

C. HOUSING

1. Purpose

A comprehensive plan should contain a thorough analysis of a town's housing trends. Critical issues include housing conditions, affordability, and the projected rate of new house building. Specifically, this section aims to:

- a. describe recent trends in Orland's housing stock in terms of the types and number of units created;
- b. discuss housing affordability; and
- c. project future housing needs.

2. Key Findings and Issues

The number of homes in Orland increased by about 50 percent between 1970 and 1990. While there was about a 33 percent increase in year-round homes, the number of second homes nearly doubled. As of 1990, there a total of 1,068 dwellings in Orland (732 year-round and 336 seasonal). Another 155 year-round homes are expected by the year 2005.

Most homes in 1990 (88 percent) were owner-occupied rather than rented. Rents in Orland are below the county average, 33 percent of renters were paying less than \$250 in 1990. Housing conditions in Orland have improved dramatically in the past fifteen years although there are still some units lacking basic amenities such as complete plumbing.

3. Public Opinion Survey and Community Workshop Results

About 45 percent of respondents favored encouraging more affordable housing, while 29 percent opposed. Forty-one percent preferred cluster (open space) developments while 52 percent preferred conventional subdivisions. The most frequently favored location for mobile home parks was in "as few places as possible."

4. Recent Housing Trends

A. Total Number of Year-Round and Seasonal Units

It is difficult to determine accurately which of the housing stock is in year-round or seasonal occupation, and it is important to recognize a distinction between the types of second homes. Many second homes are camps, which are usually small units on seasonally maintained roads. These units are unlikely to be converted into year-round dwellings. Other seasonal homes, which have better road access, may be more likely to become year-round homes when their owners retire or the units are sold. It should be cautioned that U.S. Census estimates of seasonal homes are sometimes subject to error, because the Census is taken in April during mud season. This means that some seasonal homes on back roads may not be accessible. Furthermore, because some

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year-round residents take their vacations at that time of the year, their homes may be reported as seasonal. Additionally, census takers may assume that a vacant year-round house is a seasonal residence.

Between 1970 and 1990, the total number of housing units (year-round and seasonal) in Orland increased by nearly 50 percent, from 719 to 1,068. As seen in Table C.1, the rate of increase was much higher from 1970-1980 (31%) than from 1980-1990 (14%). Significantly, seasonal housing stock has increased far more rapidly over the 20-year period showing a 98 percent increase, compared to a 33 percent increase in year-round stock. This is most likely due to development of seasonal camps.

		1970	1980	1990	% change '70-'80	% change '80-'90	% change '70-'90
O r l a n d	Year-Round	549	655	732	19.3%	11.8%	33.3%
	Seasonal	170	286	336	68.2%	17.5%	97.6%
	Total	719	941	1068	30.9%	13.5%	48.5%
H a n c o n c o u n t y	Year-Round	13,924	16,944	20,260	21.7%	19.6%	45.5%
	Seasonal	5,536	7,484	10,136	35.2%	35.4%	83.1%
	Total	19,460	24,428	30,396	25.5%	24.4%	56.2%
Source: U.S. Census							

The number of year-round units in Orland increased by nearly 20 percent between 1970 and 1980; this was slightly higher than the increase for Hancock County (19 percent), but lower than that of the state (26 percent). This corresponds closely to the population growth experienced in Orland (26 percent) and Hancock County (21 percent) during this same period during (*see Chapter A, Population*). During the same ten years, the number of seasonal units increased substantially, from 170 to 286, a rate of approximately 68 percent. There was, however, only a 35 percent increase in second homes in Hancock County between 1970 and 1980.

During the 1980's, Orland's housing stock continued to increase. The number of year-round homes increased by 75 units or 12 percent. Seasonal homes continued to be created at a more rapid rate than year-round homes, increasing by 18 percent from 286 units in 1980 to 336 units in 1990. During the same period, year-round homes in

Hancock County increased by 20 percent, while seasonal homes increased by 35 percent. While both year-round and seasonal homes continued to experience growth during the 1980s, it occurred at a slower rate than was seen during the 1970s.

B. Housing Unit Type

Table C.2 shows that the nearly half the dwelling units in Orland were year-round, single-family homes in 1990. Duplexes and multi-family units account for less than 4 percent of all units. While mobile homes comprised less than 16 percent of all housing units in 1990, the number of mobile homes increased by 62 percent, from 101 in 1980 to 164 in 1990. As home construction costs increase, mobile homes and pre-site-built modular homes have become an affordable alternative for many families. Issues on affordable housing are described in more detail in Section 5 of this chapter.

The quality of mobile homes has improved significantly in recent years. All mobile homes built after June 15, 1976 have been built in accordance with the National Mobile Home Construction and Safety Standards Act of 1974. Thus, newer mobile homes do not suffer the physical deterioration seen in many of the older homes. In fact, many of the new mobile home models are double-wide and have pitched roofs. This means that some of the mobile homes recorded by the Census may be mistaken for single-family homes by the casual observer.

Under 30-A MRSA 4358 (the state statute regulating manufactured housing), municipalities must allow mobile homes on individual lots in a number of locations where other single-family residences are permitted. Mobile homes may not be restricted solely to mobile home parks, and towns may not impose overly restrictive standards on parks. Towns may, however, establish design criteria to assure that mobile homes are well sited and look attractive, provided that these standards don't have the effect of banning mobile homes. Currently, there are no mobile home parks in Orland.

Table C.2 Change in Dwelling Unit Types Orland: 1980 & 1990				
Total Dwellings	1980		1990	
	Number	Percent	Number	Percent
Single Family	491	52.2%	533	49.9%
Duplex	45	4.8%	6	0.6%
Multi-Family	20	2.1%	29	2.7%
Mobile Home	101	10.7%	164	15.4%
Seasonal Units	286	30.4%	336	31.5%
Total Units	941	100%	1068	100%

Source: U.S. Census (1990 CPH-1-21 Table 7, 1980 STF3A, pg 10)

C. Rental Housing

The 1990 US Census indicates that more than 88 percent of all occupied year-round housing units in Orland are owner occupied (table C.3), indicating that home ownership is not a problem for current residents. These figures show that the number of renter-occupied units decreased by 10 percent, from 88 to 79, while owner-occupied units increased by nearly 17 percent, from 506 to 591, between 1980 and 1990. However, the proportion of renter-occupied units decreased by only 3 percent, while owner-occupied units increased by 3 percent during this ten year period. As will be discussed in the section on affordable housing, housing prices may deter younger families from buying a house in Orland.

Table C.3				
Estimated Tenure of Occupied Year-Round Housing				
(does not include seasonal and vacant units)				
Orland: 1980, 1990				
	1980		1990	
	number	percent	number	percent
Renter Occupied	88	14.8%	79	11.8%
Owner Occupied	506	85.2%	591	88.2%
Total Occupied Units	594		670	
Source: U.S. Census (1990 CPH-1-21, Tables 10 & 11; 1980 STF3A, page 10)				

According to the U.S. Census, the median monthly rent in Orland in 1990 was \$261 compared to \$325 for Hancock County (Table C.4). Only two units had a rent between \$500 and \$749 and none had rents greater than \$750. Thus, rental prices for year-round units in Orland are well below the Hancock County average.

Table C.4 Contract Rent of Renter-Occupied Units Orland and Hancock County: 1990				
Monthly Rent	Orland		Hancock County	
	number	percent	number	percent
Less than \$250	26	32.9%	1,072	24.0%
\$250 to \$499	27	34.2%	2,152	48.2%
\$500 to \$749	2	2.5%	252	5.6%
\$749 or more	0	0.0%	19	0.4%
Rent Not Specified in Census Data	24	30.4%	971	21.7%
Total	79	100%	4,466	100%
Median Rent	\$261		\$325	
Source: U.S. Census 1990, CPH-1-21, Table 11				

A similar pattern can be seen in the median value of owner-occupied units (Table C.5). Although there were 591 owner-occupied housing units in Orland in 1990, a value was specified for only 321 of those units in the U.S. Census. The median value of owner-occupied units in Orland was estimated to be \$73,500, compared to \$85,200 for Hancock County. For the lower quartile, or the bottom one-fourth of units, the value in Orland was \$49,800 compared to \$58,700 for the county.

The value of upper quartile in Orland, or the top one-fourth of units, was \$98,400, compared to \$126,300 for Hancock County. Overall, the value of these in Orland are below the county average. This difference in value may be attributed to higher percent of substandard housing in Orland compared to Hancock County (see Section D), but it may also be due to the extremely high value attributed to ocean front properties, which tend to skew the average value of all property in Hancock County.

Table C.5 Value of Specified Owner-Occupied Housing Units				
	Orland		Hancock County	
value	number	percent	number	percent
Less than \$50,000	81	25.2%	1,535	17.9%
\$50,000 to \$99,999	165	51.4%	3,894	45.5%
\$100,000 to \$149,999	46	14.3%	1,573	18.4%
\$150,000 to \$199,999	19	5.9%	718	8.4%
\$200,000 to \$299,999	10	3.1%	517	6.0%
\$300,000 or more	0	0.0%	315	3.7%
Total	321		8,552	
Median Value	\$73,500	--	\$85,200	--
Lower Quartile	\$49,800	--	\$58,700	--
Upper Quartile	\$98,400	--	\$126,300	--
Source: 1990 Census, CPH-1-21 Summary Population and Housing Characteristics, Table 9, Page 71				

In 1990, Orland had a 1.3 percent vacancy rate for owner-occupied homes compared to a 2.1 percent rate for Hancock County. Normally, a 2 percent vacancy rate is considered desirable for such units. A lower rate may mean that there are insufficient units for sale, indicating a possible housing shortage. A significantly higher rate may mean a depressed housing market. Orland's vacancy rate was slightly below the acceptable range, so there may be a demand to construct more housing units.

Orland had an 8.1 percent vacancy rate for rental housing, compared to an 8.5 percent rate for the county. A 5 percent vacancy rate is normally considered desirable for rental housing to allow people reasonable opportunities to find lodging. Both Orland and Hancock County have a relatively high rate which may be explained in part by the large number seasonal rentals which are generally difficult to rent during the off-season. According to the 1990 U.S. Census, Orland (31 percent) and Hancock County (27

percent) had a larger percentage of seasonal housing than the state (19 percent).

D. Housing Conditions

Housing is generally rated as standard and substandard. A standard home is one that is in good condition with basic amenities such as adequate heating, complete plumbing, and kitchen facilities. A substandard house usually either requires repairs beyond normal maintenance or lacks some basic amenities.

While there are no data on the number of homes that are substandard due to overall condition, the U.S. Census has data on basic amenities. As noted in Table C.6, due to changes in the methodology of data collection by the U.S. Census from 1980 to 1990, an even comparison of housing units lacking complete plumbing can't be made. The 1980 data include year-round housing units, while the 1990 data include all housing units.

Table C.6 Housing Units Lacking Complete Plumbing, Orland and Hancock County 1980 and 1990*				
	Total Year-round Housing Units 1980		Total Housing Units 1990	
	Number	Percent	Number	Percent
Orland	90	13.7%	69	6.5%
Hancock County	1,766	10.4%	1,752	5.8%

***Note:** Due to changes in the methodology of data collection by the US Census from 1980 to 1990, an even comparison of this data can not be made. The 1980 data include year-round housing units, while the 1990 data includes all housing units.

Source: 1980 Census, STF1A, Page 6, Table 47, 1990 Census CPH-L-83, Table 4

In 1980, approximately 14 percent of the occupied year-round units in Orland lacked complete plumbing, compared to 10 percent for Hancock County (table C.6). The figures show a decrease in the number of units lacking complete plumbing in 1990. It is important to observe that the 1990 data includes both seasonal and year-round housing units. Since seasonal units lacking such amenities are not considered substandard, the improvement in housing conditions may be even more dramatic than the data indicate. Although housing conditions seem to have improved in Orland, they still appear slightly worse than in the rest of Hancock County.

Another indicator of overall housing conditions is water supply and sewage disposal methods. Here again, Orland is slightly below the county average. Nearly 14 percent of the units in Orland depended on a water source other than a well or public or private system, compared to 7 percent of the units in Hancock County. Generally, such units depend on a spring or an open source of water that may be unsafe. Because the data report on all housing units, some of these units may be seasonal lake-front cottages that get their water from a pond and would thus not be considered

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substandard. Since Orland has a large number of second homes, this may help explain why there is a relatively large percentage of units dependent on such water sources.

Table C.7				
Source of Water				
Orland and Hancock County, 1990				
	Orland		Hancock County	
	Number	Percent	Number	Percent
Public system or private company	8	0.7%	7570	24.9%
Individual drilled well	781	73.1%	17437	57.4%
Individual dug well	132	12.4%	3127	10.3%
Other	147	13.8%	2262	7.4%
Total	1,068	100%	30,396	100%
Source: 1990 Census: CPH-L-81, Table 4; CPH-L-83, Table 4				

Approximately 6 percent of Hancock County dwellings disposed of their sewage by a method other than a septic tank, cesspool, or public sewer, compared to 11 percent of the units in Orland (Table C.8). This means that unhealthy conditions may exist, such as discharges of untreated sewage into water bodies. There are matching state grant monies available through the Maine Department of Environmental Protection's Small Community Grants Program to help install acceptable disposal systems. However, since the 1990 census, Orland has installed a sewage system in its village area. The town has also received several DEP Small Communities Grants. Therefore, conditions have improved since 1990.

Table C.8				
Sewage Disposal				
Orland and Hancock County, 1990				
	Orland		Hancock County	
	Number	Percent	Number	Percent
Public sewer*	4	0.4%	7,084	23.3%
Septic tank or cesspool	949	88.9%	21,557	70.9%
Other*	115	10.8%	1,755	5.8%
Total	1,068	100%	30,396	100%

*does not include recent sewer system connections
 Source: 1990 Census: CPH-L-81, Table 4; CPH-L-83, Table 4

A home is also considered substandard if it is overcrowded, having more than one person per room. Overcrowding, however, is not a problem in Orland. The 1990 U.S. Census reported that only eleven units (1.6 percent of all occupied units) had more than one person per room. This is the slightly lower than the percentage for Hancock County.

5. Affordable Housing

Affordable housing is a concern for most coastal Maine towns. While even middle-income households are affected by the high cost of housing, it is a particular problem for very low-income and low-income households (table C.9). According to 1995 figures, a family of four in Hancock County would be considered very low-income if it earned \$16,150 or less, and low-income if its income were at or below \$25,850. These figures are updated periodically by the state. According to the 1990 Census, about 31 percent of Orland's household's were very low-income or low-income.

Table C.9 Definitions of Household Incomes	
Very low income	annual income is less than or equal to 50% of the County median family income
Low income	annual income is more than 50% but less than or equal to 80% of the County median family income
Moderate income	annual income is more than 80% but less than or equal to 150% of the County median family income
Source: Maine State Planning Office	

For comprehensive planning purposes, the State of Maine defines affordable housing as decent, safe, and sanitary living accommodations that are affordable to very low and low income households. To be considered affordable, such housing should cost less than 30 percent of income for renters and less than 33 percent of income for homeowners. The state encourages all towns to assure that 10 percent of all new housing is affordable to very low-income and low-income groups.

Table C.10 Affordable Housing Rents and Selling Prices (at 8% Interest Rate) Hancock County, 1994*				
Income Group	Income Range	Percent of Total Households	Affordable Monthly Rent	Affordable Selling Price
Very Low	Up to \$15,550	27%	\$300	\$37,800
Low	\$15,550 to \$24,880	20%	\$530	\$69,000

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Moderate	\$24,880 to \$46,650	33%	\$1,050	\$134,900
*Based on median income of \$31,100				
Source: State of Maine, Office of Community Development, 1994				

Table C.10 shows affordable housing rental and purchase prices as defined in 1994. For very-low-income households, renting is usually the only choice. As seen in Table C.4, 33 percent of those who specified information on contract rent paid less than \$250 per month. Therefore, affordable rents do not appear to be a problem in Orland.

But a low-income family could not afford a house costing more than \$69,000, and such homes are rare in Hancock County. Information shown in Table C.11 indicates that the average sales price for a non-waterfront home in Orland in 1994 was \$70,000 compared to about \$101,500 for Hancock County as a whole. Sales prices in Orland have consistently remained below the county average in recent years. Thus, affordable home purchase opportunities in Orland may be less of a problem than elsewhere in the county.

According to the State of Maine's 1995 Consolidated Housing and Community Development Plan, home purchase prices in Hancock County were the third least affordable in the state. Median income for Hancock County in 1992 was about 76 percent of the amount needed to buy the median-priced house. This report also maintains that selling prices for residential properties in Hancock County increased by 41 percent between 1988 and 1992. Median prices for Hancock County are somewhat inflated by the very-high-value waterfront and water view properties. Actual sales prices of waterfront and other properties as compiled by the Maine State Housing Authority (MSHA) are shown in Table C.11.

Year	Type of Unit	Orland		Hancock County	
		Sales Volume	Average Price	Sales Volume	Average Price
1994	Non-Waterfront	no data	no data	452	\$96,635
	Waterfront			608	\$119,679
1993	Non-Waterfront	15	\$70,007	341	\$101,441
	Waterfront	4	\$67,000	467	\$143,613
1992	Non-Waterfront	12	\$63,142	326	\$96,323
	Waterfront	8	\$83,800	111	\$167,147
1991	Non-Waterfront	13	\$66,231	292	\$93,024
	Waterfront	2	\$42,500	105	\$150,966
1990	Non-Waterfront	19	\$82,017	491	\$105,258
	Waterfront	6	\$69,925	147	\$171,075

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1989	Non-Waterfront	23	\$55,118	498	\$94,201
	Waterfront	0	\$0	171	\$197,619
Source: Maine State Housing Authority, Real Estate Transfer Tax Residential Sales Information					

6. Dwelling Unit Projections

The number of year-round homes needed in the future can be estimated by dividing the projected household population by the projected household size. The household population is distinct from the total population since it does not include those living in group quarters such as nursing homes. As seen in Table C.12, a total of 809 households are expected by the year 2005, a 159 unit increase over 1990. Given recent trends in Orland, it is likely that most of these units will be single-family homes.

Table C.12 Projected Year-Round Occupied Dwelling Units, Orland		
	1990*	2005
Projected Population Residing in Households	1,775	2,196
Projected Household Size	2.65	2.65
Projected Occupied Dwelling Units	670	829
<p>*Note: 1990 figures are actual numbers from the U.S. Census. These figures do not include those living in group quarters (28 persons).</p> <p>Source: Analysis by the Hancock County Planning Commission</p>		

The figures in Table C.12 do not include vacant units or second homes. As mentioned earlier, some vacant units are needed to avoid a housing shortage. The number of second homes is very difficult to project since this market is largely driven by the national rather than the local economy. However, a few general predictions can be made. First, due to the slower economy experienced during the first half of the 1990's, the rapid expansion of second homes experienced in the previous two decades is unlikely to be repeated. Second, at least some of the homes presently used on a seasonal basis may be converted to year-round use. Third, high property taxes in Orland will mean that more second home owners may rent their properties in the off-season to reduce their costs.

Since the dwelling unit projections in Table C.12 show that 159 year-round homes are likely to be added to Orland's housing stock between 1990 and the year 2005, the overall need for new housing could likely impact the town. Using the state's recommended proportion of 10 percent affordable housing, about 15 of these units should be "affordable." Therefore, the town should consider a program to ensure the creation of adequate affordable housing in future developments. Strategies could include conversion standards in town land use ordinances for existing, older homes that could have room for a small apartment. Some "empty nesters" facing increasing property taxes and heating costs might be interested in converting an unused portion of their house into a small apartment.

Mobile home parks are another affordable housing option. Many towns have developed siting standards for mobile home parks that minimize the impacts of these parks on surrounding properties. This can be done while also meeting state standards that prohibit excessive regulation of mobile home parks.

Town officials may want to coordinate their efforts to encourage affordable housing with those of other groups. For example, the H.O.M.E. Cooperative has in the past participated in such efforts. These have included creation of a land trust that holds title to the land while selling homes on the properties. Such ventures may help meet a large portion of Orland's need.

7. Regional Housing Issues

Since neighboring towns are also wrestling with affordable housing issues, Orland may want to explore the potential of cooperative ventures in affordable housing with its neighbors. Such ventures may save money through economies of scale and avoid overlap. One option may be an affordable housing trust that could be formed to acquire land and sell or lease it for affordable housing purposes. Specific housing policies will be discussed in the Policy section of the plan.