

**Mason-Motz**  
(Community Services)

**Playground**

**Multi-Use Playfield**

**Terrace**

**Proposed Addition**

**Plummer**  
(Residential Apartments)

**Village Green**  
(Landscape & Trails)

50'±

49'±

52'±

88'±

25'±

24'±

66'±

122'±

24'±

20'±

26'±

50'±

195'±





# Tax for Smaller Project (28 units)

- Assumed value @ \$200K/unit = \$5.6M
- Estimated taxes @ \$14.63/\$1,000 = \$81,928/year
- Net gain for Town w/o Affordable Housing TIF (35%)= +/- \$28,674/year

# Taxes for Larger Project (6 additional units)

- Assumed additional value @ \$200K/unit = \$1.2M
- Estimated additional taxes @ \$14.63/\$1,000 = \$17,556/year
- Net additional gain for Town w/o Affordable Housing TIF (35%) = +/- \$6,145/year

# What is Affordable Housing TIF?

= Financing tool for affordable housing projects and related infrastructure

- Works same as conventional TIF:
  - all, or a portion of, new taxes from an affordable housing project are set aside
  - for up to 30 years
  - to be used for specific, eligible affordable housing purposes
  - Requires Town + MaineHousing approval
- Falmouth Benefit = TIF funds are worth triple the value as the assessed value of the new project is not included in total assessed value of the Town

# Affordable Housing TIF Requirements

- Min. 1/3 of new housing units must be for households earning no more than 120% of Area Median Income (AMI)
  - In Falmouth for family of two
    - 120% AMI = \$74,100
    - 80% AMI = \$49,400
    - 50% AMI = \$30,850
- Rental: Maintain for min. 30 years
- Ownership: Maintain for min. 10 years
- Town has flexibility to determine the appropriate means for ensuring affordability for the required time

# TIF District

- the geographical limit of the affordable housing project (Plummer building)
- plus other parcels, such as Mason-Motz Activity Center



# Eligible Uses of Affordable Housing TIF

## Funds include:

- Already projected capital expenses at Mason-Motz Activity Center
- Underwrite operational expenses (such as staffing) at Mason-Motz Activity Center
- Subsidize operational expenses for Plummer Housing that will result in a contractually agreed-upon rental subsidy for residents (“CEA”)

# Affordable Housing TIF

Net gain for Town w/ TIF:

- Smaller project = \$81,928/year
- Larger project additional gain = \$17,556/year

If TIF is for 30 years, then net additional tax gain would be \$527,580 in exchange of portion of Town land

# Example of Possible Use of TIF funds

## 28 units: \$81,928/year

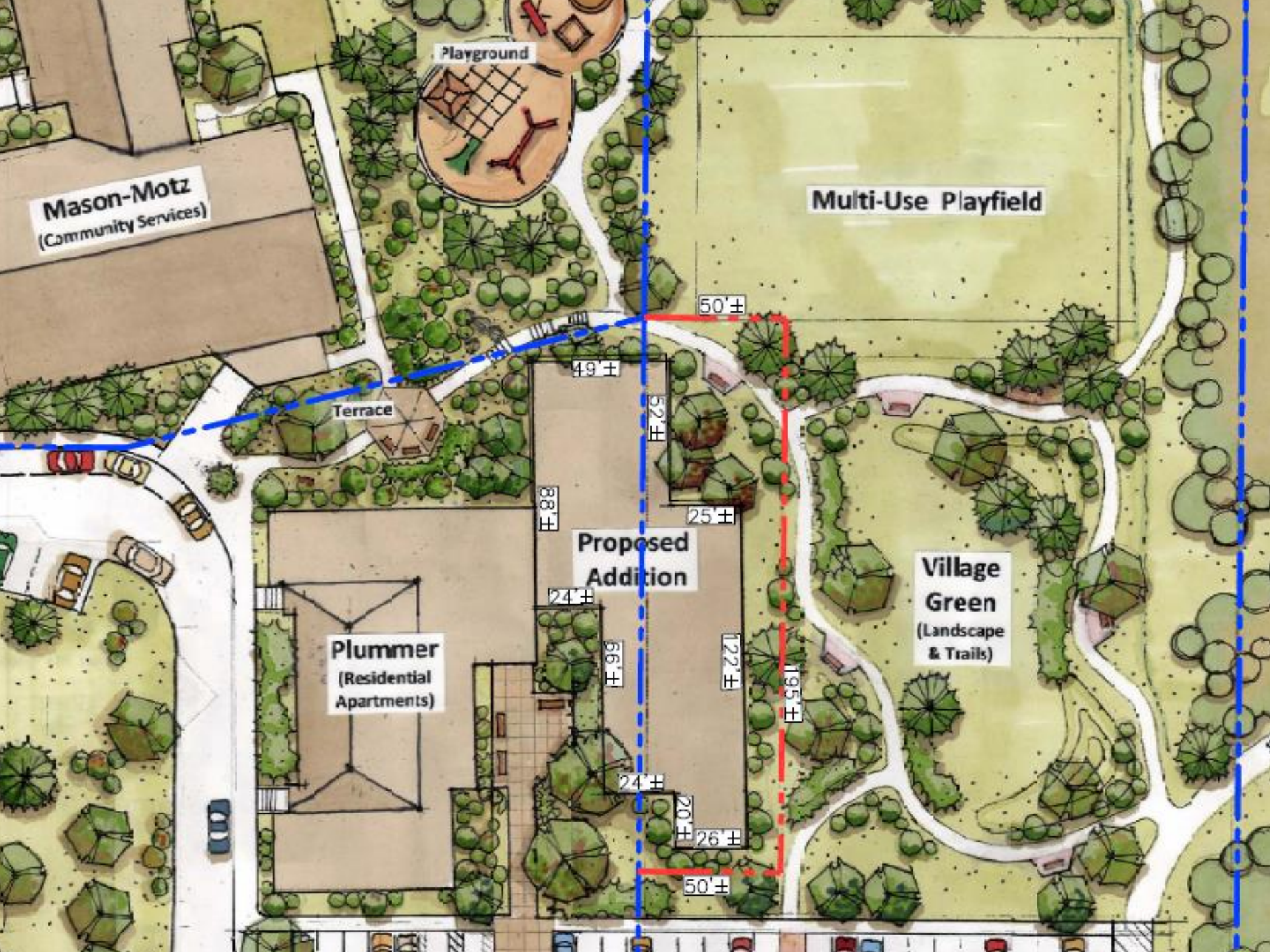
- 1/3 for Mason-Motz capital (\$27,000)
- 1/3 for Mason-Motz operations (\$27,000)
- 1/3 for Plummer rental subsidy (\$27,928 = \$232/month for 10 apartments)

## 34 units: \$99,484

- 1/3 for Mason-Motz capital (\$33,000)
- 1/3 for Mason-Motz operations (\$33,000)
- 1/3 for Plummer rental subsidy (\$33,484 = \$279/month for 10 apartments)

# TIF considerations

- Project expenses can be tailored in type and amount by year
- Rental subsidy amounts can be tailored by year



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