



COMPREHENSIVE PLAN TASK FORCE OF 2022

Town of Southwest Harbor

September 21, 2022

RECOMMENDATIONS TO THE SELECT BOARD

(Updated Document of Final Meeting 10/12//22)

ISSUES TO BE ADDRESSED BY COMP PLAN UPDATE TASK FORCE

COASTAL EROSION

1. Land along the shore in the Manset pier area has been eroded by seawater above the Highest Annual Tide (HAT) line, exacerbated by storm surges and king tides.

Over the past century, storm surge here (NOT including wave action) has been 3.4 feet for a once-in-10-years storm, and 4.8 feet for a “storm of the century”, expected once in 100 years, although Portland recently had two 100-year storms in the same year. The intermediate, middle-of-the-road NOAA prediction for sea level rise is 4.0 feet by 2100. The Maine Climate Council recommends planning for 1.5 feet sea level rise by 2050 and 4.0 feet by 2100. Stormwater run-off is also eroding the gravel area at Manset.

2. The Lower Town Dock also floods during these storm surges.
3. Seawater runs across Shore Road during some storms and king tides. The Town works only on public property and does not mitigate problems on private property.
4. Erosion by storm surges and high tides at Seawall is on State highway and National Park land and is not the Town’s responsibility.

STORMWATER RUN-OFF and INFILTRATION INTO SEWER LINES

1. Stormwater run-off from Freeman Ridge creates hazardous road conditions between the Village at Ocean’s End and 400 Main Street, particularly in winter when it freezes. The funds recently voted for work on this section of the road are designated to address and solve this problem.

2. At times of heavy rain, there may be flooding at the intersection of Seal Cove Road and Main Street and on the Town parking area between the Police Station and Main Street. These were noted in the 2010 Plan, it happens infrequently, and there has been no significant change. Both areas are built on wetland that has been filled and paved.

3. During heavy rain storms, one lane of the road just east of Wonderland floods badly; this is not the Town's responsibility, since it is State highway on National Park land.

4. Although subdivision requirements and Town road standards are regulated in the LUO, stormwater run-off from private property and roads creates problems for adjacent landowners and/or public property and roads in some areas.

5. Infiltration of rainwater into the sewer system during storms is a problem. On an average day, the sewer treatment plant processes 275,000 gallons of sewage; during and just after a rainstorm, about 1,000,000 gallons flow through the treatment plant. This is down from 2,000,000 gallons when the Water Sewer District was first established in 2015. The infiltration comes from private sump pumps and gutter drains hooked into the sewers, leaky sewer lines, and/or leaks around manhole covers. The WSD continues working to reduce this infiltration.

WORKFORCE and AFFORDABLE HOUSING

Workforce Housing here refers to Rentals or Home Ownership opportunities for middle income households that implies that the rental fee or the mortgage cost is not more than 30% of the occupant's gross monthly household income. Because the cost of housing on the coast is significantly higher than inland, **Workforce** Housing here refers to housing for households with 100 - 150% of the area household median income.

Affordable Housing as defined by the Maine State Housing Authority limits Rentals to occupants earning 80% or less of the area household median income, and Home Ownership to occupants earning 120% or less of area household median income. In this document, both Workforce and Affordable Housing refer to year-round housing, unless specifically designated as housing for seasonal workers. In 2020 the Maine state median income was \$76,600.

1. Houses that MDI workers earning a median income can afford are not available on MDI (or in SWH). Real estate costs have risen much faster than incomes in the past decade.

The Housing Study done by the Island Housing Trust showed that in 2017, the median annual household income in SWH was \$46,175. The median home price was \$329,250 and the household income needed to buy that house was \$92,818. The situation has become worse as a result of Covid and the fast rise of home costs in the real estate market. In 2020, the Maine state median household income (and MDI is usually close to this figure) was \$76,600.

2. Year-round rentals that MDI medium-income working households can afford are in short supply.

The study estimated that in 2017 there were 332 year-round housing rentals in SWH, of which 71 were income-limited housing units. “Median rentals” don’t exist in SWH; market rate rents are about twice the “median” which is skewed because of the effect of income-limited public housing rents.

3. An increased number of short-term seasonal vacation rentals appears to be reducing the supply of year-round rentals and ownership opportunities that MDI workers can afford.

One major question is whether seasonal vacation rentals are cutting into the supply of year-round housing (rental or owned) that SWH workforce families can afford (and, if so, what possible solutions might be considered). The 2020 Census shows a total of 1497 households in SWH, of which (on April 1, 2020) 840 were occupied and 657 were vacant. Those 657 include both seasonal residents (“summer people”) and short-term vacation rentals. In July, 2021, AIRDNA showed 269 active rentals in SWH (through airbnb and VRBO); 88% of these were for entire houses. The public perception is that an increasing number of year-round houses are being purchased for investment in short-term vacation rentals. An owner can make about the same income in 12 weeks of vacation rentals as in a year-round rental of the same property.

4. Employers are struggling to find housing for seasonal employees, making it hard to hire staff.