

To: Select Board
From: Mark Eyerman
Subject: Final Draft - Attainable Housing Report
Date: February 13, 2024

The Affordable Housing Working Group has completed a final draft of its report on attainable housing. The Working Group is undertaking an effort to reach out to various committees and organizations as well as the public to get feedback on the draft before it finalizes it for submission to you in accordance with the Working Group's Mission Statement. Those outreach efforts will occur over the next month or so. A key objective of this workshop is to get the Select Board's questions and feedback on the draft. A one page overview of the draft report along with the final draft is included.

In addition to reviewing the final draft, we should discuss the following at the workshop:

1. Once the Working Group has considered feedback on the draft and has made any revisions to the report, the plan is to submit the final report to you as called for in the Mission Statement. What should the formal adoption process be? Will the Select Board formally adopt the report? Should the report, if adopted by the Select Board, go to the Special Town Meeting for adoption or is adoption by you sufficient?
2. A key recommendation of the Working Group is that the Town should create a permanent Housing Committee to work on implementing the proposals in the report and to address other issues related to housing. Does the Select Board agree with this recommendation and if so should we move forward with setting up a Housing Committee so momentum isn't lost. I can't speak for the members of the Working Group, but my sense is that most/all of the members are interested in continuing to work on housing issues.
3. The final draft proposes that the Working Group try to present a few ordinance amendments dealing with ADUs and two-family units to the Special Town Meeting? Should the Working Group continue to push forward with that? If so they would need to have a public hearing by the PB probably at its April meeting.

February 7, 2024

Overview of the Affordable Housing Working Group's Draft Report Creating Opportunities for Attainable Housing in Harpswell

For the past year and a half, the Affordable Housing Working Group, as per its mission, has been developing recommendations to be considered at the 2024 Town Meeting for what the Town and the larger Harpswell community can do to address the unmet housing needs of residents. Working with a consultant, the working group held pop-up meetings in various areas of town, as well as a whole community gathering, in the late summer and fall, and a housing survey was made available, both online and in hard copy.

Overall, attendees at these events and respondents to the survey agreed that Harpswell has a shortage of available housing that is attainable and affordable, and felt the Town should address this issue, keeping in mind that the style and scale of any proposed housing be in keeping with the character of Harpswell, and that groundwater protection be a priority.

Target populations include members of the fishing and working waterfront communities; teachers, caregivers and other tradespeople and service workers who cannot afford market-rate housing; elderly residents who wish to remain in town; and young families who wish to stay in or return to their community.

The Affordable Housing Working Group realizes there is no one solution for the housing shortage and therefore proposes the following:

- Establish a Town Housing Committee
- Create and support more rental housing with rent that is attainable
- Provide reasonable opportunities for the building of attainable homes
- Explore home-sharing and other programs that will allow elders to remain in their homes
- Encourage the construction of Accessory Dwelling Units (ADUs) in non-shoreland areas to provide year-round rentals and/or family housing
- Make town-owned land available for cluster-style housing for small homes and small multifamily units, a portion of which shall be required to be attainable and which shall be restricted by easily enforceable covenants.

In order to accomplish the above objectives, the Working Group recommends revising specific zoning requirements, establishing Attainable Housing Districts, and utilizing Attainable Housing Tax Increment Financing Districts, all of which are discussed in detail in the full report which is available on the Town's website.

FINAL DRAFT

Creating Opportunities for Attainable Housing in Harpswell

...Prepared by:

The Affordable Housing Working Group

With assistance from:

Ivy Vann of Ivy Vann Town Planning and Urban Design
and
Mark Eyerman, Town Planner

Revised February 13, 2024

Table of Contents

- I. Introduction – Working Group Mission Statement
- II. Executive Summary
- III. Obstacles to the Creation of Attainable Housing
- IV. Guiding Principles
- V. Community Involvement
- VI. Target Populations
- VII. Housing Availability
- VIII. Attainable Housing Objectives and Recommended Strategies
- IX. Land Use Ordinance Amendments
- X. Implementation Program
- XI. Appendices
 - The report on the pop-up sessions
 - The report on the community workshop
 - The detailed results of the community survey
 - Information about ADUs and programs to encourage their development
 - Information shared housing
 - A report on groundwater and bedrock aquifers

Creating Opportunities for Attainable Housing in Harpswell The Report of the Affordable Housing Working Group

I. Introduction – Working Group Mission Statement

The Town of Harpswell Select Board created the Affordable Housing Working Group as a result of discussions around the need for “affordable housing,” including a workshop held with representatives of various interests in the community. During these discussions, concern was raised about the lack of affordable rentals and smaller homes. There was also concern about the inability of local businesses and fishermen to hire and retain staff due to a lack of affordable housing. As a follow-up to these discussions, the Select Board charged the Working Group with the following task:

“The primary mission of the Affordable Housing Working Group is to develop recommendations to be considered at the 2024 Town Meeting for what the Town and the larger Harpswell community can do to explore the housing needs of residents and ways to meet those needs. These recommendations should be coordinated with the work of the Comprehensive Plan Task Force.”

This report presents the findings of the Working Group and lays out a comprehensive strategy of programs and ordinance amendments to create opportunities for expanding the availability of “attainable housing” that meets the needs of the Harpswell community. These recommendations will not solve the problem entirely, but they are positive steps in that direction.

In its early discussions, the Working Group struggled with a definition of “affordable housing.” The new state affordable housing law defines affordable housing based on income limits, but not all state and federal programs and agencies use the same income limits to define affordable housing. Hence, the Working Group decided to use the term “attainable housing” in its work and in this report. Attainable Housing is housing that individuals and families who want to live in Harpswell but cannot afford the currently available housing can reasonably afford. In some cases, these may be people with incomes that exceed the financial limits of various “affordable housing” programs.

A notable finding of the Working Group is that there is no Town committee, community group, organization, or staff person with overall responsibility for housing in Harpswell, including attainable housing. A key recommendation of the Affordable Housing Working Group is that the Town needs to create a permanent Housing Committee to be the focus of housing activities in Harpswell. In addition, the

community should explore creating a community housing trust as well as designating a staff housing coordinator.

II. Executive Summary

For the past year and a half, the Affordable Housing Working Group has been working on its mission of developing recommendations to be considered at the 2024 Town Meeting for what the Town and the larger Harpswell community can do to explore the housing needs of residents and ways to meet those needs. Working with a consultant, the working group held pop-up meetings in various areas of town and a whole community gathering in the late summer and fall of 2023, and a housing survey was made available both online and in hard copy.

On the whole, attendees at the community events and respondents to the survey agreed that Harpswell has a shortage of available housing that is affordable and attainable and that the Town needs to address this issue, while keeping in mind that the scale and type of any proposed housing should be in keeping with the character of Harpswell and that the protection of groundwater must be prioritized. Target populations include elderly residents who wish to remain in Town; essential and service workers who cannot afford market-rate housing; young families who wish to stay in or return to their community; and those who serve our working waterfront.

The Affordable Housing Working Group concludes that there is no one solution for the housing shortage and proposes a range of possibilities for the target populations, including the following:

- Create more rental housing with rent that is attainable
- Provide opportunities for the building of attainable homes
- Explore ways, such as home-sharing programs, that will assist elders to remain in their homes
- Encourage the building of Accessory Dwelling Units (ADUs) in non-shoreland areas to provide year-round rentals
- Make Town-owned land available for cluster housing for small homes or small multifamily units, a portion of which shall be required to be attainable and which shall be restricted by easily enforceable covenants.

In order to accomplish the above objectives, the Working Group recommends revising specific zoning requirements, establishing Attainable Housing Districts, and utilizing Attainable Housing Tax Increment Financing Districts, all of which are discussed in detail in Section VIII.

The Working Group recommends that a Town Housing Committee, advisory to the Select Board, be established to advocate for and participate in the creation of attainable housing and oversee the recommendations of this report. The Working Group also recommends an Affordable Housing Trust Fund be created, either Town-related or independent, which could be funded by private donations, revenues from Affordable Housing Tax Increment Financing Districts, or Town appropriations.

III. Obstacles to the Creation of Attainable Housing

The Affordable Housing Working Group has identified several factors that make the creation of attainable housing difficult or infeasible in Harpswell. These factors include the following:

- *Available Land* – The development of new attainable housing requires that developable land be available at a reasonable cost per unit. In general terms, the builders of attainable housing cannot compete against the builders of large single-family homes in their ability to pay more to purchase land. The construction of new attainable housing will require that lower-cost land be available for this purpose.
- *Concern About the Adequacy of Groundwater Supplies* – Concern about the potential impacts of new development on the long-term availability of groundwater has fostered a sense that all new development should be restricted. This creates an unwillingness to consider ways to increase opportunities to create attainable housing. Addressing the development of attainable housing in ways that do not significantly impact groundwater is therefore important.
- *Town Land Use Regulations* – The Town’s land use ordinances, including the Shoreland Zoning Ordinance, Basic Land Use Ordinance, and Subdivision Ordinance currently include provisions that make the creation of attainable housing difficult or impossible. The following are examples of those requirements:
 - *Multi-Unit Housing* – The state subdivision law and the Town’s Subdivision Ordinance define any building with three or more units as a subdivision. Therefore, a lot in a subdivision is required to have a minimum area of 80,000 square feet (or 1.83 acres) per unit regardless of whether the unit is a four-bedroom home or a one-bedroom apartment. This requirement effectively makes all multi-unit construction infeasible, not just attainable housing.

- Attainable Single-Family Homes – If a parcel of land is divided to create three or more lots, it is a subdivision, and the subdivision must have a minimum lot area of 80,000 square feet or almost two acres per unit. The Town created a Workforce Housing provision a number of years ago to allow the construction of less expensive homes. These provisions allow a reduction in the lot area per unit requirement but apply only to single-family homes, are complex, and impose requirements for how lots are developed and used that do not apply to other subdivisions in Harpswell. These requirements limit the possibility that new, less expensive Workforce Housing will be constructed.
- Repurposing of Existing Homes – There are many older homes occupied by a single person or a couple. Many of these have three, four, or even five bedrooms. Under the current zoning rules, if someone wants to reconfigure an existing single-family home to create two smaller units, the home has to be located on a lot with a minimum of 80,000 square feet, about the size of 1.4 football fields. Since many existing lots are less than 80,000 square feet, this limits the ability to create smaller units that could be used as attainable housing.
- Accessory Dwelling Units – The Town allows “accessory residential units” or what are commonly called ADUs in all non-shoreland areas of the community. The requirements for accessory units are somewhat confusing and hard to understand. The Town provides little/no guidance for what ADUs are and how they can be used, including for attainable housing. This limits the use of ADUs to diversify the housing stock and to create small, attainable units.
- State Fire Protection Rules – The state’s fire codes require that any structure containing three or more dwelling units must be equipped with a fire suppression sprinkler system. Since the Town relies entirely on wells for water supply, this requirement makes the development of multifamily housing cost prohibitive in the typical situation.

In evaluating how Harpswell may be able to create opportunities for attainable housing, the Affordable Housing Working Group has focused on actions the Town and larger community should consider to reduce or eliminate these obstacles.

IV. Guiding Principles

The Affordable Housing Working Group understands that proposals to create opportunities for attainable housing in Harpswell must be sensitive to the culture and character of the community. During the community outreach activities, the Working Group was regularly reminded that its proposals need to reflect the needs of Harpswell. The Working Group has been guided by the following principles as it developed its recommendations:

- While any new attainable housing has to be available to anyone, the Working Group’s recommendations focus on opportunities for creating housing that meets the needs of Harpswell residents, workers, family members, and others with connections to the community. Section VI identifies the target populations on which the recommendations focus.
- The Working Group’s recommendations need to be sensitive to the concerns of the larger community about potential impacts of new development on groundwater. As such, proposals need to consider the amount of water used by attainable housing structures and how that compares to the amount used by larger single-family homes.
- The Working Group’s recommendations for ways to create opportunities for the development of attainable housing must include safeguards to ensure that the scale and character of any new attainable housing are appropriate for Harpswell. The size of new units/developments must be limited. Development standards should require that the design of new housing fits into the Harpswell landscape.

V. Community Involvement

The Affordable Housing Working Group undertook a process spanning several months to determine what residents thought about housing availability in Harpswell. This process included four interactive pop-up events at four locations throughout town in late July; a large public meeting in August; and a town-wide survey during September and October. The following sections summarize the results of those activities. Detailed reports of the activities are included in the appendices in Section XI.

A. July Pop-Up Events

The Affordable Housing Working Group, working with consultant Ivy Vann of Ivy Vann Town Planning and Urban Design, held four public events in late July. Attendance at each event was around 25 residents.

Each of the four events was staged the same, with nine stations laid out on long tables. Some exercises used voting with stick-on dots, and some were set up for short answers. The final two stations asked participants to draw their housing journey and to select four building types from various categories of housing that they thought would fit well in Harpswell. The top vote-getters were cottages, small apartment buildings, and accessory units (ADUs).

Participants told us that they were concerned about housing in Harpswell and by a two-to-one margin stated that they knew someone who had been unable to move to town because of the lack of available housing. People told us housing was expensive and difficult to obtain and that the town needed more variety of housing for people at different stages of their lives.

B. August 22nd Community Workshop

The Affordable Housing Working Group, along with consultant Ivy Vann, conducted an interactive workshop at the Harpswell Community School on August 22nd. Approximately 60 residents participated; the participants were primarily older people, many of whom said they were retired. There were also representatives of the fishing community.

The purpose of the meeting was two-fold: to inform the Working Group what participants believe to be the issues around housing in town and to tell the Working Group what action, if any, they believe the town should take around housing issues.

Among the issues brought up during the conversation were that the participants or someone they knew had not been able to find affordable housing in Harpswell. Concerns for younger families and, in particular, fishing families, contributed to their willingness to participate in this conversation, they said.

People were also concerned about the need to protect natural resources, particularly groundwater, a theme that has arisen in every conversation about housing in Harpswell.

Participants discussed their current housing situation: some mentioned that their houses were too small but that they were grateful to have them; others said their houses were too big and hard to maintain. Some people mentioned that they worried about the lack of services, such as health care, groceries, and schools. Maintenance and utility costs came up as well. Participants were also concerned about whether they would be able to stay in their current homes as they aged, especially if they were alone.

The issues of maintenance brought up the idea of specialized senior housing for some tables; participants noted that finding a small, more accessible place in Harpswell now was nearly impossible, and several stories of people moving out of Harpswell because they couldn't find affordable, accessible housing were shared.

The lack of smaller units or shared housing for either young people or older people was noted.

The Working Group also heard lots of housing stories: people who had to move when their partner died because they couldn't afford the house on their own; fishermen and lobstermen who couldn't find housing they could afford year-round; and sternmen who couldn't afford anything at all.

The common consensus was that Harpswell was becoming unaffordable for people whose families had lived here for many years. The irregular incomes of some workers, such as lobstermen, fishermen, and outdoor workers in general were noted as problematic since the rent doesn't go down when the income isn't coming in.

C. Housing Survey

During September and October, townspeople could respond to a short survey about housing. The survey was available online via the Town's website and through social media targeted at families with children, as well as in a paper version that was printed in *The Harpswell Anchor*. Nearly 300 people responded, and the answers supported what was heard at the public events. The detailed results of the housing survey are included in Section XI.

Respondents were primarily homeowners, with 43% owning their home outright and 47% owning it with a mortgage. Respondents were largely of retirement age; 75% of respondents were 55 or older.

D. Conclusions

Common themes heard from attendees of the public events and participants in the survey about what Harpswell could do to ease the housing situation include the following: encourage the creation of Accessory Dwelling Units (ADUs) that would be used as year-round housing, not short-term rentals; incentivize the creation of long-term rentals; and manage or decrease the number of short-term rentals. Shared housing solutions were suggested, as were cluster subdivisions, where each house would use less land, and a large portion of land would be kept in conservation.

Many respondents talked about water. There is a wide perception that the water situation in Harpswell is dire and that adding any housing will exacerbate the issue. People suggested that the Town teach people about water conservation.

The need for more choices in housing, in general, was mentioned frequently: ADUs, small multifamily buildings, tiny houses, and shared housing. Replicating the existing workforce housing subdivision developed a number of years ago was widely supported. Adding more housing in existing villages was suggested, too, and people talked about the need for small communities and neighborhoods.

Economic and demographic diversity came up as highly desirable. People mentioned the need for a support system for older residents, which included affordable housing for caregivers. The common consensus was that Harpswell was becoming unaffordable for people whose families have lived here for many years.

Changing the town's regulations to allow more choice in housing was suggested regularly to improve the situation.

VI. Target Populations

A guiding principle for the Working Group is that the recommendations need to focus on opportunities to create housing that meets the needs of Harpswell residents, workers, family members, and others with connections to the community. The Working Group identified four segments of the Harpswell community for whom housing affordability is a significant issue although there is some overlap among the groups:

1. Fishermen, specifically sternmen and other crew members, as well as dock workers and those in affiliated positions. Harpswell is a "Working Waterfront Community," and the fishing industry comprises a significant portion of the town's identity, heritage, and economy. Unfortunately, many in the fishing community are currently priced out of local housing, whether rental or for purchase.
2. Essential workers, including but not limited to teachers, firefighters, restaurant workers, clerks, secretaries, and those who build, repair, and maintain homes. Contractors and others in related professions are already understaffed, resulting in long wait times for building-related work or repairs, and local businesses also find staffing difficult, causing shortened hours or closings. The inability to find attainable housing will lead to a decline in the availability of these support personnel, making our community a less desirable place to live.

3. Young families, without whom the population will be increasingly comprised of retirees. Families and children are the future of any community, yet Harpswell's school enrollment continues to decline, as some families leave, and others are unable to afford a home in Harpswell. There are fewer activities for children and fewer reasons for families to envision Harpswell as a good place to raise their children.

4. Elderly residents who wish to remain in town. Some of our seniors have limited income and equally limited opportunities to socialize and interact with others. In many cases, these are long-term residents, the people who raised Harpswell's current generation and contributed to the town's welfare, each in their own ways, for years. Some have a single asset, i.e., their home, but cannot afford to maintain or utilize their property in any meaningful way.

VII. Housing Availability

The cost of buying a single-family home in Harpswell has increased dramatically over recent years. As of September 12, 2023, according to Realtor.com, there were thirteen existing homes for sale in Harpswell. The average price was \$1.05 million; the average price per square foot was \$529. Removing the most expensive, a \$3,695,000 listing, reduced the average asking price to \$833,000 and the average price per square foot to \$451. Only one of those homes was listed below \$400,000 (\$399,000).

The cost of land makes the development of attainable single-family homes problematic. Recent sales of parcels of raw land for residential development have had a cost that far exceeds what attainable housing can support.

Over the past decade, the town has seen a steady rate of construction of new single-family homes. During this same period, the Town has seen no construction of multifamily housing. It has been suggested that the availability of year-round rental housing has decreased as units have been converted to short-term rentals. The state's requirement that structures with three or more dwelling units must be equipped with a sprinkler system has inhibited the development of multifamily housing.

VIII. Attainable Housing Objectives and Recommended Strategies

The Affordable Housing Working Group proposes the following objectives and strategies to create opportunities for additional housing in Harpswell that is attainable by the target populations. These objectives and strategies are based on the following six

underlying concepts that need to be incorporated into any land use ordinances or programs:

1. The recommendations are framed in providing attainable housing for the target populations identified in Section VI. The term “attainable housing” is intended to mean housing that an individual or family in the target populations can afford but without reference to specific income limits.
2. The protection of groundwater is of paramount importance. Proposals made to facilitate the creation of attainable housing should only apply to areas of the community that can reasonably support the proposed use. The update of the Town’s comprehensive plan should identify appropriate areas.
3. When the reuse or expansion of an existing structure is proposed to create attainable housing, such activity shall be permitted only if the subsurface wastewater disposal (septic) system is documented to be functioning properly and sized for the intended use.
4. Recommendations with respect to minimum lot area requirements are based on the number of bedrooms in the structure rather than the number of dwelling units. A one-bedroom apartment uses significantly less groundwater than the average four- or five-bedroom home and generates less sewage and traffic. This difference is recognized in the state’s septic design and minimum lot size rules. Treating different-sized dwellings equally in terms of minimum lot area requirements, as is currently done in the Town’s ordinances, is a major obstacle to creating attainable housing.
5. When different treatment is proposed for units that are intended to be attainable, the long-term affordability of those units must be assured through reasonable, enforceable covenants monitored by a local agency or group.
6. Provisions to treat attainable housing differently must assure that these provisions do not allow for the creation of “short-term rentals” i.e., units that are rented for a period of less than thirty days.

The Affordable Housing Working Group has identified five interrelated objectives to guide the Town and community’s activities to facilitate the creation of additional attainable housing in Harpswell. The Working Group recommends strategies to accomplish each objective. Some of these strategies involve revising the Town’s land use regulations, while others involve establishing new initiatives to encourage property owners and developers to consider attainable housing.

Objective A: Provide opportunities for more rental housing that is attainable for people in the target populations. This can occur through the construction of new housing, the adaptation or modification of existing structures, or the creation of accessory dwelling units (ADUs).

- **Strategy A-1** – Revise the current provisions for accessory residential units (ARUs) or ADUs in non-shoreland areas to make them more flexible and to encourage their use as attainable units:
 - allow the property owner to reside in either the ADU or principal unit
 - allow the ADU to be in the main structure, in an accessory building such as over a garage, or in a freestanding structure
 - allow a property to have two ADUs if the lot has an area of at least 40,000 square feet and at least one of the units will be restricted to attainable occupancy
- **Strategy A-2** – Develop and fund a program, possibly in conjunction with a local organization or group, to assist homeowners in evaluating the potential benefits of an ADU, including general information about ADUs, examples of how they can be created, and possible sources of financing. This program could also provide design assistance to homeowners if outside funding is available.
- **Strategy A-3** – Revise the zoning requirements in non-shoreland areas to allow an existing single-family home with three or more bedrooms on a lot with at least 20,000 square feet of lot area to be divided into two dwelling units with a total of not more than the number of bedrooms in the existing single-family home to minimize the use of the groundwater.
- **Strategy A-4** – Revise the zoning requirements in non-shoreland areas to allow a new two-unit residential structure to be constructed on a lot meeting the minimum lot size for a single-family home, if the total number of bedrooms in the two units is not more than four and if one of the units will be designated as an attainable unit.
- **Strategy A-5** – Revise the zoning requirements in non-shoreland areas to allow small (up to 12 units) multifamily housing buildings to be constructed with a minimum lot area of 10,000 square feet per bedroom, which can be reduced to 7,500 square feet per bedroom for each bedroom that is located in a dwelling unit that is restricted to being attainable housing recognizing that the state’s sprinkler requirement currently limits the potential for multifamily development.
- **Strategy A-6 (same as Strategy B-2)** – Revise the zoning requirements in non-shoreland areas to create an “attainable housing planned development” provision to replace the current workforce housing provision. The revised provision would allow the construction of an attainable housing development that could include single-family, duplex, and/or townhouse-style units. The units

could be for rental or ownership. The overall bedroom density for dwelling units that will be restricted to being attainable will be 7,500 square feet of lot area per bedroom. The zoning should require that at least 50% of the parcel be set aside as open space like the current “flexible lot size” subdivision provision.

Objective B: Provide opportunities for the creation of homes that can be purchased by people in the target populations.

- **Strategy B-1** – Revise the zoning requirements in non-shoreland areas to allow the construction of a new single-family home on a lot with a minimum area of 7,500 square feet per bedroom if the unit is restricted to being attainable housing.
- **Strategy B-2** (*same as Strategy A-6*) – Revise the zoning requirements in non-shoreland areas to create an “attainable housing planned development” provision to replace the current workforce housing provision. The revised provision would allow the construction of an attainable housing development that could include single-family, duplex, and/or multifamily units. The units could be for rental or ownership. The overall bedroom density for dwelling units that will be restricted to being attainable will be 7,500 square feet of lot area per bedroom. The zoning should allow for reduced-size lots if open space within the development is preserved, like the current “flexible lot size” subdivision provision.
- **Strategy B-3** – Explore working with the Harpswell Heritage Land Trust to set aside low/no cost buildable lots in non-shoreland areas as part of the Land Trust’s preserves for the construction of single-family homes that will be restricted as attainable.
- **Strategy B-4** – Work to improve access to town-owned land at the end of Upland Lane so this parcel can be made available for the development of attainable housing.

Objective C: Provide ways for older residents to be able to afford to stay in their homes.

- **Strategy C-1** (*same as Strategy A-3*) – Revise the zoning requirements in non-shoreland areas to allow an existing single-family home with three or more bedrooms on a lot with at least 20,000 square feet of lot area to be divided into two dwelling units with a total of not more than the number of bedrooms in the existing single-family home, so as to minimize the use of the groundwater.
- **Strategy C-2** – Set up a community loan fund to provide assistance to older residents to create an ADU in their home or to convert the property to a two-unit structure (see Strategies D-4 and D-5 for possible funding sources) with

provisions for forgiveness of some or all of the principal of the loan if at least one of the units is attainable.

- **Strategy C-3** – Work with an agency or group to develop a monitored home-sharing program (see Section XI).

Objective D: Facilitate/encourage and guide private entities, including nonprofit organizations, to undertake the creation of attainable housing.

- **Strategy D-1** – Establish a Town Housing Committee that is advisory to the Select Board to advocate for and participate in the creation of additional attainable housing in the community and to oversee the recommendations of this report.
- **Strategy D-2** – Create a set of model affordability restrictions that can be used by anyone creating attainable housing.
- **Strategy D-3** – Publicize the Town’s willingness to partner with other entities to facilitate the development of attainable housing, including seeking outside grants and other funding.
- **Strategy D-4** – Set up an “Attainable Housing Trust Fund” to provide a source of funding for the creation of attainable housing. The Trust Fund could be part of the Town government or an independent organization. This fund could be capitalized through private fundraising, town appropriations, or revenues from Affordable Housing Tax Increment Financing (TIF) districts (see Strategies D-5 and D-6).
- **Strategy D-5** -Facilitate the construction of attainable housing on a portion of Town-owned land between Doughty Point Road and Strawberry Creek through a coordinated development program consisting of the following:
 - Conduct a preliminary assessment of the development suitability of this area and designate the area to be included in a planned development district
 - Seek approval of Town Meeting for offering the land within this potential district for the development of attainable housing at no or low cost to the developer
 - Revise the zoning ordinances to create a Doughty Point Planned Attainable Housing District. The provisions of the district will include the following stipulations:
 - Require that the proposed development demonstrates that it will not have an adverse impact on groundwater resources
 - Allow a mix of single-family, two-family, and/or multifamily units
 - Require that a minimum of 70% of the units be restricted as attainable housing

- Establish a minimum lot area requirement of an average of 7,500 square feet per bedroom for the total development parcel
 - Explicitly allow the use of a common water supply and common sewage disposal systems, including the location of these systems in the common open space
 - Limit the number of dwelling units in a building to twelve
 - Require that a minimum of 50% of the development parcel be set aside as permanent open space
 - Solicit proposals for the development of the district, select a preferred developer, and enter into a contract for the “sale” of the land based on the approved development plan
 - Create an Affordable Housing Tax Increment Financing District with the property tax revenue from the sheltered increase in property valuation earmarked for the activities that support attainable housing.
- **Strategy D-6** – Facilitate the construction of attainable housing on a portion of the upper meadow at Mitchell Field in accordance with the Mitchell Field Master Plan through a coordinated development program consisting of the following actions:
 - Conduct a preliminary assessment of the development suitability of the portion of the upper meadow designated for residential development in the Master Plan
 - Designate the entire upper meadow as the area to be included in a planned development district
 - Seek approval of Town Meeting for offering the land within this potential district for development of attainable housing at no or low cost
 - Revise the zoning ordinances to create a Mitchell Field Planned Attainable Housing District. The provisions of the district will include the following stipulations:
 - Require that the proposed development demonstrates that it will not have an adverse impact on groundwater resources
 - Allow a mix of single-family, two-family, townhouse-style ,and/or small multifamily units
 - Require that a minimum of 70% of the units be restricted as attainable housing
 - Establish a minimum lot area requirement of an average of 7,500 square feet per bedroom for the total area of the district that is designated for residential development
 - Explicitly allow for the use of a common water supply and common sewage disposal systems, including the location of these

- systems in the portion of the upper meadow designated as permanent open space
- Limit the number of dwelling units in a building to eight
 - Require that all dwelling units be located approximately in the portion of the district that is designated for residential use in the Mitchell Field Master Plan and that the balance of the upper meadow be set aside as permanent open space with the right of the public to use this area for conservation, passive recreation, and community gardening
- Solicit proposals for the development of the district, select a preferred developer, and enter into a contract for the “sale/lease” of the land based on the approved development plan
 - Create an Affordable Housing Tax Increment Financing District with the property tax revenue from the sheltered increase in property valuation earmarked for activities that support attainable housing.

Objective E: Ensure that the update of the Town’s Comprehensive Plan incorporates these objectives and strategies and does not create unnecessary barriers to the creation of attainable housing

- **Strategy E-1** – Work with the Comprehensive Plan Task Force to incorporate the concept of bedroom density into the land use recommendations in the update of the Comprehensive Plan.
- **Strategy E-2** – Work with the Comprehensive Plan Task Force to ensure that the land use proposals in the updated Comprehensive Plan balance the need to protect the Town’s groundwater resource with the need to provide attainable housing and do not create unreasonable barriers to providing opportunities for additional attainable housing in Harpswell.

IX. Land Use Ordinance Amendments

Implementation of many of the recommendations of the Working Group will require changes to the Town’s land use regulations. State law requires that a community’s zoning ordinances must be consistent with the community’s adopted comprehensive plan. Therefore, the proposed amendments to the land use ordinances and the establishment of an Affordable Housing TIF district must be included in the update of the Town’s Comprehensive Plan that is adopted by Town Meeting. Once the updated plan is adopted, the attainable housing ordinance amendments must then be integrated with any other proposed changes to the land use regulations. There are, however, a few

changes that can move forward as amendments to the existing ordinances prior to the adoption of the update to the comprehensive plan, including the following:

- revising the provisions for Accessory Residential Units or ADUs in the existing Interior District of the Basic Land Use Ordinance as envisioned b Strategy A-1
- reworking the Workforce Housing provisions in the Interior District of the Basic Land Use Ordinance to create “an attainable housing planned development” provision as proposed in Strategy B-2
- creating a provision in the Interior District of the Basic Land Use Ordinance that will allow an existing single-family home with three or more bedrooms to be converted into two smaller units as recommended in Strategy A-3 with the understanding that this provision will be incorporated in the revised ordinances adopted to implement the updated comprehensive plan

X. Implementation Program

Implementation of the recommendations of the Affordable Housing Working Group will require that the Town government as well as the larger Harpswell community undertake a comprehensive, long-term effort. This section lays out a “roadmap” for implementing the various proposals over the coming years. This implementation strategy is intended to be a general guide for the Town and community with an understanding that the “roadmap” will need to be adjusted over time.

Actions Prior to 2024 Special Town Meeting – To move the implementation of the Working Group’s recommendations forward, the Town should undertake the following before the 2024 Special Town Meeting:

- Create a permanent Town Housing Committee to be responsible for the implementation of this report and other housing related activities (Strategy D-1)
- Work with the Comprehensive Plan Task Force to integrate the proposals in to the update of the Comprehensive Plan (Strategy E-1)
- Prepare a concise summary of the report that can be used to meet with community groups and the general public and to be distributed prior to Town Meeting
- Prepare draft amendments to the Basic Land Use Ordinance to
 - Clarify the Accessory Residential Unit (ADU) provisions (Strategy A-1)
 - Allow an existing single-family home to be converted into two units with the same or fewer number of bedrooms (Strategies A-4 & C-1), and
 - Update the existing “workforce housing” provisions (Strategies A-6 & B-2)
- Create a set of model housing affordability provisions (Strategy D-2)

Actions Prior to 2025 Town Meeting – Many of the recommended strategies require background work and/or the inclusion of support for the strategies in the update of the Comprehensive Plan to be considered at the 2024 Special Town Meeting. Over the next year, the Town and larger community should undertake the following before the 2025 Town Meeting:

- Develop a program to inform developers and property owners about the Town’s interest in Attainable Housing (Strategy D-3)
- Undertake an assessment of the development potential of Town land off Doughty Point Road for use as attainable housing (Strategy D-5)
- Undertake an assessment of the development potential of Town land at Mitchell Field for use as attainable housing (Strategy D-6)
- Prepare draft amendments to the Basic Land Use Ordinance:
 - Revise the lot area requirement for new two-family homes (Strategy A-4)
 - Revise the lot area requirements for small multi-unit buildings (Strategy A-5)
 - Revise the lot area requirement for new attainable single-family homes (Strategy B-1)
 - Create a Doughty Point Planned Attainable Housing District (Strategy D-5)
 - Create a Mitchell Field Planned Attainable Housing District (Strategy D-6)

Longer-Term Actions – Some of the recommended strategies will require more than a year to implement. These include the following strategies:

- Develop and fund a program to assist homeowners with exploring and creating Accessory Residential Units (Strategy A-2)
- Work with the Harpswell Heritage Land Trust to make lots available for the construction of attainable single-family housing (Strategy B-3)
- Create a community loan fund for creating ARU/ADUs and converting existing single-family homes to two units (Strategy C-2)
- Create an Attainable Housing Trust Fund (Strategy D-4)
- Develop a monitored home-sharing program (Strategy C-3)
- Improve the access to the town-owned land at the end of Upland Lane, and make this parcel available for the development of attainable housing

XI. Appendices

NOTE: To be added to the final report

