



EXECUTIVE SUMMARY - AROOSTOOK

Sustainable Housing

Introductory Section

Sustainable communities are places that have a variety of housing and transportation choices. This work component focused on preserving existing housing, meeting market demand for different types of housing, promoting homeownership by low-income households, and providing affordable homes close to transportation and jobs. The definition of sustainable housing in a community is one that lowers operating costs, improves air quality, reduces carbon footprint, and qualifies for government assistance.

Aroostook County has 30,459 occupied housing units with 71.7% being owner-occupied and 28.3% renter-occupied. Maintaining a home in northern Aroostook County is expensive for many low-income households who are paying in excess of 30% of their income for monthly owner costs. According to the 2007-2011 American Community Survey data on home heating fuel, 74.9% of households heat with fuel oil or kerosene, 14.2% heat with wood, and 10.9% with other various sources. While research indicates that electricity is considered the most efficient means of heating, it is too expensive to do so here in Northern Maine. Wood heating stoves (logs) are only 55%-75% efficient; however, newer wood pellet stoves have a higher range of 83%-87% efficiency. Heating oil prices average \$3.90 per gallon in the northern section of the state with an average statewide of \$3.80 and the lowest average of \$3.75 found in western Maine.

Over 70% of Aroostook County homes were built prior to 1979, which means a high likelihood that lead-based paint is present. Additionally, reports have been published warning of high levels of radon in homes, particularly in northeast Aroostook County. Despite progress made over the past 30 years with Community Development Block Grant (CDBG) funding housing rehabilitation projects, a large number of families continue to live in substandard and unaffordable housing. Housing rehabilitation programs are necessary to address affordability, air quality improvement, and whenever possible, educating first-time homebuyers on the advantages of purchasing homes in service-center communities so as to reduce transportation costs.

Additionally, there is a shortage of high quality rental units for professionals who move to the area for a limited period of time, such as specialized nursing staff and US Border Patrol officers, to name a few examples. A high number of rental units have health and safety issues. Subsidized housing units often do not meet the Housing Quality Standards HQS requirements because oftentimes landlords cannot meet the costs of upkeep and the day-do-day costs for maintaining units. Public housing authorities have long waiting lists which range from six months to two or more years depending on the number of bedrooms.



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Findings

- There is a shortage of higher-end rental housing for relocating and/or transient professionals not wanting to buy.
- Many low-income single family homeowners and renters are living in older, poorly maintained housing units that are in need of repair. The elderly population continues to live in their own homes due to personal preference and for financial reasons.
- Low-income families on the Section 8 voucher waiting list are struggling to make ends meet and are living in some of the poorest housing conditions in Aroostook County.
- Public low-income housing is generally in good condition and affordable due to direct rental assistance.
- Maine State Housing Authority, which administers the Section 8 housing voucher program in communities that do not have a housing authority, reports that voucher clients have not had problems finding housing that meets the payment standards and HQS.
- Local housing authorities report widely varying housing voucher rental experiences depending on the community voucher holders are seeking units in. Some towns have low owner participation in the program due to the relative ease of renting units at a higher rent level than the voucher program will support, and a reluctance to make repairs to meet Housing Quality Standards for the program. In other communities, owners seem very willing to participate.
- Housing affordability is an issue. Housing costs often mean families are paying much more than 30% of their income due to factors such as joblessness, minimum wage jobs, and increased heating expenses. For young couples, mortgage insurance requirements can increase monthly payments by as much as 20%.
- Lack of access federal funding to construct new elderly housing due to vacant subsidized senior housing in other parts of the region; caused, in part, by the reluctance of seniors to move away from family, friends and support systems to occupy vacant subsidized housing that can be as much as 2 or 3 hours away.
- There is a clear-cut lack of housing rehabilitation funds. The Aroostook County Action Program has a long waiting list of applicants in need of housing rehabilitation with an estimated wait time of two to five years depending on the rehabilitation sought.
- The homeownership affordability index for Aroostook County is 1.38 and the renter affordability index is 0.91. An index of less than 1 means the area is generally unaffordable. The least affordable rental areas in Aroostook County are in central and southern portions of the county.



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Analysis and Basic Conclusions

Substandard Housing: Maine has the seventh oldest housing stock in the nation. The housing stock of any community is one of its most visible and important assets. Housing not only reflects the well-being of individual citizens, but it also portrays the condition and health of a community. Housing renovation continues to rank as the highest priority in Aroostook County. As an example, in 2012, ACAP received approximately \$1.1 million from Maine State Housing Authority (MSHA) and expended those funds on 153 housing units within an eight-month period. Funds were used to replace roofs, install triple pane windows, hot water heaters, solar panels, washers, and energy monitors. This effort helped address some of the needs with more homes still needing this type of assistance.

Not all persons desiring to live locally have access to housing. The elderly population is growing and as a result, the need for housing improvements and construction of new multi-family housing units is growing. United States Department of Agriculture Rural Development is a major financing resource for new construction of multi-family housing but is unwilling to finance new construction because there are vacancies in existing units throughout Aroostook County. The problem is that people in central Aroostook, for example, do not want to relocate to an existing vacant unit in the northern or southern portion of the region. To ensure the safety and welfare of seniors as they age in place, we have concluded that affordable housing opportunities for lower income seniors must be expanded and that the range and coordination of housing/services must be improved.

An attempt to analyze the potential energy savings gleaned through weatherization activities based on the age of the home yielded no identifiable pattern, meaning the potential of reaching significant energy savings per similarly aged home was dependent on current levels of insulation and air sealing of each specific dwelling. Therefore, it was not possible to use US Census data by “building age” groupings to project energy savings based on age.

Weatherization is working and lowers heating costs. It makes a world of difference to insulate and replace windows. A homeowner in attendance at the Sustainable Housing Public Forum stated that rather than using 420 gallons of fuel last winter, she used only 300 gallons reducing her heating bill by about \$500. This would not have happened without assistance from the Low Income Energy Assistance Program.

ACAP provided findings of their Weatherization Program for the period 2000-2012. Of the 1,224 weatherization jobs on single-family dwellings, the average cost of weatherization per home was \$4,714 for an overall combined savings of \$36,183,488. This demonstrates a significant opportunity to increase the sustainability of housing costs in homes with inadequate levels of insulation and unacceptable air infiltration.



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Suggested Actions

- Educate the public to the huge potential savings to be gained through the installation of energy conservation measures based on recommendations in an energy audit conducted by a trained Residential Energy Auditor.
- Air and water testing for radon gas should become a higher priority for homeowners.
- A regional task force should be formed to look at the challenges of the living conditions and needs of the elderly in Aroostook.
- Assisted living facilities are needed to address the needs of the aging regional population. Utilization of existing vacant buildings should be looked at as alternatives to new construction.
- There should be closer coordination among the Maine State Housing Authority, the Department of Economic and Community Development, and USDA Rural Development in addressing single-family, low-income home repair projects. Reviving the engagement of Maine Housing and USDA in the DECD “Home Repair Network” program should be strongly considered.
- CDBG program guidelines for housing assistance funding need to be realigned to allow for broader participation by small rural communities.
- The development of combination loan/grant programs should be considered as a way of getting more private owner participation in the Section 8 Housing Choice Voucher program.



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Implementation Already Occurring

Currently, Northern Maine Community College (NMCC) has the ability to train tradesman in the Energy Audit field. Federal Residential Energy Efficiency Tax Credits are also available for many home energy retrofit purchases. Northern Maine Development Commission was able to obtain funding to train four energy auditors through the NMCC system. Additionally, Efficiency Maine offers and describes numerous programs available to homeowners to reduce their home energy costs.

The 2013 construction of The Meadows, a 25 senior housing complex in Fort Fairfield, provided needed housing options in central Aroostook County.

MaineHousing, an independent state agency that bridges public and private housing finance, brings millions of new private and federal housing funds to invest in Maine each year. MSHA and DECD work together to make necessary repairs achievable and affordable to very low-income homeowners. MSHA also revitalizes old housing stock; enables people to continue living in their homes; improves the health and safety of the occupants; and provides some energy efficiencies.

- ✓ Under the Energy and Housing Services, 17% of Aroostook County and 19% of Washington County households received LIHEAP benefits - less than in previous years due to a reduction in federal funds and a change in eligibility standards. Additionally, the average fuel assistance benefit was decreased, further exacerbating the ability of low income families to adequately heat their homes with increased heating oil prices and a very cold winter season.
- ✓ Emergency Solutions Grants (ESG) are provided to emergency and domestic violence shelters throughout Maine. ESG funds are also used to provide homeless individuals and families with short-term rental and other assistance to help achieve housing stability.
- ✓ CDBG Home Repair Network provides funding to address housing problems of low-and-moderate income (LMI) persons by combining CDBG funds with the MaineHousing and USDA Rural Development funding. This program provides housing rehabilitation services administered on a regional basis throughout Maine. In Aroostook County, \$317,448 was expended for the rehabilitation of septic systems and lead hazard reduction.
- ✓ ACAP provided \$2,952,208 for 4,620 low-income households with LIHEAP energy assistance. The Weatherization Program in 2013 provided 58 households, \$113,242 investment, in energy saving measures.



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Additional Resource Needs

- Additional funding for the Home Repair and Weatherization program, as well as the ACAP's LIHEAP program.
- Funding and partnering for a regional task force on elderly housing and service needs.
- The development of an education program on effective weatherization and home repair techniques - and how they relate to lowering household expenses.
- Funding for a radon testing demonstration program.
- Funding for a revolving loan and grant fund to write down the costs of repair costs for Owners participating in the Section 8 Voucher program.
- Funding for a revolving loan and grant fund to write down the costs of replacing heating systems in apartment complexes as an incentive for participation in the Section 8 Voucher program.