

Stevens Commons senior housing project given site plan extension

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By Sam Shepherd

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HALLOWELL — The senior housing development in Stevens Commons will take a little longer than expected after some delays in funding.

Portland-based affordable housing developer Community Housing of Maine was granted two six-month site plan extension by planning officials unanimously on Wednesday while it seeks a federal tax credit for affordable housing through the Maine Housing Authority.

If the new projected timeline is met, construction of the project will start early next year. Work previously was scheduled to begin this September.

An Aug. 2 letter from CHOM development officer Bree LaCasse asked for the extensions because the site plan for the project is due to expire Sept. 20.

LaCasse said one of the primary sources of financing for the proposed project — dubbed Central Commons — is the Low Income Housing Tax Credit, a federal program that runs through the Maine Housing Authority.

Maine Housing Authority spokesperson Deborah Turcotte said there are two Low Income Housing Tax Credits: 4 percent and 9 percent. CHOM initially applied for the 9 percent credit, which is highly competitive, and was not granted funding.

While applications for that credit usually are accepted in the fall, they were delayed until March because of an uncertain equity market. The credit is given to developers to sell to investors, and the resulting money is used as equity in the project,

About a month later, CHOM applied for the less competitive 4 percent credit. Turcotte said CHOM has been approved to continue work on its financial plan and scope of work before the credit is formally released. She said the funding should be wrapped up, allowing construction

to begin, in the “late winter or early spring.”

The developers signed a purchase option in April 2017 to restore 25,000-square-foot building, which CHOM Development Director Erin Cooperider said in April 2017 would cost about \$3.5 million to undertake. The project was approved by the planning officials on Sept. 20, 2017.

There will be 29 total units of permanent affordable housing for seniors 55 and older.

The master plan for the Stevens Commons project said that the Central Building “remains in the best conditions of all the building on campus.” One of the options listed in the plan was affordable housing for the “55-plus age group.”

Developers that apply for the housing credit must reserve a portion of the units in the development for lower-income renters, according to the Maine Housing Authority website. Each application is scored according to set of guidelines and credits are given out to the highest scoring project, according to Turcotte.

LaCasse said in February the development would include 13 studio and one-bedroom units available to residents with incomes 50 percent or less of the area median income — about \$22,000 for an individual and about \$25,000 for a family of two. The remaining 16 one-bedroom units would be available to people with incomes 60 percent or less of the area median income — about \$26,000 for an individual and about \$30,000 for a family of two.

She also said homeless veterans will be given preference in 20 percent of the units.

CHOM already has been given a tax deal in Hallowell. In February, city councilors approved a fixed tax rate of \$17,400 for 20 years. The tax credit would free up money to help maintain the property.

Councilor George Lapointe said Wednesday he supported the tax deal, despite the city losing property tax income, because it could push more development at Stevens Commons. Further, he said the development fits with the city’s comprehensive plan that stipulates that 10 percent of all new housing be affordable.

Matt Morrill, of Mastway Development, purchased the 53-acre Stevens Commons from the state for \$215,000 in 2016. The name “Stevens Commons” is a tribute to the Stevens School, which was built there in the 1870s as a girls’ school, and more recently occupied by state offices and other agencies.

The city has given Morrill a \$238,000 forgivable loan and \$600,000 from a voter-approved bond package for infrastructure improvements to Stevens Commons. Morrill also donated the parcel of land in Stevens Commons on which the donor-funded \$1.9-million Hallowell Fire Station was built.

LaCasse said the city would reap the benefits from elderly residents contributing to the community and spending money in Hallowell.

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