

Town of Long Island  
Year-Round Housing Committee  
Minutes – March 14, 2007

Present: Mark Greene (chair); Ruth Peterson (Selectman); Steve Train (Selectman); Will Tierney; Amy Tierney; Jonathan Norton; Katie Wegner; John Billings; Mary Nanos; Tom Hohn; Tammy Hohn; Chris Papkee; Patti Papkee; Brad Brown; Cade Brown; Alden Robinson (Island Fellow).

1. Meeting called to order - 7:05 p.m. The committee voted unanimously to accept the minutes of the February 28th meeting.

2. Old business:

Mark Greene said that the necessary papers had been filed to incorporate the Year-Round Housing Committee as a non-profit organization. He said the next step for the committee would be to apply for tax-exempt status from the IRS, which the Genesis Foundation is assisting with.

In response to questions raised at the last meeting about bank loans on leased property and value of improvements to land vs. house on a leased lot, answers were sought from others. The first response was from Joanne Whitehead of Islesboro Affordable Property, which offered suggestions for financing construction on leased land. She suggested that houses on leased land are really no different loan-wise than condos. She said Camden National Bank was an active player in this field of such housing financing and that there were banks in the Portland area that do same. (Alden will be attending a conference on March 20 on these financing issues sponsored by Camden National and will report to the group next meeting). She also stressed the need to think of town lands as a community resource for the benefit of the town and not just another commodity to be bought and sold and that the lease model is a common one. The second question was addressed by an e-mail from Town Assessor Robert Konczal on how houses are assessed when built on leased land and indicated that a house on leased land would have added value because of its right to be on the leased land (leasehold interest) and the improvements made to the land by the building of the house. This added value will need to be considered when we work on the buyback provisions should the lessee desire to sell the house. Both of these emails will be forwarded to the committee's listserver.

3, New Business

The public hearing for Hannah Pingree's bill LD 762, on funding for affordable housing in communities was postponed to March 14th. Mark said he still plans to attend the hearing and testify on the committee's behalf.

Paper maps of town-owned land parcels were distributed. A couple of additional lots were found to be more accessible than previously thought. In addition, several more lots will legally become title-clear and available for town use in the coming year. Committee members requested digital versions of the mapping data, which will be sent to the listserver as soon as final corrections are made to the new GIS platform and parcel layers.

Steve Train described two potential grant sources. The Island Institute's newly-created "Affordable Coast" fund offers grants to non-profits and municipalities for the purchase, upgrade, and/or maintenance of affordable housing projects. It plans to distribute \$105,000 in grants in 2007. The Genesis Fund also offers matching grants to housing authorities. Mark suggested that committee members start thinking about potential grant proposals. The Island Institute grant sounded as if it might even help individuals purchase and/or rehab private properties deemed affordable.

Cade Brown briefly summarized the results of the Year-Round Housing survey that he and Melissa Brown have been tabulating. The responses of both year-round residents and non-residents to the proposed starter project was generally quite favorable. Although the proposed starter project has evolved somewhat from a town owned rental house on town land to a owner built house on leased town land, the favorable response to both the original concept and also to seek a "different proposal" was very

good. A description of the modified starter project proposal to be brought to Town Meeting will be outlined in the upcoming Long Islander. Cade plans to send out the complete results to the committee in the near future. Thank you to Cade and Missy for their great work in tabulating the returns.

The committee then discussed its position in the debate over the Planning Board's proposed multi-family housing on the island. Mark and Steve suggested that the YRHC not involve itself in the debate to avoid confusing its message. While some form of multi-family allowance in the ordinances could benefit the housing crunch on the island, Mark said unless it was very specific and targeted to social needs of the community, it could allow more seasonal rental development that would possibly hurt the year round housing market even more. Such multi-family development is clearly not what residents in both the past and present comprehensive plan surveys wanted. Brad Brown said that by working to create a multi-family housing ordinance, the Planning Board was working to solve the same housing problems as the YRHC. Tom Hohn said that the YRHC should not ignore multi-family housing, even if it doesn't work on it immediately.

Chris Papkee asked how any ground-lease fee would be determined, and how the land would be taxed. Steve Train said the land would be leased for the amount of money it would generate in taxes if sold privately; any buildings built on it would be taxed separately. Mark stressed that while not a perfect solution in the eyes of some who might prefer outright purchase, it was the best compromise available and would cost much less than an outright land purchase because it avoids all the mortgage costs (principal and interest) that a new buyer would have to pay to outright buy the land, yet the town would benefit tax-wise as if the land had been sold. If we are trying to help first time homeowners stay on island, this is a major way to make it affordable.

The committee discussed the proposed town meeting warrant article. Steve Train said he has submitted a preliminary article, which can be revised. He said that specific parcels can be added or removed from the article at the meeting.

Chris Papkee asked whether buildings constructed on leased land would have to be handicapped-accessible. Mark said that the buildings themselves would be private property and probably not subject to accessibility requirements. However, he said, all lease provisions would be subject to the town attorney's scrutiny.

Chris asked about potential conflicts-of-interest on the YRHC board. Mark said, as an example that Leah Doughty had offered to resign if she applied to the housing program. Cade Brown said that under Maine law, non-profit board members need not resign to avoid a conflict-of-interest provided all parties concerned were aware of, and comfortable with, the conflict. Mark said the selection process needs to be worked on now, so that all aspects of this proposal would be clear and upfront for Town Meeting questions. Chris Papkee asked whether the selection criteria would score applicants by age. Steve Train said that age-based selection would be discriminatory and not legal. Mark said that there are other individuals on the island in need of permanent housing and that all ages would be welcome to be part of this program.

ALL COMMITTEE MEMBERS SHOULD SUBMIT THEIR IDEAS IN WRITING (e-mail is fine) FOR SELECTION CRITERIA BY SUNDAY MARCH 25 so we can have a list to work on at the next meeting. Also, many good questions are being asked that need some research. It would be most helpful if folks submitted them in writing or e-mail (anytime) so that the responses reflect accurately what has been asked.

The committee agreed that the next meeting is on March 28th and to bring lists of possible selection criteria for housing applicants.

Meeting adjourned - 8:35 p.m.