

APPENDIX E

COMPREHENSIVE HOUSING ASSESSMENT

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HOUSING STRATEGY

A housing strategy should be designed to bring about long-term improvement in housing conditions, diversity and affordability. Implementation of the strategy will require the coordination of a number of resources in the public and private sectors. The recommendations in this chapter present a range of possible actions for Sanford to explore within three basic themes: housing quality, neighborhood planning and investment, and housing and economic development. Some parts of the strategy may be appropriate for consideration as the Town undertakes the next revisions to its Comprehensive Plan.

To pursue a housing strategy, the Town will need to decide who will be charged with the responsibility of coordinating it. Should the responsibility rest with the Selectmen, the Planning Board, the Community Development Advisory Committee, the Town Planner, Community Development Director, or a new steering committee? The pursuit of any strategy will require long-term commitment, monitoring of progress, and periodic redirection. The first recommendation of this strategy is that the Town designate the responsible person or group to study and implement the most effective combination of actions to address key housing issues in Sanford.

1. Housing Quality

Issues:

Increased market pressure is being exerted on Sanford's older housing stock. Given infrastructure limitations and land availability, there may be few opportunities in the future for high density housing to be constructed in the future except through redevelopment and infill. Today's strong regional rental market has increased the potential return on investment for improvements to older housing. Current market conditions therefore offer better support for improved compliance with property maintenance codes.

Recommended:

- a. Update BOCA. Consider adoption of an updated version of the BOCA property maintenance code. More recent editions of the BOCA code and the new International Property Maintenance Code may contain improved language that could help the Town address maintenance issues and enforcement.
- b. Compliance Support. Enlist support for code compliance from lenders, insurers, realtors to support inspection actions prior to transfer of property. This can be done by informing local and area institutions about the services available from the Town in conducting compliance inspections for properties.

- c. Set Inspection Goals. Undertake periodic or systematic code enforcement inspections. The Town could set goals for inspecting a certain proportion of rental dwelling units each year, or to complete inspections in a certain area. Since entry of most premises must follow from a request by the owner or occupant, the Code Enforcement office may need to be more proactive in notifying owners and occupants of its goals for inspection, and in requesting the cooperation of owners and occupants as part of a more systematic inspection program.
- d. Coordinate with SHA. Coordinate code enforcement and fire safety inspections with Sanford Housing Authority's inspections under HUD. Housing Quality Standards (HQS) as it monitors its tenant assistance voucher program. Sanford Housing Authority conducts between 500-600 compliance inspections per year to ensure compliance with HQS. The Town should work with the Sanford Housing Authority to incorporate compliance with locally adopted codes as part of the HQS inspection process.
- e. Increase Enforcement Staff. Any expanded code enforcement effort will require more personnel who are appropriately trained in enforcement. A larger staff would enable a more proactive community outreach effort that goes beyond enforcement-on-complaint and which complements other community development activities. The Town should review the experience of other cities and towns like Sanford (large community, old housing stock) with respect to staffing, budget, and outreach efforts.
- f. Minimum Housing Standards Ordinance. Consider the need for a minimum housing standards ordinance for rental property. Current state law provides for an "implied warranty and covenant of habitability" for all rental property, regardless of the type of structure, that establishes minimum requirements for landlords and tenants. Municipalities are empowered to adopt more stringent ordinances or regulations than the minimum state standards.
- g. Consider Registration/Licensing Process. If a more proactive approach to housing quality is desired, the Town could create an ordinance that requires registration of rental housing units as part of a certification and code compliance process. Under such a model (more common in other states), the owner of a rental property would be required to have the property certified as to its code compliance to obtain an initial registration, subject to periodic inspections required for renewal (perhaps every few years after the initial certification).

- h. Reinforcement in Zoning Provisions. Improved code compliance might be leveraged by a provision in the zoning ordinance that would prohibit additional dwelling units from being added to or created within existing structures unless other units are also in compliance with local and state codes. Minimum floor area requirements for dwelling units by number of bedrooms and parking standards are already incorporated into the Zoning Ordinance. These provisions help to prevent overcrowding and in already high density areas.
- i. Maximize Resources for Lead Abatement. Coordinate lead-based paint abatement programs and expand access to available funding. Sanford's old housing stock presents a high potential for lead paint exposure. Community Concepts, Inc., a non-profit agency based in South Paris, administers funds for lead based paint abatement.
- j. Conduct Information and Training Seminars. In cooperation with York County Community Action, the Town could sponsor landlord and buyer training seminars. Topics for landlords could include rental management practices, tenant selection, evictions, code compliance, CDBG funds for rehab, and use of Sanford Housing Authority Vouchers. Topics for prospective buyers could include review of Maine State Housing Authority mortgage financing programs. Education on these programs and issues can help existing and prospective property owners become familiar with programs, funding, and basic property management practices, all of which can contribute to improved housing conditions.

2. Neighborhood Planning and Investment

Issues:

Housing problems need to be addressed in a neighborhood context that promotes not only good conditions within individual units, but also the infrastructure, services, facilities and organizations that support a sense of community. Much of Sanford's older housing stock was built in the mid to late 19th century to accommodate mill laborers who lived in neighborhoods that embraced both workplace and residence. Today, the workplace is separated from home, requiring longer-distance commuter travel and less connection to neighborhood institutions. Some of the old high density neighborhoods in Sanford lack open space, have undersized utility service, limited off-street parking, and few street trees or plantings.

Sanford's oldest multifamily housing is located in the same neighborhoods that have high proportions of lower income households, and where code enforcement activity is more frequent. Owner-occupancy within Sanford's two to four unit structures has been declining.

Poor housing conditions or abandonment of property may be physically confined to few structures on a given street, but these conditions can have adverse effects on other properties in the same vicinity.

Owners affected by these conditions may fail to make improvements to their property, and the achievable sale prices or rents in a neighborhood may decline, resulting in further reduction in private investment and property value. More permanent improvements in housing conditions can be achieved by focusing on the whole neighborhood and not just the individual property.

Recommended:

- a. Owner Occupancy of Multifamily Property. Promote the stability of neighborhoods by encouraging owner-occupancy in 2-4 unit structures. The MSHA single family mortgage program for first-time buyers allows is available to purchase 2-4 family homes as owner-occupants, but consumers are generally not aware of this aspect of the program. The Town, information referral agencies, and participating area lenders can work to inform potential buyers. More owner occupancy of duplex and multifamily property can help stabilize neighborhoods and improve housing conditions.
- b. New Neighbors Program. Work with MSHA to bring the New Neighbors program to Sanford. During 2001, the MSHA New Neighbors program, once limited to Portland and Lewiston, was opened to other service center communities in Maine. While Sanford did not apply for the program this year, it should consider seeking future allocations of mortgage funds. The program is not limited to first-time buyers, and is designed to promote owner occupancy of 2-4 family homes while also providing mortgage financing to cover the cost of purchase *and improvements*. Coordinated code enforcement assistance and tracking of neighborhood improvements is required of host communities.
- c. Program Education. Encourage rehabilitation and occupancy of boarded-up structures through a combination of code enforcement and education of owners about rehabilitation funding programs and the income potential now offered by a stronger rental market. Mailings and public seminars may be offered using the resources of the Community Development Block Grant Program, York County Community Action, Sanford Housing Authority and the MSHA to inform the public about available and code requirements.
- d. Mixed Income Rental Occupancy. Avoid over-concentrations of low income housing in Sanford neighborhoods by encouraging rehabilitation and ownership of *mixed-income* properties that include,

but are not limited to, low income occupancy. Acquisition and rehab programs that are supported by the Low Income Housing Tax Credit (LIHTC) program administered by MSHA can help reinforce mixed income occupancy while leveraging housing improvements, and preserving affordability.

- e. Tax Credit Rehab Projects. Encourage scattered-site projects using Low Income Housing Tax Credits (LIHTC) for the acquisition and rehabilitation of smaller properties with mixed-income occupancy. Non-profit sponsors can be assisted in pursuing projects comprising groups of small properties as a single Tax Credit proposal. Mixed income projects, rather than 100% low income rental occupancy, is preferable to avoid an over-concentration of low income households.
- f. Neighborhood Plans. Support community planning and redevelopment at the neighborhood level. The Planning Board should consider preparing "Neighborhood Comprehensive Plans" that address the special redevelopment needs of its highest density urban neighborhoods. The Town can work with partners such as York County Community Action to pursue housing and redevelopment options and program implementation at the neighborhood level.
- g. Review Redevelopment Options. The Town should review opportunities for limited demolition and redevelopment to create parking and small parks/playgrounds in high density neighborhoods. The assistance of a professional urban designer may be needed to examine redevelopment alternatives at the neighborhood level. Design concepts including one-way streets, creation of small open spaces and parking areas through limited demolition, street and sidewalk landscaping, tree planting programs and other "livability" issues should be explored.
- h. Evaluate Need for Neighborhood Community Centers. Reinforce the viability of community centers serving neighborhoods in Sanford. Sanford supports seven elementary schools, which may already function in part as community or neighborhood centers. Some neighborhoods may have income profiles that would qualify for CDBG funds not only for water/sewer upgrades and housing rehab, but also for projects such as community centers and other eligible uses of funds.
- i. Partnerships with Non-Profits. Implementation of comprehensive improvements to neighborhoods may require the help of non-profit entities with the capacity to acquire, assemble, redevelop, rent or sell property. Potential non-profit partners in Sanford's community development efforts are the Sanford Housing Authority and York

County Community Action (based in Sanford). Non-profit subsidiaries of these organizations can pursue housing rehab and redevelopment for mixed income occupancy while preserving affordability.

- j. Expand Grant-Supported Programs. Continue to coordinate infrastructure investment with housing rehab, code enforcement, and other neighborhood improvements using CDBG and other funds. Since 1982 Sanford has received over \$3.6 million in CDBG funds, and has benefited from other funds leveraged from those grants. The Town should investigate other sources of funds that may be available to support comprehensive neighborhood improvements. Sanford may also benefit from its position as a service center community in the context of the State's anti-sprawl policies. These policies may lead to higher priorities for directing state resources in support of service center communities such as Sanford.
- k. Full Time Community Development Staffing. A sustained effort to promote neighborhood and housing improvements in Sanford and the implementation of multi-faceted housing strategy will require the efforts of a full time Community Development Director and support staff.

3. Housing and Economic Development

Sanford plays an important role as not only the region's primary commercial center, but also as the chief supplier of lower cost housing. Unlike other southern Maine communities that lack affordable housing to support a regional labor force, Sanford has a high concentration of lower income rental housing, and is a place where homeownership is still comparatively affordable. Both prices and rents locally are beginning to rise in response to the tighter and more expensive coastal and metropolitan markets that flank the Sanford area. Sanford has been a very active location for first-time home buyers and low and moderate income renters, and has shown potential to attract retirees. It may not be as attractive to move-up homebuyers. As local home values rise in response to regional demand, there is local concern that long-time elderly residents of Sanford will not be able to afford property taxes.

Because of its old housing stock, its role as a regional service center, and its relatively low rental housing costs, Sanford has a high per capita caseload of TANF recipients (Temporary Assistance to Needy Families) and a concentration of the labor market's lower income households. Most of the modern rental units that have been built in Sanford are restricted to low income occupancy, and there are few new units available to renters with higher incomes. While Sanford property taxes are comparable to or lower than those of other large communities in Maine, Sanford's taxable valuation per capita is quite low. The Town's socioeconomic characteristics may present an advantage in competing for available capital from available grant and loan programs for housing and economic development.

Recommended:

- a. Investigate Expansion of Grant Funds Available to Sanford. The Town's socioeconomic and tax base characteristics should make it highly competitive in applications for available funding resources (including but not limited to CDBG) that might support housing and economic development in Sanford. This will require a larger, full time community development staff commitment, and cooperation with other agencies such as York County Community Action, to seek and administer other available resources.
- b. Link Housing with Economic Development. Sanford's lower cost housing may a marketing tool for economic development. Opportunities are rare for businesses to locate sites with urban services in places where their employees can work and live in the same community. The Chamber of Commerce should be encouraged to discuss the role of housing issues in area economic development.
- c. Develop Market-Rate Rental Supply. Sanford needs to complement its large inventory of subsidized housing with more quality market-rate rental units that can support a moderate income labor force. Most of the newer rental units in town were built under programs that restrict occupancy exclusively to households of low or very low income. As regional rental costs increase regionally, the development of mixed income or moderate income rental units may become more feasible in Sanford.
- d. Train Lower Income Labor Force. Coordinate available job training resources with the needs of the low-income labor force. Sanford has a regional vocational center, a branch of the University of Maine in Springvale, and is the headquarters of York County Community Action. Promoting linkages between these institutional resources, local employers, and Sanford's lower income labor force can strengthen the local economy.
- e. Public Investments to Enhance Housing Value. Make public investments in community amenities and infrastructure that enhance overall market values in Sanford. These investments include not only upgrades to streets, sidewalks and utilities, but also support of community centers, pockets of public open space and playgrounds, and streetscape improvements and urban tree planting programs.
- f. Broaden the Town's Market Appeal. Promote services and amenities that attract and retain the move-up and retirement-age homebuyer markets in Sanford. Sanford has begun to attract a retirement market from outside of town. Attracting a retirement market represents a

potential for local economic development within a growth sector of the economy. Support services in Sanford such as the Goodall Hospital and the availability of full time professional public safety personnel in Sanford help attract and retain this housing sector. Promoting the quality of Sanford public schools may also help retain the "move-up" sector of the ownership market.

- g. Investment in Housing to Support Economic Base. Continued investment in Sanford's housing stock itself through code enforcement, housing rehab, and neighborhood improvement is important to the economic base of the Town. Over two thirds of the Town's assessed property valuation is residential. Pursuing new commercial-industrial development is important to fiscal balance in the Town, but maintaining and improving the values in the much larger residential sector is just as significant.
- h. Improve Housing Data Resources. The Town should begin to improve its housing data retrieval capability. Code enforcement log summaries should be recorded in a spreadsheet database to track the location and type of actions taken by street address and tax map and lot number. If the Town's tax assessment software is upgraded, or if the Town moves toward a GIS mapping system, each parcel should be geographically coded according to year 2000 Census tracts, block groups and block numbers. Once local assessment data are retrievable at these geographic levels, the Town will be able to correlate local housing condition and assessment information with neighborhood socioeconomic data from the Census. The documentation of local housing needs relative to the percentage of lower income households in a neighborhood is an ongoing need for the support of various grant-supported programs including CDBG in support of housing and economic development.