

**STATE GOAL**

*The guidance from the 2005 Plan and guidance from other current documents from towns in the region states as follows:*

*[The State of Maine] encourages and promotes affordable, decent, housing opportunities for all Maine citizens.*

*Under MRSA 30-A: §4722. “Maine State Housing Authority established; powers, duties and restrictions. The Maine State Housing Authority is established and is a public body corporate and politic and an instrumentality of the State.”*

The Maine State Housing Authority (MSHA) developed a five-year strategic plan (2018-2023) and the following [external to the Authority] goals seem most relevant:

*Goal 2: Increase Affordable Housing Development*

*Goal 4: Help Maine people stay safe and warm in their homes and apartments.*

*Goal 5: Reduce the length of time and the number of Maine people experiencing homelessness using best practice methods of Housing First and Rapid Rehousing.*

*Goal 6: Improve Housing stability for Maine people at risk.*

*Goal 7: Promote inclusive, sustainable communities that support viable affordable housing.*

**LOCAL GOAL**

*Clifton strives to ensure the sustainability of the current housing infrastructure and also to explore opportunities to encourage expanding the infrastructure to include multi-family residential units, in particular, those for elderly people in order to extend the time this population can remain in Clifton as residents with the secondary effect of allowing families to continue to live proximate to each other for longer periods.*

**INTRODUCTION**

According to one real estate web site,

*“Clifton is a town in Penobscot County, Maine. It is part of the Bangor metropolitan area. With it's quiet streets, graceful high tree canopy and wide side walks, Clifton will bring to mind memories of childhood and a simpler time. Clifton's home prices displayed strong decreases over the past year. The average listing price this year is \$159,094, a significant 20.5 percent drop from the year prior. Meanwhile, inventory noticeably declined 30 percent to 7 homes for sale, creating an arguably more competitive market for buyers looking to relocate here. The tasteful and elegant landscaping often found on properties in Clifton results in a feeling of class and sophistication throughout the area. Enjoy a cozy night by the fire in the various homes in this town which feature real fireplaces.”*

The number of homes for sale is certainly down this year based on a review of various agency web sites. All of that said, the wide sidewalks are non-existent – there are no sidewalks in town. Clifton does have a tall tree canopy in particular along water front areas where huge

pinus dominate. The lawns, stored boats, campers, and older cars...the tasteful and elegant sophistication would be in the eyes of the beholder. Most open fires are outside...most indoor fires are well within woodstoves to most efficiently supplement winter heating needs.

In reality, Clifton is primarily bedroom community with mostly modest housing and minimal landscaping. There are exceptions to this modesty with some higher end, well landscaped housing around the lakes and recently constructed hilltop residences taking advantage of the spectacular views. There are between 300 and 350 residences in the town with no subdivisions or significant new residential development in the past ten years. Median pricing for a house in Clifton is around \$150,000 and this is consistent with Penobscot County, in general.

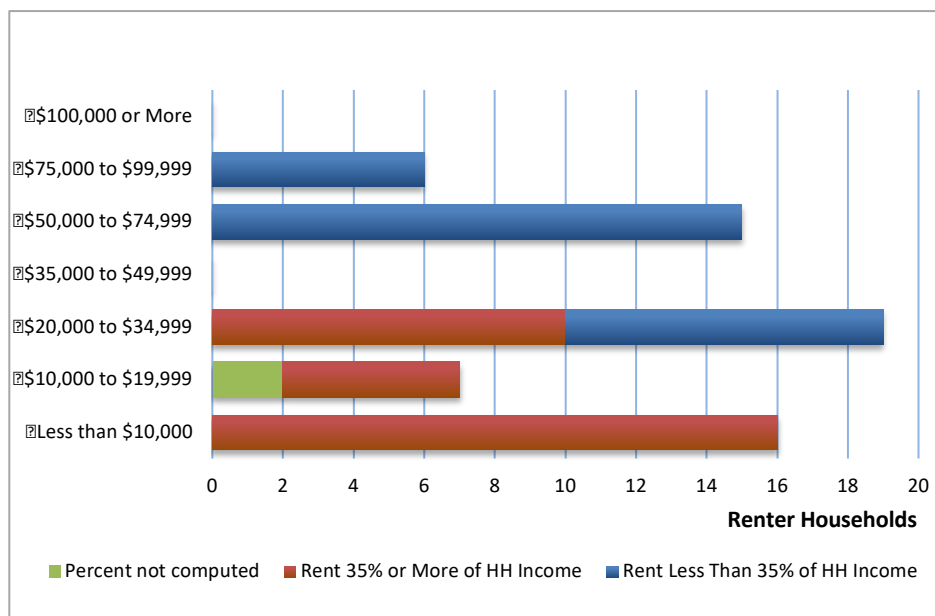
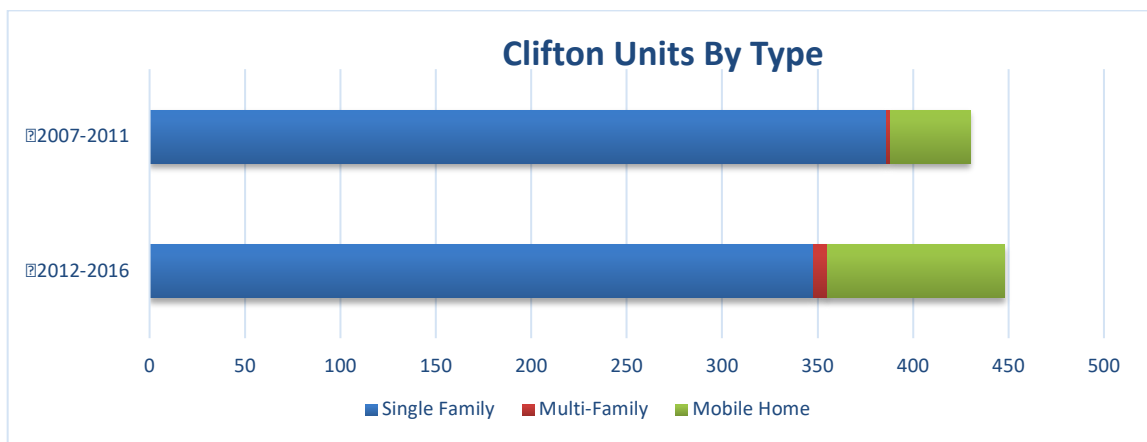
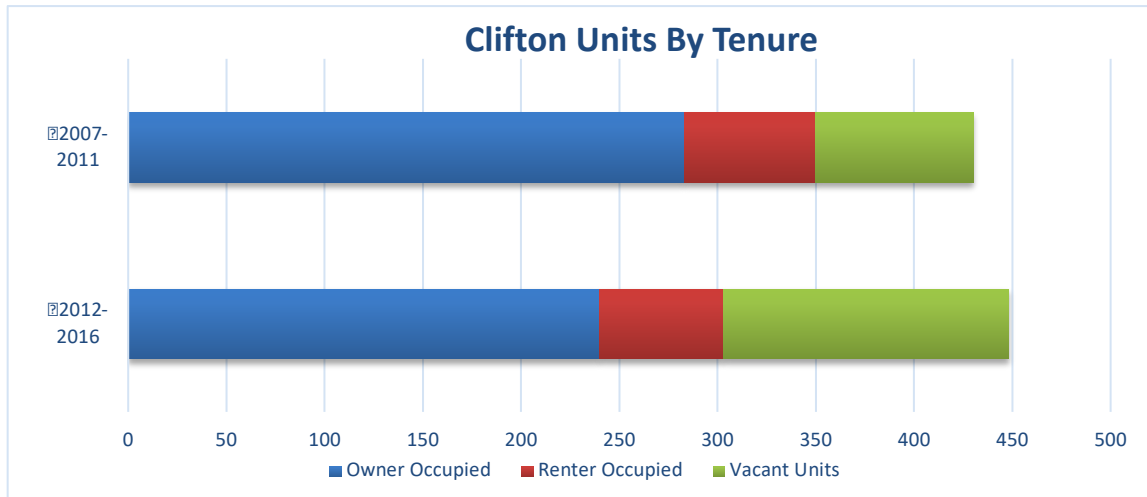
### **DATA REVIEW**

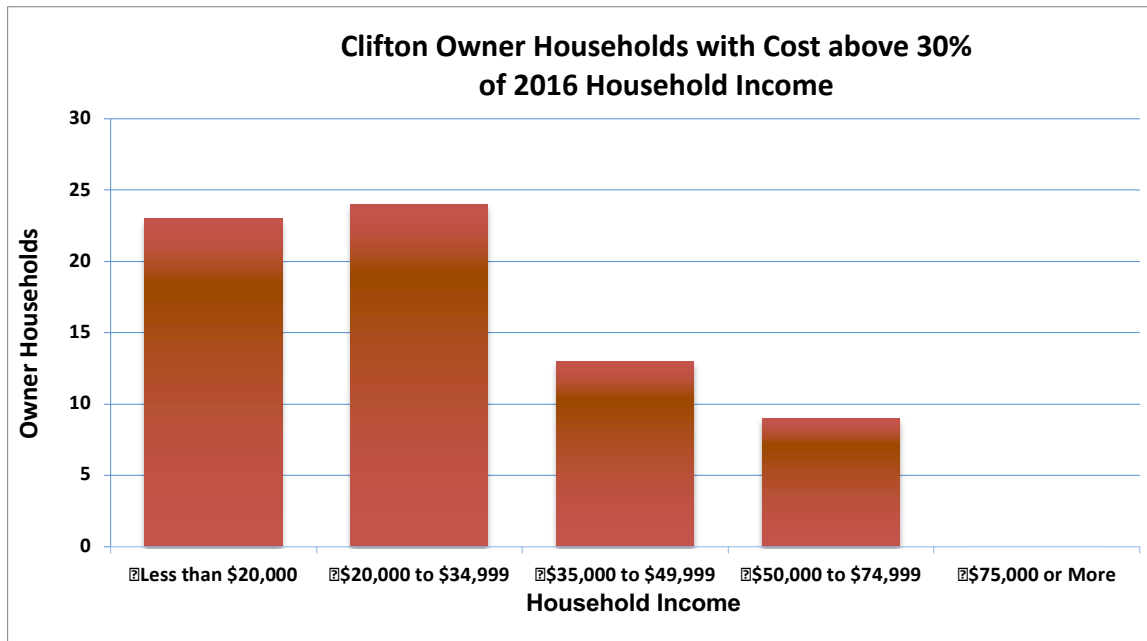
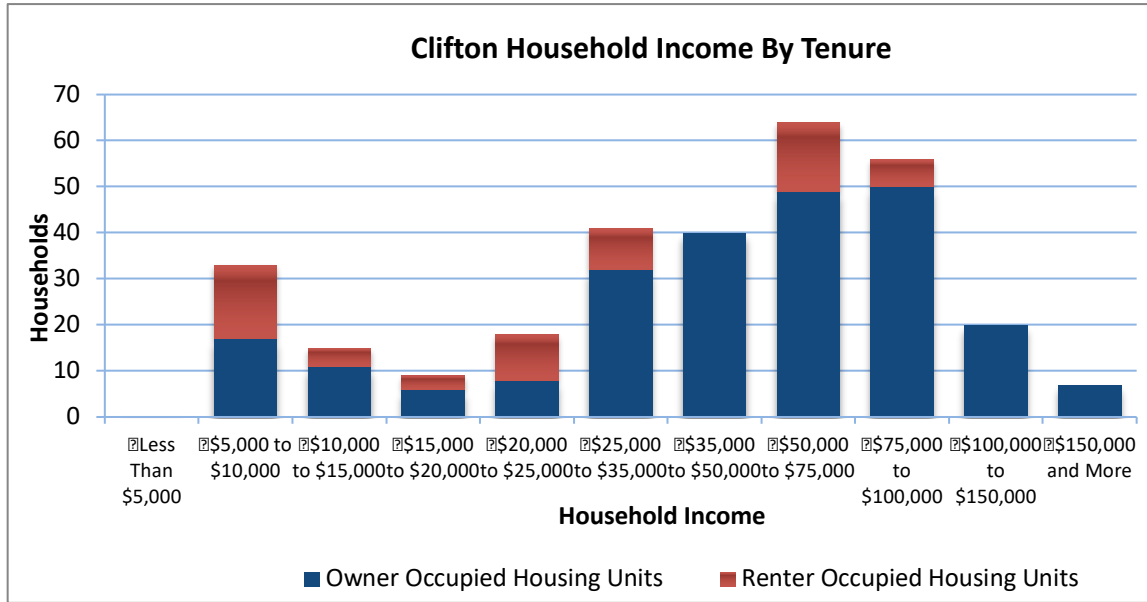
The following table (2013 is the most recent government data) provides a snapshot of housing affordability in the area.

<b>Housing - Median Home Price, 2013</b>	<b>Clifton</b>	<b>Eddington</b>	<b>Holden</b>	<b>Penobscot Cty</b>	<b>Maine</b>
Affordability Index	2.49	1.39	1	1.17	0.97
Median Income	\$41,648	\$49,283	\$56,626	\$44,752	\$47,728
Affordable at Median Income	\$144,566	\$173,675	\$195,132	\$151,259	\$165,374
Income Needed for Median Price	\$16,709	\$35,329	\$56,588	\$38,167	\$49,034
Median Sale Price	\$58,000	\$124,500	\$195,000	\$129,000	\$169,900
<b>Housing - Unable to Afford Median Home Price, 2013</b>					
Percentage of Households Unable to Afford Median Home Price	0.16	0.36	0.5	0.44	0.52
Number of Households Unable to Afford Median Home Price	54	336	646	27,927	292,965
<b>Housing - Average 2 Bedroom Rent with Utilities, 2013</b>					
Average 2Bdr Rent with Utilities	-	\$979	\$768	\$830	n/a

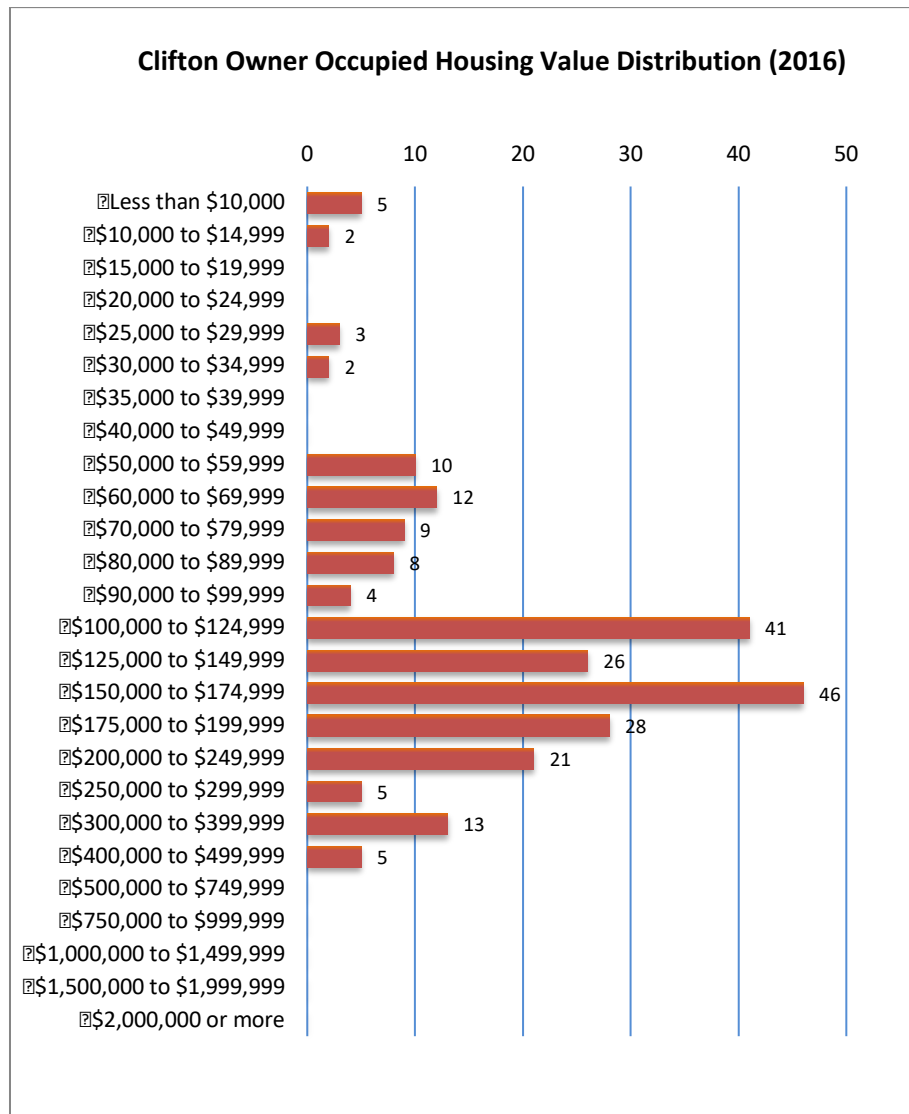
Note: The Homeownership Affordability Index is the ratio of Home Price Affordable at Median Income to Median Home Price. An index of less than 1 means the area is generally unaffordable - i.e., a household earning area median income could not cover the payment on a median priced home (30 year mortgage, taxes and insurance) using no more than 28% of gross income.

The Maine State Housing Authority developed the following charts and data from the American Community Survey in 2016. The trending takeaways for the data are as follows: vacant or abandoned units are on the increase; some single-family homes are under conversion to multi-family homes; mobile homes are on the increase. Rent is on the increase and about 20 to 30 families may be paying about half their income towards rent. Evaluating owned homes versus rental homes; about 66% of owned homes have household incomes exceeding \$50,000/yr. Evaluating household incomes for owned homes, about 60 households own homes with annual costs exceeding 30% of their 2016 household income. This information is useful in evaluating the potential community outreach need - if shelter cost exceeds 30% of income, there are generally shortfalls in other areas such as food, heating, clothing, health care, medicine, auto repair, social activity, etc.

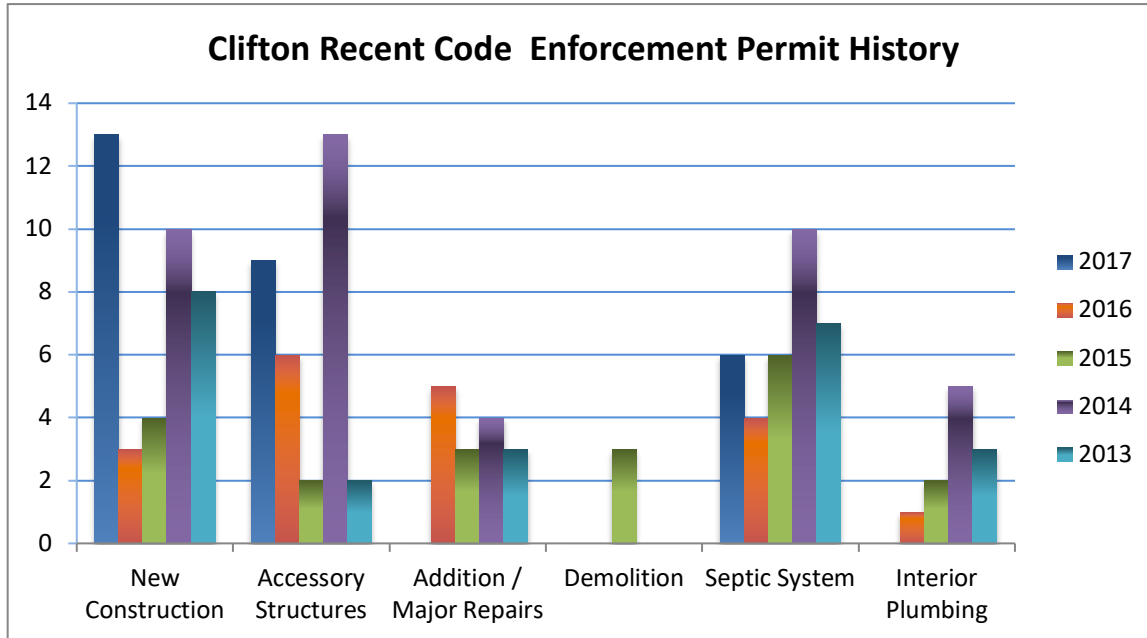




The following chart shows the estimated 2016 housing valuation for the town. Housing valuation is an indicator of what taxes may be available for assessment purposes to fund education (about 65% of real property taxes in Clifton fund education) and public administration and infrastructure. In Clifton public administration and infrastructure consists of road maintenance, snow plowing and sanding, garbage pickup, maintaining and staffing a town office, Select Board and Planning Board. Note, since 2016, a few newer or re-modeled houses now have valuations greater than \$500,000.



The following table is a recent Code Enforcement Officer permit issuance history. Permit issuance is an indicator of community improvement and investment. In terms of reliability, most new construction, additions, and major maintenance will have permits, as will replacement or new septic systems. Alternately, decks (unless they are shore land zoning), most indoor plumbing, most electrical work or any significant fully inside renovation will not likely have permits because of the nature of this rural community. Not on the chart is the issuance of the wind turbine project permit in 2014.

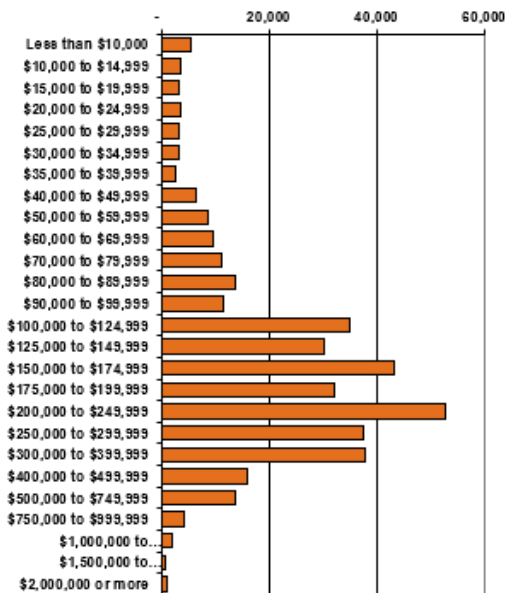


**ANALYSIS**

Consistent with other data in the Comprehensive Plan, there are about 50 or so families in the community who are likely struggling at a level potentially requiring support. Compare the chart above showing Clifton Owner Occupied Housing Value Distribution to the chart below and note Clifton falls just better than Penobscot County.

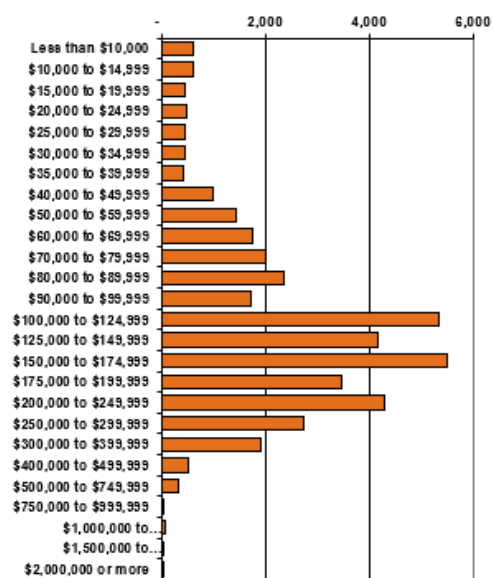
State of Maine (Avg - \$175k)

Owner Occupied Housing Value Distribution



Penobscot County (Avg - \$138k)

Owner Occupied Housing Value Distribution



With a current decline in population and not very much expensive property, an increase

in taxes (most likely driven by the school district – remember 65%) could significantly impact remaining homeowners and further drive the quantity of families paying more than 30% towards home expenses up. Lack of good, efficient, and reasonably priced rental property (or even multi-family housing) continues to be another issue; the prior Comprehensive Plan identified the problem making this now very perennial.

There is no real pattern to permit issuance and the only anomaly appears to be new construction and septic system permits should be more closely matched since presumably some septic permits are replacement system permits. There is not extensive construction occurring in the town.

### **POLICIES and PROCEDURES**

The previous Comprehensive Plan recommended the following

“The Town will continue to ensure the availability of safe and affordable quality housing opportunities for all residents, and will set the goal that at least 21% or more of housing starts meet the definition of affordable housing for Clifton residents.”

This is well outside the control of the town; was not accomplished and is no longer a suggestion.

The town implemented the following suggestions from the previous Comprehensive Plan through the Clifton Land Use Ordinance (LUO).

- (1) The Planning Board, or their designee(s), will include language in the future land use ordinance to allow for the permitting of multifamily housing units within the designated growth areas.
- (2) The Planning Board will institute an occupancy permitting process for all new housing uses within the Town.
- (3) The Planning Board will encourage participation in programs and projects for the improvement of energy efficiency and habitability of existing housing units (i.e., the use of currently awarded CDBG housing rehabilitation funds). Priority will be given to projects that relate to safety, health and blight conditions.
- (4) The Planning Board, or their designee(s), will create a local manufactured housing ordinance consistent with MRSA Title 30-A Section 4358, Regulation of Manufactured Housing.
- (5) The Planning Board, or their designee(s), will pursue opportunities, local and regional, to promote development projects that provide affordable assisted living housing for the elderly and disabled.
- (6) The Planning Board or their designee(s), e.g. a land use ordinance committee, will create ordinance standards allowing for the use of accessory “in law” apartments within single family homes as a means to reduce housing costs.
- (7) The Town will discourage sprawl by providing incentives for new housing developments to be located within the designated growth areas.

(8) The Planning Board, or their designee(s), will include a 'Schedule of Impact Fees' in the future land use that recognizes the additional municipal costs of housing development and passes along to developers a share of that cost in proportion to the location of development in designated growth or rural areas.

(9) The Planning Board, or their designee(s), will include language in the future land use ordinance which will provide incentives for cluster housing and provisions for open space planning.

Clifton needs to continue to look for developers willing to invest in affordable multi-family housing using rental and ownership models. The town may wish to use some sort of real estate tax incentives or pursue grants from various governmental and non-governmental entities. Clifton should also continue to pursue any landlord leasing substandard housing to vulnerable populations using the Code Enforcement mechanism.

The existing LUO framework supports the previous plan as well as Maine State Housing Authority strategic plan goals.