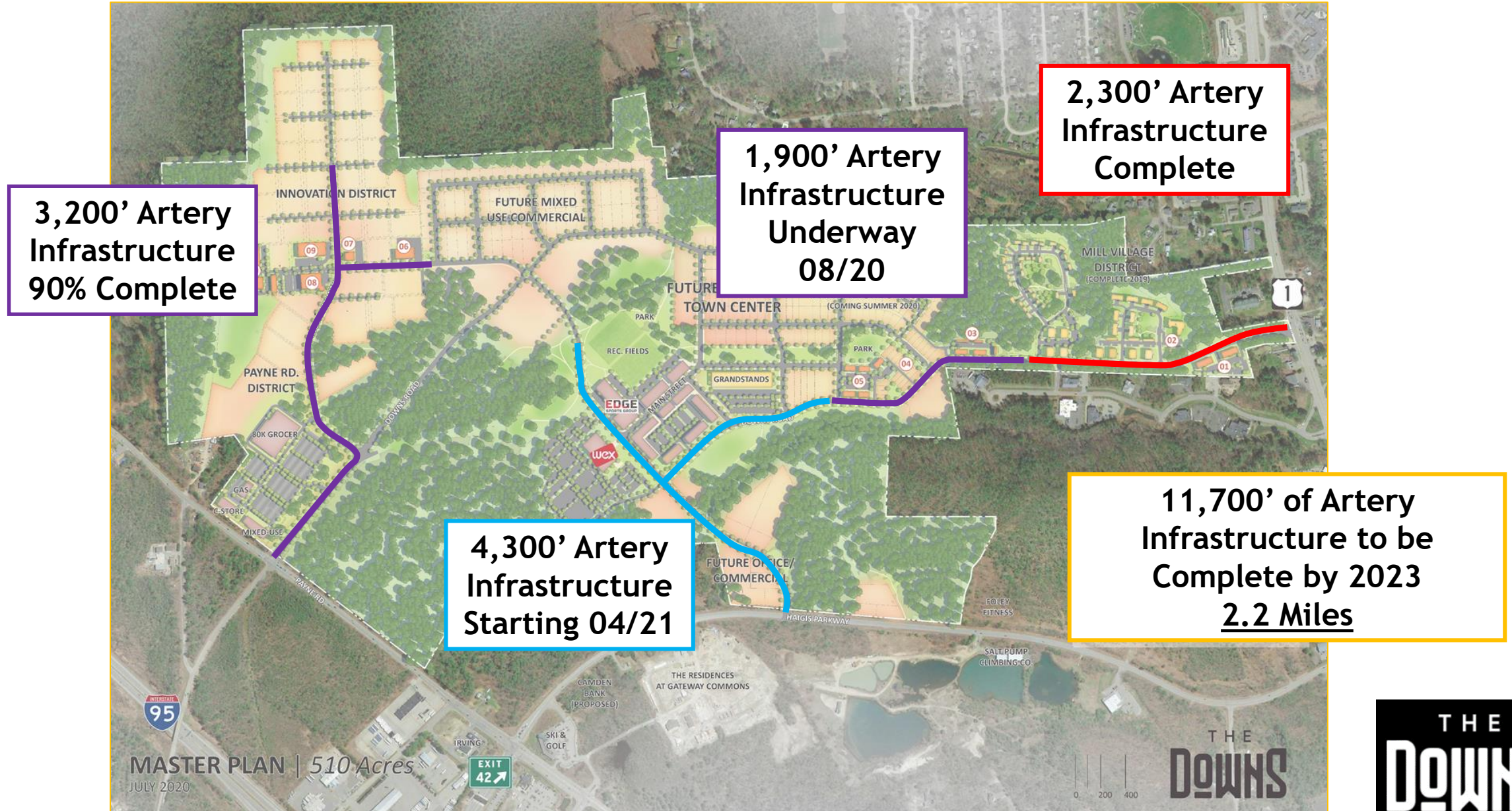
**4-6 acre site for individual primary school program**

# Infrastructure & Planning

---

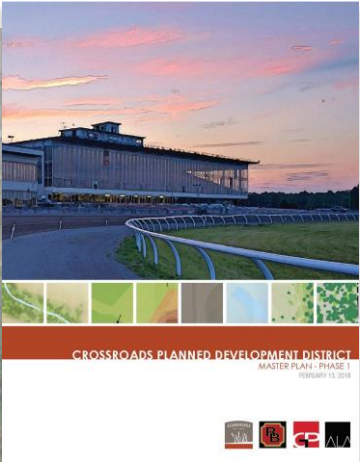
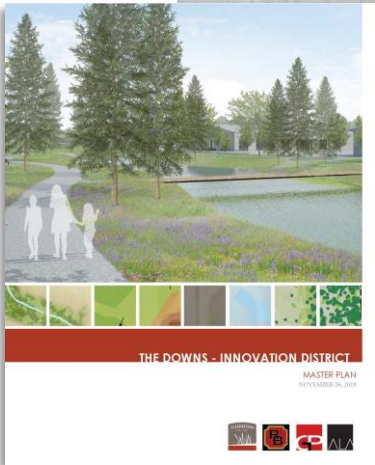


# Infrastructure | Complete / Under Construction / Planned / Pipeline

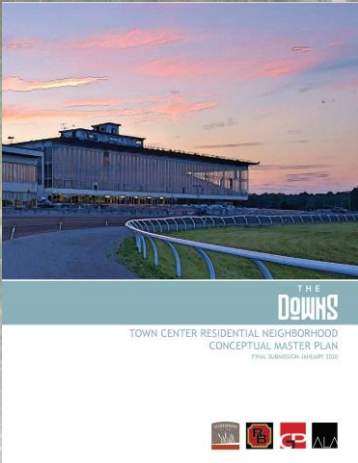
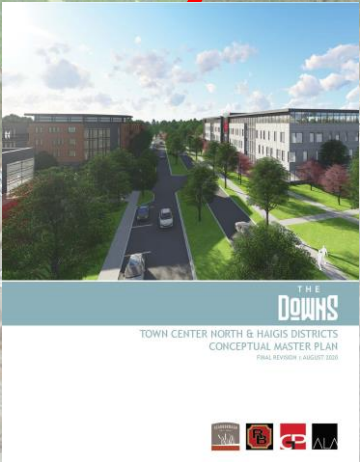




# Planning & Zoning | Conceptual Master Plans



425 +/- Acres of 525 Acre Site - Master Planning Approvals in Place



MASTER PLAN | 510 Acres  
JULY 2020

THE  
DOWNS

# Key Elements | Downs Model Planned Development

- Residential housing mix - Critical to attracting commercial / light industrial end users & economic development
- 90 Affordable Housing units created (13 occupied, 77 slated for construction)
- Complete streets & walkable design - Key to promoting alternative transportation & reducing traffic impacts
- Mixed Use Design - Catalyst for economic development, diversity & response to demand market
- Live, Work & Play Community - Balanced project with economic development, housing & open space / trails

# Key Take-Aways

---

# Key Take-Aways | Tax Value & Economic Engine

- Developer Financed Infrastructure, efficient / mixed use design, & extensive impact fees - Mitigates All Municipal Risk
- \$46M in value as of March 31<sup>st</sup> '20 - 2<sup>nd</sup> largest revenue generator in Scarborough
- 3-Year pipeline on pace for 1.1M SF of non-residential development & \$235M in Value
- \$48M+ Spent on development & local / regional economy - activating \$33M more in business spending - totaling \$81M in Economic Activity (as of Aug '20)
- Commercial / Light Industrial require speed to market, permitting predictability & zoning changes to respond to market shifts

# Next Steps | Town Collaboration

- Predictable, streamlined / administrative review for light industrial development
- Collaboration on zoning updates to be responsive to Covid-19 impacts & market demand
- Development review staffing to keep pace with economic demand
- Continued predictability for residential development @ The Downs
- Collaboration to continue to make The Downs & the Town of Scarborough a special place to Live, Work & Play

# Q&A

---

THE  
**Downs**  
*LIVE.WORK.PLAY.*