



# **Proposal for 26 Summer Street**

**The Szanton Company**





Casco Terrace 2004  
27 apartments



Walker Terrace 2006  
40 apartments



53 Danforth 2009  
43 apartments

## New Construction Buildings – Portland





The Squamscott Block  
Exeter, NH  
2007  
30 apartments / 2628 sf retail

## Buildings with ground-level retail

The Hartley Block , Lewiston  
2019  
63 apartments / 4000 sf retail







The Mill at Saco Falls 2009  
66 apartments

## Historic Rehabilitation



The Lofts at Saco Falls 2016  
80 apartments



The Lofts at Bates Mill  
2012  
48 apartments



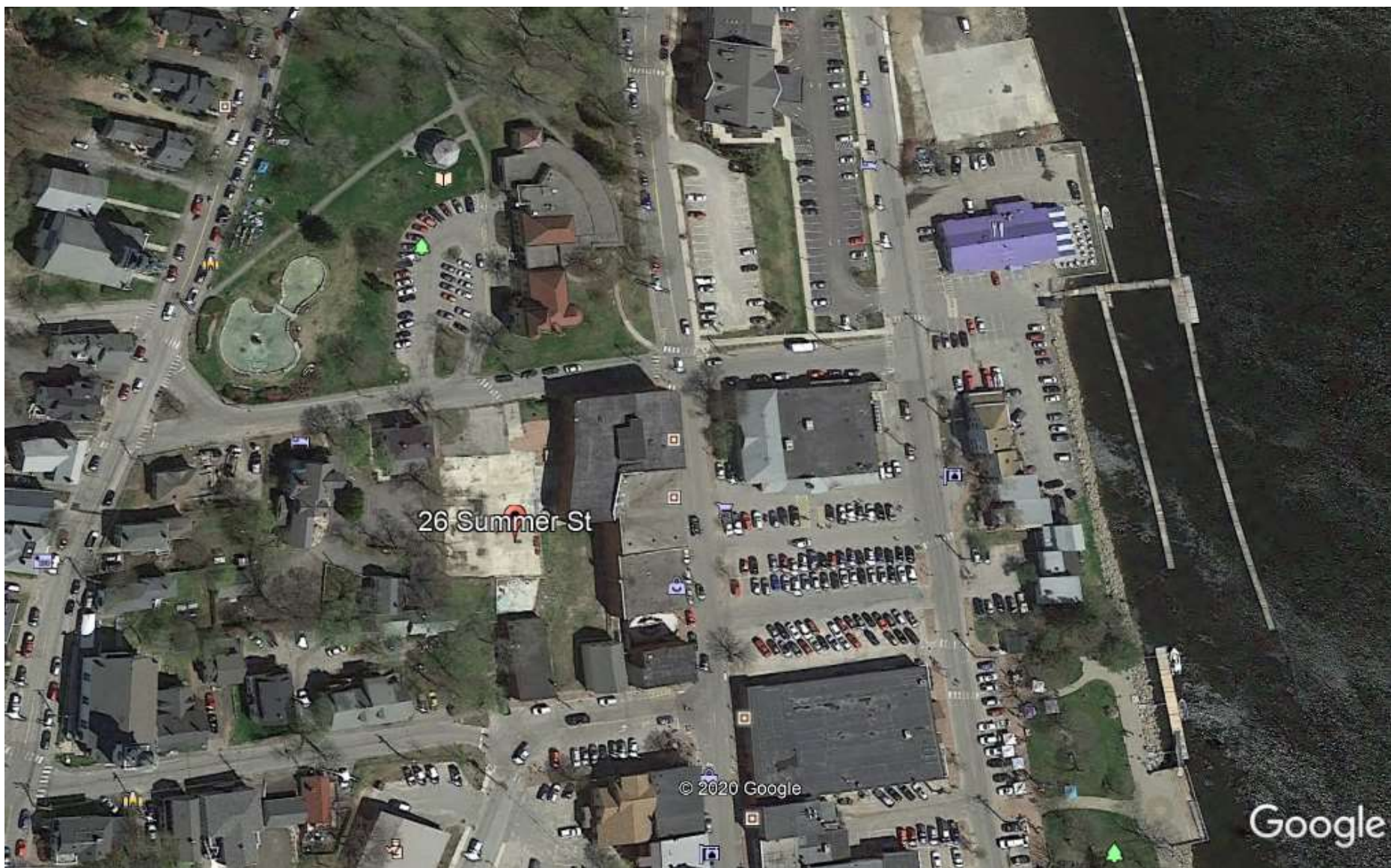


Huse School Apartments  
Bath  
2017  
59 apartments

## The Huse School Apartments







26 Summer St

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# The Uptown





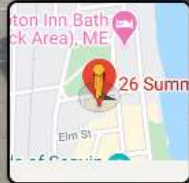


26 Summer St

Bath, Maine

Google

Street View



Google

Image capture: Jun 2019 © 2020 Google United States Terms Report a problem



## Moses & Columbia Blocks – Historic Rehabilitation













HOSTA, FERNS

TREET  
DE

BITUMINOUS WALK

A 1

G 4

HOSTA, FERNS, DAYLILY MIX

D 8

E 7

SHADE TOLERANT  
PERENNIALS, LOW  
SHRUBS & GROUND  
COVERS INCLUDING:  
FERNS, HOSTA,  
ASTILBE, DIERVILLA,  
CLETHRA, DOGWOOD,  
VIBURNUM, ECHINACEA,  
FOTHERGILLA &  
LEUCOTHOE

B 5

H 3

I 4

BRICK WALK

"COLUMBIA BUILDING"

N/F  
MAIS REALTY LLC  
2018R-04285

N/F  
LISA C.  
MICHAUD  
D. ANTHONY  
TRUE, JR.  
2018R-04425

N/F  
O-CHA REAL ESTATE  
INVESTMENT LLC  
2018R07676

BRICK WALK

"9'-2" PASSAGE"

ELM STREET  
(33' WIDE)



## Project overview

- Age 55 or better
- **46** apartments in a new building – 60 total
- Rehabilitation of the Moses & Columbia Blocks:
  - Retain existing retail tenants
  - Rehab of **10** existing apartments in the Moses Block
  - **4** new apartments in the Columbia Block
- Targeting households at a variety of income levels
  - Market Rate
  - Units at 50-60% of the Area Median Income
- Total parking: 42 spaces
  - Handicap parking on-site – 9 spaces
  - Lease lot at corner of Front & Summer – 33 spaces



## Parking Experience

In our projects, 55+ households own fewer cars than younger households.

In our downtown locations:

- In Biddeford – 0.7 cars per unit
- In Portland – 0.5 cars per unit

Parking study by Traffic Solutions (William Bray, P.E.)

- done in 2018
- focused on Greater Portland Area
- shows **0.41** spaces per unit is average in senior projects

Factoring out spaces dedicated to retail tenants, we are proposing **0.62** spaces/unit



## **Bath's Housing Needs:**

### **1 in 6 Bath households experience what the federal government defines as a “severe” housing problem:**

- more than 50% of household income used to pay for housing
- the unit has incomplete kitchen or plumbing facilities
- the household is overcrowded

### **A mismatch between current housing stock and household size**

- The majority of homes in Bath today contain one-and two-person families, but the majority housing is in two and three-bedroom units or larger
- An increase in senior households, with significant numbers facing:
  - a lack of transportation
  - inability to afford housing upkeep and heating costs
  - social isolation

### **Accessibility**

- More than 1 in 3 Bath seniors live with a sensory, cognitive, or ambulatory disability
- Much of the existing housing stock is inaccessible, or poses injury risk for those with disabilities

*Source: The Bath Area Housing Assessment, conducted by Planning Decisions on behalf of Bath Housing in 2014*



## **Demand for Quality Affordable Rental Housing for Older Adults**

- Huse School leasing experience
  - Huse School is not age-restricted
  - 59% of units are occupied by 55+
  - The average age of all units head of household ages is 57
  - Of those households occupied by 55+, the average age is 70



## Income and Rent Ranges

Type	Income Range (household of 2)	Number of Apartments	Expected One-Bedroom Monthly Rent	Expected Two-Bedroom Monthly Rent
Market-Rate	\$38k -100K+	18	\$1,200	\$1,350
60% area median income	Up to \$38k \$18.27 per hour (full time)	25	\$840	\$1,000
50% area median income	Up to \$31k \$14.90 per hour (full time)	17	\$695	\$825

Rent includes heat, hot water, wi-fi, fitness room, community room, resident services coordination, and parking *(if available)*.

*\*Income ranges are approximate & change annually by HUD*



## Why does this project need a TIF?

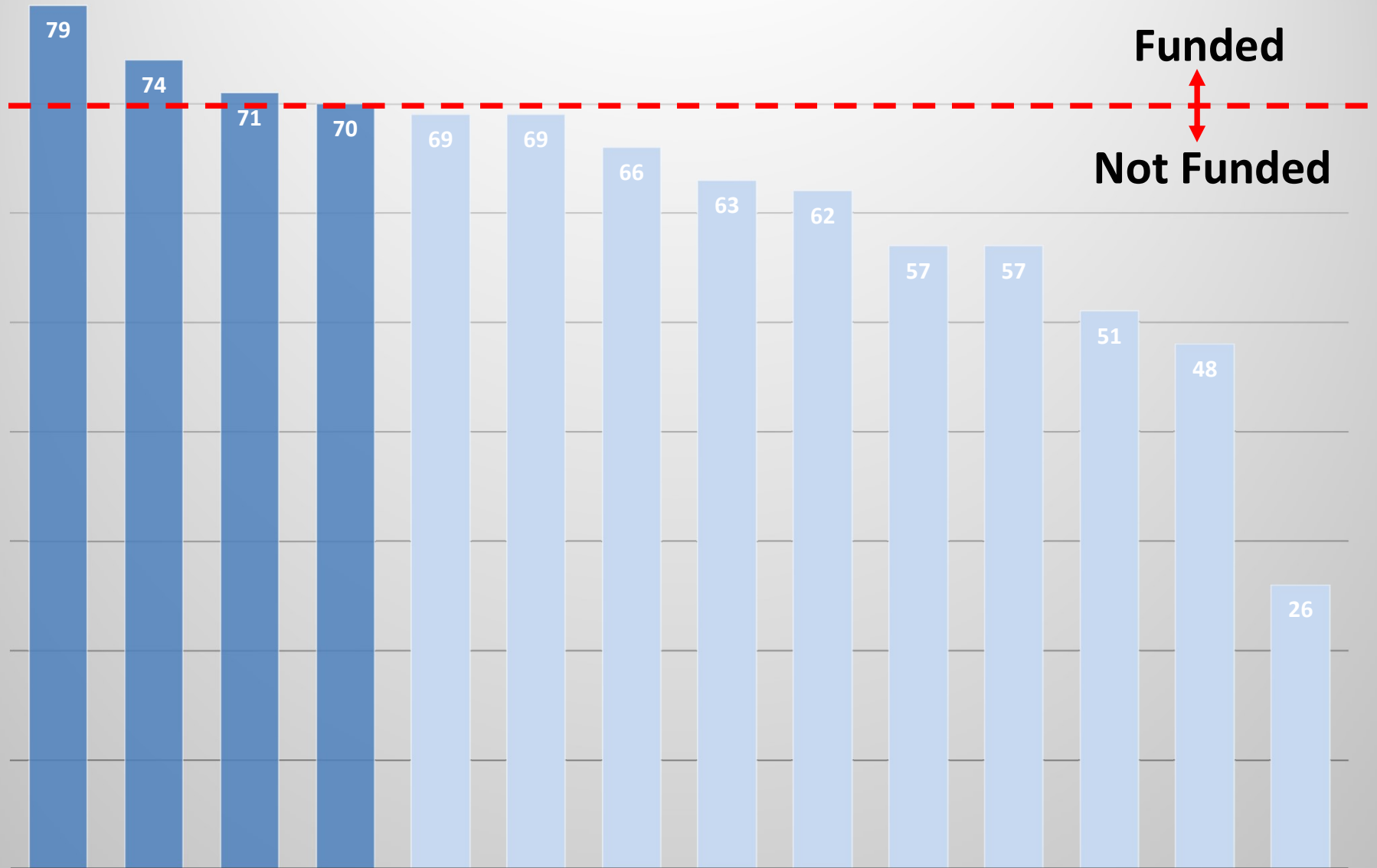
- Financial Necessity
  - Gives the project the ability to take on additional debt in order to fill a gap of approximately \$400K
- Provides crucial 2 points on MaineHousing application—likely making the difference between success and failure.

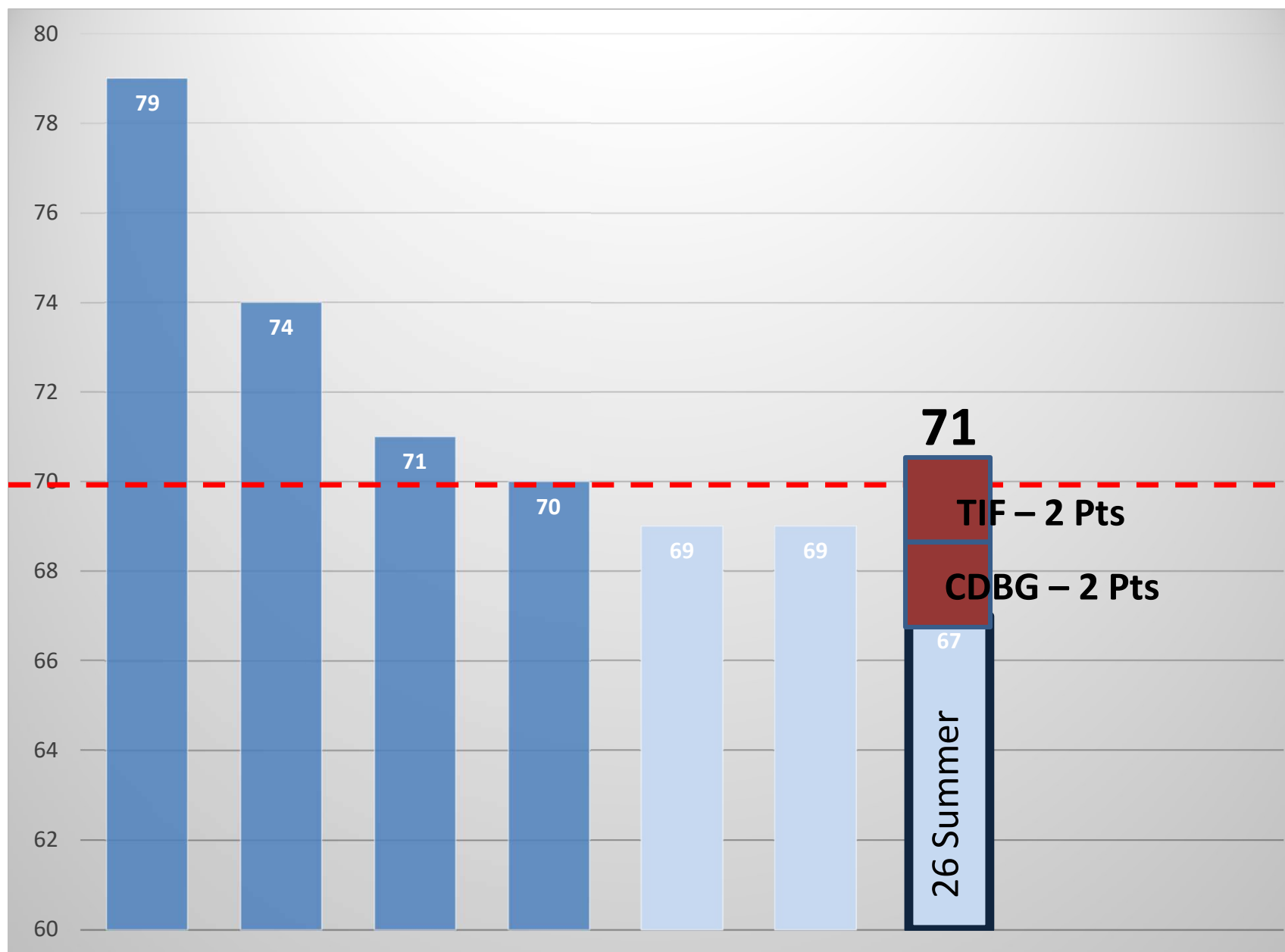
## MaineHousing Selection Process

- Projects apply for funding annually in September.
- Projects are scored on a variety of factors, including location, project details, and participation from other partners such as municipalities or other government entities.
- Last year 14 projects applied for funding.
  - 5 projects funded
  - 1 of the 5 was a set-aside and not chosen via highest score (a category we are not eligible for)
  - **4** Projects chosen from the general pool



## Scoring 2019 Projects





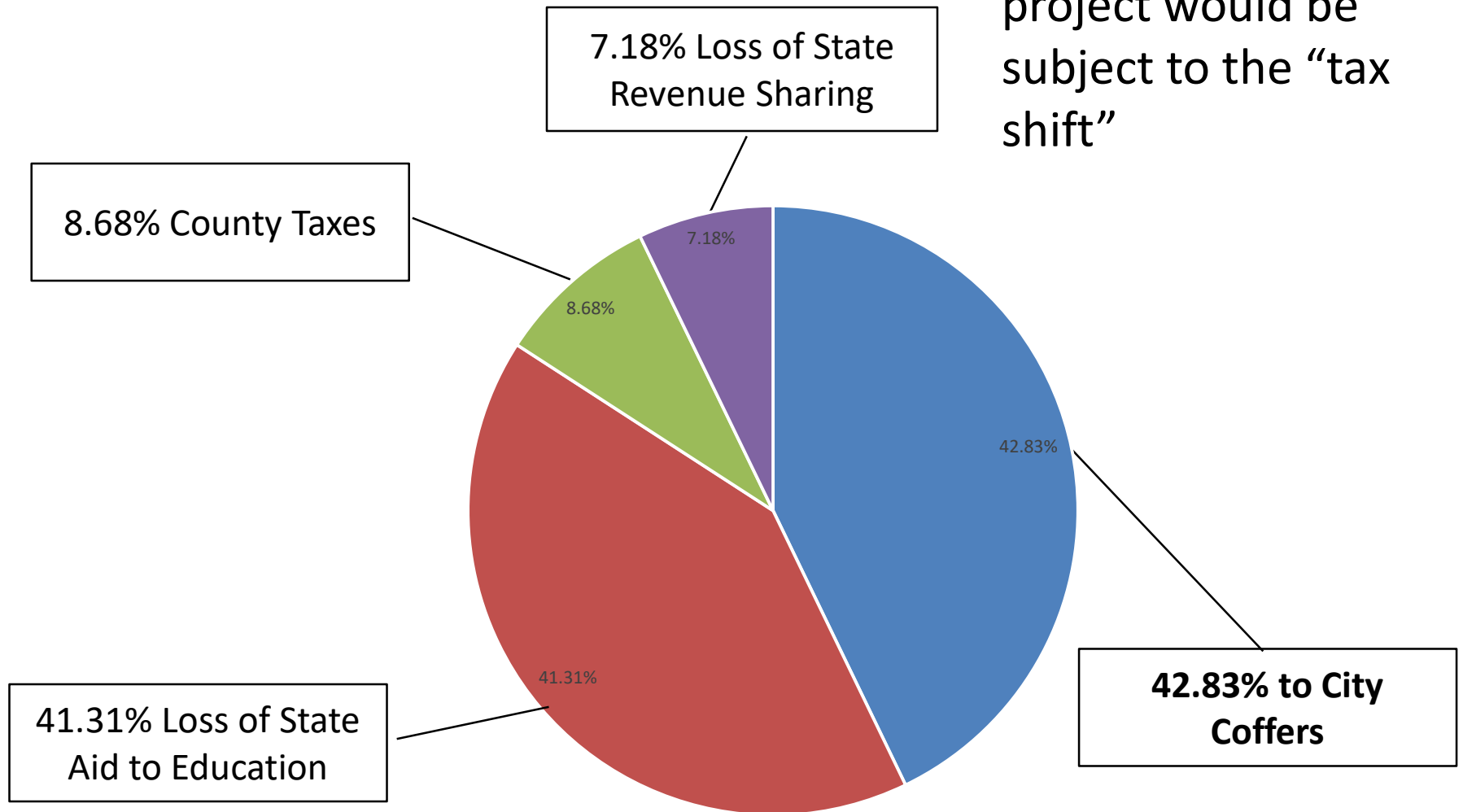


## Proposed 26 Summer/Moses & Columbia Blocks TIF

<b>Current Valuation</b>	\$1,334,500 (entire site)
<b>Current Taxes</b>	\$19,908
<b>New Valuation (after construction)</b>	\$4,340,000 (estimated)
<b>New Taxes</b>	\$4,340,000 x mil rate = \$85,922
<b>Incremental Increase in Taxes</b>	85,922– 19,908 = 66,014
<b>50% of Increment</b>	<b>\$33,007 to Project</b> <b>\$52,915 to City</b> (33,007+19,908)

## Where Does Tax Money Go?

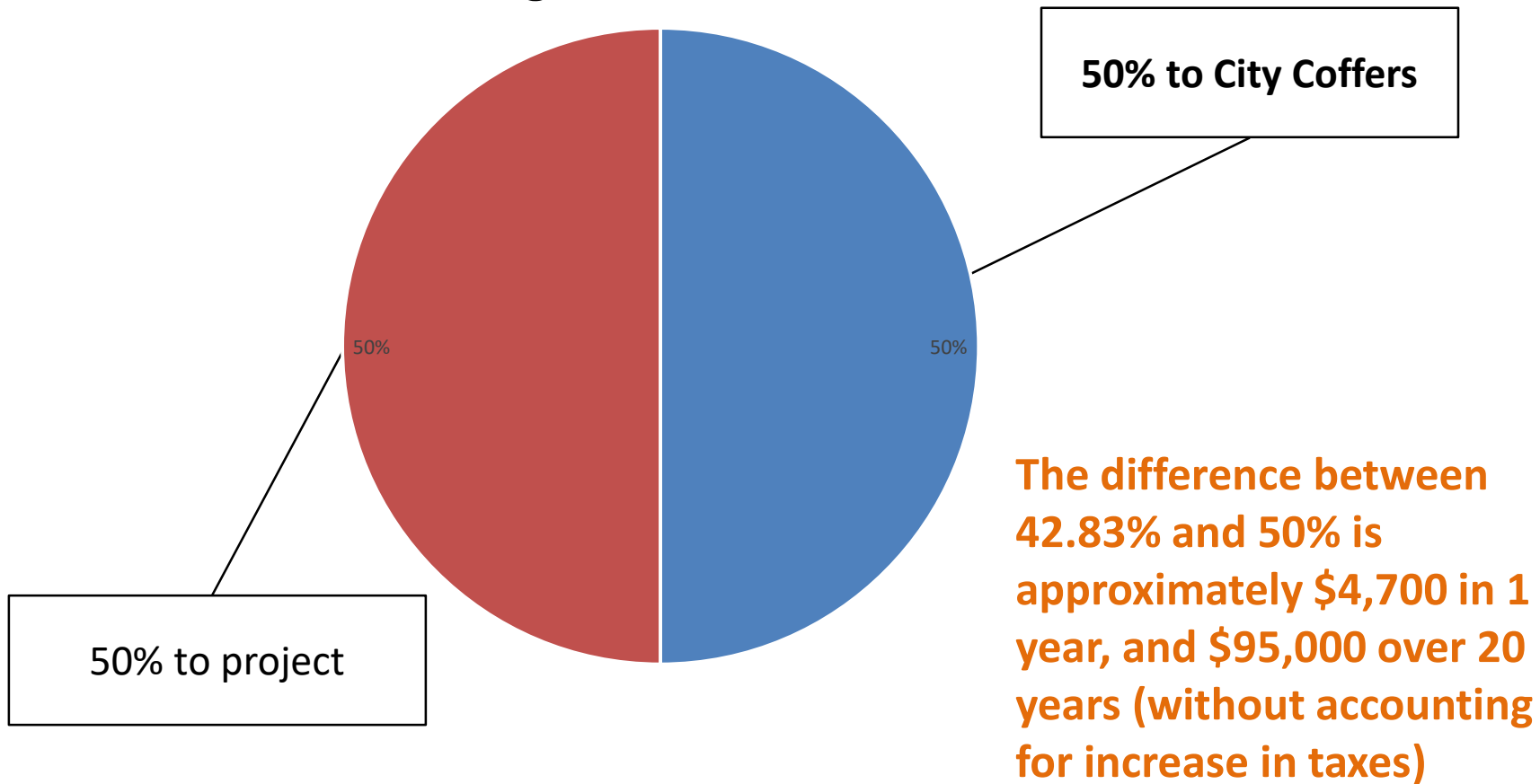
***Without*** a TIF, new taxes from this project would be subject to the “tax shift”





## Where Does Tax Money Go?

***With*** a TIF, all new taxes from this project would be sheltered from the “tax shift” for the length of the TIF



## What does a TIF for the project accomplish?

- Supports goals of Comprehensive Plan and Bath Area Housing Assessment (high-quality, energy-efficient, mixed-income rental housing).
- Provides crucial 2 points on MaineHousing application—potentially making difference between success and failure.
- Puts 26 Summer back on tax rolls, adding \$33,000 annually to City coffers for first 20 years, then \$66,000 annually (not counting inflation).
- TIF District keeps incremental assessed value from triggering decreases in State aid to education and revenue-sharing, or increases in County taxes.
- Brings 50 net new households to Bath, each one a “little economic engine.”



# Questions?



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