

May 19, 2021

Cape Elizabeth Town Council
Town of Cape Elizabeth
320 Ocean House Rd
Cape Elizabeth, Maine 04107

Re: Project Summary

Dear Town Council members:

Please accept this project summary for the proposed affordable housing development located in the new Ocean House Commons subdivision next to Town Hall, provisionally named Dunham Court.

Mission

The mission of Dunham Court (DC) is to diversify the living options available in Cape Elizabeth, by building attractive, comfortable, energy-efficient and affordable rental apartments in Cape's Town Center, aimed at households needing only 1 or 2 bedrooms.

Principals in Dunham Court

The project is proposed by The Szanton Company of Portland (www.szantoncompany.com). Its principals include Bobby Monks of Cape Elizabeth; Nathan Szanton of Portland; and Amy Cullen of Cumberland.

What is Dunham Court?

Dunham Court is proposed as a 49-unit apartment building on two adjoining lots at the rear of the new town green next to Town Hall (Proposed Site Plan Attached). If approved, it will offer 41 one-bedroom and 8 two-bedroom apartments, as well as a fitness center and community room for residents, free Wi-Fi, and secure, indoor bike storage. 39 of the apartments (34 one-bedroom and 5 two-bedroom) would be set aside for households with incomes at or below 60% of the Portland area median income, and rented at rates affordable to such households. The other ten (7 one-bedroom and 3 two-bedroom) would be rented at market rate, to tenants regardless of income.

The building is proposed to be 4 stories and would measure at a height of 44' 3 ½". Each floor is approximately 11,100 square feet. The first floor would include 10 apartments (2 two-bedrooms and 8 one-bedroom), 2 offices for property management staff, laundry room, community room, mechanical space, and secure, indoor bike storage. As part of our purchase

and sale agreement our residents would have access to 34 dedicated parking spaces within the subdivision including 6 proposed handicap spaces. We propose to share the remaining of the needed parking behind town hall. A civil engineer has reviewed the existing Town Hall parking lot layout and unused property and has determined 34 new parking spaces can be added behind Town Hall at our expense. These new spaces would be available for shared use by residents of Dunham Court and the general public.

What the Project Needs from the Town of Cape Elizabeth

In order to be financially and legally feasible, and to deliver 39 affordable apartments with 10 additional market rate units, Dunham Court would need both a zoning amendment and a tax increment financing (TIF) arrangement from the town. The zoning amendment would reduce the amount of land needed per dwelling unit from 3,000 to 1,500 square feet; increase the allowable building height from 35 to 45 feet; increase the allowable building footprint from 5,000 square feet per lot to 12,000 square feet total (we have two lots); and would remove the requirement that nonresidential space must be located on the ground floor. The TIF arrangement would return to the project a portion of the new (i.e. additional) property tax revenue which the project creates, for a period of 30 years. After 30 years, all tax revenue from the project would go to the town. This would allow the project to afford an additional mortgage to fill a gap in its financing.

We look forward to answering any further questions you may have at any time. Should you have questions at any time regarding our potential project, please don't hesitate to contact me at 207-245-6436 or kmartin@szantoncompany.com.

Thank you for your time to review this.

Sincerely,



Kristin Martin
Development Officer
The Szanton Company