Islesboro Housing Committee

Agenda

November 5, 2026

5:00 PM

Town Office & Zoom

https://us06web.zoom.us/j/89750045913?pwd=xTKpV8aboIRp1kKHuVlbJbhTE7ywBa.1

Meeting ID: 897 5004 5913
Passcode: 966795

1. Call the meeting to order.
2. Establish a Quorum
3. Approval of the minutes from September Committee Meeting
4. Housing Initiative - (Jennifer)
    a. Review and Discussion
    b. Action Planning
5. Planning Update (Michael)
    a. IAP update
    b. Other housing activity
6. Comments from visitors.
7. Set next meeting date.
8. Adjourn.

Islesboro Housing Committee
Regular Meeting
Thursday, September 1, 2026
In-Person Meeting at 5:00 PM, Town Office

DRAFT MINUTES

1. Call to Order
   Chair Michael Nelson called the meeting to order at 5:02 PM.

2. Establishment of a Quorum
   Quorum was established with over 3 members present
   Members Present: Chair Michael Nelson, Jennifer Selendy, Peter Rothschild, Ex Officio
   Members Present via Zoom: Cate Blackford
   Members Absent: Susan West, Lindsey Govoni, Ginnie Hess
   Others Present: Secretary Carrie Reed
   Others Present via Zoom: Donna Leone

3. Approval of Minutes of August 4, 2026

   Motion: To approve Minutes of August 4, 2026, as written, J. Selendy, seconded by C. Blackford. No discussion. Roll Call. Motion passed, 3 yes, 0 no. Unanimous.

4. Housing Initiative - Review and Discussion (Jennifer)
   - Michael explained that after last month's meeting, Jennifer incorporated the discussion into her document, *Proposed Islesboro (Five-Year) Housing & Families Initiative*. This document was distributed to the group.
   - Jennifer stated she took the challenge as putting down on paper some ideas about what the Town could do to get involved in supporting the development of workforce housing. A couple of principles:
     - To try to take advantage of existing infrastructure and not-for-profits that are already in place, for a collaborative effort.
     - To not proliferate town bureaucracy in a way that could raise an objection, such as saying the Town doesn't have expertise to get involved in managing housing.
   - Part of the proposal is how to leverage these other organizations that have relevant experience and wouldn't require the Town to hire someone to get involved in housing.
   - This proposal would establish a five-year, $3 million Housing and Families budget with four objectives. (See proposal.)
   - Fundamentally, this is not using $3 million of Town money to buy housing, but there is a target of adding to workforce housing through a series of programs, and they're broken down under the budget section. Most of the money would be used to reduce the barriers that currently prevent private capital from producing year-round housing.
   - Jennifer went over the details of the proposal.
   - Michael stated that he shared this with Tom Tutor, and he brought it up to the Islesboro Economic Sustainability Corp (IESC) Board last week., without objection from the Board. He said that if this can be funded somehow, they would be happy to do that.
   - Michael added that Islesboro Affordable Properties (IAP) is interested in part of this. There are a couple of things that IAP has done or is contemplating.
     - IAP will finish the duplex that was just started, and that will be the last single building that they will build. They are looking to get the benefit of scale. Three members of IAP visited a couple of

manufactured-home builders and Habitat for Humanity. We don't have the luxury of getting free labor like they do, but could use some other advantages. They have two local sites, one that they're currently building in Rockport, which has five to six homes under construction, of various sizes. They have another place in Rockland, which is bigger, and is laid out like a neighborhood square. We will meet with them and get plans and specs. We'll have to find somebody who's willing to develop, but if we don't have to get into design and architecture, that's a huge expense that we can avoid.

  - This idea will probably take another piece of land, so we will call on Ned Truslow, who has said that he doesn't feel getting more land will be an issue. IAP has a little land. However, on a plot that was donated, there's a caveat for what that land can be used for, and we can't build a house. There's another piece that can be subdivided, but it's not big enough for six houses.
  - IAP is ramping up its fundraising.
- Michael stated that IESC doesn't have enough funding right now to support their part in the rehabilitation section of the proposal, so we'd have to see how we can raise money for that.
- Michael stated that Tax Increment Financing (TIF) is doable. We have looked at that in the past. What stopped us from taking that forward was that the estimated benefit didn't seem to add up for all the work that needed to be done. If this is a bigger program, that changes that to some degree.
- Jennifer asked how to estimate the benefit that will come back to the municipality. Is there a formula?
- Michael replied that he doesn't know of a formula, but something like that is laced with assumptions. Once you have a set of assumptions that people can agree on, it's fairly easy. To do a program like this takes more administrative oversight than any of us are ready for at this time.
- Cate thanked Jennifer for putting the proposal together. She stated that when the committee researched TIF before, we found that there were no municipalities anywhere near our size that had undertaken a TIF. All the municipalities that had done Tax Increment Financing had a much higher population. However, it would be interesting to look at what level of development might make it worth the while. There are also other models. Communities across the country have been following the Montgomery County, Maryland, example, which is the creation of a revolving loan fund with a discounted borrowing rate, but the interest on that borrowing rate is part of what helps replenish the fund. They're able to operate at a much greater scale. The State of Maine looked at that model and wasn't sure it could do enough development at the state level to have the same kind of returns. It might be interesting to see if there are smaller communities that have modified the Montgomery County model to work in a rural context.
- Cate asked Jennifer how she came up with the numbers for the different sections of the proposal.
- Jennifer replied that she worked backwards from a number that she thought would be politically palatable for Islesboro. She's not sure that $600,000 would make a dent in the bucket of rehabilitation.
- Michael stated that on the real-estate scale, there are some properties available today that could use a little bit of loving care.
- Michael added that $3 million number lines up what IAP said at a fundraising event, as to our goal to put more housing in the stock.
- Peter asked how we establish that there is a demand for workforce housing.
- Jennifer replied that the thing that is unassailable is that there are people on this island who have incredible demand for tradespeople, such as carpenters and plumbers, that people are importing now.

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Are there skilled people in this state or beyond who are out of work or underemployed? Probably. We have young people who attend the school who want to go into the trades. We have people on the island willing to apprentice. That's where the demand is.

- Peter stated that he feels that the marketing aspect is not reflected in this proposal.
- Jennifer replied that number 5 is the communication point.
- Peter added that there is a three-legged coordination effort, which is the money/land part, the communication part, and then who is coordinating the efforts of IAP, the Town, and IESC.
- Peter stated that the annual budget for the Town is just over $5 million. He feels that going to the Town for $3 million will be a challenge, even if it represents a combination of public funds and private donations, if we don't have a program in place.
- Jennifer stated that we are an aging community. If we want to be here 20 years from now, we need to do this. It's not optional for us to continue on the current path. This proposal is for $3 million over five years. We do have this initiative, and we should use the money that is allocated to us this year to have Dan Tutor develop a communications and marketing plan. She worries that people will start reaching out in response to marketing, but we won't have anything affordable on the market.
- Peter stated that someone needs to come up with a strategy. He guarantees the Select Board will approve a $15,000 - $20,000 marketing budget for the Housing Committee; there was no pushback on the $10,000 last year. If not, he will raise the money privately.
- Jennifer stated that Dan was talking about looking at the target audience. If there's a pilot for existing home rehab and conversion, and that's marketed to this community, that's the best way to identify the magnitude of the need. This could be a first step, because that is more immediate and direct.
- Discussion about individual homes that would be viable for a program like this, and ways to reach out to identify demand. We are in competition with other mid-coast communities.
- Michael stated not everyone is built to live on an island. We need to reach farther than just the folks who come over every day.
- Peter stated he is optimistic and supportive of the revised marketing effort. He asked how we coordinate the existing resources, such as IESC, the Select Board, and Housing Committee.
- Jennifer replied that coordination is easy. IAP needs to hire someone full-time, and the Town needs to help fund it. She put $30,000 in her proposed budget. It should be a joint funding. It would start out as a part-time position that could grow into full time.
- Michael stated that the $10,000 we have currently should be used as a down payment on this program. Unlike IESC, IAP is not a governmental organization, and so how money gets to IAP is a question.
- Peter suggested donating the money to IAP, and said there needs to be a job description.
- Cate stated that one of the things that would make sense for the $10,000 that's currently allocated in the budget would be to contract out for grant research and writing. This would be a great first step for the Town in understanding existing funding sources, both public and private. We can include Maine Housing funding, which is usually 4% tax credits, and 9% tax credits for larger developments, as well as their rural housing fund, and other state funding streams. We can also look at private funding from investors who are looking at rural housing development. We then come back to the Town saying that these are the other sources that we could leverage if we increase the Town budget incrementally. It would be useful to map out these potential sources that could complement fundraising here on the island as well as municipal funds.

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- Jennifer replied that this is a great idea, as long as there's grant money available that doesn't require us to make it low-income housing, so we can have workforce housing.
- Cate stated we could look at housing development grant funds and what the restrictions would be. There may also be grants available for some of the other ideas in Jennifer's proposal. The state is looking at how to do more investments in rehabilitating older homes. It would be good to know where we might be able to get support, and where it is that the Town will have to come up with the money. The funding map would be useful for making a case to the Select Board for increasing the line item for housing overall.
- Peter stated he thinks it's parallel, and these things aren't exclusive of one another. The person we hire could do the grant research. His concern is that the grant process takes a long time. He'd like to do something soon.
- Jennifer stated that we should pursue all avenues, but she doesn't think that this should wait, because there are other steps that we can put in play at the same time that the grant work is being developed.
- Michael stated that IAP is a 501c3 that's authorized and tax-exempt because of its work with affordable housing. Although there are things in the laws that restrict us, they also say that we can expand that to benefit the community. It has to work through that piece. It has to be for someone who is going to contribute to the town and be integral to the community.
- Jennifer explained that her proposal is about doing some of those same things locally, without the low-income restrictions. It's more expensive to live on the island. The people who we're trying to attract here will be employed in the trades, for the well-being of the community.
- Michael asked Cate if she remembers how big the TIF district was on the research we did.
- Cate stated she will look back through email for the TIF conversation. We talked with someone at the state.
- Jennifer stated that she thinks Dan's proposal for a website and marketing is ready. We should present it to the Select Board to see if we can fund it.
- Michael stated he will take a shot at creating an implementation plan.
- Discussion about previous research on TIF districts.

5. Planning Update
    a. Islesboro Affordable Properties (IAP) Activity
        - Michael reported that IAP has reached the Board-stipulated threshold for moving forward with the second duplex. The contract has been signed. Waiting for the schedule.

    b. Request to Planning Board
        - Michael reported that he spoke with the Planning Board to request allowing smaller properties and smaller houses.
        - This request dovetails with a couple of state mandates on land use that will require the Planning Board to do some work on the Land Use ordinances that will be presented to the community at Town Meeting.
        - The Board will consider smaller plots and smaller houses. He talked with them specifically about tiny house communities, using 500-sf homes for singles or couples. Once we talk with Habitat for Humanity, we will have more info. They have a mix of house sizes on a small lot.

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6. Any Other Business
    - Forum Presentation.
        - Peter reported he had a positive response at the Forum presentation.
        - Jennifer suggested that we need to do this more broadly, perhaps at a School Board Public Meeting in the fall. That same presentation could be very effective.

7. Visitor Comments
    - None.

8. Next Housing Committee meeting date
    - Regular meeting: Thursday, November 5th, 5:00 PM.

9. Adjourn
   Motion by J. Selendy, seconded by M. Nelson, to adjourn at 6:09 PM. Motion passed, 4 yes, 0 no, Unanimous.

Respectfully Submitted,

Carrie Reed

Carrie Reed, Secretary

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