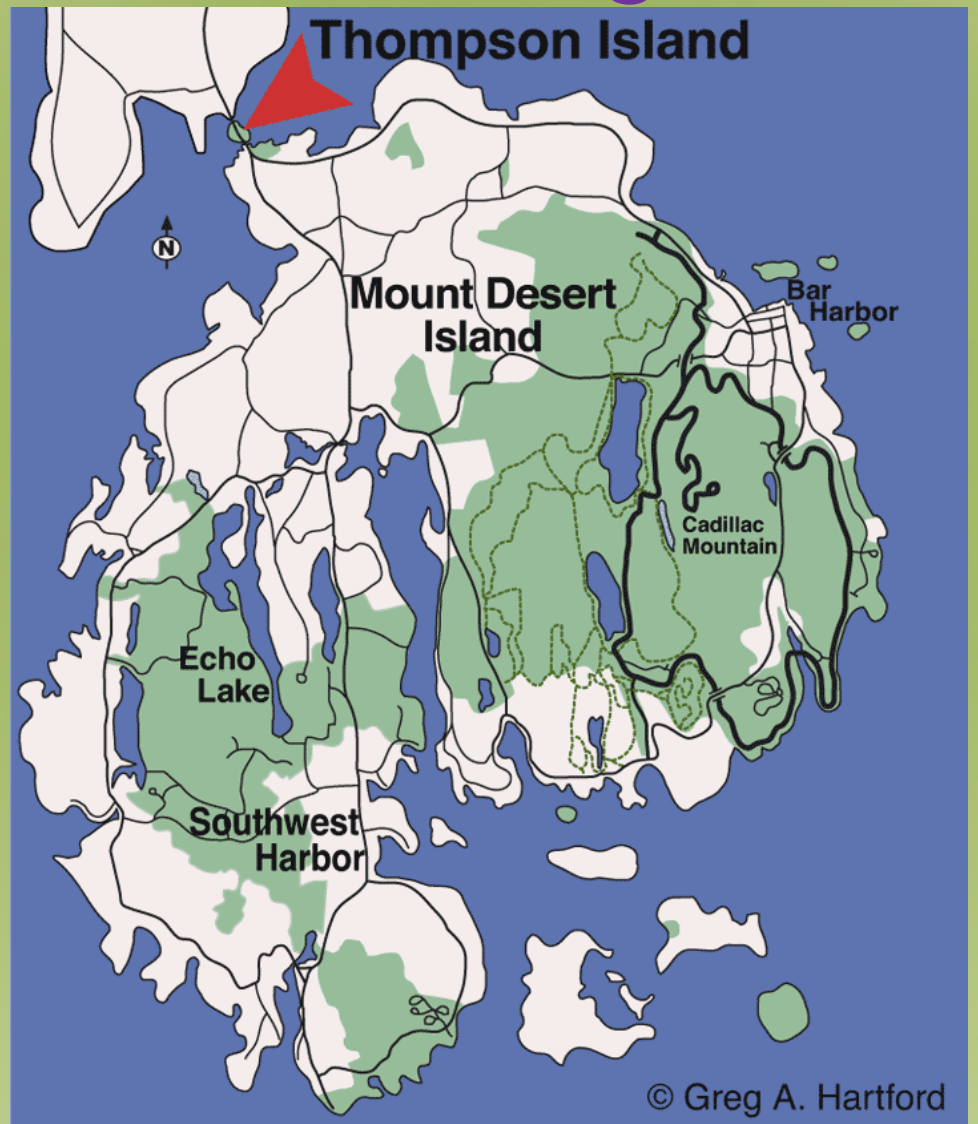
Sustainable Communities --- Affordable Housing Solutions



PROPERTY VALUE IN MAINE

LOCATION ... LOCATION ... LOCATION

IN THE REST OF MAINE

WORTHLESS

ON MDI

PRICELESS

W/M MOUNT DESERT ISLANDER 8.23.07

Unaffordable Homes on MDI

From 2000-2016
median ***home values*** on the island
increased by more than 120%,
while median ***income***
increased by only 44%.

Median Home Price - $317,000
Income to Afford Median - $91,000
Median MDI Income - $53,000
Median Affordable Price - $185,000

84% of homes sold on MDI in 2017 were not affordable for median income households.

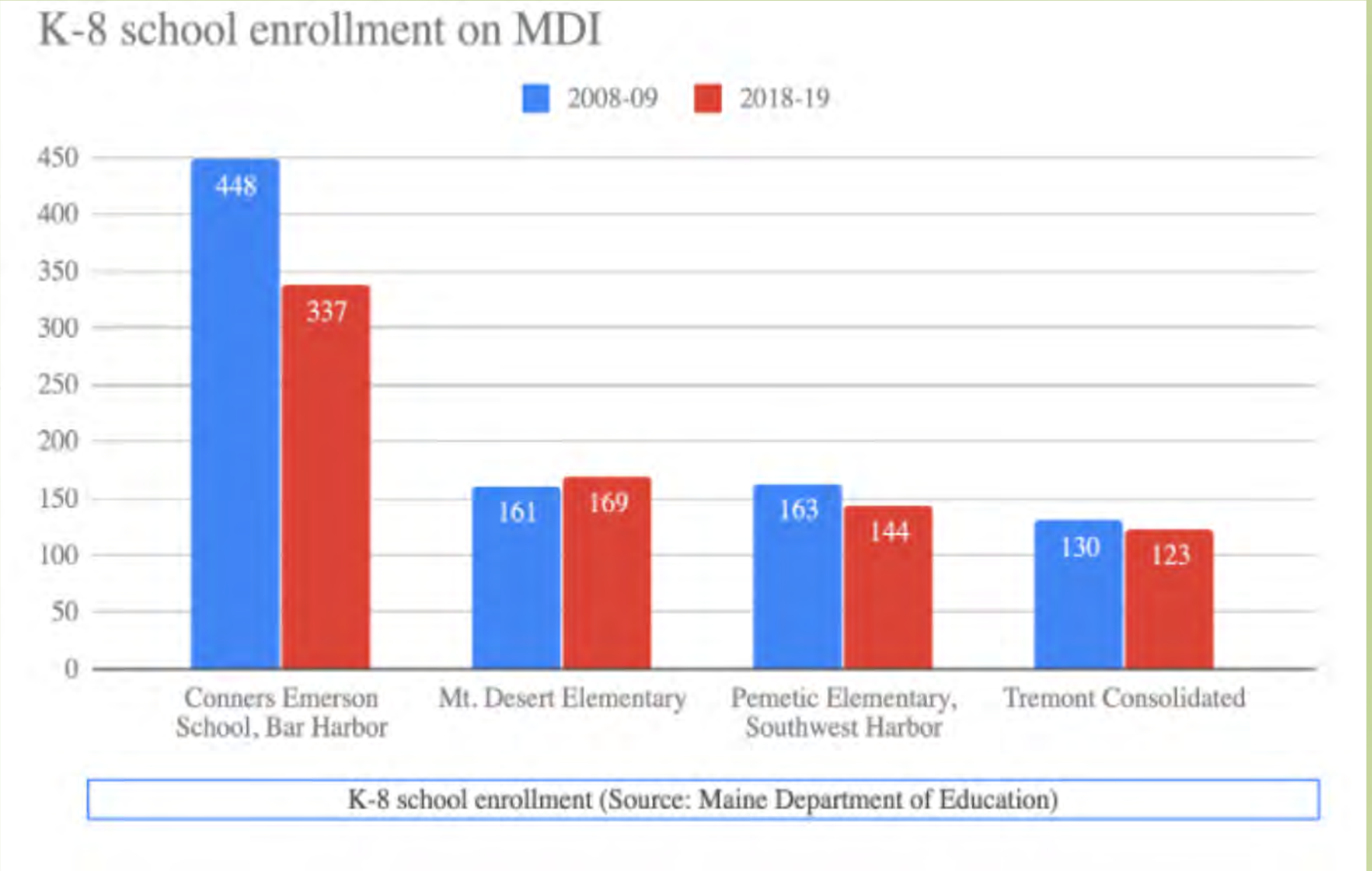
The Fabric of Our Communities is Thinning

- At the end of the workday a river of talent and vitality flows, as (3400) in their cars and pickups off the island to their homes in other communities across four surrounding counties. Their children don't fill MDI schools; their families may not shop on the Island; they won't have the time to participate in our civic life---like joining school boards and volunteer fire departments, or worship at our churches.
- Commuters face higher travel costs, bumper to bumper in summer season; losing family time; 2nd jobs; children enrolled in school, distant from parents; adds to more rural sprawl; producing more C02,
- Due to the shortage of affordable housing, employers find it is more challenging to recruit and retain the best qualified personnel.

Year-round housing stock shrinking, while seasonal housing units growing

- About 36% of housing units on MDI are now seasonal units.
- 60% of new housing construction is built for seasonal, recreational, or occasional owners (227% increase such units 2000-2010).
- Seasonal Businesses are purchasing downtown neighborhood houses for seasonal employees---reducing housing for year-round employees.
- Retirees and seasonal residents purchasing, above market value, houses in historical year-round neighborhoods.
- Short-term vacation weekly and daily rentals has reduced the inventory of year-round rental housing, and pushes upward pressure on housing costs.
- Popular websites, like Airbnb, attracts short term rentals affecting Bar Harbor in ways previously not contemplated. Non-resident owners---companies are buying Bar Harbor downtown (former year-round worker) houses to rent.

Enrollments Declining



Community Land Trusts: Permanently Affordable Housing

Island Housing Trust
promotes viable
year-round island communities
by advancing permanent workforce housing
on Mount Desert Island.

How We Accomplish Our Mission at IHT

How We Accomplish Our Mission

IHT...

- Builds Neighborhoods
- Develops Partnerships
- Provides Bridge Funding
- Solicits and Accepts Land and House Donations

Island Housing Trust-–founded in 2003

- Since 2008 IHT created 41 homeownership opportunities for families and individuals working on MDI.
- Since 2011 IHT has provided more than $400,000 in bridge funding for 15 homes

- Buyer's eligibility requirements confirmed
- HOAP funding amount approved
- Affordability covenants put in place.

HOME OWNERSHIP

New Residents, More Units Needed

Donated (small) House

Renovation Project

Policy Initiatives Supporting Permanent Affordable Year-round Workforce

- Change zoning to allow for greater density.
- Allow smaller house building lots, on town sewer and water, exclusively for year-round workforce families.
- 1% tax on home sales >$1,000,000 supporting affordable housing.
- Pass Dormitory Zones, preferably walkable locations.
- Restrict Short-Term Rentals
- Identify vacant, underutilized, and town-owned parcels for affordable housing.
- Partner with developers to build and manage apartments for year-round workforce (JAX and others).
- Reduce property taxes on auxiliary affordable rental apartments for year-round employees.

Island Housing Development

Nine 1400 sq. foot houses

Ripples Hill, Mount Desert

House under offer.

Ripple neighborhood gathering

Collaboration with Maine Coast Heritage Trust assisted in purchasing 17 acres

Jones Marsh Project - 11 single and duplex units

TIF Project, Downtown Ellsworth

51-Unit Apartment Complex

State Historic Tax Credits

Since 2008; 1533 affordable units and 2049 market rate units

Lockwood Mill, Waterville

132 market-rate workforce apartments