

Town of Falmouth Workforce Housing
Developers Collaborative/Town Partnership

Assistance Required From Town to Meet Income Targeting:

- Donated land
- TIF
- Contract Zone
- Accept road and utilities in ROW
- Access to land across Woods Road for stormwater
- Reduce or eliminate costs of permits and fees
- Sponsor CDBG grant application
- Support from Town staff
- Partnership on both risks and rewards

Workforce Housing – Executive Summary

February 5, 2009

Concept Plan

20 Units targeted for at/below 80% median incomes

14 Townhouse Condos (1BR and 2 BR) - \$110-130K price range (Phase 1)

4 Habitat Duplex Units (2 BR) - Habitat (Phase 2)

2 Habitat Single-Family Homes (3 BR) - Habitat (Phase 2)

24 Units targeted for at/below 120% median incomes

4 Townhouse Condos (1BR and 2 BR) - \$180-200K price range (Phase 1)

8 Duplex Units (2 BR) - \$210K price range (Phase 2)

16 Single-Family Homes (3 BR) - \$230K price range (Phase 2)

Expenses

Hard Costs	\$7,144,280
Land	\$0
Site Work	\$2,225,000
Structures	\$4,776,000
Contingency	\$143,280
Soft Costs	\$734,421
Developer Overhead	\$787,870
Total expenses	\$8,666,571

Income

Sale of Non-Habitat Units (if all 42 sold @ 120% median income)
\$8,272,000

Net (\$394,571)

Subsidy needed to sell 14 Townhouse Condos @ 80% median income
(\$980,000)

Net profit before subsidy (\$1,374,571)

Subsidy sources \$1,755,226

TIF	\$1,255,226
CDBG grant	\$100,000
AHP grant	\$400,000

Developer Profit \$380,656

TIF

Project Valuation (in 2013)	\$10,100,000
Mill Rate	0.01235
Annual Property Taxes Generated	\$124,735/year
Stabilized Debt Service Payment	\$91,500/year
Available for Town Expenses	\$33,235/year
Estimated Annual Operating Expenses	\$28,910/year
Net	\$4,325/year

Calculation does not include:

- Personal property income
- School operating cost impact
- Potential additional school revenue from State due to increased enrollment ¹

¹ The workforce housing development is slated to have 48 units with a range of designs. School age children will be present. Town staff is currently exploring the following questions:

1. If there were say 50 students to reside there ultimately at any one time, does the school dept. have sufficient classroom etc. capacity to take those in? (This assumes new elementary school construction etc. is complete as this development will be several years away.)
2. The project anticipates a TIF, so school reimbursement would not be adversely affected. If the school dept. serves 50 more kids, would the State provide additional subsidy to the Town?
3. If so, would these additional revenues cover (more or less) the anticipated operational expenses to educate these 50 students?