

APPENDIX D

HOUSING INVENTORY

INTRODUCTION

Housing usually comprises the major land use in a community. It certainly does in Bath. Housing is the shelter for inhabitants of a city, the major portion of the tax base, the single largest investment for most of the residents, and a major element of a community's visual quality. Knowing about housing in Bath is important from many points of view.

This appendix provides information about the existing housing stock—its age and conditions—and a brief discussion about the housing developments that were built in Bath during the World Wars. It also discusses topics including the occupancy status, number of units per structure, percentages of units that are owner- versus renter-occupied, housing growth, and affordability. In many instances, we compared Bath to other towns in the Bath Region (i.e., Georgetown, Arrowsic, Woolwich, Phippsburg, West Bath, Brunswick, and Topsham). We also compared Bath to certain Service Center communities when it was appropriate. The information was obtained from the U.S. Census Bureau, the City of Bath, the SPO, and the MSHA.

AGE OF HOUSING STOCK

We are aware that Bath is an old city with a rich history and many historic homes. In fact (according to the U.S. Census Bureau), Bath has a much higher percentage of housing units built in or before 1939 than any other municipality in the Bath Region. This statistic is often thought of a measure of poor housing or inadequate housing; in Bath, it is a measure of the City's historic character—something that elicits community pride. An older housing stock, however, requires more maintenance and costly upkeep, is usually not energy efficient, and often indicates the potential presence of lead-based paint.

The following table shows percentages of total houses in Bath Region communities that were built during various periods. (Note: These data, although from U.S. Census Bureau reports, are based on homeowners' estimates of the age of their home, and therefore may be inaccurate.)

YEAR BUILT BY PERCENTAGE OF TOTAL HOUSES BATH REGION

Town/City	1939 or Earlier	1940 to 1959	1960 to 1969	1970 to 1979	1980 to 1989	1990 to 2000
Bath	48.5%	19.0%	7.0%	11.9%	6.4%	7.1%
Georgetown	30.2%	10.7%	7.8%	14.7%	16.9%	19.7%
Arrowsic	20.2%	10.7%	5.9%	14.2%	30.4%	18.5%
Woolwich	22.1%	11.2%	8.4%	18.9%	18.4%	20.8%
Phippsburg	27.3%	15.1%	8.8%	15.4%	17.8%	15.5%
West Bath	18.5%	13.8%	9.2%	21.3%	22.7%	14.4%
Brunswick	25.0%	16.9%	7.7%	13.1%	21.0%	16.4%
Topsham	15.6%	12.1%	12.7%	20.4%	25.2%	14.0%

Source: 2000 U.S. Census

MULTIFAMILY HOUSING PROJECTS BUILT FOR THE WORLD WARS

Another historic element of the Bath housing inventory (also discussed in Chapter 3) is the volume of housing built in Bath during World Wars I and II. No other community in the state, with the possible exception of South Portland, had such an increase in housing during these periods, and no other community still has this type of housing.

According to *A Summary History of Bath, Maine: 1850 to 1990* by P. L. Pert, Jr. (Copyright 1995, P. L. Pert, Jr), the housing shortage in Bath during World War I, caused by the thousands of shipbuilders and their families seeking housing, was one of the two most stressful challenges Bath has ever faced. (The other, according to Pert, was the prolonged influenza outbreak that also occurred during World War I.) Pert wrote:

The immediate problem created in Bath by this development [the increased shipbuilding in Bath associated with World War I] was how to house all of the 3,000 employees of the Texas yard, more than 1,400 at the BIW, Ltd., and unknown numbers of others at the four shipyards still turning out wooden ships. The newcomers filled all of the available housing at both ends of town rather quickly, with as many as three families crowding into a one-family house. Many occupied houseboats, garages, and fishing camps. One entrepreneur set up a village of tents on rented property off North Street near old Patten Car Works. Another man dismantled a house in Gardiner, loaded it onto a lighter,

transported it to Bath, and put it back together near a development of new houses on Park Street. But still there weren't enough housing facilities.

It wasn't as if there hadn't been any home construction underway in the city. A new street (Snow Park) running between Centre Street and Academy Street opened to development in 1915. In February of 1917, the Texas Steamship Company started purchasing lots for two-family houses in the north end on High Street opposite Bedford Street, on the corner of Edward Street and Edward Street Court, Washington Street above Winship, Oak Street west of High Street, and on North Street near High Street. In September of 1917, Bath Contractor W.J. Holbrook remodeled a Shepard Street barn into a five-room tenement and had contracts to build five houses the following summer. By the end of October, three houses in the new development called Washington Park on Park Street were nearing completion and more that 16 of 20 lots had been sold.

But there was just no way to keep up with the demand for housing for the numbers of people working and living in the city at the time. By 1918, Bath's population had swelled to between 14,000 and 20,000, at least during the daylight hours.

On May 1, 1918, municipal officials and frustrated home-seeking shipyard workers were elated to hear that the Emergency Fleet Corporation had taken an option on 30 acres of land bordered by Oliver Street, Winship Street, and High Street in the north end to build housing for 1,000 persons working in the Texas Steamship Yard. An agreement was quickly worked out that included an advancement by the Emergency Fleet Corporation of up to \$500,000 for construction of the houses, purchase of the necessary land by the Texas Steamship Company, and a commitment by the city to build, grade, and surface streets and sidewalks, construct a water distribution system, construct a trunk sewer line from the railroad to King's Dock, construct necessary school facilities, install street lamps, and provide police and fire protection. The only problem was, Bath, within \$70,000 of its debt limit at the time, didn't have the \$100,000 needed to do this. But this didn't turn out to be a problem for very long. The city administration borrowed it from the Emergency Fleet Corporation at 5% interest.

After a construction contract was awarded on July 3 to the L.P. Soule & Son Company of Boston, a 600-foot spur track was laid from Maine Central Railroad tracks just east of Oak Grove Avenue to the vicinity of the intersection of High Street and Beacon Street, where construction was commenced on an administration building for the contractors and barracks and commissary buildings for an army of 700 or more laborers. Actual construction of the houses began on August 17. Ninety-seven days later on December 7, 65 out of 68 houses had been completed. The other three were in the finishing stages. Each featured brick siding, a roof of slate shingles, electric lights, hardwood floors,

modern plumbing and hot air heat. Fifty-one of them were two-tenement buildings. In all, they would provide housing for 122 families.

While this was going on, the United States Housing Corporation on July 9 completed negotiations for the purchase of a 24-acre site on the western edge of the city bordered by Lincoln Street, Centre Street, and Academy Street to build 74 single-family, wood-shingled houses and four new apartments for workers at Bath Iron Works, Ltd. Contractor Leighton & Mitchell of Boston began work on the houses on September 17 and most were substantially completed by the time mud season ended in May of 1919.

World War II also brought with it expanded shipbuilding in Bath, a vastly increased number of shipbuilders, and more housing developments. In his summary of Bath's history, Pert wrote:

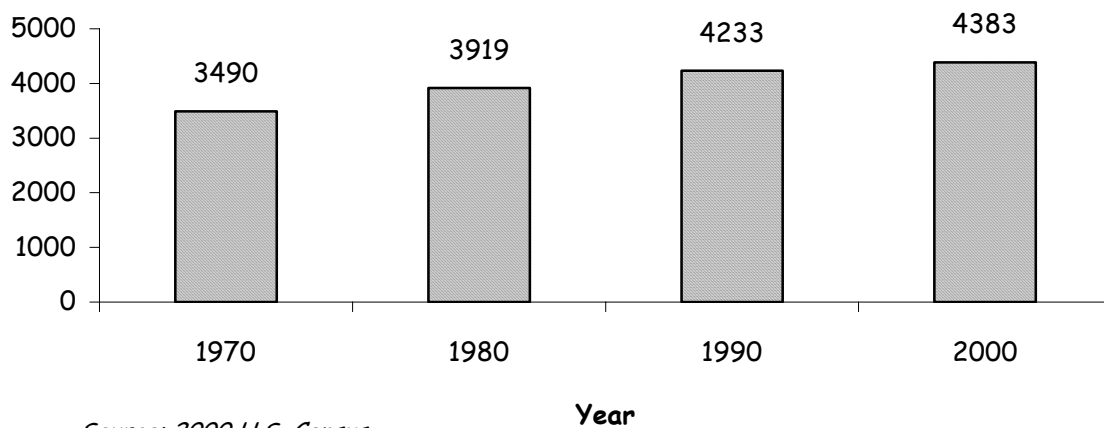
No attempt was made to house all the BIW workers within the city this time and some 75% of them lived outside the city. The shipyard actively recruited commuting employees from a 60-mile radius, established a ride-sharing program that would become tops in the nation, purchased 37 buses to transport workers, and set up a training program for inexperienced applicants. These included in 1942 an initial class of 15 women learning to become welders. Two more housing developments went up in the city at federal government expense. Hyde Park Terrace, just off Centre Street extension, was built in 1941 to provide accommodations for 200 families in 16 single houses, 14 duplexes, and 26 six-family brick houses. The fact they were built on cement slabs rather than cellars suggested a colossal logistical snafu somewhere between Bath and Washington, D.C. Lambert Park between High Street and Oak Grove Avenue was built in 1942 by the Volpe Construction Co. of Malden, Mass. to house 250 families in 62 single-family and 94 two-family permanent homes and another 150 families in 44 single-family and 53 two-family modular houses designed to be taken down and moved somewhere else, which they were after the war. In addition to these, dormitories for single workers were constructed on the east side of High Street at the Denny Road entrance to Lambert Park and barracks buildings to house U.S. Navy personnel assigned to Bath went up off Western Avenue. New private homes were built and existing larger houses were converted into apartment complexes.

Except for the dormitories and military barracks, these housing developments, apartment complexes, and neighborhoods are still standing in the City of Bath.

EXISTING HOUSING STOCK

There are about 4,400 housing units in the City of Bath. This number has increased slowly from 1970 to 2000. From 1990 to 2000, there was a 3.5 percent increase in housing units. The Bath Region, however, has seen a much greater increase in housing. The following graph shows the increase in Bath housing stock from 1970 to 2000 and the following table shows the number of housing units in the Bath Region in 1990 and 2000.

**NUMBER OF HOUSING UNITS IN BATH
1970-2000**



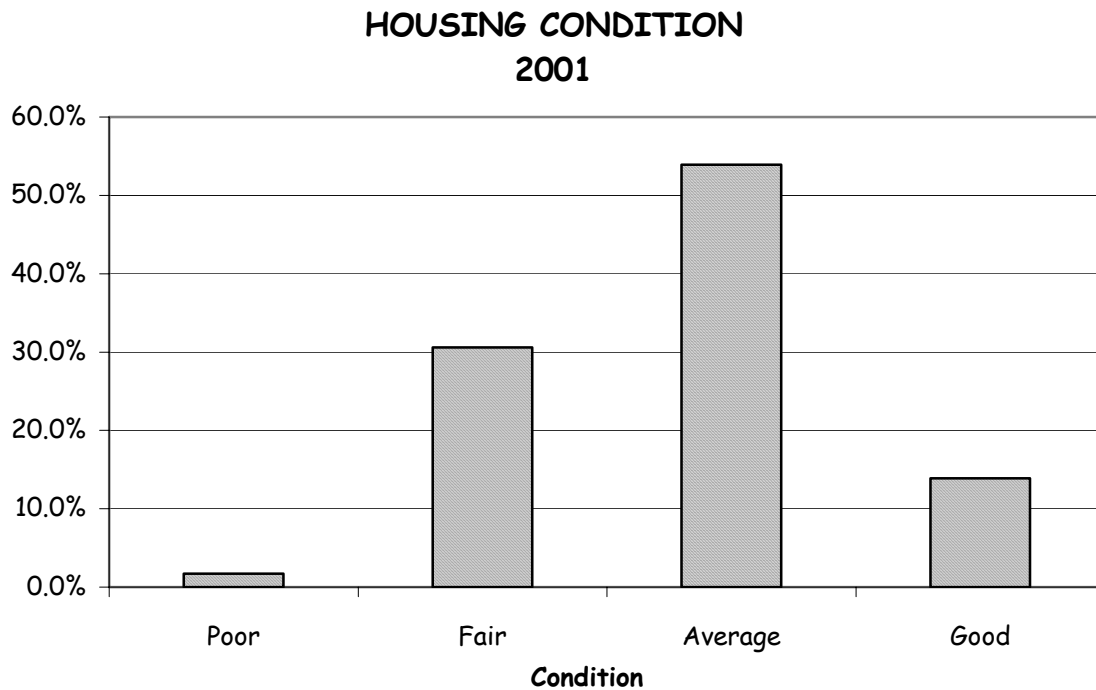
**HOUSING UNITS
BATH REGION AND STATE OF MAINE
1990 AND 2000**

Town/City	Total Housing Units		Increase	
	1990	2000	Number	Percent
Bath	4,233	4,383	150	3.5%
Georgetown	803	916	113	14.1%
Arrowsic	234	253	19	8.1%
Woolwich	1,017	1,210	193	19.0%
Phippsburg	1,224	1,552	328	26.8%
West Bath	894	985	91	10.2%
Brunswick	8,197	8,720	523	6.4%
Topsham	3,237	3,573	336	10.4%
Maine	587,045	651,901	64,856	11.0%

Source: 1990 and 2000 U.S. Census

HOUSING CONDITIONS

One result of having an older housing stock—some of it built during the World Wars—is revealed when reviewing housing conditions. According to the "2001 City of Bath Housing Assessment," which was conducted by Midcoast Council for Business Development for the Bath Community Development Office, less than 2 percent of housing in Bath was rated as poor, 30 percent was in only fair condition, 54 percent was in average condition, and 14 percent was in good condition. The following graph shows these conditions, and the following excerpt from the report describes the classifications and where the fair and poor housing is located.



Note: Sample: 53.3% of all properties.

Source: City of Bath Housing Assessment, 2001

According to the assessment report:

The condition of Bath's housing stock has improved over the last five years. There has been considerable private investment made to residences with an increase in building permits issued and through coordinated neighborhood revitalization efforts throughout the city. On the surface, housing conditions are improving.

However, in conducting windshield surveys, neighborhood walking tours, interviews with residents, and in-home inspections, there are a considerable number of

housing units that remain substandard. Roughly one third of Bath's housing stock, an estimated 1,425 units, is classified in poor or fair condition base on the following criteria:

Poor - visible deterioration of the exterior; peeling paint; structural issues that threaten the structural integrity; missing or broken windows; the presence of poly encasing the windows, doors, and foundation; foundation cracks; old roof with missing or curling shingles; chimney masonry; outdated heating and electrical systems; and other visible threats to health and safety. The property would have code violations and would be a threat to the occupant's health and safety.

Fair - the property will have one or more of the conditions mentioned above but not to the same degree. There is visible deterioration on the exterior; some structural issues; the roof needs replacement; and there may be issues with some of the systems. The property may have code violations but doesn't pose an immediate threat to health and safety.

A sample of 1,593 properties was given a condition code. These properties were located in the more dense portions of Bath and did not consider residences in the rural sections to the extreme north and extreme south of the city.

In mapping the conditions, poor and fair properties clustered around multifamily buildings in specific neighborhoods throughout the city. That's not to say that a considerable number of single-family homes also met the criterion and were classified as substandard, but they too were generally located in those same neighborhoods.

The neighborhood clusters are identified as:

- The Dike/Cobb neighborhood
- Properties around the intersection of Bailey and Fitts Streets
- The Dummer Street neighborhood
- The South End between Washington and High Street, Route One and Rose Street
- The Elm Street neighborhood in downtown

Nearly all of the properties classified as poor are located in one of these neighborhoods, along with a disproportionate share of properties classified as fair. The combined impact of these buildings is having a blighting effect and causing significant decline in these neighborhoods.

In September 2007, the Community Development Office updated the data in the "2001 City of Bath Housing Assessment." Following is its report.

**City of Bath
September 2007**

Some Residential Areas of Bath Needing Housing Improvement

A multitude of programs and private initiatives has contributed to the improvement of the housing stock in Bath with the CDBG program being one that has aided homeowners and landlords in enhancing the housing conditions.

There still remain many areas of Bath where both single-family housing and multifamily rental units are in fair to poor condition. Some of these properties are in such deteriorated condition that they may be beyond renovation.

The Community Development Office of Bath City Hall has identified some of these areas as neighborhoods to address in the coming year(s). They represent areas that are scattered throughout the city, some bordering on major commercial centers, others primarily residential, yet neglected.

- 1) Middle Street on each side of the overpass, Union Street, and Granite Street areas

These properties are generally multifamily units, not inhabited by the property owner. Many have had economy-grade vinyl siding applied in the last 20 years. Most of these properties have inefficient heating systems, single-pane windows with older storm windows applied, somewhat limited electrical systems, and aging asphalt roofing. These properties seldom show improved landscaping, ongoing maintenance, or curb appeal. They are investments of absent landlords who show limited interest in property appearances and their locations make them unlikely to receive much investment for improving things. A few properties within this area are single-family structures in need of significant upgrading.

- 2) Western, Elsinore, Quimby, and Cottage Streets

Most properties on these streets are single-family homes with a 7- to 8-unit apartment structure on Cottage Street. These streets, which run from Western to Route 1, are rather short, with poor street conditions and some rather neglected single-family homes. While several show recent improvements, a good number show single-pane windows, older roofs, porches that have wood rot, and little evidence of recent improvements. The area has trees and some sense of neighborhood, but there seems little effort to somehow reduce the impact of the highway from these streets. Chances are this area will deteriorate further without some intervention to reduce the impact of the highway and aid residents in making housing improvements.

- 3) Centre Street, Court Street, Charles, and others between Centre and Court

Both Centre and Court streets represent major thru-traffic lanes within the city and traffic has probably increased significantly over the past decade, reducing a family's interest in living directly on these streets. Both Court and Centre have a mix of commercial and residential with several of the residential structures showing

long-term neglect. Several seem to be at critical turning points where significant investment is necessary to retain the residential quality, yet traffic congestion and traffic flow may make these properties limited in terms of appeal to purchase. The forecast does not look good without external assistance and then it could be guaranteed.

- 4) North Street from Bailey, Tolman, and Windjammer, including North Street
This area is primarily residential with a mix of single-family houses and multi-units. Some renovations have taken place in this area, yet several of the properties show fair to very poor conditions. On North Street, the properties are primarily multi-units in this section and several need extensive improvement, such as window upgrades, siding, wiring, and some roofing. They represent rental units with no landlord present so are sources of income rather than homes with owner improvements as a concern.

On Bailey and Tolman, several multi-units are near the turning point in terms of repair, have no aesthetic appeal, serve as income sources, but offer the tenant little comfort in living conditions. Several single-family units also show long-term neglect, yet have the potential for upgrading and improving were the owner desirous and able.

On Windjammer, two of the single-family structures appear beyond repair with extensive damage and neglect and perhaps even health and safety issues apply. A few others on this street are worthy of improvements were the owner interested and able.

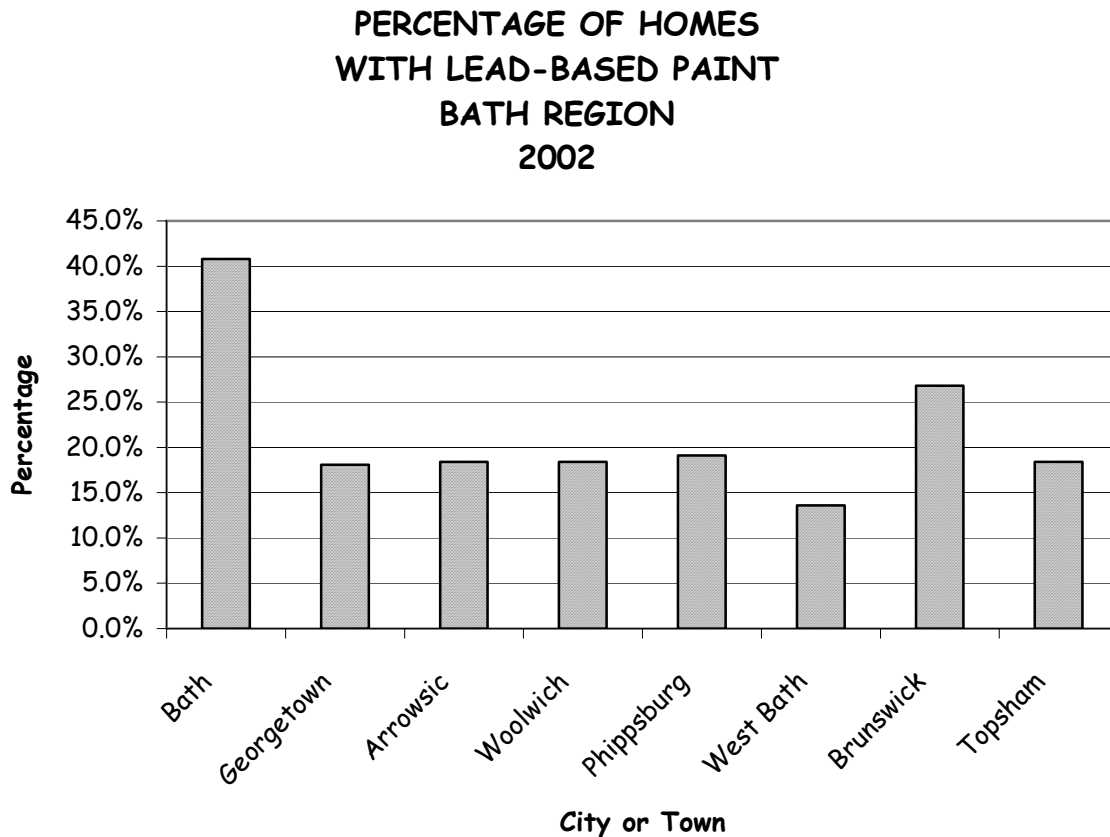
These four areas represent some of the sections of the city where the housing stock shows neglect, disrepair, and potential for continued deterioration. How much city government can intervene to change the conditions is of concern. Traffic patterns are such that some areas may show little investment potential for a homeowner or investing entity. Offering assistance to improve the housing stock may require greater consideration than solely the motivation of the property owner. For example, what is the merit of investing \$50,000 in a single-family residential property on Centre Street if that street is moving in the long-term direction of more commercialization? Would that \$50,000 be better spent on properties on Bailey, Tolman, or Windjammer?

These are worthy considerations.

Another neighborhood that is showing decline is near the intersection of Middle and Granite Streets. On the positive side, the neighborhood of Middle Street, between Centre and Winter Streets, has seen vast improvements in the last ten years through the efforts of the Bath Housing Development Corporation (BHDC) and the Bath Community Development Office.

LEAD-BASED PAINT

Another result of the fact that so many houses in Bath are old is the high incidence of homes with lead-based paint. The MSHA estimated that statewide, 26.8 percent of households have lead-based paint. In fact, any house built before 1978 probably has lead-based paint. The following graph shows the percentage of homes in the Bath Region with lead-based paint.



Source: U.S. Census, March 2002

DWELLING UNITS PER STRUCTURE

Although the City of Bath has a high percentage of renter-occupied housing (discussed in the Housing Tenure section in this appendix), the majority is single-family dwelling units. However, Bath has a low percentage compared with rural communities in the Bath Region. It is interesting that the City has a small percentage of mobile homes compared to all other Bath Region

communities. The following table shows the percentage of units by housing type.

**UNITS IN STRUCTURE
PERCENTAGE OF TOTAL HOUSING UNITS
BATH REGION
2000**

Town/City	1 Unit Detached	1 Unit Attached	2 Units	3 or 4 Units	5 to 9 Units	10 to 19 Units	>19 Units	Mobile Home
Bath	53.9%	4.2%	12.3%	10.1%	10.9%	1.8%	4.6%	2.1%
Georgetown	92.7%	2.1%	0.5%	0%	0.8%	0%	0%	3.6%
Arrowsic	90.1%	0%	0%	0%	0%	0%	0%	9.9%
Woolwich	79.7%	2.1%	1.5%	0%	0%	0.3%	0%	16.4%
Phippsburg	85.7%	1.0%	1.1%	0.5%	0.3%	0%	0%	11.3%
West Bath	82.5%	1.2%	1.8%	0.6%	0.2%	0.4%	4.7%	8.5%
Brunswick	48.7%	8.0%	7.1%	8.0%	5.9%	1.3%	5.1%	15.9%
Topsham	64.1%	5.7%	5.4%	9.7%	3.7%	0.3%	2.4%	8.8%

Source: 2000 U.S. Census

HOUSING OCCUPANCY

There were nearly 4,400 housing units in the City of Bath in 2000: 92 percent were occupied, 6 percent were vacant year-round, and 2 percent were seasonally vacant. Bath has only a small number of seasonal homes and few, if any, are being converted to year-round use. The following table compares the housing occupancy of communities in the Bath Region.

**HOUSING OCCUPANCY
BATH REGION
2000**

Town/City	Total Units	Occupied	% Occupied	Seasonal	% Seasonal
Bath	4,383	4,042	92.2%	68	1.5%
Georgetown	931	441	47.4%	475	51.0%
Arrowsic	238	196	82.4%	42	15.5%
Woolwich	1,210	1,101	91.0%	64	5.3%
Phippsburg	1,554	859	55.3%	655	42.1%
West Bath	983	750	76.3%	207	21.1%
Brunswick	8,720	8,150	93.5%	220	2.5%
Topsham	3,573	3,424	95.8%	35	1.0%

Source: 2000 U.S. Census

HOUSING TENURE

In 2000, 54 percent of housing in the City of Bath was owner-occupied and 46 percent was renter-occupied. Bath's percentage of renter-occupied housing is significantly higher than the state average of 28 percent and much higher than other communities in the Bath Region. Bath is more similar to larger Service Center communities with respect to this characteristic. The percentages of owner- versus renter-occupied housing in Bath, compared with selected Service Center communities, are shown in the following table.

**HOUSING TENURE
BATH AND SELECTED
SERVICE CENTER COMMUNITIES
2000**

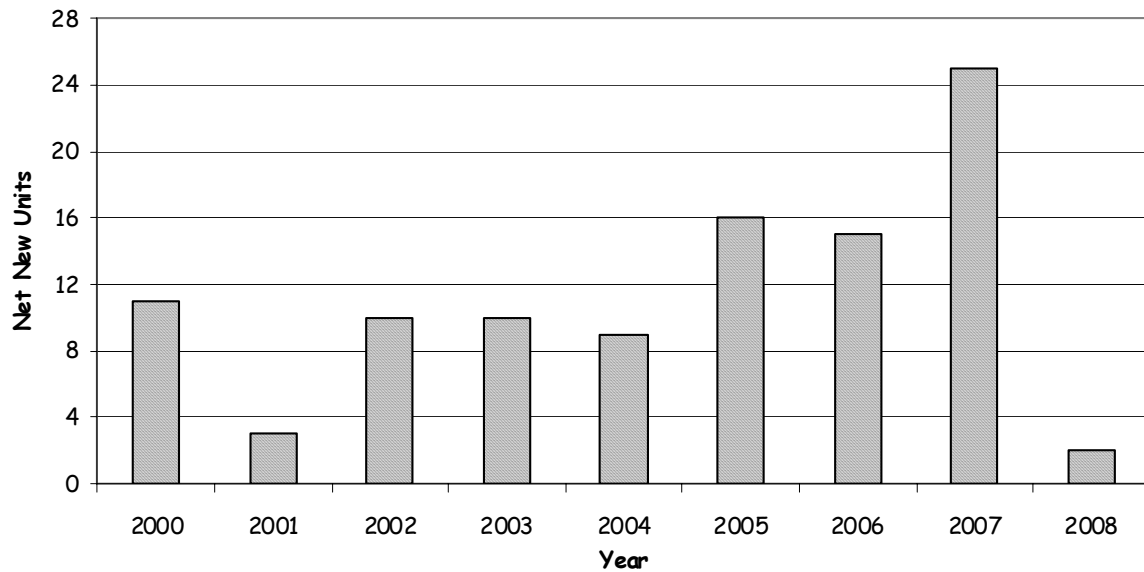
Town/City	% Owner Occupied	% Renter Occupied
Bath	54.5%	45.5%
Brunswick	64.0%	36.0%
Topsham	71.0%	29.0%
Auburn	57.2%	42.8%
Augusta	54.5%	45.5%
Bangor	47.5%	42.5%
Lewiston	47.2%	52.8%
Portland	42.5%	57.5%
South Portland	64.4%	35.6%
Waterville	49.1%	50.9%

Source: 2000 U.S. Census

LOCATION OF HOUSING GROWTH

As discussed previously, the number of dwelling units in Bath has been growing slowly. The average number of dwelling units permitted each year since 2000 has averaged only twelve. The following graph shows the number of dwelling units permitted each year for the period 2000-2008.

NEW DWELLING UNITS IN BATH 2000-2007

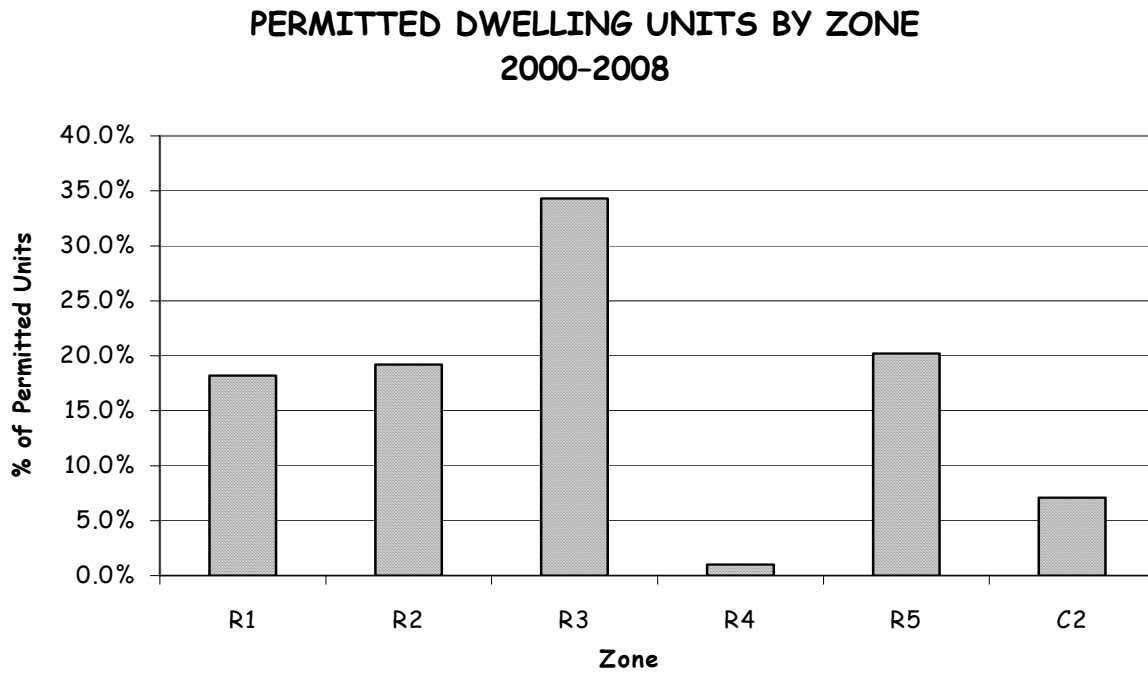


Source: City of Bath Codes Enforcement Department, 2009

The location of these homes, although few in number, has an impact on the appearance of Bath and how efficiently the City can provide services to residents. As discussed in Chapter 3, Bath grew and—for the most part—stopped growing before the age of the automobile. People walked to work. This has helped Bath to appear differently than communities that had “growth spurts” reliant on the automobile. The City of Bath has also made a deliberate attempt to guide residential development away from the rural third and to what is referred to as the Growth Area—attempting to keep the rural area rural.

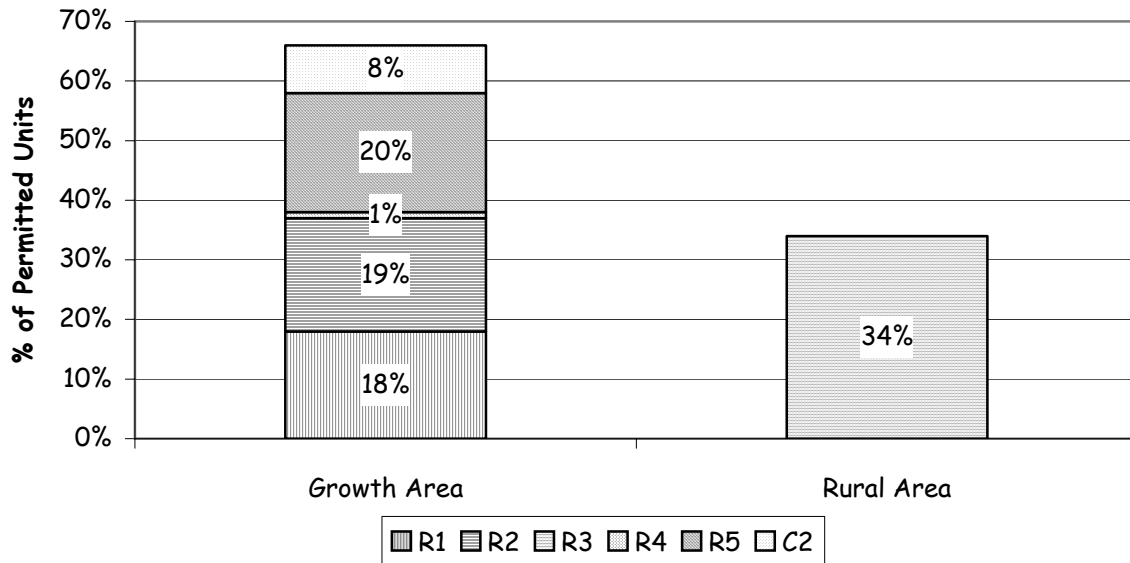
The next graph shows the percentage of permitted dwelling units by zoning district. As shown, the zone with the most growth from 2000 through 2007 is the Rural, Low-Density Residential Zone (R3). Most of the development has been in a thirty-five-lot subdivision approved by the City in the mid-1980s and that was slow to be built. However, looking at residential growth and comparing the percentage of permitted dwelling units in all zones that comprise the City's Growth Area (i.e., Zones R1, C2, R2, R4, and R5) to the percentage in the rural area (i.e., R3), it is shown that the City's policies, in fact, are guiding more growth to the Growth Area (see the second graph).

Residential growth in the Growth Area is approximately 66 percent of the total.



Source: City of Bath Codes Enforcement Department, 2009

PERCENTAGE OF DWELLING UNITS PERMITTED GROWTH AREA VERSUS RURAL AREA 2000-2008



Source: City of Bath Codes Enforcement Department, 2009

FUTURE HOUSING FORECAST

In 2003, the SPO forecast that for the period 2000-2015, the number of occupied housing units and those for sale or rent in Bath would increase by only 1.3 percent, or 147 units. This compares to a forecast increase of almost 10 percent for Sagadahoc County, or approximately 2,100 units. Most towns in the county were forecast to grow by more than 10 percent.

It is difficult to predict the future, however. Before the housing-construction "correction" that occurred in late 2007 and 2008 and the increase and then decrease in the price of gasoline occurring in 2007 and 2008, one would predict that the future would look like the recent past; now, however, we cannot be certain. Having said this, the number of dwelling units in Bath will most likely continue to grow at a slow pace, but growth in the rest of the Bath Region may or may not be as rapid as in the past.

AFFORDABILITY

The "Maine Consolidated (Housing) Plan, 2005-2009," written by the Maine Department of Economic and Community Development and the MSHA, indicated that house prices and rental costs in Maine are increasing faster than incomes. The Plan states, "Southern and coastal real estate prices are increasing at rates way beyond the capacity of many working families and low-income first-time homebuyers." The Plan continues, stating that the lack of affordable housing has led to sprawl because families are forced to move out of urban areas into less expensive areas to find housing they can afford to buy.

There are many factors that increase the cost of housing including permitted density, whether multifamily housing is allowed, supply of both housing and land to build housing, demand, and taxes. Reports and studies repeatedly find that a significant factor that makes housing unaffordable is a community's permitted housing density: low density and large lots (i.e., more than a quarter-acre per dwelling unit) usually mean unaffordability; smaller lots and higher densities usually mean housing is more affordable. Also, communities that do not allow multifamily housing tend to be less affordable. A lengthy review process (with multifamily housing only allowed with a "special permit") can also drive up the cost of housing.

The City of Bath's land-use regulations are supportive of affordable housing. The City allows densities in the High-Density Residential Zone that are as dense as almost any city in the state—that is, 6,000 square feet of land area per dwelling unit, or almost 7.5 units per acre. In the High- and Medium-Density Residential Zones, multifamily housing is permitted-by-right (i.e., no special permits are required).

However, analyses prepared by the MSHA indicate that homeownership in Bath became less affordable from 2000 to 2006, with median house prices rising much faster than median incomes. The data show that what the MSHA calls the "affordability gap" widened considerably from 2000 to 2006. During that period, Sagadahoc County as a whole changed from being "affordable" to "unaffordable" for median household incomes.

Following is a table that, along with other data from the MSHA, shows the homeownership Affordability Index for municipalities in the Bath Region. According to the MSHA, this index is the ratio of the home price affordable at the median income to the median home price. An index of less than 1 shows that the municipality is unaffordable according to MSHA guidelines (i.e., a median household income cannot afford a median-priced home with a thirty-year mortgage, taxes, and insurance and using no more than 28 percent of gross income).

HOMEOWNERSHIP AFFORDABILITY BATH REGION 2006

City/Town	Affordability Index	Median Home Price	Median Income	Income Needed to Afford Median Home Price	Home Prices Affordable at Median Income	Households Unable to Afford Median Home Price
Bath	0.77	\$157,000	\$40,812	\$52,734	\$121,506	2,625 (62.9%)
Georgetown	No data	No data	No data	No data	No data	No data
Arrowsic	No data	No data	No data	No data	No data	No data
Woolwich	0.77	\$198,000	\$47,905	\$62,534	\$151,680	742 (63.7%)
Phippsburg	0.57	\$308,500	\$55,730	\$97,433	\$176,456	709 (80.9%)
West Bath	0.63	\$239,325	\$51,569	\$81,526	\$151,384	644 (76.5%)
Brunswick	0.60	\$220,000	\$46,498	\$78,008	\$131,136	6,500 (75.3%)
Topsham	0.80	\$197,250	\$57,049	\$70,998	\$158,497	2,494 (64.1%)

Source: Maine State Housing Authority, 2006

The cost of rental units had significant but not as dramatic increases from 2000 to 2006. The MSHA data in the following table show the rental Affordability Index for the Bath Region. According to the MSHA, this index is the ratio of two-bedroom rent affordable at the median renter income to the average two-bedroom rent. An index of less than 1 shows that the municipality is unaffordable according to MSHA guidelines (i.e., a median renter income cannot afford the average two-bedroom apartment including utilities and using no more than 30 percent of gross income).

**RENTAL AFFORDABILITY INDEX
BATH REGION 2006**

City/Town	Affordability Index	Average Two-Bedroom Rent	Renter Household Median Income	Income Needed to Afford Average 2BR Rent	2BR Rent Affordable at Median Income	Households Unable to Afford Average 2BR Rent
Bath	0.87	\$835	\$28,999	\$33,390	\$725	1,101 (57.7%)
Georgetown	No data	No data	\$38,749	No data	\$969	No data
Arrowsic	No data	No data	\$42,499	No data	\$1,062	No data
Woolwich	No data	No data	\$33,999	No data	\$850	No data
Phippsburg	No data	No data	\$31,332	No data	No data	No data
West Bath	1.50	\$609	\$36,499	\$24,363	\$912	47 (29.6%)
Brunswick	0.89	\$918	\$32,684	\$36,733	\$817	1,645 (55.6%)
Topsham	1.10	\$894	\$39,175	\$35,761	\$979	511 (44.7%)

Source: Maine State Housing Authority, 2006

The affordability varies for different income levels. The affordability of housing in Bath for various income levels, and the change in affordability, for 2000-2004 is shown in the following table.

HOMEOWNERSHIP AFFORDABILITY BY INCOME CATEGORIES BATH 2000-2004

Year	Income Category ¹	Affordability Index	Income	Median Home Price	Home Price Income Can Afford	Annual Income Needed for Median Home Price	Income by Hour
2000	30%	0.28	\$10,912	\$96,000	\$26,972	\$36,946	\$17.76
2000	50%	0.48	\$18,186	\$96,000	\$46,240	\$36,946	\$17.76
2000	80%	0.78	\$29,098	\$96,000	\$75,195	\$36,946	\$17.76
2000	100%	0.98	\$36,372	\$96,000	\$94,509	\$36,946	\$17.76
2000	150%	1.48	\$54,558	\$96,000	\$141,894	\$36,946	\$17.76
2001	30%	0.29	\$11,246	\$95,000	\$27,666	\$36,617	\$17.60
2001	50%	0.50	\$18,744	\$95,000	\$47,517	\$36,617	\$17.60
2001	80%	0.81	\$29,990	\$95,000	\$77,356	\$36,617	\$17.60
2001	100%	1.02	\$37,488	\$95,000	\$97,261	\$36,617	\$17.60
2001	150%	1.54	\$56,232	\$95,000	\$146,174	\$36,617	\$17.60
2002	30%	0.27	\$11,541	\$107,000	\$29,209	\$39,836	\$19.15
2002	50%	0.47	\$19,235	\$107,000	\$50,343	\$39,836	\$19.15
2002	80%	0.77	\$30,775	\$107,000	\$82,124	\$39,836	\$19.15
2002	100%	0.97	\$38,469	\$107,000	\$103,329	\$39,836	\$19.15
2002	150%	1.45	\$57,704	\$107,000	\$155,340	\$39,836	\$19.15
2003	30%	0.24	\$11,863	\$127,000	\$30,867	\$45,763	\$22.00
2003	50%	0.42	\$19,771	\$127,000	\$53,346	\$45,763	\$22.00
2003	80%	0.69	\$31,634	\$127,000	\$87,167	\$45,763	\$22.00
2003	100%	0.86	\$39,542	\$127,000	\$109,735	\$45,763	\$22.00
2003	150%	1.30	\$59,313	\$127,000	\$164,840	\$45,763	\$22.00
2004	30%	0.19	\$11,710	\$159,000	\$30,610	\$56,828	\$27.32
2004	50%	0.33	\$19,516	\$159,000	\$53,006	\$56,828	\$27.32
2004	80%	0.55	\$31,226	\$159,000	\$86,713	\$56,828	\$27.32
2004	100%	0.69	\$39,032	\$159,000	\$109,208	\$56,828	\$27.32
2004	150%	1.03	\$58,548	\$159,000	\$164,153	\$56,828	\$27.32

¹ Percent of median: 30% = Extremely Low Income, 50% = Very Low Income, 80% = Low Income, 100% = Medium Income

Source: Claritas and Statewide Multiple Listing Service, 2004

According to the Consolidated Plan discussed previously, lower-income, first-time homebuyers have limited affordable-housing choices. Lack of housing affordable to first-time homebuyers is also a problem for employers in Southern and Coastal Maine and has been cited as an impediment to economic growth. Several factors cause this problem for first-time homebuyers, many of which are the same factors mentioned previously. However, Joanne Marco, Executive Director of the BHA, believes that one factor may be the high level of debt that many families carry. The debt

often disqualifies them from qualifying for loan programs designed to assist first-time homebuyers.

Projects like the five-unit cooperative housing project on Oak Street may assist with the first-time homebuyer situation. This project was begun in 2007 by the BHDC with support from the Bath Community Development Office. This project may slightly relieve the affordability situation and may also help some renters move into homeownership.

As discussed previously, although the City of Bath's regulations are supportive of affordable housing, the Affordability Index for both homeownership and rental housing is worsening. The primary feature affecting the affordability of housing in Bath is simply supply and demand. Only a few homes are being built in Bath each year; thus, there is only a minimal increase in the housing supply (discussed previously in this appendix). Also, for more than two decades, the City of Bath has had a policy that discourages residential growth northwest of the Whiskeag Road crossing of Whiskeag Creek. This area encompasses approximately one third of the City. (Public sewer and water lines have not crossed the Whiskeag Creek and it is a City policy that they won't.) This means that growth is being guided to only two thirds of the City's 9.8 square miles. Compounding this housing-supply issue is the fact that vacant land in the Growth Area is neither easy nor inexpensive to develop. For example, much of the buildable land includes infill lots, redevelopment lots, or lots that have been "left over" because of access, topography, or other constraints. Bath is a mature city with policies in place that discourage sprawl into the rural areas.

Another housing-affordability unknown is the impact of the BNAS closure on the housing supply in the Bath Region. As Navy housing that is no longer needed to house military families comes on the market, it may help make housing more affordable. However, the tightening credit situation of late 2007 and early 2008 (brought on by the low interest rates and loans to high-risk, low-creditworthy borrowers) may continue to keep people out of the housing market.

FEDERALLY ASSISTED HOUSING

According to the 2000 U.S. Census, almost 15 percent of the multifamily housing units in Bath were federally assisted or subsidized. Of the municipalities in Maine with populations of more than 7,500, the City of Bath had the highest percentage of federally assisted multifamily housing. In comparison, the three largest cities in Maine had considerably lower percentages (i.e., 12 percent in Portland, 11 percent in Lewiston, and 11 percent in Bangor).

BATH HOUSING AUTHORITY

The BHA is a public housing authority that owns and manages public housing in Bath. The BHA is governed by an eight-member Board of Directors that is appointed by the City Council. Some of the directors are from neighboring towns. BHA owns and manages the following housing:

- The Moorings, 125 Congress Avenue: forty units of low-income, elderly/disabled housing
- The Anchorage, 100 Congress Avenue: thirty-nine units of low-income, elderly/disabled housing
- Seacliff, 47 Floral Street: forty units of low-income, elderly/disabled housing
- Dike's Landing, 20 Dike's Landing Road: eighteen units of low-income, elderly/disabled housing
- Shaw Street: six units of low-income family housing
- Middle Street: four units of low-income family housing

In 1984, the BHA created the BHDC, which is a 501(c)(3) non-profit corporation established to construct new dwellings and rehabilitate existing dwellings to be sold to low-income families in Bath and surrounding towns. In addition, in an effort to assist low-income people interested in home purchase, the BHDC provides information about subsidized housing programs and subsidized mortgage assistance; offers social and support services related to low-income housing; and operates its own low-income rental properties.

The BHDC owns rental buildings at 822 Middle Street (i.e., four one-bedroom units), 832 Middle Street (i.e., two one-bedroom units), and 842

Middle Street (i.e., two two-bedroom units). As discussed previously in this appendix, in 2007, the BHDC developed a five-unit cooperative-housing project at 19 Oak Street.

MIDCOAST COMMUNITY HOUSING COALITION

The mission of this regional housing group is "[t]o enhance housing opportunities that improve the quality of life for all residents and support economic development opportunities for employers of the Midcoast Maine region through collaborative efforts involving education, planning, policy development, and philanthropy." The Midcoast Community Housing Coalition includes municipalities in Sagadahoc County and Brunswick and Harpswell. The Executive Director of the BHA is a participant.

PLANNING IMPLICATIONS OF THE BATH HOUSING INVENTORY

1. The housing stock in the City of Bath is old in comparison to the surrounding towns (i.e., the rest of the Bath Region). Almost half of the existing stock was built prior to 1939. Although this old housing stock is what makes Bath historic and is an element of pride, it also costs more to maintain, is often less energy-efficient, and may have lead-based-paint health hazards.
2. Bath's housing stock was significantly affected by projects built during the two World Wars. This is one reason for the high percentage of multifamily housing and, therefore, the high percentage of renter-occupied housing.
3. The housing stock in the City of Bath has grown little since 1990. The surrounding small towns, as well as Topsham and Brunswick, have seen increases more like the state average.
4. According to the "2001 Bath Housing Assessment" and the 2007 update, the Dike-Cobb neighborhood, properties around the Bailey and Fitts Streets intersection, the neighborhood between Route 1 and Rose Street, Washington Street and High Street, and Elm Street had clusters of housing in poor condition. Also in poor condition are homes

on Middle Street on each side of the viaduct; the Union Street and Granite Street areas; Western, Elsinore, Quimby, and Cottage Streets; Centre Street; Court Street; Charles Street and other streets between Centre and Court Streets; Bailey and Tolman Streets; and Windjammer Way, including parts of North Street.

5. Only about half of the dwelling units in Bath are in single-family structures.
6. Bath has a high percentage of dwelling units in multifamily structures and a low percentage of mobile homes.
7. Bath has a small percentage of seasonal dwellings and little conversion of seasonal to year-round dwellings.
8. Review of the percentages of owner- versus renter-occupied housing shows that the Bath percentages are similar to those in larger urban Service Center communities of the state.
9. About 65 percent of the residential growth that occurred in Bath from 2000 through 2008 was in the City's designated Growth Areas.
10. It is difficult to predict which factors—such as the price of gasoline, the surplus housing at BNAS (which is slated for closure by 2011), and the tightening of credit—will have on regional housing growth and the location of that growth. The surplus BNAS housing may temporarily dampen the moderate-income housing demand. If it goes over \$4 per gallon and stays there, the price of gasoline may affect rural housing construction and cause a demand for housing closer to people's employment. Credit-tightening will likely restrict housing construction everywhere.
11. Although the City of Bath has the highest percentage of federally assisted multifamily housing (i.e., for Maine communities with populations more than 7,500) and zoning regulations that encourage both multifamily housing development and housing in general at high densities, Bath still has an Affordability Index below 1.0 (a number

below 1.0 means that the housing is unaffordable according to MSHA criteria.)

12. Rental housing is also considered unaffordable by MSHA criteria.