



Haverhill

Office of the Mayor, Room 100
Phone: 978-374-2300 Fax: 978-373-7544
Mayor@cityofhaverhill.com

For Immediate Release: For Immediate Release:
June 24, 2014

Mayor Proposes City Tax Break for Harbor Place

Mayor James J. Fiorentini today asked the city council to take advantage of a State tax break designed to encourage housing in downtown areas in order to move the Harbor Place project forward.

The tax break, known as an Urban Center Housing TIF, (Tax increment financing) was enacted by the State to encourage developers to encourage market rate housing in urban areas where the cost of construction is high and where it is uneconomical to build.

In proposing a TIF plan for Harbor Place, Mayor Fiorentini stated:

“This is exactly what the Urban Center Housing TIF was intended for. Without a State and local tax break, projects such as this would not be economically feasible.

Building downtown where we already have the infrastructure -- the roads, the water, the sewer, and our most important asset, the river-- preserves our open space and beauty of the outskirts of Haverhill. The Urban Center Housing TIF is designed to encourage that type of growth.”

Under the TIF proposed by the Mayor, the developer would be exempt for some of the increased taxes for the improvements to the site for a limited period of time, but the city would never receive less in real estate taxes than they are receiving today. After 12 years, the project would pay full taxes.

In his letter to the city council, the Mayor also said that he would be proposing a parking agreement and an easement agreement to move Harbor Place forward.

Mayor Fiorentini stated:

“This is a great project for our city. When it is completed, it has the potential to transform our city, bring more people downtown, and create hundreds of thousands of new tax dollars for our city.

Thanks to the great work of Representative Dempsey the State is contributing millions of dollars to build a boardwalk and assist with the infrastructure to this project. The State has done more than its part to move this project forward.

Now it is the city’s turn to do its part to make this project a success. The three steps that I propose, an Urban Center Housing TIF, a parking agreement, and easements, will help move this great project forward.”

The Urban Center Housing TIF agreement submitted by the Mayor must be placed on file for two weeks by the city council. In two weeks, the Mayor said he will introduce the parking proposal and the easement agreements.