

SECTION 8. HOUSING

Housing Part 1: Background, Trends, and Analysis

INTRODUCTION

Housing characteristics within a community are an important consideration of the comprehensive plan. The documentation of housing development trends, availability of housing, its affordability and condition are all important planning considerations. This information will allow decisions to be reached concerning additional provisions for affordable housing and the need for a mixture of housing types, and over time they can help a community assess if policies put in place are having the desired results.

CHANGES IN HOUSING STOCK

A twenty percent increase in the year-round housing units occurred between 1990 and 2000, followed by a sixteen percent increase from 2000-2010. The number of new housing units constructed in Poland was lower in the 2000-2010 period than in many of the eight surrounding communities examined. This is good for general comparison, but it should be noted that the census is not as accurate as local records. The Town of Poland's 2008 Comprehensive Plan provided data on housing starts showing 455 new stick-built and manufactured homes from 2000-2007. Census data does, however, provide the best comparison to other communities in the region that is available.

Regional Housing Growth: 1990 - 2010

	1990 Housing Units	2000 Housing Units	2010 Housing Units	# of New Housing Units 2000 - 2010	Percent Growth Rate 2000 - 2010	2018 Housing Units <i>estimated</i>
Poland	1,582	2,316	2,679	363	15.7%	2,704
Auburn	10,229	10,377	11,016	639	6.2%	11,220
Casco	1,136	1,385	2,944	1,559	112.6%	3,159
Mechanic Falls	1,114	1,237	1,299	62	5%	1,385
Minot	565	820	1,056	236	28.8%	959
New Gloucester	1,271	1,806	2,295	489	27.1%	2,345
Otisfield	456	619	1,169	550	88.9%	1,218
Oxford	1,365	1,597	2,170	573	35.9%	2,053
Raymond	1,223	1,675	2,852	1,177	70.3%	2,971

Source: 1990, 2000, 2010 U.S. Census, and 2018 American Community Survey

HOUSING TRENDS

DRAFT Comprehensive Plan Update 2021 – for review & comment

For the years 2012- 2020 the town had 150 additions or conversions of more living space on existing homes, 152 new single-family stick-built homes, 95 new manufactured homes (mobile or modular), 9 new accessory dwelling units or apartments, and 4 new duplexes. Due to the way the town collected data, modular and mobile homes are in one count because the term “manufactured” encompasses both building types and was used as a descriptor in some cases. For the years 2012-2020, a total of 265 dwelling units were created in town, with 39 dwelling units eliminated in the same period, or a total net increase of 226 dwelling units. As a comparison, for the years 2000-2007 a total of 455 stick-built and manufactured homes were erected in town. While we don’t have data for the 2008-2012 time period, it is at least clear that the last eight years had significantly less homes built than in the period studied in the last Comprehensive Plan.

Housing Starts 2012-2020

	Single-family	Single-family manufact. (modular/mobile)	Accessory Dwelling Unit/ Apt.	Duplex	Total New Dwelling Units Created	Additions or conversion of more living space
2012 (partial) – 2019	142	87	5	4	242	124
2020	11	8	4	0	23	26
Total	153	95	9	4	265	150

Source: Town of Poland

Housing Demolitions 2012- 2020

	Camp	House	Mobile Home	Apartment
2012 (partial)	0	1	1	1
2013	1	2	2	0
2014	0	0	3	0
2015	0	1	0	0
2016	0	6	2	0
2017	0	0	1	0
2018	4	3	2	0
2019	1	2	1	0
2020	3	1	1	0
Total	9	16	13	1

Source: Town of Poland

For a period from the middle of 2012 to the middle of 2019 the town lost 39 dwelling units. These were typically demolished due to fire, poor condition, or a new structure going in its place. It is important as we look at the number of new building permits for new homes that we consider how much of that is essentially

replacement of existing housing the town has lost. In the region, a large amount of the housing stock is older, and the removal of dilapidated, dangerous, and obsolete housing is beneficial when it can make way for safe and easier to maintain housing.

TYPE OF DWELLING UNIT

Based on information from the US Census, the traditional single-family home is the predominate housing type in Poland. The number of multi-family units has increased very little. The Census information on mobile homes for 2000 and 2018 is suspect in that it reported a reduction in mobile homes but town records show a strong demand for building permits of this home type.

The Town is encouraging the construction of senior and/or aged care housing. Currently, Auburn Housing Authority has purchased land and is moving forward with a project that will include a number of senior housing units in the Village 4 district.

OWNER/RENTER PATTERNS

Renter occupation rates have steadily increased since 1990. In 2018, renters accounted for 18% of all occupied dwelling units, which is up from 11% in 2000.

Housing, by Type and Occupancy, 1990-2010

	2000	2010	2018	# Change 2000 - 2018	% Change 2000 - 2018
Total Housing Units	2,316	2,679 (census) 2,681 (ACS)	2,704	388	16.8%
Single-Family	1,785	2,065	2,195	410	23%
Multi-Family	74	105	75	1	1.4%
Mobile Homes	446	511	434	-12	-2.7%
Occupied Housing Units	1,845	2,140	2,315	470	25.5%
Owner Occupied Housing	1,636	1,859	1,893	257	15.7%
Renter Occupied Housing	209	281	422	213	101.9%
Vacant Housing Units	471	539	389	-82	-17.4%
Seasonal Housing Units	420	426 (census) 385 (ACS)	305		
Median gross rent	\$585	\$847	\$817	\$232	39.7%
Median gross rent as percent of household income in prior year	20.6%	22.7%	29.1%		
Median home value	\$103,700	\$177,600	\$182,500	\$78,800	76%

Source: 1990, 2000, 2010 Census & 2010, 2018 ACS

Note: 2010 decennial census data was not available for all categories. The ACS data was used for single-family, multi-family, and mobile home data as well as for median gross rent and median home value.

OCCUPANCY RATES

Poland's average household size, or the number of people per dwelling units, has been declining sharply in recent decades, going from 3.12 persons per dwelling unit in 1990 to 2.63 in 2000 to 2.4 in 2018 (2.51 for owner-occupied and 1.87 for renter-occupied housing). Despite the opening of the Poland Regional High and Bruce M Whittier Middle Schools in 1999, household size has continued to decline. This trend is also happening regionally and nationally and reflects social changes like smaller families, lower birth rates, single adult households, and elderly independent living.

The decrease in household size has a real impact on housing needs and availability, because more houses are necessary to accommodate the same number of people. For every 1,000 homes in 1980, there were 3,120 occupants. In 2018, 1,000 homes only contained 2,400 occupants. Single person households are growing, therefore there is strong demand for smaller homes. These figures become important as we project the population and the housing demand for the future. If the number of people per home continues to drop then the community will demand not only more houses, but likely smaller ones as well.

Occupancy Rate Change Comparison

	1980	2000	2018
Poland	3.12	2.63	2.40
Auburn	2.65	2.28	2.19
Casco	2.99	2.58	2.40
Mechanic Falls	2.97	2.67	2.36
Minot	3.07	2.82	2.80
New Gloucester	3.01	2.71	2.66
Otisfield	2.82	2.61	3.13
Oxford	3.03	2.66	2.79
Raymond	2.94	2.66	2.41
Androscoggin Co.	2.73	2.38	2.29
State of Maine	2.75	2.39	2.33

Source: U.S. Census, 1980 and 2000, ACS 2018.

HOUSING CONDITIONS

The condition of a community's housing stock is an indicator of its economic vitality. Several methods are available to assess housing conditions including analysis of Census information, questionnaires and physical inspection of individual dwelling units. Each method has its advantages and disadvantages. The best being the physical inspection of each dwelling unit. This analysis of the condition of Poland's current housing stock does not rely upon a complete physical survey of all of the Town's dwelling units. It does, however, consider ACS data.

One indicator of housing conditions is the age of the dwelling units. The American Community Survey (2018, 2015) shows 57% of Poland's housing stock as constructed since 1980, this compares to 25% of the total housing stock of Androscoggin County constructed after 1980. If it is assumed that age of a community's housing stock reflects physical condition, then Poland's housing stock should be in better condition than that of overall Androscoggin County because of its younger age.

HOUSING AFFORDABILITY

Increase in land costs and construction costs, coupled with market conditions, have created a significant affordable housing problem in much of Maine. After a period of slower growth years following the 2008 housing crisis, prices have been steadily increasing.

Value of Owner-Occupied Housing Units

	2000	2010	2018
Median Value* of Specified Housing Units	\$103,700	\$177,600	\$182,500

Source: 2000 U.S. Census and 2010 and 2018 American Community Survey

*"Value" is the census respondent's estimate of how much the property would sell for if it were for sale.

The general rule for affordability states that housing should be able to be rented or purchased for a reasonable percentage of a household's income. These generally accepted percentages are 28% of gross monthly income for mortgage payments and 30% of gross income for rental payments (including utilities).

Estimating the amount of affordable housing units required is difficult. A major factor in determining affordable housing need is the income of current or perspective households residing or wishing to reside in Poland. It is clear in the below charts that for many families and individuals already residing in Poland the cost of home ownership or renting is beyond the threshold considered affordable. The overall number of housing units at the average household size suggests that there is enough housing for the existing population of Poland, but housing may not be what people desire in terms of its age, size, type of housing, or at an affordable price for the people who want to live there. These factors may prevent not just those who live in Poland from continuing to reside there but also those desiring to move to Poland from doing so.

2019 Homeownership Affordability Data, Poland

Median Income, annual	\$64,864
Income needed to afford median home price, annually	\$76,888
Income needed to afford median home price, hourly	\$36.97
Home price affordable to median income	\$224,676
Median Home Price	\$266,325
Affordability Index	0.84
Households unable to afford median home, percent	61.2%
Households unable to afford median home, number	1,387

Source: Maine Housing

2020 Rental Affordability Data, Lewiston-Auburn Housing Market

Renter Household Median Income, annual	\$34,545
Income needed to afford median 2 BR rent, annual	\$51,177

Income needed to afford median 2 BR rent, hourly	\$24.60
2 BR rent affordable to median income, monthly	\$864
Median 2 BR rent, monthly	\$1,279
Affordability Index	0.68
Households unable to afford median home, percent	69.8%
Households unable to afford median home, number	15,454

Source: Maine Housing.

Notes: Poland specific data was not available for renters. Rents adjusted to include the cost of utilities (heat, hot water, and electricity). The rental affordability index is the ratio of 2-bedroom rent affordable at median renter income to median 2-bedroom rent. An index of less than 1 means the area is generally unaffordable – i.e., a renter household earning area median renter income could not cover the cost of the median 2-bedroom apartment (including utilities) using no more than 30% of gross income.

Based upon information prepared by Maine Housing, the median home price in 2019 is out of reach for 61.2% of households living in Poland, and the median rent of a two-bedroom apartment is unaffordable for 69.8% of the Lewiston-Auburn Housing Market where Poland is located. The Maine State Housing Authority assigned a 2019 affordable housing index for Poland's homeownership at 0.84 and for the regional rental market an index of 0.68. An index of greater than 1.0 indicates the availability of affordable housing in a community, where an index below 1.0 is generally unaffordable. An income of approximately \$76,888 is needed to afford the 2019 median sale price of a home in Poland.

Unfortunately, recent months do not provide any relief for this situation of unaffordability. A Maine Housing Report from February 2021 (using data from the Maine Real Estate Information Systems, Inc.) compared the December 2019-February 2020 period to the December 2020-February 2021 period. Sales prices for homes in Androscoggin County increased from 2019-20 to 2020-21 by 20.32%, with the median sales price jumping from \$167,900 to \$202,009 in that same period. Where does that leave many existing and potential residents of Poland? With home ownership already outside of affordable parameters for almost two-thirds of Poland's households in 2019, home ownership is becoming even less affordable for a majority of Poland's and Androscoggin County's residents, leaving many people who would like to own a home renting indefinitely or moving to communities where housing costs are lower. It also means that many homes may not receive needed repairs as homeowners stretched by the affordability of their mortgage don't have the income to maintain their property.

FUTURE HOUSING DEMAND

The Office of the State Economist published a projection of population changes to the year 2036 (they prepared it in 2016). Based on these forecasts, the population will increase to approximately 6,116 by 2031, and using the current household size of 2.4 there will be demand for 2,548 housing units by that population. This exceeds the estimated current housing units, but the type of housing desired by a continually shrinking household size and aging population may not be available. If homes aren't maintained then they may become unusable and unsalable over time and may no longer be available as housing stock. This projection also doesn't take into consideration the in-migration to Maine that has increased during Covid-19, and it is unclear whether this continued increase will be maintained in coming years as working from home and other changes impact where people decide to live.

FUTURE HOUSING MIX

Not only is an estimation of total new housing necessary in the comprehensive plan but also the type of year-round housing, owner and rental. While demand for single-family housing remains strong, anecdotal

evidence suggests that smaller homes and homes with limited maintenance responsibilities are in demand, and an increase of interest in alternatives to single family homes will increase as the population ages. Smaller housing on smaller lots or attached dwelling units is generally more affordable. Town house development under condominium ownership, other low-maintenance home ownership options, and smaller homes will likely be in demand over the planning period.