

# THE DOWNS

*LIVE. WORK. PLAY.*

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*Development Status Update to the Town of Scarborough  
September 1, 2021*

# Presentation Overview

- CEA REQUIREMENTS
  - NON-RESIDENTIAL STATUS
  - INFRASTRUCTURE
  - '22 OUTLOOK
  - RESTRICTIONS
  - TOWN COMMITTEES
- KEY TAKEAWAYS
  - DOWNTOWN ACTIVATION
  - TRANSPORTATION PARTNERSHIP
  - GROWTH MANAGEMENT RESTRICTIONS
  - OTHER RESTRICTIONS
- Q&A

# CEA REQUIREMENTS

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# CEA Progress Update

Section 8.13 requires Developer to make annual report in Years 1 - 4 on:

- Percent completion toward next applicable performance measure
- Assessment of infrastructure buildout
- Outlook of work to be accomplished before next annual update
- Conditions restricting non-residential development
- Conditions restricting progress toward fulfilling requirements in 2.3(b)(2), 2.3(b)(3) and 2.3(b)(5)

Section 8.13 requires Town to make annual report in Years 1 - 5 on:

- Progress made on public process for Downtown
- Progress made on public process for Community Center

# CEA Requirement | Non-Residential

**Requirement:** 500,000 sq. ft. by March 31, 2029

***Percent completion toward requirement as of March 31, 2021: 131%***

- 85,472 sq. ft. completed
- 365,167 sq. ft. under construction
- 206,860 sq. ft. in permitting (*P&S agreements in place*)

■ 500,000 SF by 2029

Requirement Met in 2021  
(will be fully constructed by 2022)

■ 900,000 SF by 2034

Requirement Projected to be Met in  
2023

# CEA Requirement | Infrastructure

**Requirement: Enabling roads, utilities & site prep necessary to serve non-residential development completed & sized to serve future development.**

*Enabling infrastructure completion toward requirement as of March 31, 2021:*

- Downs Rd – Phase 1 (complete) - 2,300 ft roadway including enabling sewer, water, electric, gas & fiber
- Downs Rd – Payne to Innovation - 1,500 ft roadway including enabling water line, three-phase power, gas, & fiber
- Innovation District (90% complete) - 1,700 ft roadway
- Innovation District (90% complete) - 2,800 ft artery water, 3,500 ft artery sewer, three-phase power, gas, and fiber
- Innovation District (90% complete) - enabling site prep
- Downs Rd/Frontrunner – TCR (underway) - 2,600 ft roadway including enabling sewer, water, electric, gas & fiber



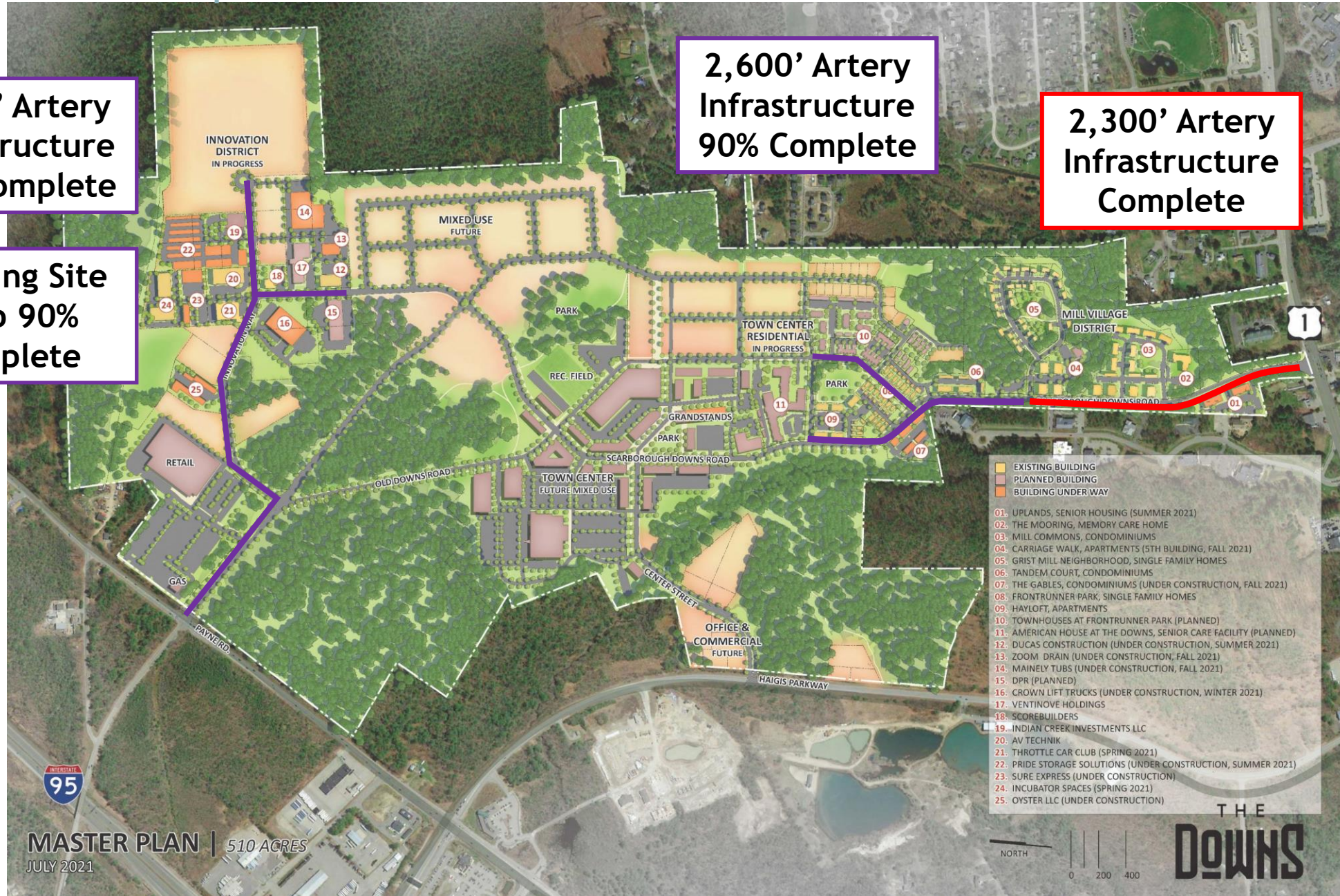
# Infrastructure | Complete / Under Construction

3,200' Artery Infrastructure  
90% Complete

Enabling Site  
Prep 90%  
Complete

2,600' Artery Infrastructure  
90% Complete

2,300' Artery Infrastructure  
Complete





# CEA Requirement | Outlook to 2022

- Non-residential square footage to be completed by March 2022:
  - Light Industrial/Commercial Buildings – 242,515 +/- SF
  - Apartments / Mixed Use – 58,000 +/- SF
  - Senior Rental Housing – 30,050 +/- SF
- Infrastructure to be completed by March 2022:
  - Innovation District – completion of Phases 1 & 2 Infrastructure (roads, water, sewer, electricity, natural gas, fiber & off-site improvements)
  - Downs Rd and Frontrunner Ave– completion of roadways 2,600 ft toward town center & associated enabling utilities



# Non-Residential Development Status

2019 through end of 2023

Cumulative Non-Residential Development SF by Year Complete, Past and Pipeline					
	2019	2020	2021	2022	2023
Light Industrial	-	24,510	181,627	342,127	742,127
Retail	-	-	-	-	163,000
Medical Office	-	5,500	5,500	5,500	5,500
Other Commercial	-	-	80,000	80,000	85,000
Multifamily Rental	46,080	46,080	116,440	149,440	149,440
Senior Rental	-	-	30,050	60,100	60,100
Continuing Care/Assisted Living	-	9,562	9,562	9,562	163,562
<b>Total Non-Residential</b>	<b>46,080</b>	<b>85,652</b>	<b>423,179</b>	<b>646,729</b>	<b>1,368,729</b>

- 1.37 million+ SF of non-residential to be completed through '23 development pipeline

# Non-Residential Development Forecast

## '20 vs. '21 Forecasts

Type of Development	Completed	Under Construction	Approved	In Permitting	Pipeline in Planning & 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>733,000</b>	<b>1,112,068</b>

Source: Crossroads Holdings LLC

Type of Development	Complete	Under Construction	Approved	In Permitting	Pipeline in Planning & Design	Grand Total
Light Industrial	77,112	144,515	65,500	-	455,000	742,127
Office	-	-	-	-	-	-
Retail	-	-	-	-	163,000	163,000
Medical Office	5,500	-	-	-	-	5,500
Recreation	-	-	-	-	-	-
Other Commercial	-	80,000	-	-	5,000	85,000
Senior Rental	-	30,050	30,050	-	-	60,100
Continuing Care/Assisted Living	9,562	-	-	154,000	-	163,562
Multifamily Rental	46,080	55,000	15,360	33,000	-	149,440
<b>Total Non-Residential</b>	<b>92,174</b>	<b>254,565</b>	<b>95,550</b>	<b>154,000</b>	<b>613,000</b>	<b>1,368,729</b>

- Non-Residential Forecast Consistent with & Exceeding '20 Projections

# CEA Requirement | Conditions Restricting Development

## Conditions restricting progress toward achievement of additional non-residential development and Downtown:

- COVID19 Pandemic – impact on office, retail and entertainment sectors
- Town's Growth Management Ordinance – residential development and associated growth permits are necessary to finance and complete infrastructure supporting non-residential development areas, offsite transportation improvements and attract commercial users like retail, restaurants and entertainment in the Downtown. Exemption from the new GMO will be necessary for the project to continue.
- Local and State review and permitting timelines.
- Rising construction costs and limited construction labor market

# CEA Requirement | Town Committees

## Requirement:

- Town to undertake public process by March 31, 2024
- Developer to participate in public processes

## Downtown:

- Committee work expected to be complete in September 2021

## Community Center:

- Committee completed draft report in February 2020 - report review & Council action remains incomplete

## School:

- Process has not commenced

# **KEY TAKEAWAYS - TO CONTINUE SUCCESS**

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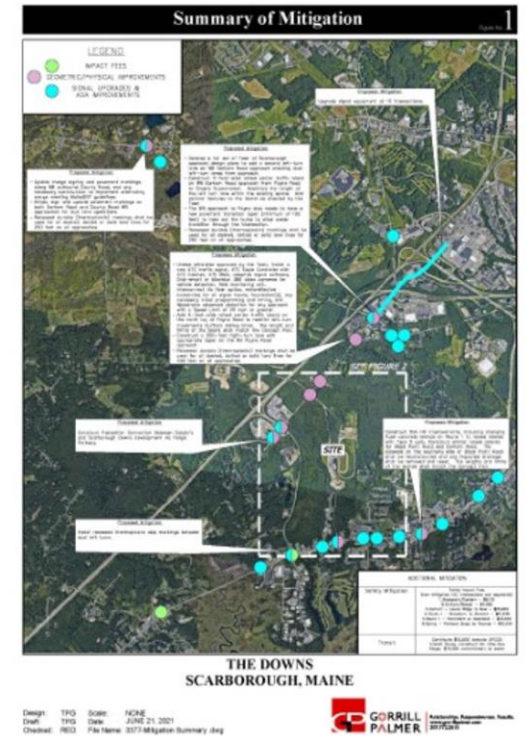
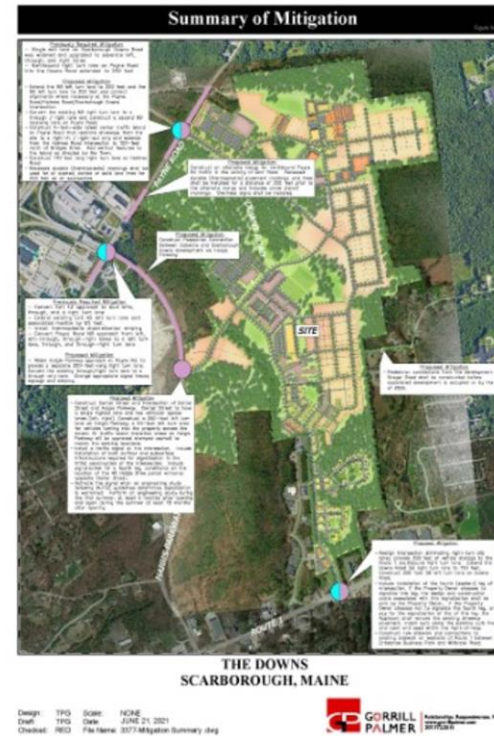
# Downtown | Activation

- Very Successful Downtown Committee Process - Identified New Vision, Plan & Key Elements to Activate a New Downtown as well as Important Development Restrictions that Need to be Addressed
- Planning, Financing & Building a New Downtown is a Tremendous Task Requiring Clear Alignment with Local Ordinances, Policies & Investments
- Key Elements to Activate Downtown  
(Provided by National Planning Consultants):
  - 1000 Housing Units w/in 5 Minute Walk
  - Grocery/Anchor Retail
  - Sports & Recreation Anchor
  - Civic Destinations - i.e. Community Center
  - Activated Grandstand & Green - i.e. Placemaking
  - Compact, Pedestrian Design



# Transportation | Partnership

- Traffic Permit includes Comprehensive Improvement Plan (6 Corridors & 37 Intersections)
- Addresses Longstanding Town Traffic Congestion Issues & Deficiencies That Haven't Been Completed by Town
- Town Impact Fee Funds Needed for to Pay for Town's Share of Improvements
- Improvements Also Address Future Project Traffic Impacts Over Next 5-10 Years of Planned Project Buildout
- Project Cannot Finance & Build Improvements without GMO Exemption that enables the Planned Buildout that has Just Been Permitted by the TMP





# Restrictions | Growth Management Ordinance

- The GMO as Amended in June Now Restricts the Crossroads District from Developing the Type & Pace of Housing Necessary to Proceed Further with the Project:



# Restrictions | Growth Management Ordinance

- These GMO Restrictions Prevent:
  - Proceeding Further with Planning, Financing & Construction of the Downtown
  - Proceeding with the Development Approved by the Maine DOT Under the TMP & the Ability to Finance the Required Improvements
  - The Ability to Construct the Type of Attached Housing Allowed in the CPD District
- GMO Exemption is Necessary for the Downs Project to Continue

# Additional Restrictions

- Street Acceptance Ordinance Amendments Necessary to Allow for Pedestrian-Friendly Street Design with Traffic Calming / Speed Reduction / Compact Development Etc.
- Future Ordinance & Policy Amendments to be Identified During the Downtown Design / Construction Process
- Town Level Staffing for On-going & Future Review
- Consultant Assistance to Aid Town Council & Staff with Downs Project



# Q&A

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**Downs**  
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# APPENDIX

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# Overview of Additional Updates - i.e. the “Notables”

- Local & Regional Economic Engine
- Local Tax Revenue Generator
- Non-Residential Development
  - Success of Innovation District - Maine’s LI Hub
  - Meeting Projections
  - A Balanced Mix

**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 2021 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 (i.e. Under Contract)
- What's not included is development planned in and around the Downtown and associated next phases

# ECONOMIC ENGINE

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# Economic Engine - Cascading Effects of The Downs

## Direct & Indirect Spending to Date (thru Aug '21)

Local Vendor Spending through Aug. 2021		
Location	Vendor Spending	Pct. of Total
Scarborough	\$ 13,883,954	18%
Cumberland County*	\$ 50,685,425	64%
York County	\$ 9,533,008	12%
Maine	\$ 62,588,503	79%
Total	\$ 79,201,277	100%

\*Cumberland County spending includes Scarborough

Source: Crossroads Holdings LLC

- To date, over \$79 million has been spent on outside vendors by Crossroads & related entities at the Downs
- \$60 million to businesses in Cumberland & York counties
- \$14 million to Scarborough-based businesses (58 in Scarborough)
- The **\$62,588,503** in vendor spending within Maine results in another **\$42,560,182** in sales at businesses throughout Maine, for a **total statewide impact of \$105,148,685 in business sales.**

# **MUNICIPAL TAX REVENUE GENERATOR**

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# Property Tax Value of The Downs

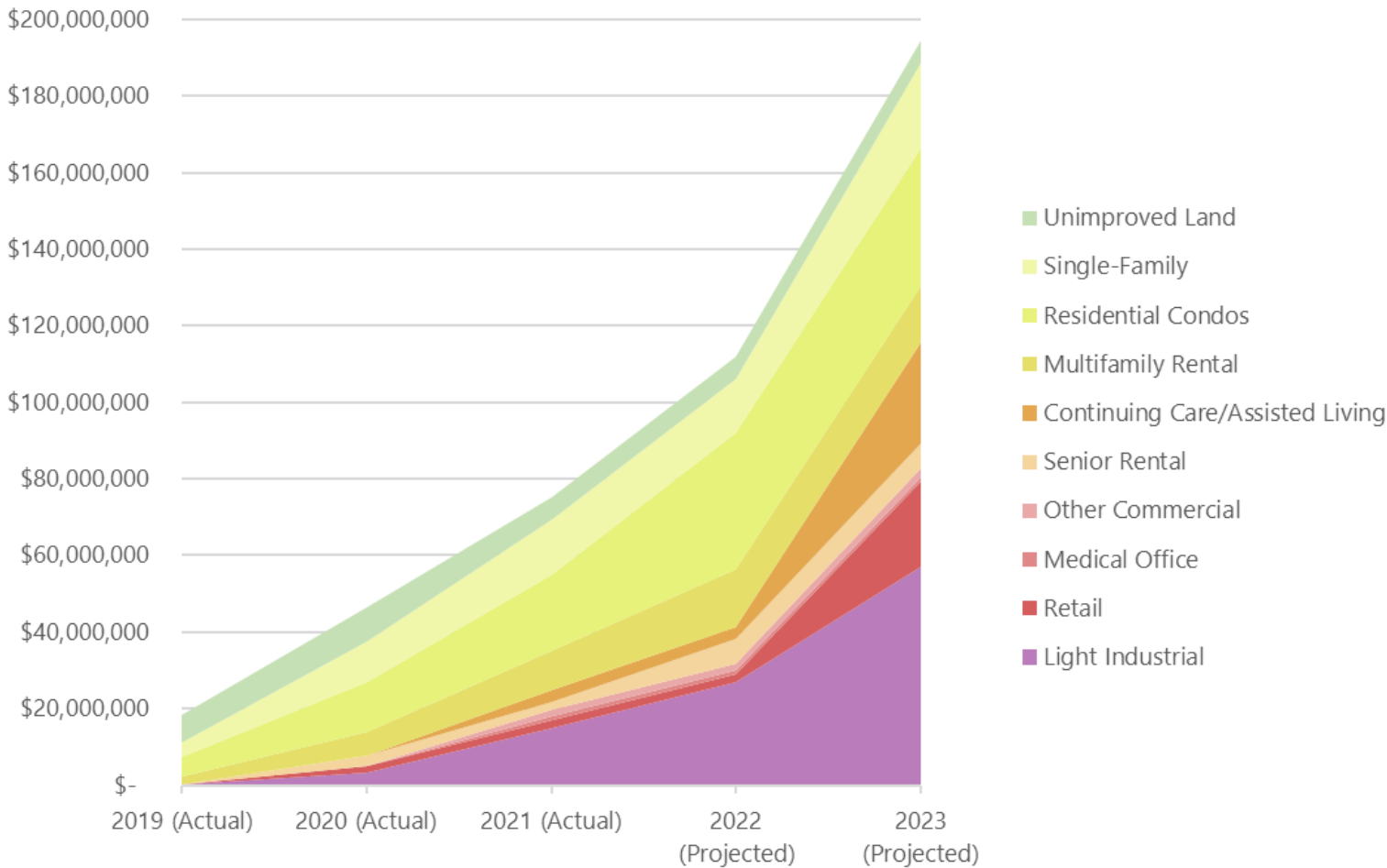
Including Non-residential & Residential

The Downs is creating significant, unprecedented tax value - rising rapidly consistent with projections

Value including completed through pipeline in planning and design:

- \$75 million value as of March 31, '21
- Increasing to at least \$194 million by end of 2023
  - Representing an estimated 4%+ of the Town's total taxable valuation
  - Excluding Additional Value Planned with the Downtown

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

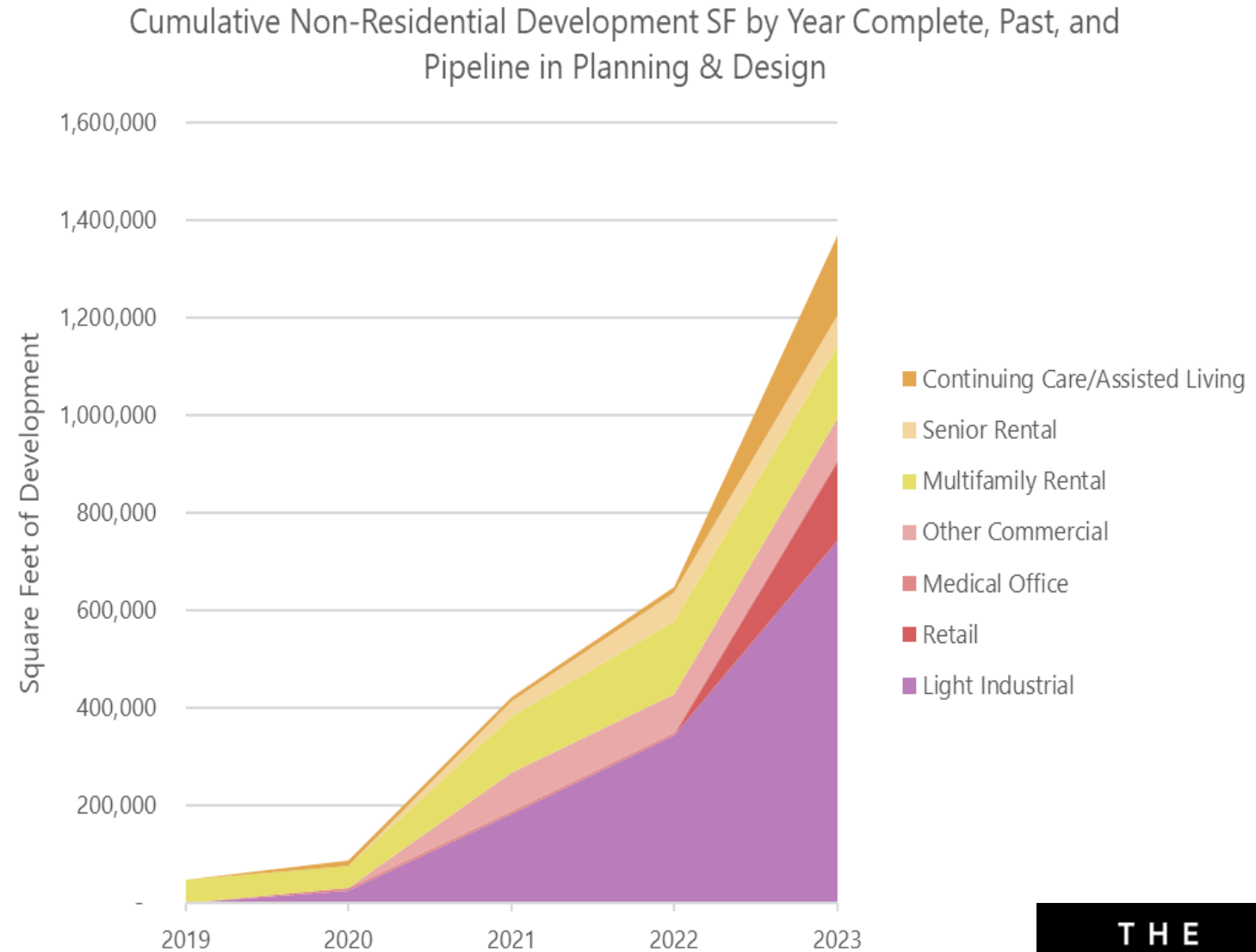


# **NON-RESIDENTIAL DEVELOPMENT**

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# Non-Residential | Cumulative Buildout

- Non-Res Development that is currently complete & under construction totals over 450,000 SF
- By 2022 Downs will be in excess of 600,000 SF & in excess of 1,300,000 SF by 2023
- Innovation District will make up 830,500 SF of this total (60+%)





# Non-Residential Development Forecast

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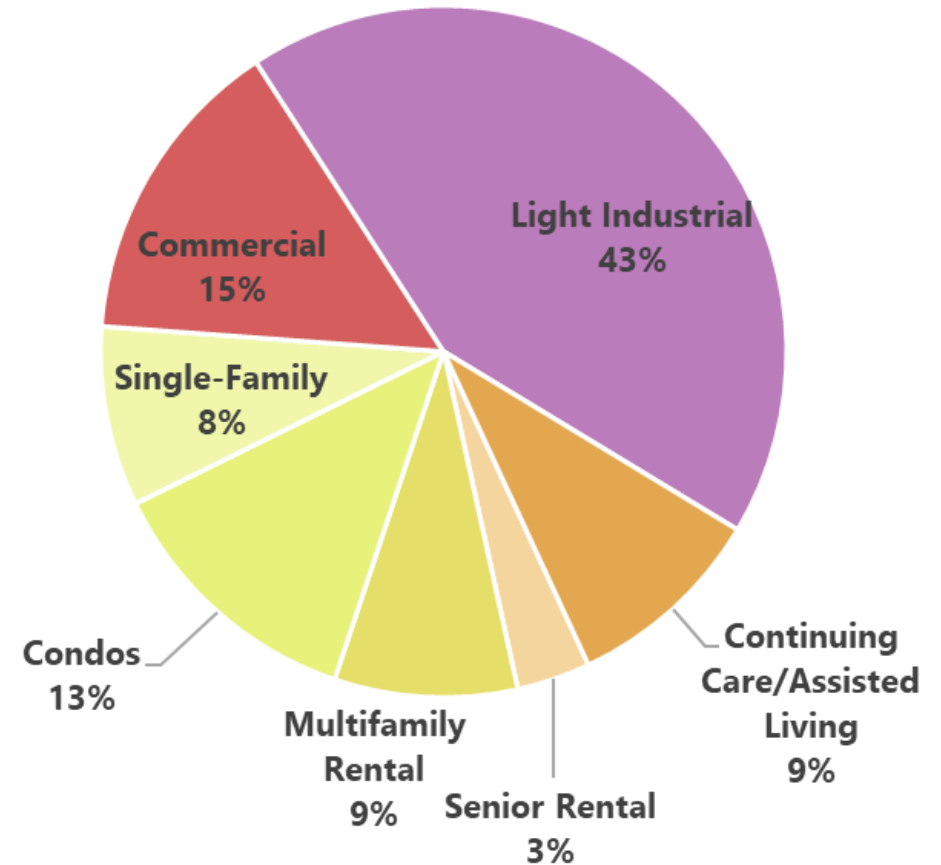
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# Balanced | Land Use Mix

## Square Footage By 2023:

■ Commercial/LI	58%
■ Multi-Family Condo	13%
■ Senior & Assisted Living	12%
■ Multi-Family Apartment	9%
■ Single-Family	8%

Building Square Footage by Use Type,  
2023 Projected Buildout



Commercial includes retail, medical office, and mixed-use

\*Does Not Include Downtown Activation