

Hallowell council to review affordable senior housing proposal

 www.centralmaine.com/2018/02/05/hallowell-council-to-review-affordable-senior-housing-proposal/

By Jason Pafundi

February 5, 2018

The Hallowell City Council will hold a special meeting Tuesday to review a Portland-based affordable-housing developer's Credit Enhancement Agreement request for a fixed tax rate to support the development aimed at seniors.

Community Housing of Maine is asking the council to approve a tax rate of \$17,400 per year for 20 years, or \$348,000, helping to ensure that adequate funds are available for the nonprofit organization to manage and maintain the property located at Stevens Commons.

There will be a public hearing at the beginning of the meeting Tuesday to discuss the plan. The meeting begins at 7 p.m. at City Hall.

The housing group is also asking Hallowell to return to the project any required property taxes above and beyond \$17,400 annually for a period of 24 years, beginning at the time the building is completed and the property is occupied. The city will also reap the rewards of senior residents of the housing project spending money in Hallowell and being a part of the greater community.

"There's a lot of social and cultural value to the community for having places for our older citizens to live comfortably and affordably without having to leave the community they have been a part of for so long," City Manager Nate Rudy said. "We'll also see some other folks coming from neighboring communities who'll be new Hallowell residents."

The organization signed a purchase option last year for a multi-million dollar historic renovation of the 25,000-square-foot Central Building on the 54-acre campus into affordable housing for seniors. There will be 29 units of permanent affordable housing for seniors 55-years-old and older. It will be a reuse project that completely rehabilitates one of five historic buildings on the Stevens Commons campus.

"The Central Commons project contributes to the larger effort to revitalize this underused historic property in downtown Hallowell into a multi-use campus with a range of residential offerings, business and commercial spaces and recreational uses," said Bree LaCasse, the housing group's development officer, in a letter to the City Council.

The Stevens Commons campus, formerly the site of Stevens School, was built in the late 1870s as a boarding school for girls, and in more recent years it was occupied by state offices and other agencies. Matt Morrill, of Mastway Development, paid the state \$215,000 for the campus in April 2016; the state had sought to sell it for 10 years.

Since acquiring the property on Winthrop Street, Morrill has signed an agreement with

Community Housing of Maine, overseen the reconstruction of several roads within the campus, made numerous infrastructure improvements with the help of funds from a voter-approved bond and signed nearly a dozen commercial leases in one of the buildings. He also donated a parcel of land where the city's new fire station is being built.

"He's made remarkable progress in a short amount of time, and he's been a good partner to the city," Rudy said. "He's worked pretty hard on bringing this (housing group's) proposal forward because it's what we wanted him to do."

According to LaCasse, the development will include 13 studio and 1-bedroom units available to residents with incomes 50 percent or less of the area median income — \$21,700 for an individual and \$24,800 for a family of two. The remaining 16 1-bedroom units will be available to people with incomes 60 percent or less of the area median income, which is \$26,040 for an individual and \$29,760 for a family of two. Homeless veterans will be given preference in 20 percent of the units.

Community Housing of Maine, statewide nonprofit organization, has developed properties in Kennebec County since 1995, in accordance with its mission to develop and provide housing for low-income and disadvantaged people as well as workforce and senior housing.

The organization completed a similar project in 2011 in Bangor, converting a former dormitory of the Bangor Theological Seminary into 28 units for the elderly, now known as Maine Hall. Similar projects, like Central Commons in Hallowell, take about two years to complete.

The Cony flatiron building opened as housing for the elderly in summer 2015. Because that \$11 million project by Housing Initiatives of New England was partially funded by \$6.8 million from the federal Low Income Housing Tax Credit Program, residents who make more than predetermined incomes each year can't live there.

Rudy said the proposal and project seem like a victory for the city.

"As council reviews this proposal, I'm sure they'll be looking at the full taxable value of the project and development versus the proposal from the developer, and they'll compare the revenue to the non-taxable value of the project," he said.

In other business, Rudy will present documents from the City Solicitor related to the sale and relocation of the historic Dummer House to provide for the construction of a municipal parking lot before the Maine Department of Transportation begins a Water Street reconstruction project in April.

The council's regular monthly meeting begins at 7 p.m. Feb. 12 at City Hall. The agenda for the meeting will be released later this week.

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