

TOWN OF BOOTHBAY HARBOR

Housing Sector Data
&
Regulatory Land Use
Analysis

Prepared by the
Lincoln County Regional Planning Commission

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TOWN OF BOOTHBAY HARBOR

HOUSING SECTOR DATA & REGULATORY

LAND USE ANALYSIS

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INTRODUCTION

Lincoln County Regional Planning Commission (LCRPC) has prepared this Report on behalf of the Town of Boothbay Harbor to analyze the current housing conditions and trends in the Town and greater Boothbay Peninsula, as well as provide an evaluation of current land use ordinances. Additionally, this Report analyzes the 2018 Camoin Report (Economic Development Master Plan: Boothbay Region, Maine) and ‘Housing’ and ‘Future Land Use’ chapters of the 2015 Boothbay Harbor Comprehensive Plan.

This Housing Sector Data & Regulatory Land Use Analysis is separated into six (6) parts:

- Part One: Housing Supply & Demand Analysis
- Part Two: Evaluation of the 2018 Camoin Report (Economic Development Master Plan: Boothbay Region, Maine)
- Part Three: Review of the ‘Housing’ & ‘Future Land Use’ Chapters of the 2015 Comprehensive Plan
- Part Four: Assessment of Local Land Use Ordinances
- Part Five: Preliminary Assessment of COVID-19’s Impact on Housing
- Part Six: Conclusions & Recommendations

This Report assesses the housing stock in Boothbay Harbor and its affordability to homeowners and renters, highlighting the decrease in affordability over the past five (5) years – with almost 81% of Boothbay Harbor households not being able to afford a median-priced home in 2021. Almost 48% of renters cannot afford a 2-bedroom apartment. The data shows a significant affordability issue for Boothbay Harbor.

The assessment of the current Comprehensive Plan reviews the recommendations from 2015 on how to increase housing stock, especially in an attempt to create more affordable options. The Report advocates for steering growth into the parts of Boothbay Harbor identified in 2015 as better equipped to handle development (i.e., those areas with existing or future proposed sewer and water). A housing committee, either on a local or regional level, should be created to work with the Selectboard, Planning Board, and other invested stakeholders to explore this concept further.

Current land use restrictions will benefit from review and refinement from the Planning Board to allow for more diverse housing options in growth areas identified in the 2015 Comprehensive Plan. It is also recommended the Planning Board consult with developers, housing entities, the Code Enforcement Officer (CEO), a newly formed housing committee, and the like, to determine why Boothbay Harbor is not currently attracting affordable housing development and what potential incentives could be implemented to increase development in the areas the Town’s would like to see housing located.

A brief assessment of the COVID-19 Pandemic’s impact on migration is also explored.



PART ONE: Housing Supply & Demand Analysis

Part One of this Report presents an overview of existing housing supply, occupancy, costs, affordability, and other trends for the Town of Boothbay Harbor and, to a limited extent, its neighboring towns. The data is a combination of U.S. Census Bureau, MaineHousing (Maine State Housing Authority), Maine Department of Labor, and Maine Listings. The 2018 Economic Development Master Plan and the Town's 2015 Comprehensive Plan were also reviewed.

Housing Units:

According to the U.S. Census data, the number of total housing units in Boothbay Harbor has declined slightly from 2010. This does not include either year of the COVID-19 Pandemic – and it's possible this figure has recently increased. Table 1.1 also shows an increase over this ten (10) year period in the number of units considered vacant. Separate from the number of units, the homeowner vacancy rate has slightly declined and the rental vacancy rate has dropped significantly. These declines can be attributed in large part to the increase in short-term rentals and partly to the COVID-19 Pandemic.

Table 1.1: Housing Units in Boothbay Harbor, 2010 – 2019

Boothbay Harbor Housing Units by Tenure	2010	2014	2019	# and % Change
Total Units	2,175	2,061	2,128	-50 (-2.3%)
Occupied Units	1,084	998	990	-94 (-8.7%)
Vacant Units	1,091	1,063	1,138	+47 (+4.3%)
Homeowner Vacancy Rate %		5.8	4.7	-18.9%
Rental Vacancy Rate %		25.6	4.8	-80.6%

Source: U.S. Census Bureau, Decennial and ACS 5-year estimates.

The prior decade (as noted in the 2015 Comprehensive Plan) saw a 15% increase in housing units, mostly due to the construction of additional housing units as second homes and a decline in average household size¹.

The table below (Table 1.2) shows a quick comparison among the four (4) Peninsula towns. Boothbay's vacancy rate has 'disappeared' with most all available housing occupied. Edgcomb's rental rate similarly has dropped from 28 to 0%. Southport's home vacancy now is 0% and yet the rental rate has increased. Generally, Boothbay Harbor and Southport have a greater proportion of their housing units as vacant (various vacancy types, such as seasonal, for rent, for sale, etc.); while Boothbay and Edgcomb have more of their units occupied.

¹ For a quick review of the Comprehensive Plan housing data: From 1990 to 2000, housing units increased by 5.7%; permits were healthy from 2002 to 2005 (65 total). Then the recession hit with only 6 permits through 2008. In 2009 permits jumped up to 11.



Table 1.2: General Housing Unit Occupancy Trends on the Peninsula 2014 – 2019

Boothbay Harbor				
HOUSING OCCUPANCY	2014		2019	
Total Housing Units	2,061	Percent	2,218	Percent
Occupied Housing Units	998	48.40%	990	46.50%
Vacant Housing Units	1,063	51.60%	1,138	53.50%
Homeowner Vacancy Rate	5.8%	(X)	4.7%	(X)
Rental Vacancy Rate	25.6%	(X)	4.8%	(X)
Boothbay				
HOUSING OCCUPANCY	2014		2019	
Total Housing Units	2,543	Percent	2,668	Percent
Occupied Housing Units	1,418	55.80%	1,483	55.60%
Vacant Housing Units	1,125	44.20%	1,185	44.40%
Homeowner Vacancy Rate	6.7%	(X)	0%	(X)
Rental Vacancy Rate	38%	(X)	0%	(X)
Edgecomb				
HOUSING OCCUPANCY	2014		2019	
Total Housing Units	732	Percent	707	Percent
Occupied Housing Units	483	66.00%	561	79.30%
Vacant Housing Units	249	34.00%	146	20.70%
Homeowner Vacancy Rate	2.3%	(X)	2.5%	(X)
Rental Vacancy Rate	28%	(X)	0%	(X)
Southport				
HOUSING OCCUPANCY	2014		2019	
Total Housing Units	1,086	Percent	998	Percent
Occupied Housing Units	346	31.90%	278	27.90%
Vacant Housing Units	740	68.10%	720	72.10%
Homeowner Vacancy Rate	4.8%	(X)	0%	(X)
Rental Vacancy Rate	12.8%	(X)	21.9%	(X)

Source: American Community Survey 5 Year Estimates, 2010-2014, 2015-2019

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Selected Housing Stock Characteristics:

Table 1.3 covers several characteristics of the housing stock in Town. In 2019, about 77% of the Town's housing was comprised of single-family units (detached and attached). The second most common type of housing were the 3 to 4 unit, and the 5 to 6 unit apartments, representing together 12.4%. Boothbay Harbor's housing stock includes 4.1% in buildings with 20 or more units, and 3.2% mobile homes.

Table 1.3 Boothbay Harbor 2019 Selected Housing Unit Characteristics

HOUSING OCCUPANCY	Estimate	Percent
Total housing units	2,128	2,128
Occupied housing units	990	46.5%
Vacant housing units	1,138	53.5%
Homeowner vacancy rate	4.7	(X)
Rental vacancy rate	4.8	(X)
UNITS IN STRUCTURE	Estimate	Percent
Total housing units	2,128	2,128



1-unit, detached	1,589	74.7%
1-unit, attached	51	2.4%
2 units	55	2.6%
3 or 4 units	133	6.3%
5 to 9 units	130	6.1%
10 to 19 units	13	0.6%
20 or more units	88	4.1%
Mobile home	69	3.2%
Boat, RV, van, etc.	0	0.0%
YEAR STRUCTURE BUILT	Estimate	Percent
Total housing units	2,128	2,128
Built 2014 or later	9	0.4%
Built 2010 to 2013	44	2.1%
Built 2000 to 2009	132	6.2%
Built 1990 to 1999	185	8.7%
Built 1980 to 1989	291	13.7%
Built 1970 to 1979	106	5.0%
Built 1960 to 1969	171	8.0%
Built 1950 to 1959	157	7.4%
Built 1940 to 1949	51	2.4%
Built 1939 or earlier	982	46.1%
ROOMS	Estimate	Percent
Total housing units	2,128	2,128
1 room	14	0.7%
2 rooms	82	3.9%
3 rooms	188	8.8%
4 rooms	399	18.8%
5 rooms	447	21.0%
6 rooms	329	15.5%
7 rooms	199	9.4%
8 rooms	190	8.9%
9 rooms or more	280	13.2%
Median rooms	5.4	(X)
BEDROOMS	Estimate	Percent
Total housing units	2,128	2,128
No bedroom	14	0.7%
1 bedroom	267	12.5%
2 bedrooms	729	34.3%
3 bedrooms	651	30.6%
4 bedrooms	349	16.4%
5 or more bedrooms	118	5.5%
HOUSING TENURE	Estimate	Percent
Occupied housing units	990	990
Owner-occupied	690	69.7%
Renter-occupied	300	30.3%
Average household size of owner-occupied unit	2.06	(X)
Average household size of renter-occupied unit	1.53	(X)
YEAR HOUSEHOLDER MOVED INTO UNIT	Estimate	Percent
Occupied housing units	990	990
Moved in 2017 or later	73	7.4%
Moved in 2015 to 2016	115	11.6%



Moved in 2010 to 2014	204	20.6%
Moved in 2000 to 2009	274	27.7%
Moved in 1990 to 1999	146	14.7%
Moved in 1989 and earlier	178	18.0%
VEHICLES AVAILABLE	Estimate	Percent
Occupied housing units	990	990
No vehicles available	74	7.5%
1 vehicle available	479	48.4%
2 vehicles available	309	31.2%
3 or more vehicles available	128	12.9%
HOUSE HEATING FUEL	Estimate	Percent
Occupied housing units	990	990
Utility gas	22	2.2%
Bottled, tank, or LP gas	154	15.6%
Electricity	112	11.3%
Fuel oil, kerosene, etc.	635	64.1%
Coal or coke	0	0.0%
Wood	36	3.6%
Solar energy	0	0.0%
Other fuel	5	0.5%
No fuel used	26	2.6%
SELECTED CHARACTERISTICS	Estimate	Percent
Occupied housing units	990	990
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	0	0.0%
No telephone service available	29	2.9%
OCCUPANTS PER ROOM	Estimate	Percent
Occupied housing units	990	990
1.00 or less	990	100.0%
1.01 to 1.50	0	0.0%
1.51 or more	0	0.0%

Source: American Community Survey, 5-Year Estimates, 2015-2019. Table DP04

While the busy decades from 1980 to 2000 saw the construction of over 22% of today's units, the majority – 46.1% – were built in 1939 or earlier. For a couple other details, there are 74 housing units – 7.5% – which have no vehicles. There are no units that lack complete kitchens or plumbing.

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Selected Housing Values and Expenses:

The following table (Table 1.4) presents information about the value of people's homes, median mortgages and gross rents, and the percent of homeowners and renters who are spending more than 30 percent of their income on housing expenses (30% has become a commonly-used level).

The median value of a house in Boothbay Harbor in 2019 was \$245,400. The percent of housing units with a mortgage was 48%, with the median monthly housing costs for units with a mortgage of \$1,363; for units without a mortgage (52%), it is \$615. The median rent was \$732.



Table 1.4: Boothbay Harbor 2019 Selected Housing Value and Cost

	Estimate	Percent
Owner-occupied units	690	690
Less than \$50,000	9	1.30%
\$50,000 to \$99,999	66	9.60%
\$100,000 to \$149,999	44	6.40%
\$150,000 to \$199,999	135	19.60%
\$200,000 to \$299,999	174	25.20%
\$300,000 to \$499,999	161	23.30%
\$500,000 to \$999,999	57	8.30%
\$1,000,000 or more	44	6.40%
Median (dollars)	254,400	(X)
MORTGAGE STATUS	Estimate	Percent
Owner-occupied units	690	690
Housing units with a mortgage	331	48.00%
Housing units without a mortgage	359	52.00%
SELECTED MONTHLY OWNER COSTS (SMOC)	Estimate	Percent
Housing units with a mortgage	331	331
Less than \$500	10	3.00%
\$500 to \$999	66	19.90%
\$1,000 to \$1,499	124	37.50%
\$1,500 to \$1,999	32	9.70%
\$2,000 to \$2,499	43	13.00%
\$2,500 to \$2,999	14	4.20%
\$3,000 or more	42	12.70%
Median (dollars)	1,363	(X)
Housing units without a mortgage		
Less than \$250	20	5.60%
\$250 to \$399	47	13.10%
\$400 to \$599	109	30.40%
\$600 to \$799	82	22.80%
\$800 to \$999	46	12.80%
\$1,000 or more	55	15.30%
Median (dollars)	615	(X)
SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME (SMOC-API) 331 units	Estimate	Percent
Housing units with a mortgage		
Less than 20.0 percent	97	29.30%
20.0 to 24.9 percent	65	19.60%
25.0 to 29.9 percent	25	7.60%
30.0 to 34.9 percent	27	8.20%
35.0 percent or more	117	35.30%
Housing units without a mortgage		
Less than 10.0 percent	149	42.10%
10.0 to 14.9 percent	57	16.10%
15.0 to 19.9 percent	75	21.20%
20.0 to 24.9 percent	17	4.80%
25.0 to 29.9 percent	12	3.40%
30.0 to 34.9 percent	8	2.30%
35.0 percent or more	36	10.20%



GROSS RENT	Estimate	Percent
Occupied units paying rent	269	269
Less than \$500	94	34.90%
\$500 to \$999	107	39.80%
\$1,000 to \$1,499	51	19.00%
\$1,500 to \$1,999	5	1.90%
\$2,000 to \$2,499	12	4.50%
\$2,500 to \$2,999	0	0.00%
\$3,000 or more	0	0.00%
Median (dollars)	732	(X)
No rent paid	31	(X)
GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME (GRAPI)	Estimate	Percent
Occupied units paying rent (excluding units where GRAPI cannot be computed)	269	269
Less than 15.0 percent	40	14.90%
15.0 to 19.9 percent	22	8.20%
20.0 to 24.9 percent	28	10.40%
25.0 to 29.9 percent	55	20.40%
30.0 to 34.9 percent	31	11.50%
35.0 percent or more	93	34.60%

Source: American Community Survey, 5-Year Estimates, 2015-2019. Table DP04

To examine the issue of affordability a little deeper, according to MaineHousing (and other housing organizations), housing is considered ‘affordable’ if the household spends no more than 30% of its income on housing-related costs (mortgage or rent, utilities, taxes, insurance, and maintenance). Keeping these costs under 30% of income allows the household enough money to cover other expenses, such as healthcare, food, education, and transportation. A household spending more than 30% of its income on housing is considered to be cost-burdened.

For Boothbay Harbor homeowners with a mortgage, there are **27 housing units (8.2%) spending from 30 percent to 34.9 percent** on monthly housing expenses, **117 (35.3%) spending 35% or more**. The Town is on par with Edgecomb and Boothbay, but much higher than Southport and the County as a whole.

For renters, **31 units (11.5 percent of 269 renters) are paying 30% to 34.9%**; and **93 or 34.6 percent spend 35% or more**. In Edgecomb, about 46% of renters pay 35% or more; in Boothbay 5.7% pay 35% or more; and in Southport 20% of renters pay 35% or more. In Lincoln County, 11.4% of renters pay 30% or more and 34.9% pay 35% or more. In sum, the area, the County, and even the State as a whole have unaffordable rents.

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Recent Real Estate Trends:

Across the State, 2021 saw historic highs for the number of single-family home transactions and median sales price, the highest for both figures since the Maine Real Estate Information Systems (more familiarly known as Maine Listings) began tracking this information. Lincoln County saw fewer sales due to limited inventory, and the increase in median home price is on par with the State’s – a



16.42% jump from \$301,500 to \$351,000 in 2021. All Maine counties, with the exception of Washington, saw similar or greater increases in median sales price. The national median sales price for 2021 was \$364,300, which was a 6.3 percent increase over 2020.

Table 1.5: Single-Family Homes Sold and Median Prices

Statewide and by County 2020 and 2021

	Number of Units Sold			Median Sales Price		
	<u>2020</u>	<u>2021</u>	<u>%Change</u>	<u>2020</u>	<u>2021</u>	<u>%Change</u>
Statewide	19921	20401	2.41%	\$ 256,000	\$ 299,000	16.80%
Androscoggin	1223	1294	5.81%	\$ 205,000	\$ 240,000	17.07%
Aroostook	838	998	19.09%	\$ 105,000	\$ 120,000	14.29%
Cumberland	4130	3995	-3.27%	\$ 365,000	\$ 434,900	19.15%
Franklin	562	604	7.47%	\$ 189,950	\$ 225,000	18.45%
Hancock	1048	1064	1.53%	\$ 273,316	\$ 320,000	17.08%
Kennebec	1745	1826	4.64%	\$ 198,000	\$ 248,000	25.25%
Knox	694	742	6.92%	\$ 268,250	\$ 344,000	28.24%
Lincoln	686	654	-4.66%	\$ 301,500	\$ 351,000	16.42%
Oxford	995	1015	2.01%	\$ 199,900	\$ 251,000	25.56%
Penobscot	1905	2060	8.14%	\$ 170,000	\$ 200,000	17.65%
Piscataquis	453	421	-7.06%	\$ 129,900	\$ 165,000	27.02%
Sagadahoc	501	482	-3.79%	\$ 275,000	\$ 340,000	23.64%
Somerset	734	781	6.40%	\$ 143,750	\$ 172,500	20.00%
Waldo	615	659	7.15%	\$ 224,000	\$ 270,000	20.54%
Washington	551	634	15.06%	\$ 149,900	\$ 163,500	9.07%
York	3241	3172	-2.13%	\$ 337,000	\$ 398,750	18.32%

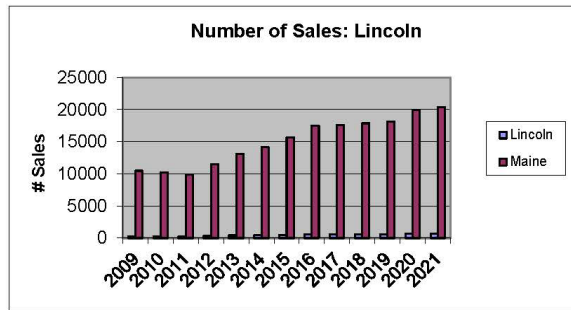
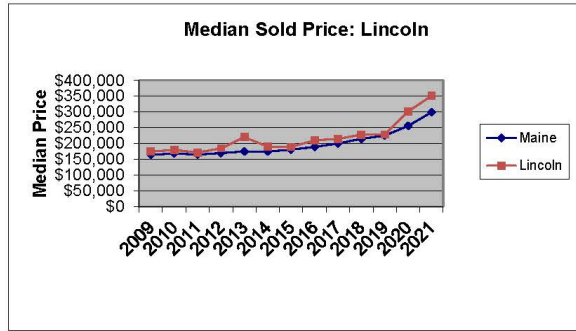
Source: Maine Real Estate Information System, Inc. (d/b/a Maine Listings). Note: Maine Listings, a subsidiary of the Maine Association of REALTORS, is a statewide Multiple Listing Service with over 6,200 licensees inputting active and sold property listing data. Statistics reflect properties reported as sold in the system within the time periods indicated.

The following sets of tables, also from Maine Listings, provides a longer-term picture of units sold and median prices from 2009, with Lincoln County's home price consistently above the State's median, and more recently affected by the limited housing supply.



Table 1.6: Lincoln County – Single Family Home Sales

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Median Sold Price: ME	\$164,000	\$168,750	\$165,000	\$170,000	\$175,000	\$175,000	\$180,500	\$189,400	\$200,000	\$215,000	\$225,000	\$256,000	\$299,000
Median Sold Price: LIN	\$174,500	\$180,000	\$171,500	\$184,900	\$220,000	\$190,000	\$189,500	\$210,000	\$215,250	\$228,000	\$228,250	\$301,500	\$351,000
Number of Sales: LIN	284	299	272	355	425	457	488	595	566	559	594	686	654
Number of Sales: ME	10,486	10,213	9,837	11,521	13,088	14,123	15,672	17,507	17,633	17,864	18,140	19,921	20,401



- Sold price is above the state median since 2007.
- First time sales volume decreased.
- Third highest median sales price in 2021.



Based on data from Maine Listings for the period 1/1/09 through 12/31/21. Reflects properties submitted through the MLS and not all sales. For additional information contact info@mainerealtors.com.

Source: Maine Association of Realtors



With unpublished 2021 sales data from Maine Listings, the four towns had the following count of home sales and the median prices:

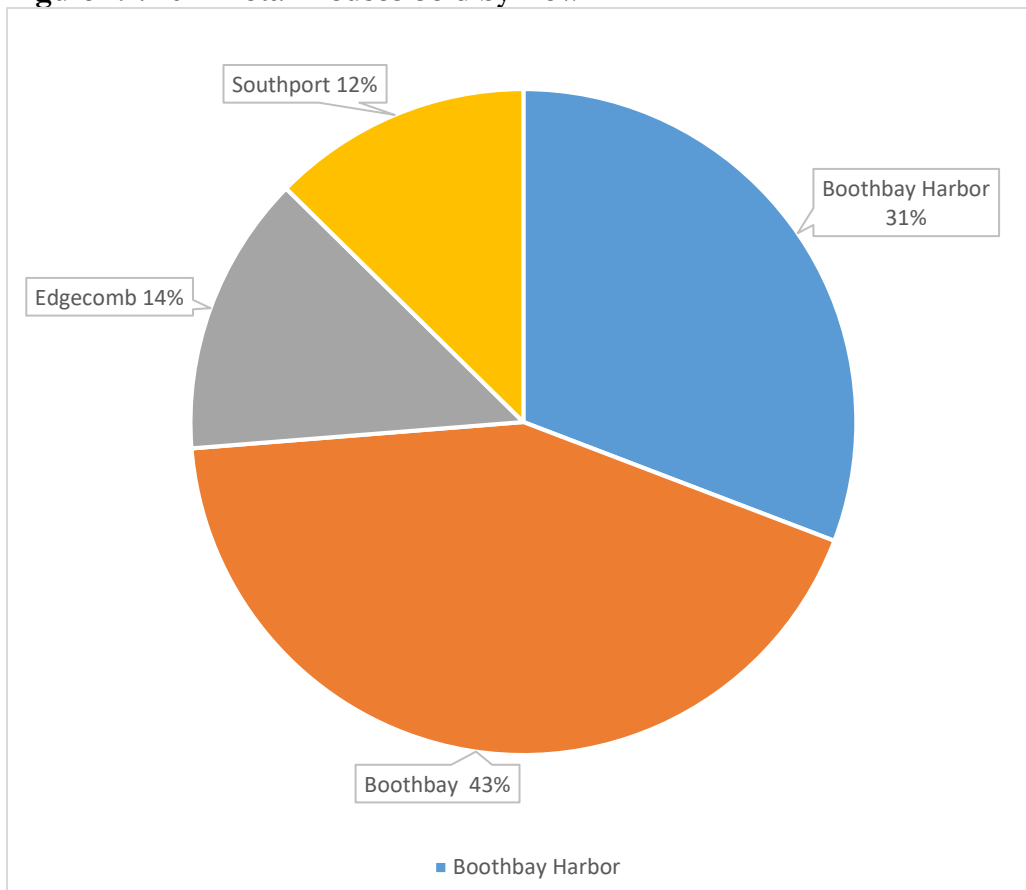
Table 1.7: 2021 Residential Sales and Price

	Number of Sales	Median Price
Boothbay Harbor	61	\$643,784
Boothbay	85	\$522,815
Edgecomb	27	\$391,143
Southport	25	\$754,620

Source: Maine Association of Realtors

The breakdown for the peninsula shows 43% of the 2021 sales occurring in Boothbay, 31% in Boothbay Harbor, and about the same percentage in Edgecomb and Southport, 14% and 12%, respectively.

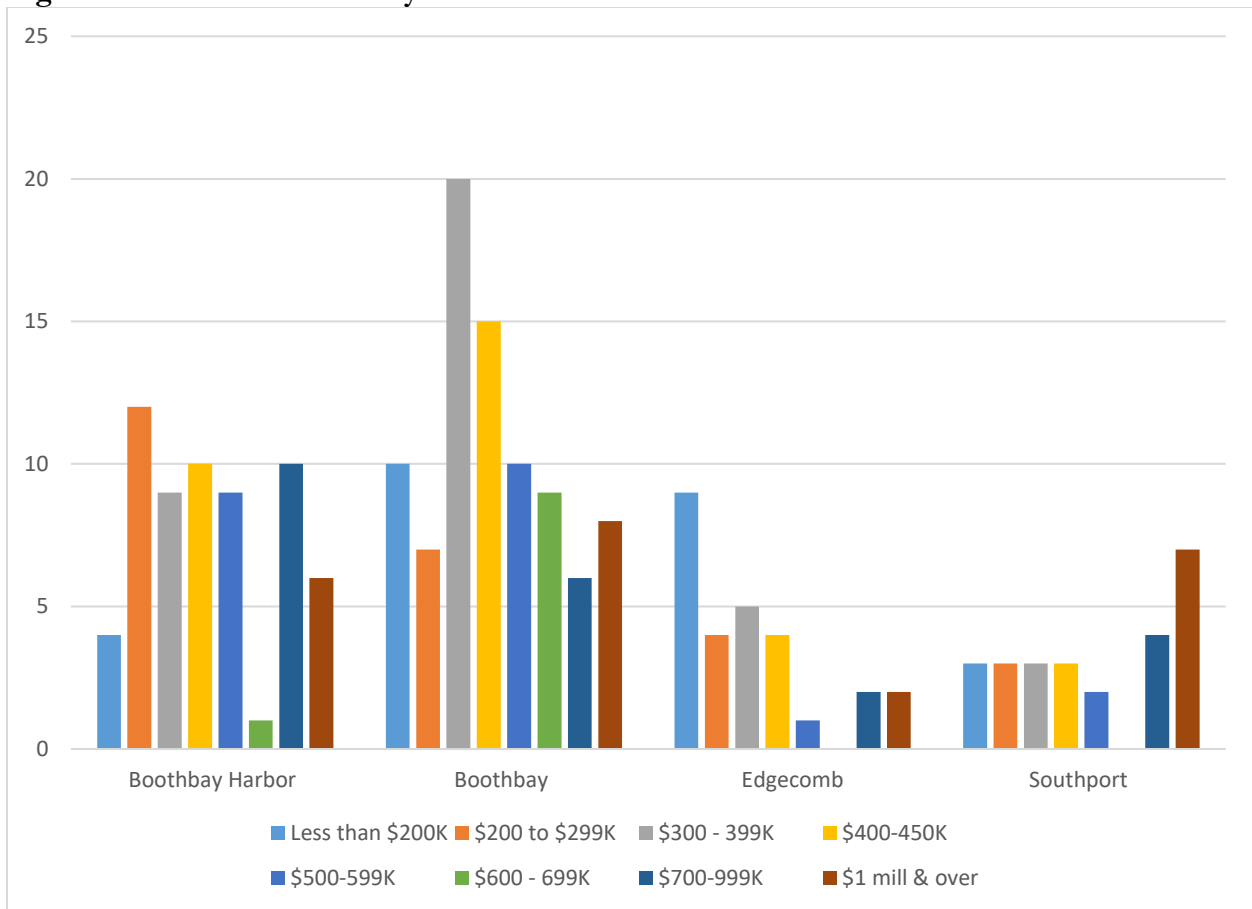
Figure 1.1: 2021 Total Houses Sold by Town



There is obviously quite a range in prices from below \$200,000 to over \$4 million. The graph below (Figure 1.2) shows the range of prices for houses sold in each town. Some of these patterns make sense: the larger towns generally had more units sold at a wider price range. Other interesting notes: sales in Southport's top price range was about the same as in Boothbay Harbor and Boothbay, and Edgecomb had greater sales in the less than \$200,000 range than did Boothbay Harbor and Southport.



Figure 1.2: 2021 Town Sales by House Price



Subsidized and Special Needs Housing:

In 2020, Boothbay Harbor had 100 subsidized housing units, including Campbell Creek, Bay Landing, and Harbor View. The Campbell Creek Townhouses are income-based for families, and the Campbell Creek Apartments are for people 62 years and older, or with disabilities (also income-based). Harbor View has 24 apartments for 62 plus or disabled, and is a Section 8 HUD housing development. The Rocky Coast Group Home provides assisted living for up to six (6) developmentally-disabled people.



Affordability:

Much of the analysis of the affordability issue is by MaineHousing². This MaineHousing webpage, <https://www.mainehousing.org/policy-research/housing-data/housing-affordability-indexes>, provides many years of affordability data for towns, labor market areas, counties, and congressional districts. A key indicator – the affordability index – is the ratio of Home Price Affordable at Median Income to Median Home Price. An index of less than 1.00 means an area is generally unaffordable – i.e., a household earning area median income could not cover the payment on a median-priced home (30-year mortgage, taxes, and insurance) using no more than 28% of gross income.

Table 1.8: Last 5 Year Trends in Boothbay Harbor Homeownership Affordability, 2017 to 2021

YEAR	2017	2018	2019	2020	2021
Index	0.75	0.66	0.63	0.51	0.44
Median Home Sale Price	\$245,000	\$229,000	\$274,411	\$377,500	\$461,500
Median Income	\$49,346	\$43,650	\$47,168	\$49,191	\$51,297
Income needed to afford median home price	\$66,016	\$65,702	\$75,176	\$95,895	\$115,487
Home price affordable at median income	\$183,134	\$152,140	\$172,175	\$193,644	\$204,989

Source: MaineHousing

The Affordability Index in Boothbay Harbor has not been close to 1.00 for many years, which is fairly characteristic for coastal tourist communities; it's been trending downward since 2016. In 2021, almost 81% of Boothbay Harbor households could not afford a median-priced home. This is a remarkably high number and has increased from 60% to 81% over the past five years. Not surprisingly, this reflects the continuing rise in home prices and the impact of the COVID-19 Pandemic, and the slight increase in income (from \$49,346 to \$51,297). The income increase is nowhere near the level needed to keep up with housing prices. For the full set of homeownership facts and affordability calculations, there are two tables at the end of this Report section.

Table 1.9: Geographic Comparison of Homeownership Affordability in 2021

AREA	Boothbay Harbor	Boothbay Harbor LMA	Lincoln County	Maine
Affordability Index	0.44	0.53	0.67	0.80
Median Home Sale Price	\$461,500	\$455,000	\$349,000	\$295,000
Median Income	\$51,297	\$59,850	\$48,541	\$63,427
Income needed to afford median home price	\$115,487	\$111,989	\$58,806	\$354,494
Home price affordable at median income	\$204,989	\$243,163	\$148,580	\$236,243
Households unable to afford median home prices	80.9%	75.9%	60.0%	61.6%

Source: Maine State Housing Authority. The Boothbay Harbor LMA includes Boothbay, Boothbay Harbor, Edgcomb, and Southport.

² MaineHousing uses Claritas for income data in their Affordability Indexes. Claritas uses a forecasting method that has been found to be highly accurate over the years. Their income forecast allows MaineHousing to compare actual year sale and rent data with projected actual household income, in what is believed to be a more accurate portrayal of the housing market. The current indexes for 2020 show a rise in income; to some this may be surprising given the economic consequences of the pandemic. MaineHousing will monitor other data sources for 2020 and 2021 income and reevaluate if it is deemed appropriate. The median income and sale prices will differ from other data sources.



Housing affordability was comparable in the Town and Labor Market Area (the Peninsula) but somewhat more affordable in the County and State. This is partly due to lower-priced land and homes inland (away from coastal and shoreland areas); a higher percentage of mobile homes are found inland in Lincoln County and surrounding areas.

The next table (Table 1.10) shows similar information about rental affordability in Boothbay Harbor, though the data is from 2017.

Table 1.10: Renter Households Unable to Afford Average 2-Bedroom Rent, 2017 Data

AREA	Boothbay Harbor (2017)	Boothbay Harbor LMA (2017)	Lincoln County (2017)	Maine (2017)
Percent of households unable to afford avg. 2 BR rent	47.9%	47.5%	52.3%	59.6%
Number of households unable to afford avg. 2 BR rent	168	320	1,515	96,367
Average 2 BR rent (with utilities)	\$722	\$709	\$831	\$976
Income needed to afford avg. 2 BR rent	\$28,888	\$28,348	\$33,232	\$39,401

Source: Maine Housing, 2017 data is used due to the lack of more current rental data for the BBH area. (Notes: BR = Bedroom)

At the Town level, almost 48% of renters could not afford an average two-bedroom apartment (which rents for \$722 a month). That figure is slightly lower than the County and much lower than the State. With 2020 data available for the County and State (but not locally), the County's count is higher and the State's rate is slightly lower.

Both with the earlier Census data on cost-burdened residents (Table 1.4: Selected Housing Value and Cost) and this affordability analysis, it is clear many Boothbay Harbor residents are struggling to pay their housing costs and to find a different home for their changing family size. Looking at income data for the Town, and using the \$99,999 as the income needed to afford a median home price (as a stand-in for \$115,487 from Table 1.9): 834 households earn less than \$99,999 (84.2%), and in terms of families, this applies to 410 families, or nearly 78%.

Table 1.11: Boothbay Harbor Household and Family Income 2019

	Estimate	Percent
2019 INFLATION-ADJUSTED DOLLARS		
Total households	990	990
Less than \$10,000	33	3.3%
\$10,000 to \$14,999	86	8.7%
\$15,000 to \$24,999	142	14.3%
\$25,000 to \$34,999	96	9.7%
\$35,000 to \$49,999	153	15.5%
\$50,000 to \$74,999	193	19.5%
\$75,000 to \$99,999	131	13.2%
\$100,000 to \$149,999	93	9.4%
\$150,000 to \$199,999	19	1.9%
\$200,000 or more	44	4.4%
Median household income (dollars)	\$49,250	(X)
Families	525	525
Less than \$10,000	0	0.0%
\$10,000 to \$14,999	12	2.3%



\$15,000 to \$24,999	36	6.9%
\$25,000 to \$34,999	39	7.4%
\$35,000 to \$49,999	101	19.2%
\$50,000 to \$74,999	105	20.0%
\$75,000 to \$99,999	117	22.3%
\$100,000 to \$149,999	56	10.7%
\$150,000 to \$199,999	19	3.6%
\$200,000 or more	40	7.6%
Median family income (dollars)	\$63,466	(X)

Source: ACSDP5Y2019.DP03 American Community Survey 5 Year Estimate



Table 1.12: Homeownership Housing Facts and Affordability Index

	Year	Affordability	Affordable Homes Sold	Home Price Affordable to Median Income	Households Unable to Afford Median Home	Households Unable to Afford Median Home (%)	Income Needed to Afford Median Home Price - Annual	Income Needed to Afford Median Home Price - Hourly	Index	Median Home Price	Median Income	Percentage of Unattainable Homes Sold	Total Households	Unattainable Homes Sold
Boothbay Harbor	2021	Unaffordable	2	\$204,989	889	80.9%	\$115,487	\$55.52	0.44	\$461,500	\$51,297	96.0%	1,099	48
	2020	Unaffordable	7	\$193,644	864	78.5%	\$95,895	\$46.10	0.51	\$377,500	\$49,191	89.2%	1,101	58
	2019	Unaffordable	5	\$172,175	779	70.2%	\$75,176	\$36.14	0.63	\$274,411	\$47,168	88.4%	1,110	38
	2018	Unaffordable	8	\$152,140	706	65.1%	\$65,702	\$31.59	0.66	\$229,000	\$43,650	81.4%	1,085	35
	2017	Unaffordable	17	\$183,134	649	60.2%	\$66,016	\$31.74	0.75	\$245,000	\$49,346	69.6%	1,079	39
Boothbay	2021	Unaffordable	5	\$265,304	1,022	72.9%	\$112,001	\$53.85	0.58	\$460,000	\$64,596	93.5%	1,401	72
	2020	Unaffordable	25	\$275,585	890	64.0%	\$88,904	\$42.74	0.77	\$357,500	\$68,533	69.9%	1,391	58
	2019	Unaffordable	18	\$248,000	881	63.7%	\$85,381	\$41.05	0.78	\$317,500	\$66,691	69.0%	1,384	40
	2018	Unaffordable	24	\$216,727	946	67.9%	\$84,269	\$40.51	0.72	\$303,000	\$60,275	67.1%	1,394	49
	2017	Unaffordable	26	\$221,781	933	68.0%	\$86,232	\$41.46	0.68	\$325,000	\$58,845	61.2%	1,372	41
Edgecomb	2021	Unaffordable	3	\$228,364	416	77.6%	\$104,064	\$50.03	0.60	\$381,250	\$62,333	81.3%	536	13
	2020	Unaffordable	9	\$231,876	374	70.4%	\$87,970	\$42.29	0.72	\$322,500	\$63,250	67.9%	531	19
	2019	Unaffordable	5	\$211,314	342	64.8%	\$75,079	\$36.10	0.82	\$256,250	\$61,913	58.3%	528	7
	2018	Unaffordable	7	\$201,794	342	65.5%	\$73,681	\$35.42	0.83	\$243,300	\$61,111	63.2%	522	12
	2017	Unaffordable	16	\$200,371	325	62.6%	\$69,208	\$33.27	0.83	\$240,000	\$57,780	55.6%	519	20
Southport	2021	Unaffordable	5	\$288,106	202	68.2%	\$104,333	\$50.16	0.62	\$465,000	\$64,643	80.0%	296	20
	2020	Unaffordable	2	\$254,293	210	71.7%	\$145,969	\$70.18	0.40	\$632,500	\$58,686	90.0%	293	18
	2019	Unaffordable	4	\$254,737	213	70.8%	\$111,010	\$53.37	0.57	\$444,000	\$63,690	75.0%	301	12
	2018	Unaffordable	5	\$207,940	213	70.1%	\$91,442	\$43.96	0.59	\$350,000	\$54,327	70.6%	304	12
	2017	Unaffordable	4	\$236,089	210	70.2%	\$173,730	\$83.52	0.34	\$700,000	\$58,594	63.6%	299	7
Lincoln County	2021	Unaffordable	141	\$235,112	10,851	69.3%	\$89,857	\$43.20	0.67	\$349,000	\$60,534	78.7%	15,660	520
	2020	Unaffordable	210	\$234,368	9,646	62.2%	\$79,891	\$38.41	0.77	\$305,000	\$61,390	69.7%	15,496	483
	2019	Unaffordable	263	\$212,286	8,203	53.2%	\$63,751	\$30.65	0.94	\$226,250	\$59,816	56.0%	15,424	335
	2018	Unaffordable	184	\$185,841	9,170	59.5%	\$67,054	\$32.24	0.81	\$229,000	\$54,417	67.1%	15,419	375
	2017	Unaffordable	295	\$198,652	8,159	53.7%	\$59,925	\$28.81	0.92	\$215,000	\$55,369	52.6%	15,189	327
Maine	2021	Unaffordable	7,254	\$236,243	354,494	61.6%	\$79,201	\$38.08	0.80	\$295,000	\$63,427	64.8%	575,354	13,331
	2020	Unaffordable	8,792	\$231,762	317,492	55.4%	\$69,691	\$33.51	0.91	\$255,000	\$63,340	56.4%	572,586	11,370
	2019	Unaffordable	8,015	\$202,959	317,850	55.7%	\$66,044	\$31.75	0.90	\$225,000	\$59,575	56.3%	570,917	10,321
	2018	Unaffordable	7,534	\$188,138	319,595	56.3%	\$64,367	\$30.95	0.89	\$212,500	\$56,987	58.1%	567,491	10,440
	2017	Unaffordable	9,513	\$183,546	305,672	54.1%	\$57,089	\$27.45	0.93	\$197,000	\$53,190	53.9%	565,295	11,139

Source: MaineHousing

<https://www.mainehousing.org/policy-research/housing-data/housing-affordability-indexes>

Table 1.13: Rental Housing Facts and Affordability Index

	Year	Affordability	2BR Rent Affordable to Median Income	Households Unable to Afford Median 2BR Rent	Households Unable to Afford Median 2BR Rent (%)	Income Needed to Afford Median 2BR Rent - Annual	Income Needed to Afford Median 2BR Rent - Hourly	Median 2BR Rent (with utilities)	Renter Affordability Index	Renter Household Median Income	Renter Total Households
Boothbay Harbor	2017	Affordable	\$757	168	47.9%	\$28,888	\$13.89	\$722	1.05	\$30,277	351
	2011	Unaffordable	\$653	175	62.5%	\$34,115	\$16.40	\$853	0.77	\$26,135	280
	2010	Unaffordable	\$654	192	67.8%	\$38,146	\$18.34	\$954	0.69	\$26,145	283
	2009	Unaffordable	\$640	250	75.5%	\$43,519	\$20.92	\$1,088	0.59	\$25,602	331
	2008	Unaffordable	\$634	234	68.8%	\$37,151	\$17.86	\$929	0.68	\$25,344	340
	2007	Unaffordable	\$571	257	73.6%	\$36,529	\$17.56	\$913	0.63	\$22,848	349
	2006	Unaffordable	\$582	258	75.0%	\$38,841	\$18.67	\$971	0.60	\$23,271	344
Boothbay	2016	Unaffordable	\$684	122	65.6%	\$41,850	\$20.12	\$1,046	0.65	\$27,380	186
	2011	Unaffordable	\$713	83	56.8%	\$34,179	\$16.43	\$854	0.83	\$28,528	146
	2010	Unaffordable	\$847	77	52.7%	\$36,303	\$17.45	\$908	0.93	\$33,888	146
	2009	Unaffordable	\$770	98	56.0%	\$34,823	\$16.74	\$871	0.88	\$30,799	175
	2008	Unaffordable	\$769	93	52.8%	\$32,553	\$15.65	\$814	0.95	\$30,768	176
Edgecomb	2017	Affordable	\$866	37	39.8%	\$27,555	\$13.25	\$689	1.26	\$34,642	93
Lincoln County	2020	Unaffordable	\$835	1,878	63.5%	\$45,759	\$22.00	\$1,144	0.73	\$33,390	2,956
	2017	Unaffordable	\$795	1,515	52.3%	\$33,232	\$15.98	\$831	0.96	\$31,791	2,895
	2016	Unaffordable	\$821	1,520	52.3%	\$34,297	\$16.49	\$857	0.96	\$32,823	2,906
	2015	Unaffordable	\$846	1,575	54.7%	\$37,170	\$17.87	\$929	0.91	\$33,841	2,879
	2014	Unaffordable	\$807	1,710	59.5%	\$38,567	\$18.54	\$964	0.84	\$32,295	2,873
	2013	Unaffordable	\$776	1,665	58.3%	\$35,997	\$17.31	\$900	0.86	\$31,039	2,858
	2012	Unaffordable	\$713	1,230	56.8%	\$32,430	\$15.59	\$811	0.88	\$28,531	2,165
	2011	Unaffordable	\$701	1,314	60.7%	\$34,588	\$16.63	\$865	0.81	\$28,025	2,165
	2010	Unaffordable	\$743	1,281	58.5%	\$34,677	\$16.67	\$867	0.86	\$29,720	2,189
Maine	2020	Unaffordable	\$956	89,820	55.0%	\$43,517	\$20.92	\$1,088	0.88	\$38,231	163,185
	2017	Unaffordable	\$770	96,367	59.6%	\$39,041	\$18.77	\$976	0.79	\$30,804	161,746
	2016	Unaffordable	\$740	98,774	61.1%	\$38,593	\$18.55	\$965	0.77	\$29,588	161,601
	2015	Unaffordable	\$754	89,127	55.4%	\$33,998	\$16.35	\$850	0.89	\$30,142	160,903
	2014	Unaffordable	\$729	92,844	57.8%	\$34,865	\$16.76	\$872	0.84	\$29,143	160,766
	2013	Unaffordable	\$746	87,379	54.5%	\$33,028	\$15.88	\$826	0.90	\$29,841	160,458
	2012	Unaffordable	\$739	82,993	53.7%	\$31,986	\$15.38	\$800	0.92	\$29,554	154,519
	2011	Unaffordable	\$729	83,922	54.9%	\$32,390	\$15.57	\$810	0.90	\$29,168	152,860
	2010	Unaffordable	\$764	80,629	53.0%	\$32,560	\$15.65	\$814	0.94	\$30,571	152,195

Source: MaineHousing <https://www.mainehousing.org/policy-research/housing-data/affordability-indexes>. No data for Southport, and limited for Edgecomb



PART TWO: Evaluation of the 2018 Camoin Report (Economic Development Master Plan: Boothbay Region, Maine)

The Economic Development Master Plan report (referred to as the Camoin Report for brevity) came out of an extensive public and data analysis process, funded by the Joint Economic Development Committee, to identify strategies and priority actions to promote economic and community development on the Boothbay Peninsula. The report establishes six large-scale goals:

- Business Growth and Development
- Housing Diversity and Availability
- Downtown Development and Waterfront Management
- Tourism Infrastructure Maintenance
- Regional Transportation Planning
- Regional Collaboration

LCRPC reviewed the Camoin Report's goals, objectives, and actions, and determined these recommendations remain timely and appropriate. The Report should be considered a useful planning tool, especially for any future updates to the Boothbay Harbor Comprehensive Plan.

An excerpt from 'Goal Statement 2: Housing Diversity and Availability' follows:

“The Boothbay Region will pursue housing policies and programs that support the development of housing to retain and attract young and mature families who can live, work and age-in-place within the region, as well as seniors seeking to remain in the region.

Objective No. 1 – Continue to evaluate changing housing stock needs and capacity to ensure the region is a livable community for a range of residents.

1. *Conduct an in-depth peninsula evaluation of housing stock needs to further understand the housing market in terms of issues facing workforce, seasonal, and senior housing stocks. Issue major findings and recommendations publicly.*
2. *Review existing zoning codes to reflect the current needs of the community and ensure that all zoning codes are suitable for a range of housing that will invite residents of all ages.*
3. *Consider public private partnership options for housing development, including:*
 - a. *Issue RFP to garner responses from development community to understand what is possible and the cost of development;*
 - b. *Affordable Housing TIF;*
 - c. *Community Land Trusts that integrate housing and open space; and*
 - d. *Partnerships with housing non-profits – i.e., Habitat for Humanity*



4. *Reach out to the Island Housing Trust in Mount Desert to evaluate their process and the transferability of the model to the Boothbay Region.*

Objective No. 2 – Anticipate and monitor physical infrastructure needs to coordinate with housing objectives.

1. *Identify and inventory parcels of land for potential projects – target locations that already have partial physical infrastructure available. Post information to local town websites to ensure towns have maps of parcels that are available for consideration by developers.*
2. *Explore public sewer and water expansion in nodes where housing development is feasible. Boothbay Harbor is well-served by the Boothbay Harbor Sewer District and a small portion of Boothbay is near the YMCA. Greater support for regionalization and/or expansion of the Boothbay Harbor Sewer District by the Towns of Boothbay and Edgecomb (Boothbay Region Water District as well) will be needed to expand infrastructure in support of greater density of housing development.”*

Boothbay Harbor has acted on Objective No. 1, described above, with a few more steps to do. The action steps in Objective No. 2 are necessary updates to the Town’s Comprehensive Plan.



The Camoin data analysis, for the most part, presented combined data for the four (4) Peninsula towns, Lincoln County, and State of Maine. This current Report primarily covers the Town of Boothbay Harbor, providing in a few instances separate information for the other three (3) towns. While the impact of the COVID-19 Pandemic is still in flux (in terms of population changes, remote job growth, and local business recovery, for example), the Peninsula housing data presented in the Camoin report still tracks very closely with this 2020-2021 Housing Analysis. Also, please refer to Part 5 of this Report, which provides a more in-depth discussion of COVID migration based on preliminary data from the U.S. Census Bureau and a study prepared by the Boston Federal Reserve.

A few significant differences between 2018 and today exist:

1. Increase in housing costs.
2. Units on the market.
3. Vacancy rates, both for homes and rentals

Increase in Housing Costs:

In 2017, the median home price was \$253,212.

Per MaineHousing, the region’s median home price in 2020 was \$367,500, and median home prices for the four (4) towns in 2020 were:

- Boothbay Harbor \$377,500
- Boothbay \$357,500
- Edgecomb \$322,500
- Southport \$632,500

The 2020 median home price is a 45% increase over 2017.



Using a different source (Maine Real Estate Listings), the upward trend in prices continued in 2021:

- Boothbay Harbor \$643,784
- Boothbay \$522,815
- Edgecomb \$391,143
- Southport \$754,620

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Vacancy Rates:

While the Peninsula has had historically higher vacancy rates due to the larger seasonal population, COVID has greatly impacted homeownership and rental vacancy rates. In Boothbay Harbor, the homeowner rates are 4.3% and 5.3% for rentals; vacancy rates for the other towns in 2020 were essentially 0% (except for Southport's rentals). This is a tremendous alteration of the availability and price of housing.

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After the publication of the Camoin Report, both Boothbay Harbor and Boothbay recognized housing as a priority, and a Housing Work Group of the JEDC met for several months in 2018 – 2019 to look into a number of land parcels (old subdivisions, the Rotary land, and others), conduct a preliminary assessment of the local demand for affordable housing, and identify different public and private funding resources. This research and community engagement was helpful and a possible 20-unit housing development was proposed for Boothbay Harbor. To date, no housing development has been built. However, the relationships, plans, and local resources are part of a foundation for further public actions.



PART THREE: Review of the ‘Housing’ & ‘Future Land Use’ Chapters of the 2015 Comprehensive Plan

As part of this Housing Analysis, an in-depth review of the ‘Housing’ and ‘Future Land Use’ chapters of the 2015 Boothbay Harbor Comprehensive Plan was performed to assess whether the recommendations made in the Plan were enacted and whether the strategies and recommendations are still applicable. New recommendations are included to consider as Boothbay Harbor undertakes future comprehensive planning efforts, perhaps leading to future changes to the Town’s land use ordinances.

Assessment of the 2015 Comprehensive Plan Recommendations

The 2015 Boothbay Harbor Comprehensive Plan proposed a number of policies and strategies in the ‘Housing’ and ‘Future Land Use’ chapters. These policies and strategies identify and guide the Town on ways to implement Boothbay Harbor’s housing and related land-use goals.

‘Housing’ Chapter Policies:

1. *To encourage and promote adequate workforce housing to support the community’s and region’s economic development.*
2. *To ensure that land use controls encourage the development of quality affordable housing, including rental housing.*
3. *To encourage and support the efforts of the regional housing coalitions in addressing affordable and workforce housing needs.*

‘Housing’ Chapter Strategies:

The Comp. Plan Committee divided the strategies into the categories of Land Use Ordinance Provisions, Housing Committee, Local & Regional Housing Organizations, and Affordable Housing Development.

Land Use Ordinance Provisions:

1. *For growth areas identified in the future land use plan, maintain, enact or amend land use regulations to, for example, increase density, decrease lot size, setbacks and road widths, or provide incentives such as density bonuses, to encourage the development of affordable/ workforce housing.*
2. *Maintain, enact or amend ordinances to allow the addition of at least one accessory apartment per single-family detached residence in growth areas, subject to site suitability.*



Housing Committee:

1. *Investigate creating a community affordable/workforce housing committee, identify potential nonprofit and for profit developers, and create partnerships (possibly with neighboring towns) to explore and develop housing opportunities for both rehabilitation and new construction.*

Local and Regional Housing Organizations:

1. *Support the efforts of local and regional housing organizations in addressing affordable and workforce housing needs, including improving housing conditions through the use of state, federal, nonprofit, and private resources.*

Affordable Housing Development:

1. *Seek to achieve a level of at least 10% of new residential units built or placed during the next decade to be affordable (housing cost not more than 30% of a household's total annual income).*
2. *The Boothbay Harbor Planning Board and housing committee will meet with the Boothbay Planning Board to discuss the area's need for affordable housing and potential joint actions.*
3. *Encourage participation in government and nonprofit programs: Community Housing of Maine; Maine Department of Community and Economic Development Community Development Block Grants; Maine State Housing Authority funds; USDA Rural Development funds and loans; Community Action Agencies; Coastal Enterprises, Inc.; Home Repair Network; Rebuilding Together; housing rehabilitation loans (single-family and multi-family); Low Income Housing Tax Credit; home buyer education; other programs for the construction of subsidized workforce housing within the Town; and other grants to homeowners for improvements to energy efficiency, safety and habitability.*
4. *Investigate amending ordinances to encourage open space subdivisions, house minimums and other types of affordable residential development.*

The entities identified as responsible for implementing these housing strategies included the Select Board, Planning Board, Town Manager, Housing Committee, and/or Economic Development Committee.



The implementation strategies proposed in the 2015 Comp. Plan are still valuable and action should be taken on them. A future update to the Comp. Plan should also include and/or refine these strategies as they are still as relevant today as they were 7+ years ago.

For example, ‘*investigate creating a community affordable/workforce housing committee*’ and ‘*support the efforts of local and regional housing organizations in addressing affordable and workforce housing needs*’ should be pursued and the Housing Committee should be reengaged in the process. A number of entities in the Boothbay Region, including the other towns, the Rotary, and the recently formed Boothbay Region Housing Trust could be brought together to discuss possible solutions to workforce and affordable housing, as well as be involved in conversations with developers.



‘Encourage participation in government and nonprofit programs’ should proceed, especially given the additional funding set aside in Governor Mills’ Maine Jobs & Recovery Plan³, including the Affordable Home Ownership Program being administered by MaineHousing.

Boothbay Harbor may also consider MaineHousing’s Community Grant Solutions Grant Program⁴, which offers matching grants up to \$500,000 for the creation or preservation of affordable housing. The grant program is flexible and locally driven, with the recipient municipality determining how best to address their affordable housing needs.

Workforce housing was identified as a need in the 2015 Comprehensive Plan and private business owners have since created some workforce housing for their employees through the purchase of buildings in Town. It is understood through a conversation with Boothbay Harbor’s Code Enforcement Officer that this workforce housing is mainly for seasonal employees working at local business establishments during the summer months. Per the CEO, two larger businesses and a few smaller businesses have purchased properties to house their seasonal employees.

A future comp. plan should analyze if the addition of this private workforce housing has helped alleviate the issue; whether additional workforce housing is needed and if so, how much; and whether any unintended consequences have occurred, such as if the conversion of year-round housing to seasonal workforce housing further exacerbated the lack of available year-round housing (affordable or otherwise).

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‘Future Land Use’ Strategies:

The 2015 Comprehensive Plan also included strategies related to expanding housing opportunities, including affordable housing options, in the ‘Future Land Use’ chapter. These strategies were specific to the Downtown, Village Residential District, and General Residential Areas. Other recommendations were made for the Rural Residential Areas, Waterfront Areas, and Other Coastal Areas; however, as they are not specific to increasing housing opportunities these proposed strategies are not included in this Report.

The Downtown:

1. *Amend the Downtown Business District Standards:*
 - a. *To prohibit new primary residential uses on the ground floor of commercial streets. Accessory residential uses such as the private living quarters of bed and breakfasts and of other lodging establishments would be allowed;*
 - b. *Restrict new ground floor uses on commercial streets to those dependent on easy pedestrian access (such as, but not limited to, retail operations and food serving establishments); and*
 - c. *Allow residential and professional office operations on the upper floors of commercial streets.*

³ <https://www.maine.gov/jobsplan/>

⁴ <https://www.mainehousing.org/docs/default-source/default-document-library/community-solutions-grant-2022-final.pdf>



Per the Comp. Plan:

“Currently, single-family residences and duplexes are allowed without restriction in the downtown. The plan recommends that new residential uses not be permitted on the ground floor of key commercial streets except if they are accessory to a non-residential use, such as a bed and breakfast.” (Page 9)

This type of mixed-use development makes sense for Boothbay Harbor. Residential units on the upper floors of commercial buildings allows residents to live and shop in the Village while having privacy away from pedestrians visiting the stores and restaurants, especially during the busy summer season.

The Comp. Plan further states:

“The plan encourages the preservation of residential parts of the downtown. This involves restricting commercial uses from areas that are predominately single-family homes. The residential streets offer a pleasant walking experience and adequate on-site parking for all uses.” (Page 9)

Village Residential District:

1. *The Planning Board will evaluate whether a Village Residential District should be created adjacent to the Downtown.*
2. *This district would consist of older, established residential streets that are served by public water and sewer and are within walking distance of the downtown. It could contain the following standards:*
 - a. *The primary allowed use would be single-family homes and accessory apartments;*
 - b. *There would be strict buffering requirements for any new use other than single-family homes;*
 - c. *Commercial uses would be limited to neighborhood type stores, bed and breakfasts, and home-based occupations that are clearly accessory to the residential use and primarily sell products made on premises (such as home-made chocolates or woven goods); and*
 - d. *Multi-family dwellings of up to four (4) units would be allowed.*

The Village District is illustrated in Figure 3.1 on the next page and would be adjacent to the Downtown in long-established residential neighborhoods where there are limited mixed uses on small lots within walking distance of the downtown. The purpose of the district would be to protect existing residential neighborhoods, some of which have historically important buildings or reflect a sense of time and place of bygone years. The Comp. Plan Committee did clarify that areas near the downtown where there is more vacant land would not be suitable for the new Village Residential District.

It was recommended the “Planning Board evaluate the potential positive and negative impacts of a new Village Residential District, including permitted uses and dimensional requirements and, if deemed to be beneficial to the community and residents within the district, draft suitable amendments to the land use code”. This evaluation would also include identifying permitted uses and dimensional standards. Page 10 of the ‘Future Land Use Chapter’ further describes the Village District as:

“It is envisioned that it would largely follow the provisions of the General Residential District with some distinctions. For example, uses associated more with lower density areas such as greenhouses and resorts should



not be permitted. Multi-family uses should be limited to four units per building and bed and breakfasts should be allowed. To assure that residential rental opportunities are not unduly restricted, portions of the downtown would continue to be within the General Residential or Downtown Business Districts to allow for a higher density of multi-family uses. If the Planning Board decides to propose the creation of this Village Residential District, the Comprehensive Plan, Future Land Use Map and Land Use Ordinance will need to be amended.”

The recommendation by the Comp. Plan Committee to have the Planning Board evaluate the feasibility of a new Village Residential District should be pursued, especially as the intention back in 2015 was for this district to be strictly for single-family and accessory apartments, as well as multi-family dwellings of up to four (4) units.

Figure 3.1: Boothbay Harbor Village Residential Study Area



Source: 2015 Boothbay Harbor Comprehensive Plan

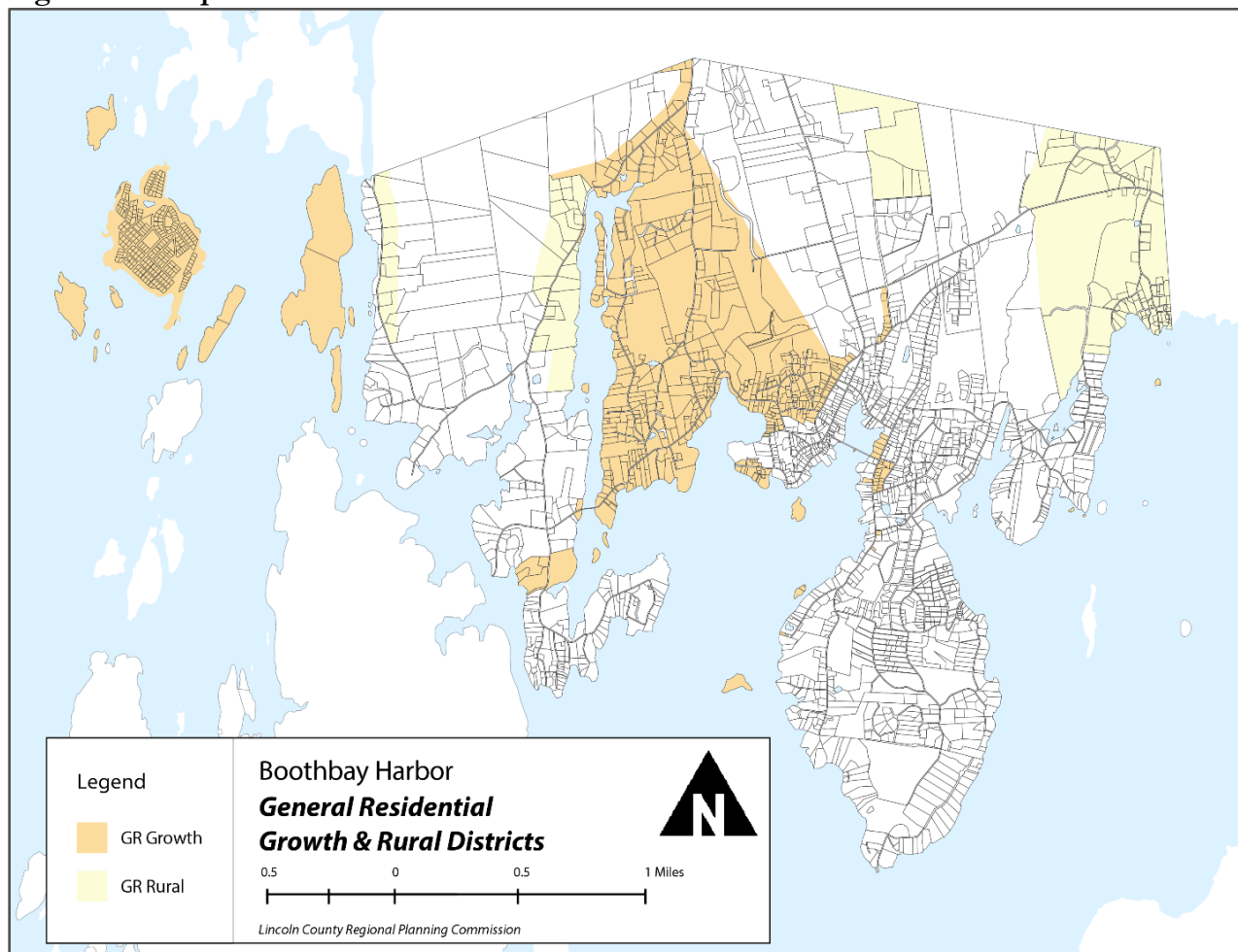


General Residential Areas:

1. *Revise General Residential District Standards. The plan recommends the following changes:*
 - a. *Divide the General Residential District into the General Residential – Growth and General Residential – Rural Districts based on the existing or likely future presence of public water and sewer services; maintain existing permitted uses and dimensional requirements;*
 - b. *Developers that agree to install amenities such as sidewalks and common open space per the open space subdivision guidelines would be granted a density bonus of one unit.*

The Comp. Plan recommends the General Residential District be divided into General Residential – Growth and General Residential – Rural districts, with the principal distinction between the districts being that the General Residential – Growth district would be that portion of the General Residential District that is now served or likely to be served by public water and/or sewer in the future. The General Residential – Rural district would include the rest of the existing General Residential District.

Figure 3.2: Proposed General Residential Growth & Rural Districts



Source: 2015 Boothbay Harbor Comprehensive Plan



Figure 3.2 shows conceptual General Residential – Growth and General Residential – Rural district boundaries. In determining the district locations, the Comp. Plan Committee identified the existing public water and sewer service areas within the existing General Residential District. Areas likely to be served by water and/or sewer in the future were also evaluated. The results provided the basis for the division of the district.

The ‘Future Land Use’ Chapter provides details on the contemplated General Residential – Growth and General Residential – Rural districts, such as:

- *While the permitted uses and basic dimensional standards would remain the same for both districts, there would be incentives available to developers for creating village-type features. For example, developers who agree to install amenities such as sidewalks and shared open space per the open space subdivision guidelines could be granted a density bonus of one unit for every ten units built.*
- *One of the goals of the plan is to encourage affordable housing [emphasis added]. This goal is addressed by expressly permitting open space subdivisions and houseminimums [sic] in both the General Residential – Growth and General Residential – Rural Districts. An open space subdivision is one in which minimum lot sizes and road frontages are reduced in exchange for preserving open space. While preservation of open space is important, the increase in density of development made possible by lowered lot sizes and frontages will also reduce the cost of infrastructure and make housing more affordable.*
- *The plan recommends that most of those areas presently zoned General Residential retain their current zoning with some modifications such as incentives for those who created village-type features. Developers that agree to install amenities such as sidewalks and shared open space per the open space subdivision guidelines would be granted a density bonus of one unit for every ten units built.*
- *Houseminimums [sic] consist of detached single-family residences on a common lot. The density of such developments is calculated on the same basis as multi-family developments, thereby allowing more residences on a given development parcel compared to a standard subdivision and resulting in lower housing costs.*
- *Except as discussed below, lots without public or shared water and sewer could not be less than the current minimum lot size of 40,000 sq. ft. However, the density bonus would allow a 10 percent reduction in lot sizes for single-family homes served by water and sewer. This would mean a minimum lot size of 9,000 square feet. For homes served by either water or sewer, the minimum lot size would be 18,000 square feet subject to clear evidence that water supply and wastewater disposal arrangements are adequate (Refer to FULP Table 1 on Page 19 of the 2015 Comp. Plan).*
- *Multi-family units would be an allowed use, as would the commercial uses currently allowed in the General Residential District. The current standards for multi-family units would remain. These include buffering requirements that minimize visual impact.*

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Steering growth into areas where public infrastructure (i.e., sewer and water) exists or is anticipated to be expanded is a solid planning practice. By directing growth into areas that can handle the additional development, it assists in limiting the development of the more rural areas that require a private water supply and sanitary (i.e., well and septic). Upgrades to public water and sewer systems will make higher density development more attractive for some uses, especially directing housing development to these



areas. It is typically less costly to connect to public infrastructure than to invest in on-site water or disposal facility.

This is smart from an environmental perspective as well and the LCRPC recommends the Planning Board review in earnest the proposal to create General Residential – Growth and General Residential – Rural districts to evaluate the pros and cons, including possible dimensional and regulatory requirements for each district, as the Town looks to find ways to increase housing opportunities in Boothbay Harbor.

To that end, the Boothbay Region Water District is already looking at how to expand, potentially on a regional scale, especially as the population on the peninsula grows⁵. As far back as 1999, the District has prioritized the identification of an additional water supply, estimating that by 2040 a new water source will be necessary.

The Boothbay Region Water District is a charter member of the Five Rivers Regional Water Council – along with Wiscasset, Bath, Great Salt Bay, and Brunswick-Topsham. The Council works on regional water issues and is looking at connecting the Boothbay Region (and Wiscasset’s Water District) to the Brunswick-Topsham treatment center as a possible solution in increasing the Boothbay Region’s water supply, especially as the new treatment facility in Topsham has the potential to produce an estimated six million gallons per day. The Lincoln County Commissioners authorized spending \$150,000 of the County’s American Rescue Plan (ARPA) funds to help the Five Rivers Regional Water Council commission an engineering study to determine the feasibility of expanding the public water infrastructure in Wiscasset, Great Salt Bay, and the Boothbay Region.

The Boothbay Harbor Sewer District (BHSD) is currently at 450,000 gallons of daily flow and is outfitted for up to 640,000 gallons. It is estimated it would take over 500 new four-person households (at a rate of 90 gallons per person per day, for a total of 360 gallons per day per household) to bring the BHSD to 100% capacity. Apartments, townhouses and cluster development (a planning method designed to group houses closer together in a development, utilizing the extra land as open space) would be less of a draw and senior living would be far less, as per the BHSD⁶.

Both the Water District and Sewer District have acknowledged that linking in new developments to the existing water and sewer system will not be a problem, especially if the areas eyed for new housing development are in areas that are able to tie into the sewer and water lines immediately.

As discussions about future growth and areas best suited for development take place in Boothbay Harbor, the Boothbay Region Water District and Boothbay Harbor Sewer District should be included so they can provide insight into where existing and future public infrastructure expansion will likely occur. Additionally, it is recommended developers be encouraged by the Town to invest in connecting their developments to public sewer and water. Properties that do not have access can expect a rise in property value between 15% and 20% once they do get said access – which may be enticing to developers.

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⁵ <https://www.boothbayregister.com/article/regional-pipeline-part-brwd-long-range-water-plan/151236>

⁶ <https://www.boothbayregister.com/article/local-utilities-say-large-scale-housing-development-non-issue/150205>



The 2015 Comprehensive Plan recommended a combination of regulatory and other techniques to encourage development in the growth areas, balance development in environmentally sensitive areas, and maintain the character of the more rural parts of Town. Per the Comp. Plan, on Page 18: *“The recommended changes to the land use code preserve long-established residential streets near the downtown and designate new areas for residential growth.”* This recommendation to intelligently designate new areas for residential growth, especially in areas served by public infrastructure, should still be pursued today.

It is recommended the Town contemplate the proposed Village Residential District and General Residential – Growth and General Residential – Rural district concepts further by working with the Planning Board, Code Enforcement Officer, and holding public workshops on these ideas to see if they are feasible solutions to increasing the housing stock in Boothbay Harbor.

Additional Considerations for Future Comprehensive Plan Update(s)

As part of this Report, the LCRPC was asked to provide recommendations on possible future updates to the Town’s comprehensive plan and land use ordinances. Inasmuch as future land use ordinance changes would need to be written into a comp. plan update, LCRPC is including the topics of short-term rentals, age-friendly planning, and State legislative goals for affordable housing into the Comprehensive Plan analysis portion of this report.

Short-Term Rentals:

Boothbay Harbor should include the topic of short-term rentals in a future comprehensive plan update and consider drafting ordinance language administering or regulating short-term rentals as a way to track the number of units in Town as well as to ensure the properties are equipped to be used as rentals (i.e., adequate off-street parking and properly sized septic systems, for example).

To provide some context for why Boothbay Harbor should put serious consideration into addressing short-term rentals (STRs) in future comprehensive plans, data is provided on the economic costs and benefits of STRs, specifically Airbnb.



Certainly clear economic benefits exist from the increase in tourists supported by a wider variety of affordable and available vacation listings. *“Homeowners and landlords also benefit, as turning their rooms and properties into short-term lets can offer an alternative and lucrative source of revenue.”*⁷

Research has also found that the costs to renters and local jurisdictions as Airbnb expands likely exceeds the benefits to travelers and property owners. Research conducted by the Harvard Business Review found that across the U.S., Airbnb is having a detrimental impact on housing stock as it encourages landlords to move their properties out from the long-term rental and for-sale markets and into the short-term rental market.

As cited in the Forbes article, *“a separate U.S. study found that a 1% increase in Airbnb listings leads to a 0.018% increase in rents and a 0.026% increase in house prices”*.

⁷ Barker, Gary. “The Airbnb Effect on Housing and Rent”. *Forbes*. 21 February 2020.

<https://www.forbes.com/sites/garybarker/2020/02/21/the-airbnb-effect-on-housing-and-rent/?sh=430e86f92226>



This finding is supported by an analysis conducted by the Economic Policy Institute, a non-profit, non-partisan American think-tank. The complete analysis was published on January 30, 2019 and can be viewed here: <https://files.epi.org/pdf/157766.pdf>.

The Economic Policy Institute's cost-benefit analysis found *“Rising housing costs are a key problem for American families, and evidence suggests that the presence of Airbnb raises local housing costs”*. Per the study:

“The largest and best-documented potential cost for Airbnb expansion is the reduced supply of housing as properties shift from serving local residents to serving Airbnb travelers, which hurts local residents by raising home costs. There is evidence this cost is real:

- *Because housing demand is relatively inelastic (people’s demand for somewhere to live doesn’t decline when prices increase), even small changes in housing supply (like those caused by converting long-term rental properties to Airbnb units) can cause significant price increase. High-quality studies indicate that Airbnb introduction and expansion in New York City, for example, may have raised average rents by nearly \$400 annually for city residents.*
- *The rising cost of housing is a key problem for American families. Housing costs have risen significantly faster than overall prices (and the price of short-term travel accommodations) since 2000, and housing accounts for a significant share (more than 15 percent) of overall household consumption expenditures”*.

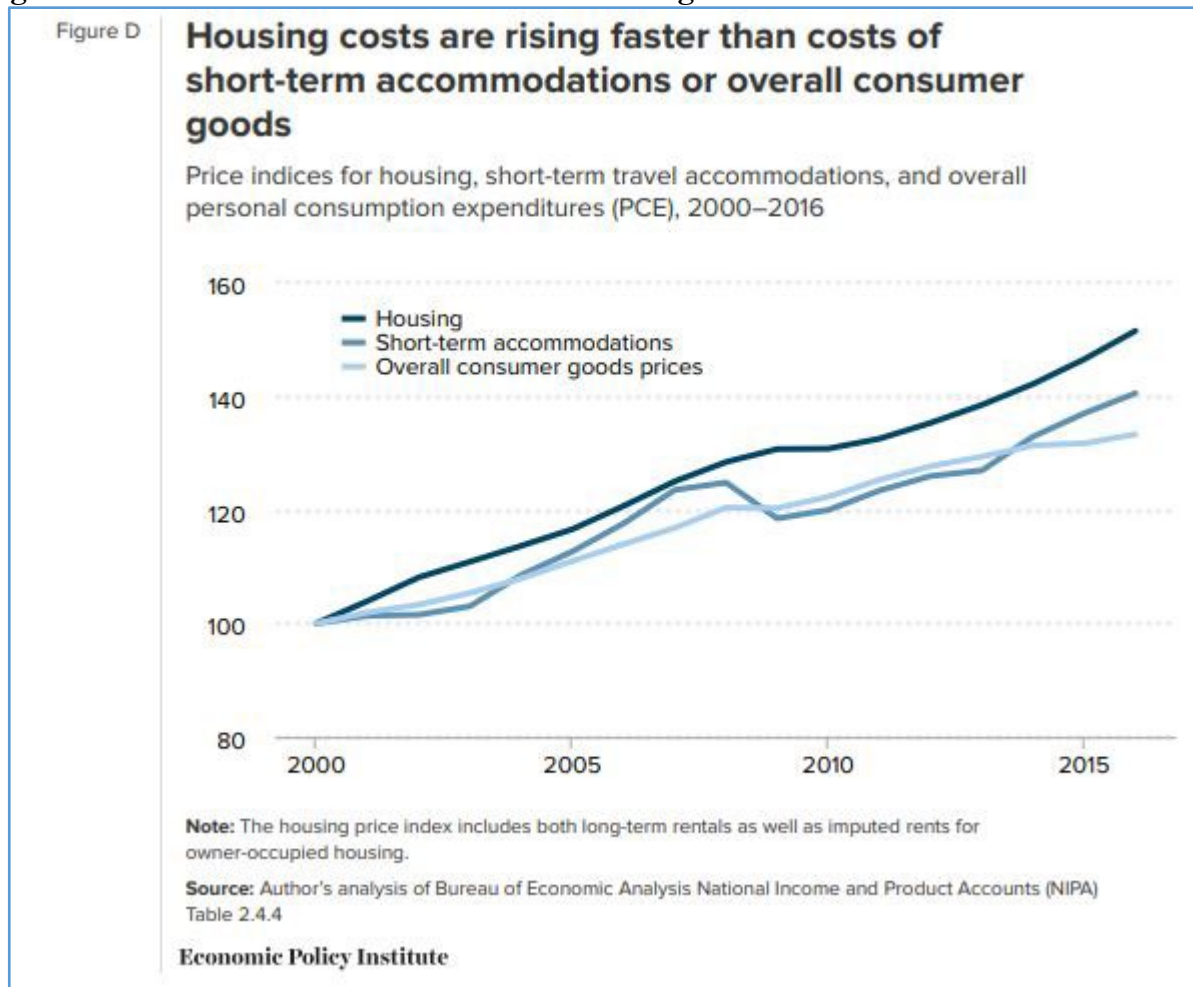
The study did not find suggestions that the introduction and expansion of Airbnb has spurred more residential construction overall, so as more units become available to Airbnb customers (and customers of other short-term rental companies), fewer potential housing units are available to long-term renters or owner-occupiers in a city. This shift of supply can lower prices for travelers but raise housing prices for long-term residents.

When this study was performed in 2019 *“national prices of long-term housing are rising faster than overall prices, suggesting a shortage of long-term housing. Because of this above-inflation growth in long-term housing costs, any trend that exacerbates this increase is more damaging than if these prices had been relatively flat in recent years”*.

Figure 3.3 on the next page shows inflation in the price indices for housing (long-term rentals as well as imputed rents for owner-occupied housing) and for short-term travel accommodations, and in the overall personal consumption expenditures index. While the study focuses on more urban areas, similar impacts could be seen in rural areas.



Figure 3.3: Inflation in the Price Indices for Housing



Source: Economic Policy Institute, 2019

As shown in Figure 3.3, long-term housing price growth has outpaced both overall price growth and increases in the price of short-term travel accommodations –and this graph does not show the further increase of home prices that have continued over the past two years, a problem which has been exacerbated by the COVID-19 pandemic.

The Economic Policy Institute concludes their cost-benefit analysis by stating:

“This rising cost of housing has become a major economic stress for many American households. Anything that threatens to exacerbate this stress should face close scrutiny. A reasonable reading of the available evidence suggests that the costs imposed on renters’ budgets by Airbnb expansion substantially exceeded the benefits to travelers. It is far from clear that any other benefits stemming from the expansion of Airbnb could swamp the costs it imposes on renters’ budgets.”

There may be plenty wrong with the status quo in cities’ zoning decisions. But the proper way to improve local zoning laws is not to simply let well-funded corporations ignore the status quo and do what they want. As this report shows, there is little evidence that the net benefit of accelerated Airbnb expansion is large enough to



overturn previous considerations that led to the regulatory status quo – in fact, the costs of further Airbnb expansion seems likely to be at least as large, if not larger, than the benefits.”



Inasmuch as short-term rentals (STRs) have economic benefits for property owners as a way to supplement their income, and further, because of the potential impact on the housing market in Boothbay Harbor, the Town should be sure to incorporate recommendations on how to address short-term rentals in future comprehensive plans.

Additionally, Boothbay Harbor’s Planning Board, Select Board, and residents should contemplate the creation of a land use ordinance addressing short-term rentals, specifically, how to balance the economic benefits and drawbacks of the short-term rental market.

Other municipalities in Maine have begun regulating short-term rentals by addressing them in their local ordinances. This report provides links to four (4) examples comparative to the seasonal and coastal nature of Boothbay Harbor: Kittery, Freeport, Rockland, and Bar Harbor.

To read these ordinances and STR applications in full, please find links to each town below:

Kittery: <https://www.kitteryme.gov/home/news/short-term-rental-license-applications-available-online>

Freeport: <https://www.freeportmaine.com/home/pages/short-term-rental-information>

Rockland: <https://rocklandmaine.gov/municipal/departments/code-enforcement/permits/#short-term-rental-permit>

Bar Harbor: <https://www.barharbormaine.gov/516/Short-Term-Rentals>

The ordinances linked above all include a definition of ‘short-term rental’, which the Boothbay Harbor Planning Board may find helpful. As part of the definition, each town includes a timeframe of stay ranging from less than 28 days (Freeport) to less than 30 days (Bar Harbor and Kittery) to a more generalized ‘less than one month’ (Rockland).

The intent of these ordinances is to ensure that any home-based short-term rental business operates in a manner that respects the neighborhood in which it is situated by allowing short-term rental operations in residential building units, while protecting the quality of life of the surrounding residential neighborhood from unreasonable or unsafe intrusions and nuisances inappropriate to a residential setting. The ordinances for Kittery, Freeport, Rockland, and Bar Harbor vary slightly, and all describe a license process, application procedure, regulatory requirements, etc. for short-term rentals.

If the topic of short-term rentals is to be analyzed as part of a future comprehensive plan and/or land use ordinance update, the Planning Board and Code Enforcement Officer should be actively involved in the discussion to provide insight into how these units might be regulated and enforced. This includes weighing any pros, cons, and/or unintended consequences with regulating short-term rentals.



For example, in a conversation with the Boothbay Harbor Code Enforcement Officer (CEO), monitoring the short-term rental market for violations, creating and implementing a license and fee process, responding to calls about short-term rentals from neighbors, and performing inspections to ensure rentals are built to code could require a significant amount of time – perhaps requiring an increase in staffing capacity.

The CEO did note during this conversation that he is seeing an increase of apartments and residential units being converted to short-term rentals, including three (3) such conversions in one week this past winter. In the first three months of 2022, the CEO estimates about fifteen (15) units have been converted to Airbnb's. During this meeting, the CEO pulled up HomeToGo and Airbnb websites and counted 154 rentals and over 300 rentals on the sites, respectively, acknowledging some units may be listed on both websites. *'Out of approximately 2,500 houses in Boothbay Harbor, that's a significant number of rentals'*, per the CEO.



Age-Friendly Planning:

Any future comprehensive plans prepared by the Town should consider incorporating age-friendly planning initiatives, especially related to housing and infrastructure by actively engaging older adults in the creation of policies and recommendations that effectively accommodate needs across the full aging continuum. Local and State-led groups should be engaged in future comprehensive planning efforts around this issue. Aging-in-place was also identified as part of 'Goal Statement 2' in the 2018 Camoin Report, as a way to retain and attract both young and mature families to live, work, and age-in-place within the region.

Intergenerational housing – development that mixes older and younger people – is increasingly regarded as healthier, physically and psychologically. The Maine Council on Aging Age Friendly Community Workgroup has a number of community-based solutions related to housing⁸, which are summarized in the bulleted list below:

- *Create and promote safe and affordable housing, including exploring rezoning of housing stock and development of housing with proximity to services.*
- *Create a best practice database for transportation strategies and housing models. Develop a publicly available best practice database to provide information and strategies for municipal leaders interested in building aging-friendly communities.*
- *Change zoning laws to encourage home sharing and support the ability of older Mainers to remain in their homes. Modify local zoning ordinances to permit home modifications to accommodate home sharing or multi-family living arrangements that enable older adults to remain at home. Create networking opportunities for people to learn about safe and affordable home sharing models.*
- *Support information sharing between municipalities. Share information and best practices, highlighting the success of municipalities where current housing stock meets the needs of older adults and where zoning allows*

⁸ <http://mainecouncilonaging.org/afc-workgroup/>



for assistive housing co-located with services and the creation of new models of assisted living and nursing home care.

- *Bring developers, finance and municipal leaders together. Capitalize on the shared interest and diversity of perspectives to analyze best practices and implement age friendly ideas like co-located housing, coordinated health care services and increased public transportation.*

Housing designed to help older residents stay in the community is becoming more of priority, especially as the ‘baby boomer’ generation (born between 1946 and 1964), currently 73 million strong, is aging and interested in aging-in-place⁹. Per the U.S. Census Bureau, about 10,000 members of this age group turn 65 each day and by the year 2030 all boomers will be at least age 65. They’ll also soon get help from Gen X inasmuch as the leading edge of that cohort is now turning 55. The ‘Housing’ chapter of the 2015 Plan acknowledges “*the demand for housing to accommodate the needs of the elderly will increase*” and this should be expanded upon in future comprehensive plans.

In Boothbay Harbor, age-friendly housing strategies may best be implemented in areas with close proximity to sidewalks; amenities, such as grocery stores, medical offices, and greenspaces; future public transportation routes; and public sewer and water infrastructure.

If the Planning Board undertakes the 2015 Comprehensive Plan recommendations of creating a Village Residential District and a General Residential – Growth District, these areas could be complimented by age-friendly planning concepts.



State Legislative Goals for Affordable Housing:

Housing has been the focus of Maine’s 130th Legislative Session, with a number of bills addressing housing issues proposed in late 2021 and early 2022. While the final status of these bills is not yet decided, with the State Legislature still in session at the writing of this report, LCRPC believed it was important to provide a preliminary outline of some of the proposed housing legislative goals. They may affect Boothbay Harbor if passed into law and could be addressed in future updates to the Comprehensive Plan.

LD 2003 ‘An Act to Implement the Recommendations of the Commission to Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions’:

While not yet having an immediate impact on Boothbay Harbor and the surrounding region, it is important to provide information on the initial recommendations made by the Commission to Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions (hereafter referred to as ‘the Commission’) in their December 2021 report¹⁰ and the current language of LD 2003, which seeks to implement these recommendations.

The 130th Legislature established the Commission with the emergency passage of Resolve 2021, chapter 59 and charged the Commission with the following duties:

⁹ <https://www.nytimes.com/2021/09/02/style/housing-elderly-intergenerational-living.html>

¹⁰ The full report can be viewed here: <https://legislature.maine.gov/doc/7705>



1. Review data on housing shortages in the State for low-income and middle-income households;
2. Review state laws that affect the local regulation of housing;
3. Review efforts in other states and municipalities to address housing shortages through changes to zoning and land use restrictions;
4. Consider measures that would encourage increased housing options in the State, including but not limited to municipal incentives, state mandates, eliminating or limiting single-family-only zones and allowing greater density near transit, jobs, schools, or neighborhood centers; and
5. Review and consider the historical role of race and racism in zoning policies and the best measures to ensure that state and municipal zoning laws do not serve as barriers to racial equity.

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Over the course of seven (7) meetings, the Commission developed the following nine (9) recommendations, detailed in the December 2021 report:

- *Recommendation One: Allow accessory dwelling units by right in all zoning districts currently zoned for single-family homes.*
- *Recommendation Two: Eliminate single-family zoning restrictions in all residential zones across the State by allowing up to four (4) residential units on all lots, in compliance with any health and safety requirements such as minimum septic and lot sizes, with a sunrise clause to provide adequate time for municipalities to prepare for this change.*
- *Recommendation Three: Prohibit municipal growth caps on the production of new housing.*
- *Recommendation Four: Provide technical and financial assistance for all communities seeking support in making zoning improvements and in identifying opportunities for increasing affordable housing.*
- *Recommendation Five: Create density bonuses in all residential zones throughout the State, giving low to middle-income housing projects 2.5 times the density of the existing zone, with a parking requirement of no more than 0.66 spaces per unit for the additional units, and with the requirement that those units be protected as affordable for a specific period of time.*
- *Recommendation Six: Create a three-year statewide incentive program for municipalities as follows: in Year 1, a qualifying community must make a commitment to reviewing zoning and land use restrictions. In Years 2 and 3, adopt zoning and land use policies to promote housing opportunities; qualifying communities would receive a state financial reward for up to three years, so long as they remain in good standing with the program requirements.*
- *Recommendation Seven: Create a system of priority development areas, where multi-family housing is permitted with limited regulatory barriers.*
- *Recommendation Eight: Strengthen Maine's Fair Housing Act by eliminating the terms "character", "overcrowding of land", and "undue concentration of population" as legal bases for zoning regulations.*



- *Recommendation Nine: Create a state-level housing appeals board to review denials of affordable housing projects made at the local level.*

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Sponsored by Speaker Ryan Fecteau, LD 2003 was submitted to the Maine House of Representatives on March 2, 2022¹¹. The bill was aimed at implementing the nine (9) recommendations (described above) made by the Commission to Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions. A divided report out of Committee occurred as a partisan vote, with all Democrats in favor ‘Ought to Pass as amended’¹² and all Republicans voting ‘Ought to Pass as amended’ with another amendment^{13,14}.

GrowSmart Maine prepared a general summary of what is proposed¹⁵ in LD 2003, including:

- *The establishment of the Housing Opportunity Fund at the Department of Economic and Community Development (DECD) to provide funding and technical support to encourage more housing units in Maine, including affordable units. This includes:*
 - *Technical and financial assistance for communities implementing zoning and land use policies to support increased housing development.*
 - *Support regional approaches, municipal model ordinance development, encourage policy that supports increased housing density where feasible to protect working and natural lands.*
 - *Direct technical assistance including model ordinances, best practices, and outreach to the general public.*
 - *Planning grants for community housing planning and implementation of those plans.*
- *Defines affordable housing development and requires compliance with shoreland zoning, water, and wastewater rules.*
- *Requires DECD, with MaineHousing, to establish statewide and regional housing goals.*
- *Requires municipalities to:*
 - *Allow a density bonus for affordable housing where multi-family housing is allowed, with 2 1/2 times more dwelling units allowed.*

¹¹ Initial LD2003 Language: <https://legislature.maine.gov/bills/getPDF.asp?paper=HP1489&item=1&snum=130>

¹² <https://legislature.maine.gov/bills/getPDF.asp?paper=HP1489&item=5&snum=130>

¹³ <https://legislature.maine.gov/bills/getPDF.asp?paper=HP1489&item=2&snum=130>

¹⁴ Note: These bills are still active in the 130th legislative session and may be further amended. Please review these links (Footnotes 10,11, & 12 above) for preliminary review only, with the understanding that they may be further revised.

¹⁵ <http://growsmartmaine.org/wp-content/uploads/2022/03/2022-Key-Legislation-on-Housing-Choices-03.28.2022.pdf>



- *In fulfilling state and regional goals, ensure that all zoning advances state and regional goals, and ensures that all zoning advances state and federal fair housing laws.*
- *Allows up to three (3) dwelling units on a lot without an existing dwelling unit, where single-family housing is allowed. If this is in a locally designated growth area or, for a municipality without a comprehensive plan, where there is public sewer and water, four (4) dwelling units must be allowed.*
- *On single-family lots with an existing dwelling unit, requires municipalities to allow up to two (2) additional units, but they can't both be accessory dwelling units (ADUs).*
- *ADUs cannot be counted toward a municipal growth rate ordinance (growth cap).*
- *Allows municipalities to regulate short-term rentals to meet housing goals.*

LCRPC will continue to track LD 2003 and report updates to Boothbay Harbor, inasmuch as this legislation proposes significant land use changes, which may greatly affect how the Town (and all municipalities in Lincoln County) regulate zoning restrictions.

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LD 1694 'An Act to Create the Maine Redevelopment Land Bank Authority':

LD 1694¹⁶ passed in April of 2022 and is awaiting the Governor's signature. It creates the Maine Redevelopment Land Bank Authority to assist in the redevelopment of certain properties defined as blighted, abandoned, hazardous, and functionally obsolete, with certain exemptions, and for which the municipality requests assistance.

The duties of the Land Bank Authority include developing best practices for community development intended to support the following goals:

1. *Assist communities in preparing for new investment and development that maximize financial return for state and local economies, improve quality of life for local residents, address housing needs for households of all income levels, and advance environmental protection and transportation goals and specific locally identified priority needs.*
2. *Assist communities in designating priority investment areas in consultation with regional planning organizations, including but not limited to village centers, downtowns and adjacent neighborhoods, rural crossroads, high-impact corridors, working waterfronts, and rural farmsteads.*
3. *Ensure redevelopment efforts are achievable by communities and based on the merit of the redevelopment project and community commitment toward the redevelopment project.*

The Authority is proposed to be funded through an additional \$3/ton fee on construction and demolition debris and additional state or federal funds it may secure¹⁷.

¹⁶ LD 1694 Language: <https://legislature.maine.gov/legis/bills/getPDF.asp?paper=HP1259&item=2&snum=130>

¹⁷ LD 1694 Fiscal Note: https://legislature.maine.gov/legis/bills/bills_130th/fiscalpdfs/FN169402.pdf



LD 1694 is expected to significantly support downtown revitalizations, affordable housing, and economic development while drawing development pressure away from open space, farm, and forestland.



LD 1673 ‘An Act to Create a Comprehensive Permit Process for the Construction of Affordable Housing’:

LD 1673¹⁸ had a divided report out of Committee in a partisan vote with all Democrats in favor “Ought to Pass As Amended” and all Republicans voting “Ought Not to Pass”. The Bill proposes to add to Title 30-A (Growth Management Law) and charges the Department of Agriculture, Conservation, and Forestry (DACF) to define four categories of service center communities – those municipalities most likely to have the necessary infrastructure to appropriately accommodate provisions to increase affordable housing.

The Bill proposes that by 2023 DACF will update data in service center methodology to identify municipalities in each type of service center, with this list being updated every five (5) years and being made available to the public. Further, DACF, MaineHousing, and the Department of Economic and Community Development (DECD) will share data to assess and determine growth management policies and standards.

DACF will also work with MaineHousing to identify measures for municipal use to ensure that at least 10% of housing stock in each of these service center communities is affordable housing.

It is anticipated this Bill will likely be pushed to the 131st Legislative Session.



As noted previously, the status of these featured bills have not been fully determined inasmuch as the 130th Legislature was still in session at the writing of this Report. However, the Town should monitor the status of the proposed bills related to housing as they may impact future land use in Boothbay Harbor and be addressed in future updates of the Town’s Comprehensive Plan.

¹⁸ LD 1673: <https://www.mainelegislature.org/legis/bills/getPDF.asp?paper=HP1244&item=2&snum=130>



PART FOUR: Assessment of Local Land Use Ordinances

Part Four of this Report is intended to be a high-level review of Boothbay Harbor's land use ordinances specifically related to housing. The purpose of the assessment is to determine whether current land use regulations are in line with the 'Housing' and Future Land Use' strategies, goals, and implementation recommendations made in the 2015 Comprehensive Plan, as well as to identify restrictions which may benefit from review and amendment as a way to increase housing opportunities in Boothbay Harbor.

Current Land Use Assessment & Recommendations:

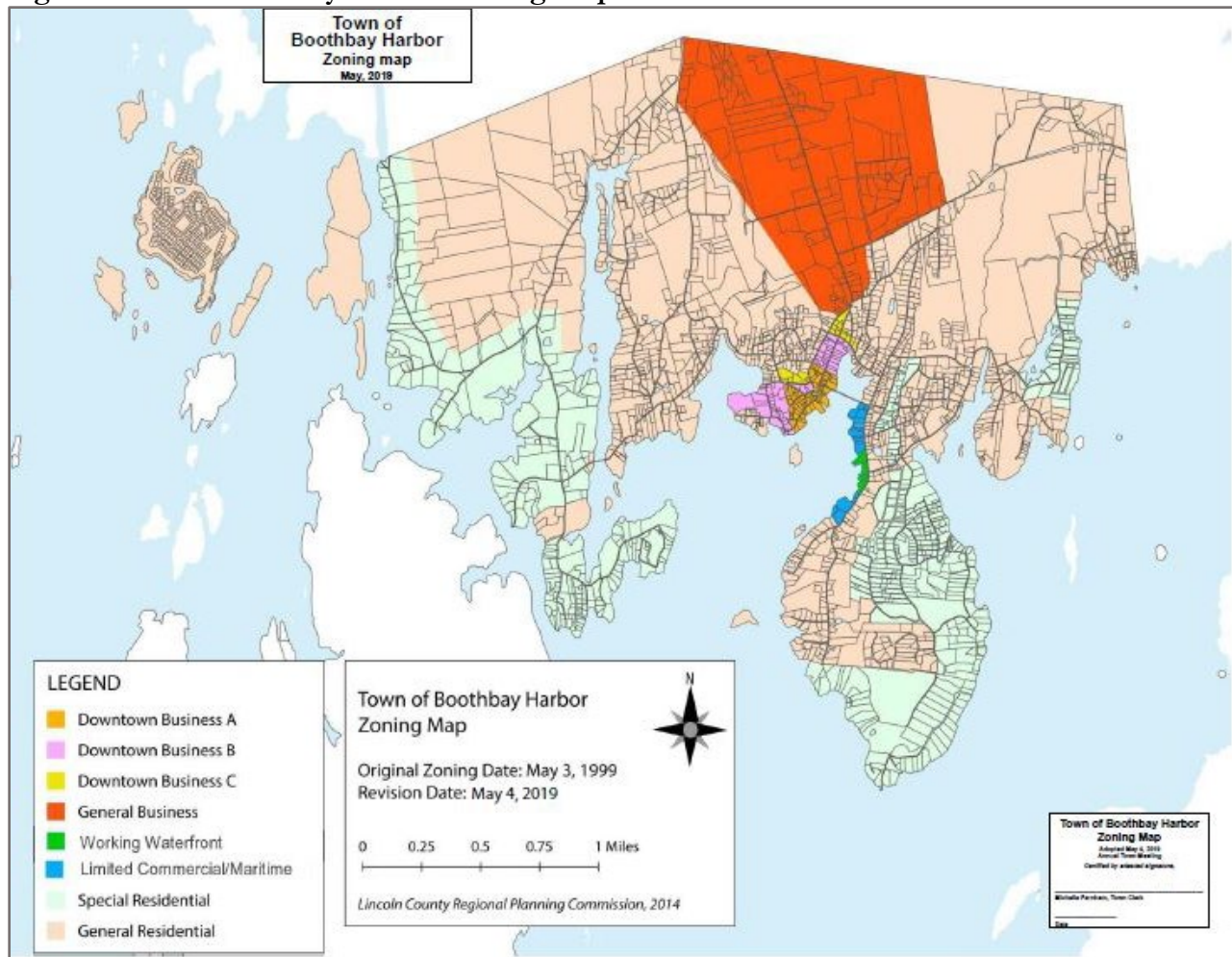
Boothbay Harbor currently has the following Zoning Districts, per Article III, §170-27 of the Boothbay Harbor Land Use Ordinance:

- General Residential District (GR)
- Special Residential District (SR)
- Downtown Business District (DB)
- Limited Commercial/Maritime District (LC/M)
- Working Waterfront District (WW)
- General Business District (GB)
- Resource Protection District (RP)
- Shoreland District/Stream Protection Overlay District

The current zoning districts are shown on the Town's Zoning Map, provided in Figure 4.1 on the next page for reference.



Figure 4.1: 2019 Boothbay Harbor Zoning Map



Single-Family Dwellings:

Current Land Use Requirements: Single-family dwellings are allowed with a permit through the Code Enforcement Officer (CEO) in the General Residential, Special Residential, Downtown Business District, the General Business District and the Resource Protection District. Approval from the Planning Board is needed in order to site a single-family dwelling in the Limited Commercial/Maritime District. An accessory structure is permitted in all of the zoning districts, when a permit is issued by the CEO. In the case of two dwellings being located on a single lot, §170-57 requires the distance between the two dwelling units be at least equal to the minimum side yard setback for the district in which the dwellings are to be located.

Recommendations: The Comp. Plan recommends maintaining, enacting, or amending ordinances “to allow for the addition of at least one accessory apartment per single-family detached residence in growth areas, subject to site suitability”. The Town may want to consider drafting more detailed regulations detailing requirements for accessory apartments – perhaps including a minimum or maximum floor area, maximum height requirement, ensuring the apartment is connected to an adequate sanitary and water supply, etc. The concept of allowing at least one accessory apartment per single-family residence in



growth areas may increase housing opportunities so long as the site is adequate to handle the increase in density.



Manufactured Housing:

Current Land Use Requirements: Manufactured housing (exclusive of mobile homes), sometimes referred to as modular housing, is permitted with a permit from the CEO in the General Residential, Special Residential, Downtown Business, and General Business Districts. Planning Board approval is required to locate modular housing in the Limited Commercial/Maritime District.

Recommendations: Modular homes have made improvements in terms of design and aesthetic since the Land Use Ordinance was originally written. The Planning Board may want to evaluate whether manufactured housing could be permitted in the same districts as single-family dwellings.



Multi-Unit Housing:

Current Land Use Requirements: Boardinghouses are allowed through the CEO in the General Residential, Downtown Business, Limited Commercial/Maritime, and General Business District. The same applies to duplexes, although Planning Board approval is needed in the Limited Commercial/Maritime District. Additionally, per §170-36, “duplexes shall be subject to the same dimensional requirements as single-family dwellings, provided that there is no more than one duplex per lot/site”.

Multifamily dwellings are permitted, with approval from the Planning Board, in the General Business and General Residential districts. Per Article IV, §170-49, multifamily dwellings are prohibited in:

- *The Downtown Business District, including the Head of the Harbor.*
- *From St. Andrews Hospital to Roads End: all areas within 500 feet of the landward side of Western Avenue, West Street from Mill Cove to the intersection of Howard Street, Townsend Avenue north of Union Street to the Congregational Church, Oak Street from the General Business District to Union Street and Atlantic Avenue until its intersection with Roads End.*
- *Within 500 feet from the high-water mark in all areas of the coastline.*
- *The area of land within 75 feet of all freshwater bodies.*
- *The area within 300 feet of Route 27 north of the Route 27/96 intersection.*
- *Special residential districts and islands.*

Boothbay Harbor limits multifamily dwellings to no more than four units per structure. In sewerred areas where multifamily units are permitted, the lot size requirement of 10,000 square feet may be reduced to six units per acre as a density bonus with the approval of the Planning Board, which shall be based upon a determination that the development meets all other zoning requirements and will



result in a benefit to the public, such as public waterfront access, a public boat ramp, or additional public parking. These provisions do not apply to elderly housing projects. ‘Apartments and condominiums’ require two (2) parking spaces per dwelling unit, with ‘senior citizen multifamily’ requiring one (1) parking space per dwelling unit.

Recommendations: The Planning Board may want to consider reevaluating the current regulations pertaining to duplexes and multifamily dwellings. The ‘Housing’ chapter of the 2015 Comprehensive Plan set a goal of achieving “*at least 10% of new residential units built or placed during the next decade to be affordable (housing cost not more than 30% of a household’s total annual income)*”. Duplexes, multifamily dwellings, and senior housing may help the Town meet this goal as such units can be more affordable to residents than single-family dwellings.

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Mobile Homes:

Current Land Use Requirements: Mobile homes are permitted via a permit from the CEO in the General Residential and General Business Districts. Mobile home parks, if approved by the Planning Board, may be sited in the General Residential (only areas set forth in Article IV) and General Business Districts.

Recommendations: Inasmuch as mobile homes can be an affordable housing option for some, the Planning Board may want to re-evaluate the table of allowable uses to determine if mobile homes could be permitted in districts other than General Residential and General Business.

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Planned Unit/Cluster Development:

Current Land Use Requirements: Planned unit/cluster developments, when approved by the Planning Board, may be located in the General Residential and General Business districts. §170-51 establishes requirements for planned unit and cluster development, with the purpose of allowing for new concepts of housing development wherein the maximum variations of design may be allowed, provided the net residential density is no great than is permitted in the district in which the development is proposed.

In more general planning terms¹⁹, cluster development, sometimes referred to as open space development, groups residential properties on a development site allowing for the remainder of the space to be utilized for open space, conservation, agriculture, recreation, and public/semi-public uses. It also has the potential to reduce development costs, as the developer does not need to invest in as much infrastructure (lengthy roadways and extensions of utility lines, for example) as with a typical subdivision.

¹⁹ <https://planning-org-uploaded-media.s3.amazonaws.com/document/Zoning-Practice-2007-08.pdf>



Basic requirements for a planned unit development or cluster development in Boothbay Harbor include:

- *All planned unit developments and cluster developments shall meet all requirements for a residential subdivision, unless otherwise modified by this section.*
- *The minimum area of land in a planned unit development or cluster development shall be five (5) acres.*
- *Any lot abutting a public road shall have a frontage and area no less than normally required in the district. On other than public roads, no building lot shall have an area of less than 10,000 square feet, except mobile home parks.*
- *In no case shall shore frontage be reduced below the minimum shore frontage normally required in the district.*
- *Lots in a planned unit development or cluster development shall meet all other dimensional requirements for the district in which they are located.*
- *The total area of common land within the development shall equal or exceed the sum of the area by which any building lots are reduced below the minimum lot area normally required in the district. In no case shall the open space be less than 33% of the gross acreage (including proposed roads) of the development. Open space must be regular in shape, typical of the other lots in the development.*
- *All common land for recreational or conservation purpose only shall be owned jointly or in common by the owners of the building lots or by a trust or association which has as its principal purpose the conservation of land in essentially its natural conditions.*
- *Further subdivisions of common land or its use for other than noncommercial recreation or conservation, except for easements for underground utilities, shall be prohibited.*
- *Structures accessory to noncommercial recreation or conservation use may be erected on the common land subject to site plan review approval by the Planning Board.*
- *Where a planned unit development or cluster development abuts a water body, a portion of the shoreline as well as reasonable access to it shall be part of the common land.*
- *All dwelling units in a planned unit development or cluster development shall be connected to a common water supply and distribution system, either public or private, at no expense to the municipality.*
- *All structures shall be oriented with respect to scenic vistas, natural landscape features, topography and natural drainage areas in accordance with an overall plan for site development.*

Recommendations: The Boothbay Harbor Planning Board may want to consider amending the standards for planned unit and cluster development inasmuch as the requirements could benefit from clearer terminology and calculation requirements. It may be useful to engage developers, the Code Enforcement Officer (CEO), land use professionals, and the community in conversations about how to best amend cluster development requirements to encourage this type of development in the growth



areas identified in the 2015 Comprehensive Plan. Further, the ‘Housing’ chapter of the Comp. Plan advocates for investigating amending ordinances “*to encourage open space subdivisions, house minimums [sic] and other types of affordable residential development*”.

These conversations will be especially useful if the Planning Board decides to further analyze the proposed General Residential – Growth and General Residential – Rural concept described in the ‘Future Land Use’ Chapter of the Comprehensive Plan. Such discussion should also involve representatives from the sewer and water districts if housing growth is to be directed into areas with existing (or future expansion) public sewer and water infrastructure.

The current requirements protecting shoreland areas and ensuring adequate water/sanitary supply should remain as a way to protect natural resources. Additionally, the requirements describing the open space requirements should remain to ensure the open space provided as a result of the subdivision is usable and strategically located (for example, some towns use open space provisions as a way to connect green space throughout the community).

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Density Bonus:

Current Land Use Requirements: Boothbay Harbor currently allows for a density bonus for affordable housing per Section 170-31, under Article IV:

“Notwithstanding other provisions of this Land Use Code, there shall be a density bonus for affordable housing subdivisions and/or senior citizen housing (excluding mobile home parks) of 25%, to be calculated by subtracting the respective percentage from the lot size normally required in the district from the lot size requirement, to arrive at the overall density requirement of the development. This density bonus shall be available only to proposed developments served by public water and sewer where the developer submits evidence and the Planning Board determines that at least 25% of the housing units can be afforded by households at or below 80% of Boothbay Harbor’s median household income (per figures published by the State Planning Office)”.

When calculating the size of a lot, Boothbay Harbor requires the following performance standards per Section 170-46 (for land within the Town’s Shoreland Zone, the more restrictive standard shall apply):

- *Land within the street rights-of-way will not be considered as part of a lot for the purpose of meeting the area requirements for this chapter, even though the owner may have title to such land.*
- *No open space requirement for one structure may be used as part of the open space requirement for any other structure.*
- *Land below the high-water mark shall not be considered as part of the lot for the purpose of meeting the area or setback requirements of this chapter.*
- *Corner lots. The setbacks on a corner lot shall be the front yard setback from the structure to the street right-of-way in both directions.*
- *The minimum street frontage shall be 50 feet on a public or private road.*



Recommendations: The ‘Housing’ chapter of the 2015 Comprehensive Plan recommends maintaining, enacting, or amending land use regulations in growth areas to “*increase density, decrease lot size, setbacks and road widths, or provide incentives such as density bonuses to encourage the development of affordable/workforce housing*”. As recommended for the ordinances pertaining to multifamily housing, the Planning Board may want to review the current density bonus language to see if it can be further refined to attract more affordable housing developments to Boothbay Harbor.



Subdivision Regulations:

The LCRPC was also tasked with reviewing the subdivision regulations of Article IX of Chapter 170 (Land Use Ordinance). In conversations with the Code Enforcement Officer, it was stated the Planning Board has concerns about whether the current subdivision regulations are too complex, thus deterring developers from the area. The CEO noted no new subdivisions have been proposed in Boothbay Harbor during his time working here.

Recently, the Boothbay Harbor Select Board held a public hearing on proposed minor changes to the subdivision ordinance²⁰. The changes were made with the purpose of providing briefer language in sections. Residents will vote upon the proposed changes at the 2022 Town Meeting.

Overall, the current subdivision application process and design standards are detailed, providing specific design requirements for which developers must comply. Language can certainly be streamlined; however, it is recommend the intent of these standards and process remain, thus providing the Town assurance proposed subdivisions are designed in an intelligent manner.

Rather than making sweeping changes to the existing subdivision ordinance at this time, the Planning Board should start by engaging in conversations with developers, real estate agents, housing agencies, and others to determine what is causing the lack of subdivision applications. Conversations around what additional incentives may draw in developers, whether enough land in the right location is available (i.e., in growth areas that can easily be connected to existing or future infrastructure) and financially practicable, for example, may help the Town better understand whether changes to the land use ordinances (described above) will be a solution.



Considerations for Future Comprehensive Plan Updates:

Depending on whether the Town decides to pursue evaluating short-term rentals, intergenerational community development, along with the outcomes of the proposed bills in the Maine Legislature as described in Part Three of this Report, land use ordinances may need to be drafted to address these issues.

²⁰ <https://www.boothbayregister.com/article/ordinance-changes-set-march-28-hearing/158396>



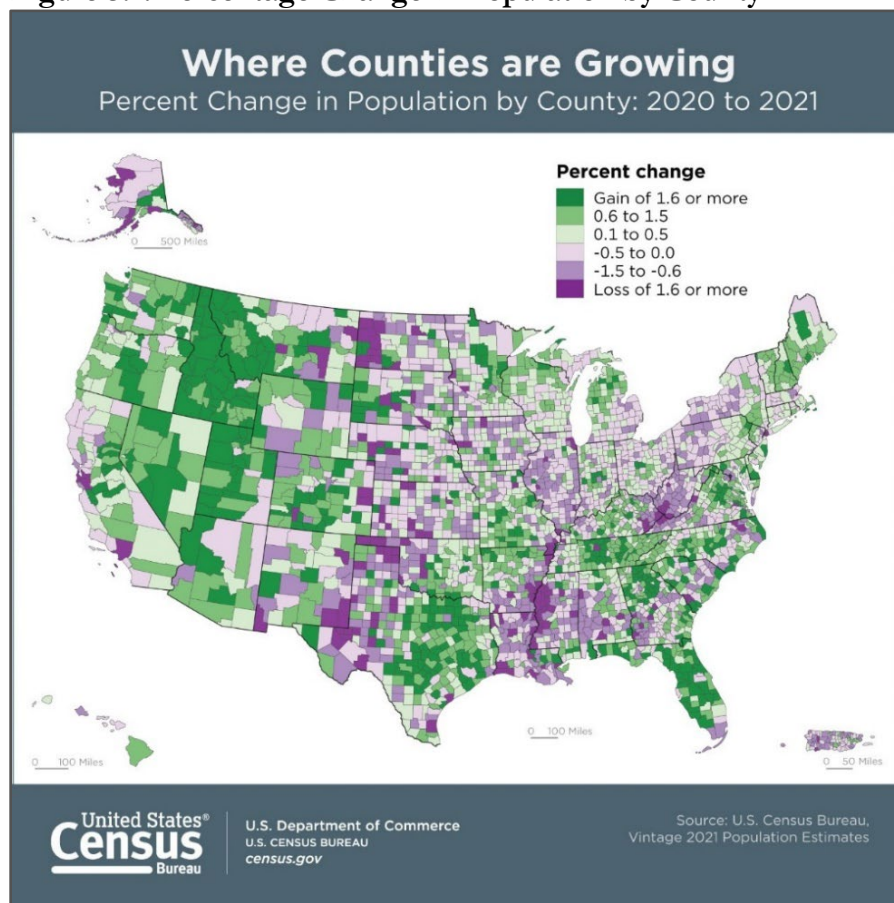
PART FIVE:

Preliminary Assessment of COVID-19's Impact on Housing

As the 2020 U.S. Census occurred in April of 2020, the Census data is unable to show the full impacts the COVID-19 pandemic had on temporary and permanent in-migration to Maine and the Boothbay region.

Recently, a report²¹ released by the U.S. Census Bureau in March of 2022 shows that every county in Maine had more deaths than births in 2021, known as 'natural decrease'. However, this Census Bureau report also shows a significant amount of people moved away from larger metro areas in the United States towards more rural areas, such as Maine. 65.6% of the nation's counties experienced positive domestic migration overall from 2020 to 2021, meaning nearly every county in Maine actually had an overall population increase from 2020 to 2021, despite the natural decrease. The biggest gains were in Lincoln and Piscataquis Counties. Figure 5.1 shows the percentage change in population by county, with Lincoln County seeing a gain of 1.6% or more in population.

Figure 5.1: Percentage Change in Population by County



²¹ <https://www.census.gov/newsroom/press-releases/2022/population-estimates-counties-decrease.html>



Additionally, a recent Regional Brief²² released by the Federal Reserve Bank of Boston New England Public Policy Center compiled some preliminary migration data by measuring United States Postal Service change-of-address (COA) requests.

While this data is preliminary and based on one source, it is worth highlighting in this Report as some data is provided for Lincoln County, as well as some general analysis for seasonal communities, which Boothbay Harbor and the greater Boothbay region may find useful.

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The Regional Brief found that from 2010 to 2019, 49 percent of New England's population growth was attributable to total net migration²³, which is domestic and international combined. In Maine, total net migration was responsible for all of the population growth during this period. Overall migration in New England was negative each year from 2017 through 2019, meaning the region experienced net out-migration; that is, more households left than entered the region. However, in 2020, net out-migration fell sharply. Maine went from experiencing net out-migration (losing households) each year from 2017 to 2019 to seeing net in-migration (gaining households) in 2020. The study found Connecticut, Maine, Rhode Island, and Vermont all saw positive temporary net migration in 2020, and except for Vermont, all had positive overall net migration as well. Only Maine and New Hampshire had positive permanent net migration in 2020.

Table 5.1: Net Requests by Change-of-Address (COA) Type

State	Request Type	2017*	2018	2019	2020
Maine	All	-5,348	-9,907	-7,122	4,545
	Permanent	-6,969	-8,889	-6,365	888
	Temporary	1,559	-784	-344	3,218
New England	All	-55,757	-115,646	-96,997	-47,512
	Permanent	-63,318	-100,892	-83,700	-47,921
	Temporary	7,049	-14,059	-12,517	-2,403

Source: Federal Reserve Bank of Boston, 2021

**2017 net migration estimates include data for only April through December of that year.*

Despite the surge in requests occurring in March 2020 and the latter part of that same year, the number of total COA requests in New England only increased 2.1 percent over 2019 levels. So while the number of households that moved in 2020 was greater than the number in 2019, migration overall remained below recent historic levels, following a pattern of a decline in domestic migration across the country.

The COA-request data did not include the origin of households moving into an area or the destination of households moving out, so it is not possible to know how many of these COA requests represent moves within New England versus moves to and from the region.

²² A copy of the full Boston Fed brief can be found here: <https://www.bostonfed.org/publications/new-england-public-policy-center-regional-briefs/2021/how-the-covid-19-pandemic-changed-household-migration-in-new-england.aspx>

²³ Net migration is the difference between a Zip Code's change-of-address in-requests and change-of-address out-requests.



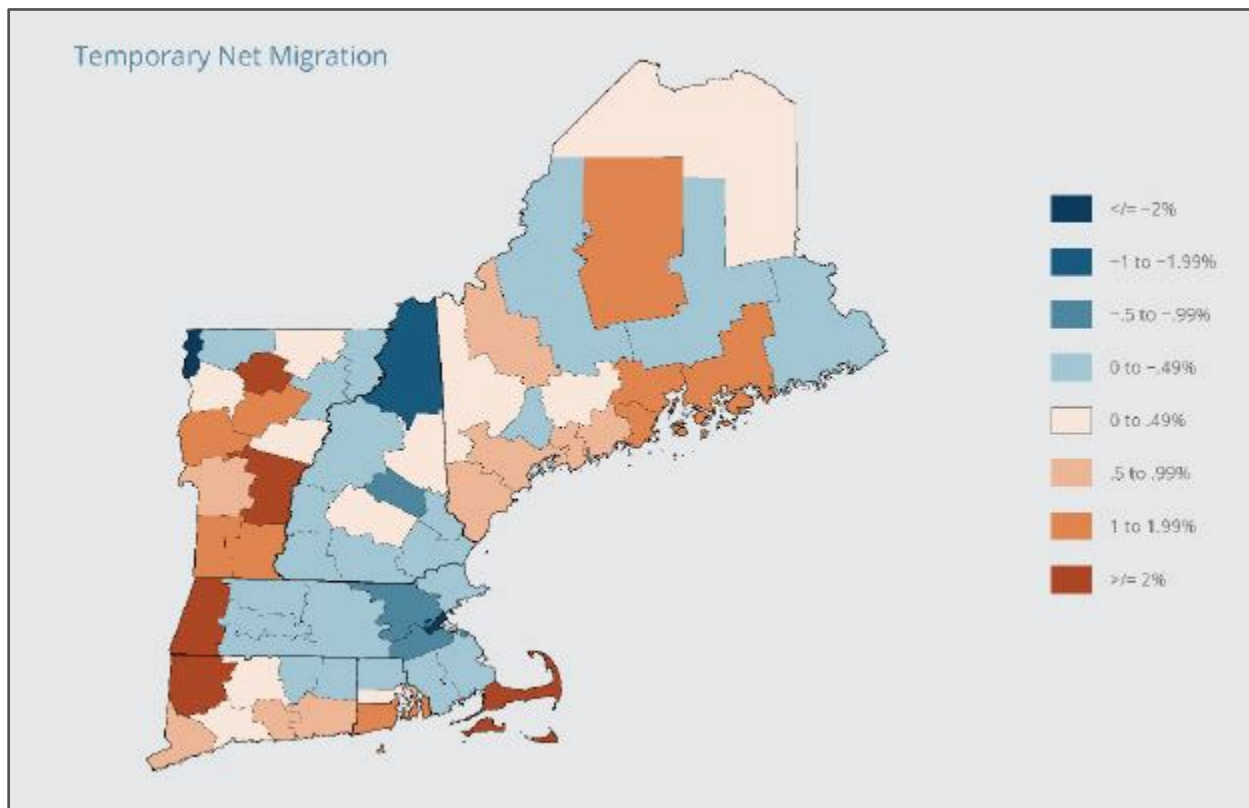
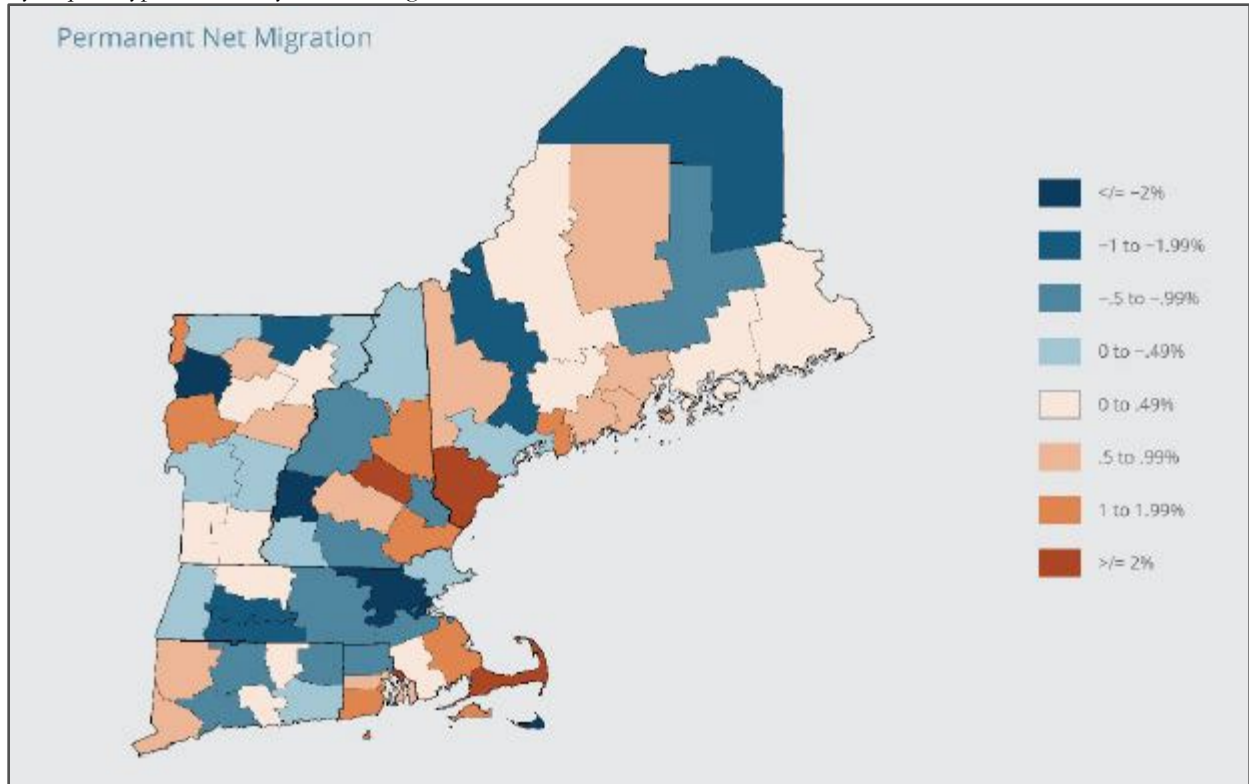
Per the Boston Fed:

“An increase in temporary in-migration played an important role in many states, as did a decline in permanent out-migration. One explanation could be that households put off moving out of the region during the pandemic while those whose members could work remotely tried out living in new communities. If the latter remain in their new homes long term it could bring many benefits for parts of New England that have experienced stagnant or declining populations. However, if those households return to their original places of residence, or if permanent moves out of the region rebound as the pandemic recedes, New England’s gains in domestic net migration could reverse in the coming years (emphasis added)”.

As part of their research, the Boston Fed also assessed the level of net migration and its source (temporary or permanent) and found it varied by county. Figure 2 shows 2020 permanent and temporary net migration by county as a percentage of total households living in that county in 2019. *“Thirty-six counties gained households through permanent net migration in 2020 compared with only 10 counties in 2019 and just five in 2018. For the most part, if a county had positive permanent net migration in 2020, it also tended to have positive temporary net migration.”* Refer to Figure 5.2 on the following page for more detail.



Figure 5.2: Net Migration as a Share of Total Households
By request type and county in New England, 2020



Source: Federal Reserve Bank of Boston, 2021



As shown in Figure 5.2, counties generally saw a gain or loss of less than one (1) percent of their households in 2020 from either permanent or temporary net migration. Lincoln County is within this range, showing a 0.5 to 0.99% increase in households for both permanent and temporary net migration.

The Boston Fed found that in Connecticut and Maine zip codes where net migration was positive, less than half was attributable to permanent moves.

“Local population growth often creates a need for new investment in schools and infrastructure to accommodate new residents. But identifying which communities can expect population changes to persist or become permanent is difficult, especially when the changes are brought about by a shock such as the COVID-19 pandemic. Many of the New England counties that experienced positive temporary net migration in 2020 include vacation communities, thus the net migration gains could be the result of households relocating to their second homes until the pandemic subsides. These communities are likely more prepared for these new residents because they are accustomed to seasonal fluctuations in population. Policymakers concerned about local planning for new residents should focus on areas of their state that had permanent household net migration in 2020... In Connecticut, Maine, and Vermont, most of the net migration in 2020 came from temporary moves, and so these states should expect many of these new residents to return to their original locations, if they have not already done so. (emphasis added)”

The Brief analyzed the types of communities households moved to and from in 2020 and found that in particular, areas with large seasonal housing stocks may have been pre-disposed to attract residents who already owned property in the area or were seeking readily available rental properties. As shown in the table below (Table 5.2), areas with a larger share of seasonal housing stock gained more households during 2020, particularly through temporary net migration.

Table 5.2: Net Migration (as Share of Total Households) Relative to Seasonal Housing Stock

By request type in New England, 2020

Request Type	Share of Housing Stock that is Seasonally Vacant			
	0-25%	25-50%	50-75%	75-100%
Permanent	-0.97	1.93	1.32	0.22
Temporary	-0.17	1.75	4.85	8.94

Source: Federal Reserve Bank of Boston, 2021

Per the Boston Fed:

“Temporary-COA requests are highly seasonal, suggesting that when households move temporarily, they usually do so for longer-term vacations. Thus, it is not surprising that areas with large seasonal housing shares would have attracted these types of moves, but most of these households are likely to move back to their original residence at some point. While some households, made permanent-COA requests when moving to areas with



large seasonal housing shares, they were much less common than temporary-COA requests. Instead, permanent net migration in 2020 resulted in a shift away from dense urban areas and to less dense rural communities, but ones with strong economic ties to urban places as indicated by high commuting rates. While this trend is not new for New England, it was heightened in 2020 and potentially means that larger suburbs will be a lingering effect of the pandemic (emphasis added)”.

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The Boston Fed report concludes:

“The added demand for housing is one factor behind the 14 percent increase in the purchase price for new homes in 2020 to 2021 in New England, more than twice the increase of 6 percent from 2019 to 2020. The rental market has also been impacted by the shifting demand for housing. The rental vacancy rate decreased in every New England state except Connecticut and Massachusetts from 2019 to 2020. In 2020, the rental vacancy rates in northern New England and Rhode Island were the lowest they had been since at least 2007. Responding to the housing needs of new residents takes time, and without sufficient new construction, residents are likely to be priced out of communities that were once affordable to them. A decrease in the number of permanent-COA out-requests was an important factor in the increase in net-migration in the region in 2020. However, a decline in housing affordability could push more people to leave the region in the future, thus reversing this trend (emphasis added).”

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While the full impacts of COVID-19 on migration to Maine, Lincoln County, and Boothbay Harbor may take years to analyze, the initial data from the U.S. Census Bureau and the report by the Boston Fed provide an early snapshot of the pandemic’s impacts on seasonal and permanent housing in the region. LCRPC decided it was important to include this preliminary analysis in this Report inasmuch as LCRPC has anecdotally heard the pandemic impacted housing trends in Lincoln County, including Boothbay Harbor and the greater Boothbay region.

Other factors playing into the housing crisis on a national level, inflated by the COVID-19 Pandemic, include record low mortgage rates over the past few years, low available housing stock, and lack of new construction following the 2008 recession. Additionally, the homes that have been constructed since 2008 are typically larger than the traditional ‘starter home’ (a starter home typically being 1,400 sq. ft. or less), which is typically considered more affordable than larger single-family residences. A detailed analysis of these issues is beyond the scope of this Report; however, the LCRPC plans to engage a housing consultant to look at these issues, as well as a number of others, in the countywide housing study being commissioned by Lincoln County.



PART SIX:

Conclusions & Recommendations

Part Six of this Report summarizes the conclusions and recommendations made throughout this Analysis. The conclusions and recommendations are organized by Report section below. Overall goals and next steps for Boothbay Harbor are also proposed.

Part One: Housing Supply & Demand Analysis:

- According to the U.S. Census data, the number of total housing units in Boothbay Harbor has declined slightly since 2010. The homeowner vacancy rate has slightly declined and the rental rate has dropped significantly. The declines can be attributed in large part to the increase in short-term rentals and COVID.
- In comparing the four (4) Peninsula towns, Boothbay's vacancy rate has disappeared with most all available housing occupied. Edgecomb's rental rate similarly has dropped from 28 to 0%. Southport's home vacancy rate now is 0% and yet the rental rate has increased. Generally, Boothbay Harbor and Southport have a greater proportion of their housing units as vacant (various vacancy types, such as seasonal, for rent, for sale, etc.); while Boothbay and Edgecomb have more of their units occupied.
- In 2019, about 77% of the Town's housing was comprised of single-family units (detached and attached). The second most common type of housing were the 3 to 4 unit, and the 5 to 6 unit apartments, representing together 12.4%. Boothbay Harbor's housing stock includes 4.1% in buildings with 20 or more units, and 3.2% mobile homes.
- Housing is considered 'affordable' if the household spends no more than 30% of its income on housing-related costs (mortgage or rent, utilities, taxes, insurance, and maintenance). Keeping these costs under 30% of income allows the household enough money to cover other experiences, such as healthcare, food, education, and transportation. A household spending more than 30% of its income on housing is considered to be cost-burdened.
 - For Boothbay Harbor homeowners with a mortgage, there are 27 housing units (8.2%) spending more than 30 percent to 34.9% on monthly housing expenses, 117 (35.3%) spending 35% or more. The Town is on par with Edgecomb and Boothbay, but much higher than Southport and Lincoln County as a whole.
 - For renters, 31 units (11.5% of 269 renters) are paying 30% to 34.9%; and 93 or 34.6% spend 35% or more. The data shows the Peninsula, County, and State as a whole have unaffordable rents.
- The Affordability Index for Boothbay Harbor has not been close to 1.00 for many years (with an index of less than 1.00 meaning an area is generally unaffordable), which is fairly characteristic for coastal tourist communities. It has been trending downward since 2016 and in 2021, almost 81%



of Boothbay Harbor households could not afford a median-priced home. This is a remarkably high number and has increased from 60% to 81% over the past five years.

- Almost 48% of Boothbay Harbor renters could not afford an average two-bedroom apartment, as shown in Table 1.10.
- The Census Data (specifically Table 1.4) and the affordability analysis, clearly show many Boothbay Harbor residents are struggling to pay their housing costs and to find a different home for their changing family size.

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Part Two: Evaluation of the 2018 Camoin Report (Economic Development Master Plan: Boothbay Region, Maine):

- The Camoin Report’s goals, objectives, and actions were reviewed and it was determined these recommendations remain timely and appropriate.
- The Camoin Report should be considered a useful planning tool, especially for any future updates to the Boothbay Harbor Comprehensive Plan.
- Boothbay Harbor has acted on the Camoin Report’s Object No. 1 “*Continue to evaluate changing housing stock needs and capacity to ensure the region is a livable community for a range of residents*”, with a few more steps to do.
- Objective No. 2 “*Anticipate and monitor physical infrastructure needs to coordinate with housing objective*.” are necessary updates to the Town’s Comprehensive Plan.
- Since the 2018 Camoin Report was issued, a few significant changes have occurred: (1) Increase in housing costs, (2) Units on the market, and (3) Vacancy rates, both for homes and rentals.
 - In 2017 the median home price was \$253,212. The region’s median home price in 2020 increased to \$367,500 – a 45% increase.
 - While the Peninsula has had historically higher vacancy rates due to the larger seasonal population, the COVID-19 Pandemic has greatly impacted homeownership and rental vacancy rates. In Boothbay Harbor, the homeowner rates are 4.3% and 5.3% for rentals; vacancy rates for the other towns in 2020 were essentially 0%. This is a tremendous alteration of the availability and price of housing.
- After the publication of the Camoin Report, both Boothbay Harbor and Boothbay recognized housing as a priority and a Housing Working Group of the JEDC met for several months in 2018 – 2019, before disbanding. However, the relationships, plans, and local resources formed by the Housing Working Group are part of a foundation for further public actions.

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Part Three: Review of the ‘Housing’ and ‘Future Land Use’ Chapters of the 2015 Comprehensive Plan:

Review of the Current Comp. Plan Recommendations:

- The implementation strategies for the ‘Housing’ Chapter are still valuable and action should be taken on them. A future update to the Comp. Plan should also include and/or refine these strategies as they are still as relevant today as they were 7+ years ago.
 - For example, *‘investigate creating a community affordable/workforce housing committee’* and *‘support the efforts of local and regional housing organizations in addressing affordable and workforce housing needs’* should be pursued, either through the creation of a local or regional housing committee. Such a committee, along with nonprofits and other organizations working on housing issues could be brought together to discuss possible solutions to workforce and affordable housing (or on a more broad scale), as well as be involved in conversations with developers.
 - A future Comp. Plan should analyze if the recent addition of private workforce housing has helped alleviate the workforce housing need; whether additional workforce housing is needed, and if so, how much; and whether any unintended consequences have occurred, such as if the conversion of year-round housing to seasonal workforce housing has exacerbated the lack of available year-round housing.
- The mixed-used development described in the ‘Future Land Use’ Chapter’s recommendations for the ‘Downtown’ makes sense for Boothbay Harbor. Residential units on the upper floors of commercial buildings allows residents to live and shop in the downtown while having privacy away from pedestrians visiting the stores and restaurants, especially during the busy summer season.
- The recommendation by the Comp. Plan Committee to have the Planning Board evaluate the feasibility of a new Village Residential District should be pursued, especially as the intention back in 2015 was for this district to be strictly for single-family and accessory apartments, as well as multi-family dwellings of up to four (4) units.
- Steering growth into areas where public infrastructure exists, or is anticipated to be expanded, is recommended. By directing growth into areas that can handle the additional development, it assists in limiting the development of the more rural areas that require a private water supply and sanitary system (i.e., well and septic).
- It is recommended the Planning Board review in earnest the proposal to create General Residential – Growth and General Residential – Rural districts to evaluate the pros and cons, including possible dimensional and regulatory requirements for each district. The Planning Board should engage the CEO, Sewer and Water Districts, and hold public workshops on this concept.
- As discussions about future growth and areas best suited for development take place in Boothbay Harbor, the Boothbay Region Water District and Boothbay Harbor Sewer District should be included so they can provide insight into where existing and future public infrastructure expansion



will likely occur. It is further recommended developers be encouraged to invest in connecting their developments to public sewer and water.

Recommendations for Future Comp. Plans:

- As short-term rentals have economic benefits for property owners as a way to supplement their income, and further, because of the potential impact on the housing market in Boothbay Harbor, the Town should be sure to incorporate recommendations on how to address short-term rentals in future comprehensive plans.
- BBH's Planning Board, Select Board, CEO, and residents should contemplate the creation of a land-use ordinance addressing short-term rentals, specifically how to balance the economic benefits and drawbacks of the short-term rental market. An ordinance can create a license process, application procedure, and regulatory requirements for short-term rentals. Enforcement of this ordinance may require an increase in staffing capacity, depending on the extent of the regulations and enforcement procedures.
- Any future Comp. Plan update should consider incorporating age-friendly planning initiatives, especially related to housing and infrastructure.
- Age-friendly housing strategies may best be implemented in areas with close proximity to sidewalks; amenities such as grocery stores, medical offices, and greenspaces; future public transportation routes; and public sewer and water infrastructure.
- If the Planning Board undertakes the 2015 recommendation to create the Village Residential District and a General Residential – Growth District, these areas could be complimented by age-friendly planning concepts.
- Housing has been the focus of Maine's 130th Legislative Session. While the final status of bills is not yet decided (at the time of this Report writing), they may affect Boothbay Harbor if passed into law and could be addressed in future updates to the Comprehensive Plan. The Town should monitor the status of the proposed bills related to housing.

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Part Four: Assessment of Local Land Use Ordinances:

- Boothbay Harbor could consider drafting more detailed regulations detailing requirements for accessory apartments, such as minimum or maximum floor area, maximum height, septic and water supply requirements, etc. The concept of allowing at least one accessory apartment per single-family residence (as allowable based on other regulatory restrictions) in growth areas may increase housing opportunities so long as the site is adequate to handle the increase in density.
- The Planning Board may want to evaluate whether manufactured housing and/or mobile homes could be permitted in the same districts as single-family dwellings.
- The Planning Board may consider reevaluating the current regulations pertaining to duplexes and multifamily dwellings. The 'Housing' Chapter of the Comp. Plan set a goal of achieving "at least



10% of new residential units built or placed during the next decade to be affordable (housing cost not more than 30% of a household's total annual income)". Duplexes, multifamily dwellings, and senior housing may help the Town meet this goal as such units can be more affordable than a single-family dwelling. The current density bonus can also be evaluated.

- The Planning Board should consider amending the standards for planned unit and cluster development to allow for clearer terminology and calculation requirements.
- It may be useful to engage developers, the CEO, land use professionals, and the community in conversations about how to best amend cluster development requirements to encourage this type of development in the growth areas identified in the 2015 Comp. Plan.
- Language in the current Subdivision regulations can certainly be streamlined; however it is recommended the intent of these standards and process remain, thus providing the Town assurance proposed subdivisions are designed in an intelligent manner.
- The Planning Board should engage in conversations with developers, real estate agents, housing agencies, and others to determine what is causing the lack of subdivision applications. Conversations around what additional incentives may draw in developers, whether enough land in the right location is available (i.e., in growth areas that can easily be connected to existing or future infrastructure) and financially practicable, for example, may help the Town better understand whether changes to the land use ordinances will be a solution.
- Depending on whether the Town pursues evaluating short-term rentals, intergenerational community development, along with the outcomes of the proposed bills in the Maine Legislature (described in Part Three of this Report), land use ordinances may need to be drafted to address these issues.

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Part Five: Preliminary Assessment of COVID-19's Impact on Housing:

- While the COVID-19 migration data presented in Part Five is preliminary and based on limited sources provides an early snapshot of the Pandemic's impacts on seasonal and permanent housing in New England and Maine. The full impacts of COVID-19 on migration to Maine, Lincoln County, and Boothbay Harbor may take years to analyze.
- While the number of households that moved in 2020 was greater than the number in 2019, migration overall remained below recent historic levels, following a pattern of a decline in domestic migration across the Country.
- Counties generally saw a gain or loss of less than one (1) percent of their households in 2020 from either permanent or temporary net migration. The 2021 Boston Fed Brief shows Lincoln County had a 0.5 to 0.99% increase in households for both temporary and permanent net migration. A recent U.S. Census Bureau report released in March 2022 shows a gain of 1.6% or more in population for the County.



- The Boston Fed Brief found that areas with large seasonal housing stocks may have been pre-disposed to attract residents who already owned property in the area or were seeking readily available rental properties.
- Other factors playing into the housing crisis on a national level include record low mortgage rates over the past few years, low available housing stock, and lack of new construction following the 2008 recession.



Overall Recommendations for Boothbay Harbor

The Town should be intelligent in how they increase housing opportunities in Boothbay Harbor by concentrating growth into the areas of Town more readily available to receive it – meaning areas with existing sewer and water or where lines/mains can be extended. Additionally, current land use restrictions would benefit from review and refinement to allow for more diverse housing options in growth areas, as identified in the 2015 Comprehensive Plan.

Residents should be involved in this process. The creation of a local or regional housing committee is strongly encouraged. A number of entities are working on this issue and should be brought together with support from the Town to work together to identify and implement solutions to the affordable housing issue in Boothbay Harbor, and the greater Peninsula.

Additionally residents, the community navigator, and those who represent low- to moderate- income residents should be a part of the process to identify supportive services such as homeownership counseling, career training, and other wrap-around services.

Housing is an issue that will take time and effort to solve; however, the Town should use the momentum from the current housing crisis to move this process forward by engaging stakeholders and identifying funding resources currently available at the State level to work on implementing the recommendations of the 2015 Comprehensive Plan, 2018 Camoin Report, and this Analysis.

