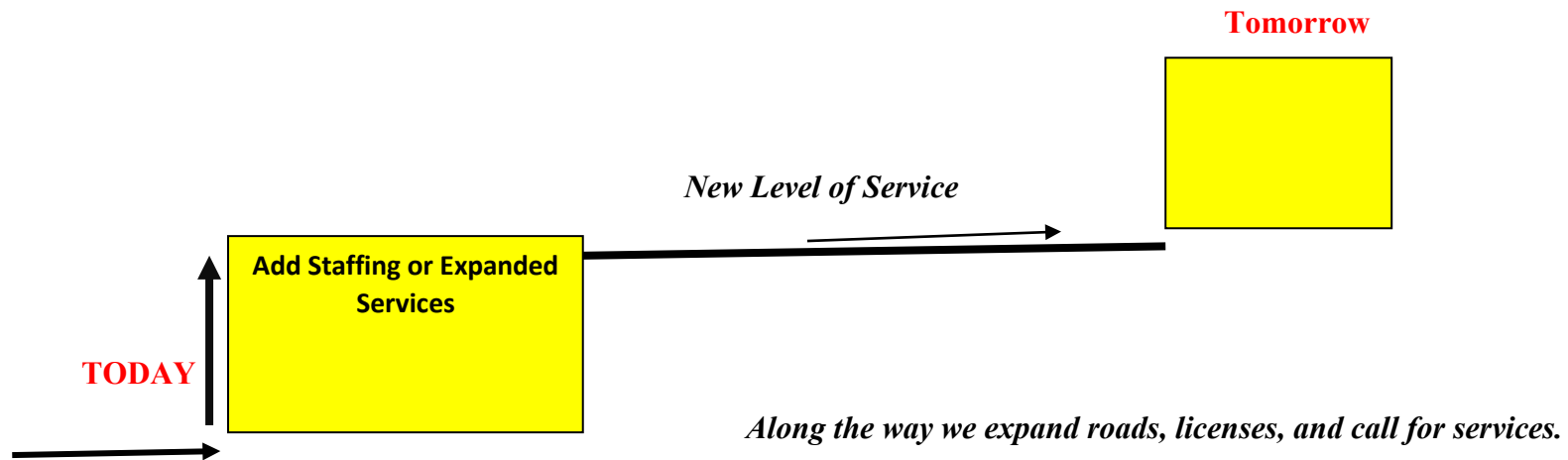


Tax Impacts as a result of growth in residential housing

The significant impacts to our Municipal Services budgets are:

- Education
- Police and Fire - EMS
- Roads
- Solidwaste



As we evaluate the need for more services it is done with a look forward determining when can the costs of the new services be absorbed best. We often look at future projects coming online and ask can we defer capital to absorb a needed position for fire fighters, clerks, police officers, equipment operators and groundskeepers. It is done on a project-to-project basis. For example, when a subdivision is built it often takes 2-5 years to complete the buildout. This apartment complex may take from start to finish at least 3 years and perhaps as much as four years to complete.

TIF district #8 includes 103 units of homes in Oceanview, the Properties on Stiles Way (Brush Facility, Compost Pad, Town Orchard, Town Forest, and the LL fields. This is one Neighborhood designed for multiple purposes.

New Housing Development:

Paved Roads – built, maintained, **and paid for by developer.**

Trash Collection – **Paid for by Developer.**

Grounds Maintenance – **Paid for by Developer.**

Building Maintenance - **Paid for by Developer.**

Police - 10,000 Call for service per year. \$190 per call x estimate 12 calls per year = **\$2,280**

Fire – EMS 1,251 Calls for Service per year estimate 12 per year \$1,039 per call = **\$12,468**

Town Roads use about 19% of town budget - **\$40,000 per year x 19% of \$40,000 = \$8,000 per year**

This exercise would result in the following municipal impacts per year:

| | |
|----------------------------|-----------------|
| Solid Waste Costs | \$ 0 |
| Building & Grounds | \$ 0 |
| Police | \$ 2,280 |
| Fire & EMS | \$12,468 |
| Road Tax? | \$ 8,000 |
| Traffic Calming \$15k/10yr | <u>\$ 1,500</u> |

\$24,248 per year

What about Education then?

It is estimated by the developer based upon 70% of the additional bedrooms over will occupy 1 child. That could result in up to 36 children. A 96-unit apartment complex plus 45 single family homes on RT 1 currently has 12 children. The numbers provided by the developer, while conservative, seem a bit high for what may be actually happening especially with 2-bedroom apartment where typically that can become a roommate situation. Dividing the # of children by the cost of education to us this year yields \$16,230 per child.

\$23,103,879 (Education Costs to Cumberland) / 1,423.50 (Total Cumberland Students) = \$16,230 per student

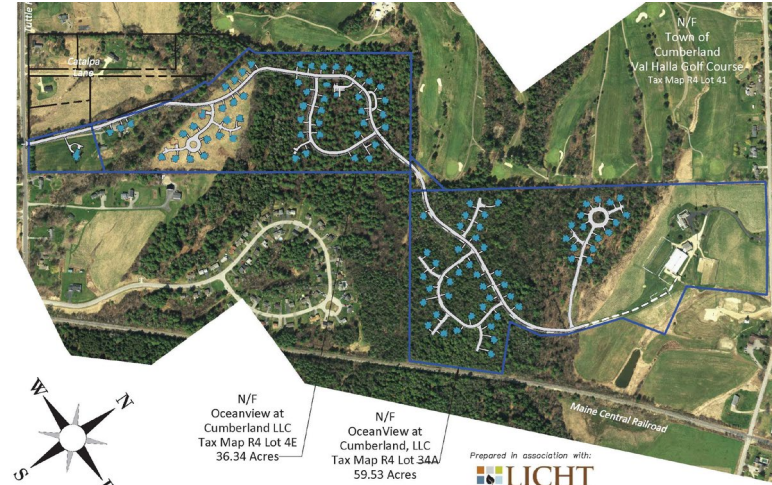
Apartments

71 – 1 bedroom 21 – 2 bedroom 15-3 bedrooms



Oceanview

104 Single Family Senior Condos + Community Space



Oceanview

TIF FUND

AVG.- \$40,000 per year



100%

Can be used for:

- Paramedics
- Public Safety Equipment
- Public Safety Towers
- Recreation Spaces
- Infrastructure

Town General Fund

Avg. \$550,000 until 2048



50%

| | | |
|--------|---------|--------|
| School | \$15.35 | \$384k |
| Town | \$ 6.01 | \$150k |
| County | \$ 0.79 | \$20k |

No Children in Neighborhood
\$384k/\$16.2 = 23 Children Educated

TIF FUND

Avg. \$550,000 until 2048



50%

| | |
|-------------------------|-------------|
| Paramedics | \$ 200,000 |
| Public Safety Equipment | \$1,500,000 |
| Public Safety Towers | \$2,500,000 |
| Recreation Spaces | \$3,500,000 |
| Infrastructure | \$4,000,000 |

TIF District 8 is projected to pay \$550,000 a year into the general fund and TIF Fund

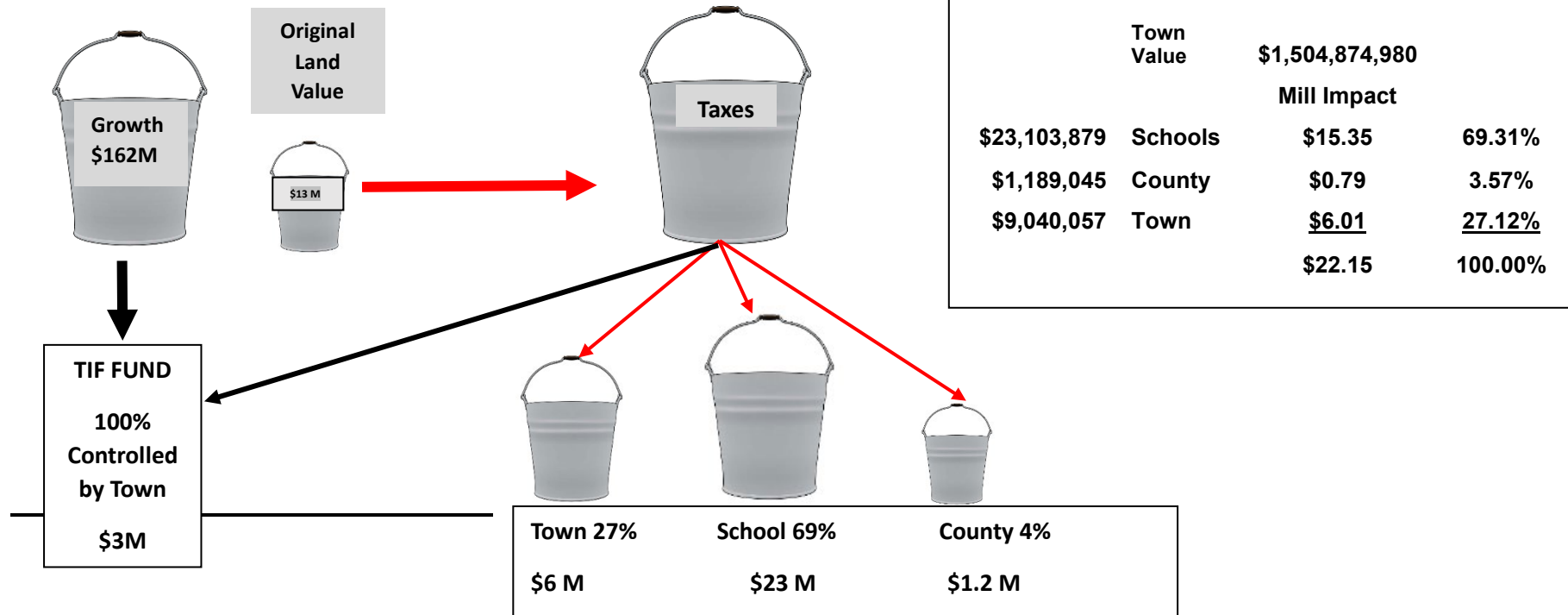
General Fund \$550,000 x 69.31% for Education = \$381,205 / \$16,230 per child = 23.5 children

Oceanview is a 55+ neighborhood with “0” children

Taxes vs. TIF’s how they are offset?

Tax Increment Financing is primarily used to enhance Economic Development. The monies can be used for many different projects as shown below. When affordable housing is added to the allowances approved by the state, then recreation areas can be included.

When parcels are in a TIF District



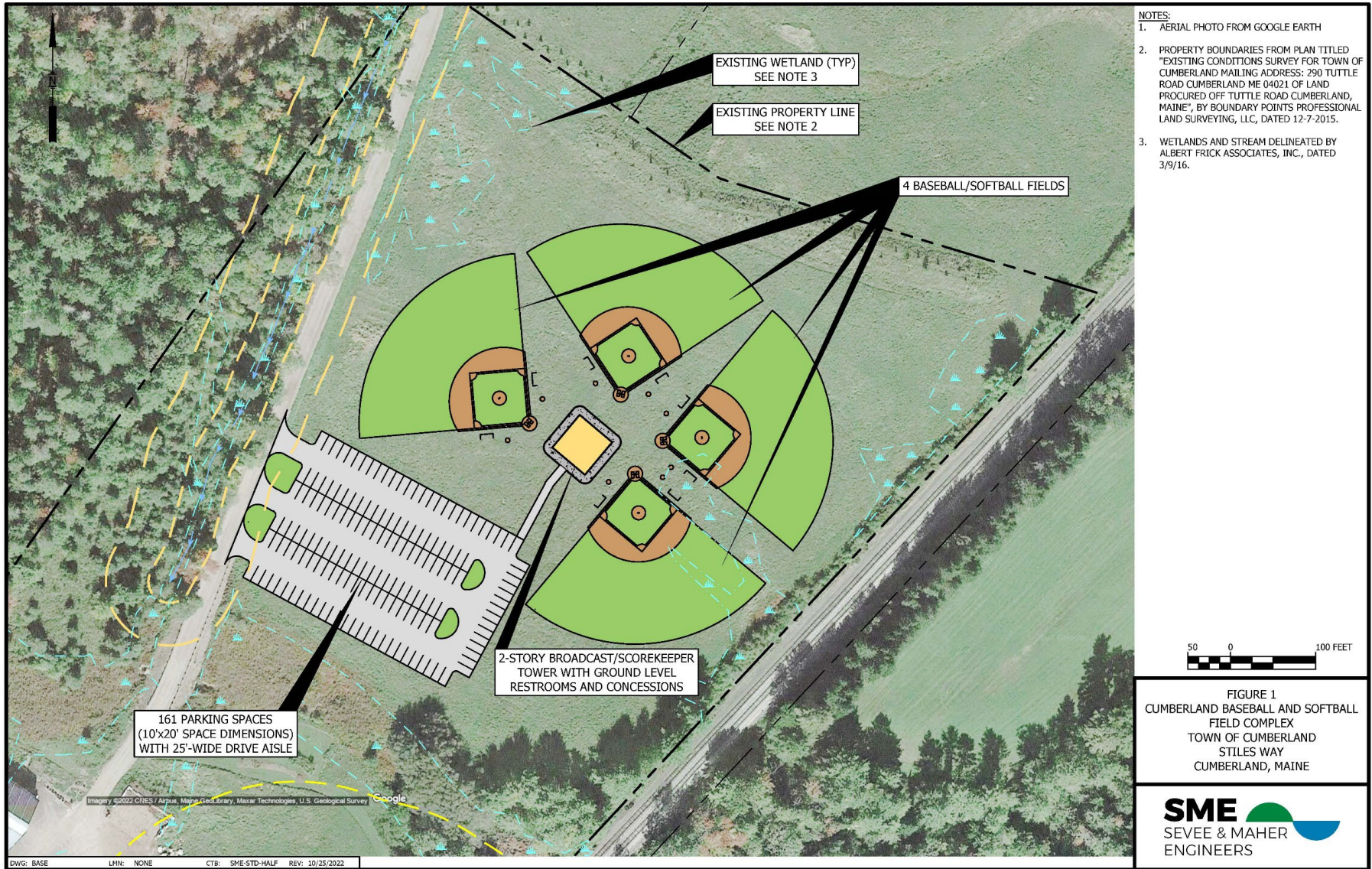
TIF funds can't be used to offset **general fund expenses**. The main use of TIF funds has been capital projects. **To date we have paid for** by TIF Monies the Following 2004 - 2024:

| | |
|---|----------------|
| Range Road Reconstruction and Water Line | \$ 4.2M |
| Blackstrap Road Reconstruction | \$ 1.2M |
| Route 100 Water Mains and drainage improvements | \$ 2.2M |
| Blanchard Road & Skillin Road Watermains & Road | \$ 3.2M |
| Main St. Sewer and Sidewalk Project | \$ 2.2M |
| Tuttle Road Recon and Sidewalks | \$ 2.6M |
| Route 1 Center Turning Lane | \$ 1.0M |
| Main Street Paving & Safety Improvements | <u>\$ 1.2M</u> |
| | \$17.8 M |

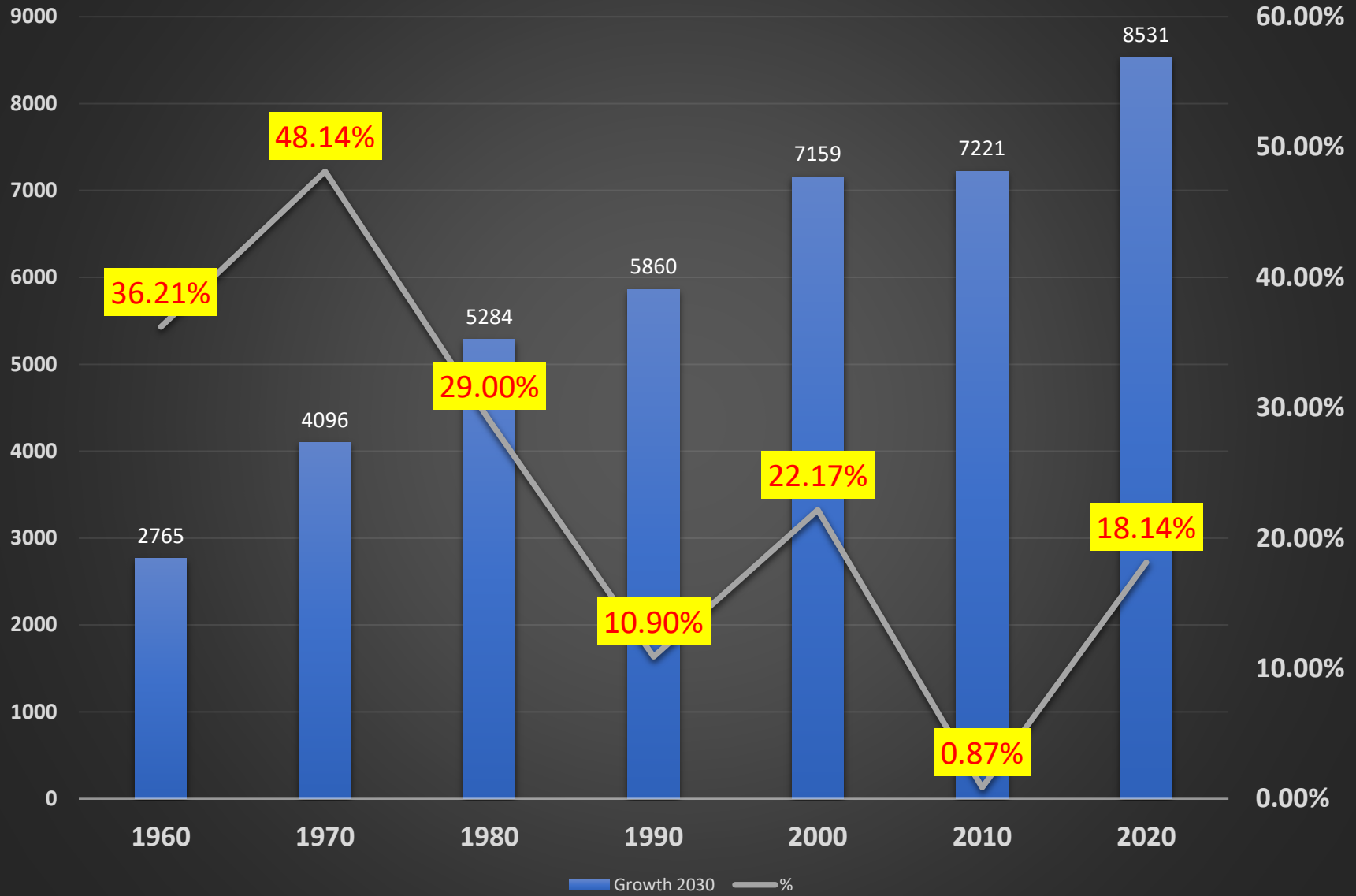
Future TIF Monies will pay for recreational activities in the district if the affordable housing project is approved. If not, TIF monies can't be used as there would be no need since no affordable housing was built. The 11-acre parcel on Stile's Way would need to be considered for some future housing project.

This District will generate enough taxes to pay for Radio Communication towers for Police & Fire -EMS, fire trucks, road paving, drainage improvements and future projects that will benefit our entire community.

Recreation areas are allowed under TIF funding with affordable housing. Since we can use TIF dollars with affordable housing it made sense to keep the housing clustered and maximize the use of the property on Stile's way for the relocate Little League fields and expand the site to 4 fields with adequate parking. The Town will own the fields.



Growth By Decade - source US Census



If the project is approved the next step would be to change the Zoning on the Property from RR1 to the adjacent district where the 38 Village Green Apartments are located, and Village Green neighborhood is located. That District is the Village Mixed Use Zone (VMUZ). If approved this would allow the process to begin and once the Zone is changed the project application could be submitted and the Planning Board would begin their review. Traffic, wetlands, stormwater, sewer, noise, environmental impacts - the Planning Board will evaluate all.

