

Islesboro Housing Committee
Regular Meeting
Thursday, June 5, 2025
In-Person Meeting at 5:00 PM, Town Office

☒ APPROVED

9/11/25

MINUTES

1. Call to Order

Chair Mike Nelson called the meeting to order at 5:04 PM.

2. Establishment of a Quorum

Quorum was established with over 3 members present

Members Present: Chair Mike Nelson, Cate Blackford, Susan West, Tom Tutor

Members Present via Zoom:

Members Absent: Ginnie Hess

Others Present: Peter Rothschild

3. Approval of minutes of March 27, 2025

Motion: To approve Minutes of March 27, 2025, as written, T. Tutor, seconded by S. West. No discussion.

Motion passed, 4 yes, 0 no, Unanimous.

4. Real Estate Activity

- Mike stated that what he's seen coming on the market is at fairly steep prices. The average price seems to be going up. Even land prices are going up.
- Tom stated that Islesboro Affordable Properties is moving ahead with their two single-family houses and two new duplexes. It's moving more slowly than they expected.
- Susan added that they are about to start reviewing rental applications for the two houses. The slabs are poured and the site is ready; it's just a matter of getting the pre-fab house parts in. Work has started on one of the duplexes.
- Tom asked about the delivery date for the previously approved single-family modular homes. Susan stated she thinks it's August, but may be July.
- These affordable units have to be in accordance with Maine Housing guidelines. They allow up to 120% of Area Median Income, which is pretty high. Susan is hoping to get the Board to agree to lower rents and to be realistic for the folks needing housing. They haven't established rent price yet.
- Applicants so far are just from Islesboro.
- Barbara Talamo is the Chair of IAP.
- Mike stated he is excited for IAP. It's hard to raise money, but there's an opportunity to get more into workforce housing.

5. Next Steps for Committee

- Cate stated that we were talking about investigating options we can support around infrastructure in order to support higher density housing. Is that an avenue for us to continue to pursue, or is that something that the Town can't do much with, especially with the pulling back of Federal resources for infrastructure?
- Mike reported that at the last meeting, there was an architect interested in developing communal housing in the form of a boarding house. He's doing a project on this island and has had trouble housing his workforce when they come here, so he came up with this idea. We told him that one of the only

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ways he will get a lot of support is by building individual family housing, whether duplexes or small houses. He still has some interest. We asked him if there's data to show an ongoing demand for temporary housing. He felt there would be a demand. We asked him who would manage it and supervise it, given issues that have come up at the ferry crew house. We stressed that we need real workforce housing for permanent residents.

- Tom added that we acknowledged the need for temporary housing, but told him it wasn't part of this committee's agenda. We said we'd be interested if he could talk about combining it with some residential year-round housing.
- Mike stated that he spoke with Ginny last week, and she indicated that the architect still has some interest, but he's thinking about it.
- Tom stated that he talked about developing Durkee's store land, which is still on the market. There is at least one other party interested in buying that property. We don't know about any housing that might result from that. Tom added that every time he has a conversation with someone about that property, he conveys how it would be a perfect way to provide workforce housing on the 17 acres. Of course, we can't dictate that to anybody.
- Tom stated that from this committee's perspective, and from IESC's perspective, we would be happy to help someone develop something that would help our year-round housing problem. IESC might loan money for a down payment or other upfront cost.
- Mike stated that one of the ways to make running Durkee's store feasible for a new owner would be to sell some of the land. Renting out one of the existing dwelling units could help, too.
- Cate stated that the Durkee's land is a good location. As a committee, we could map out the potential. We could determine how much housing it would take, what kind of investment would be needed, and at what level of scale would it likely break even. There are many variables. Is it of interest to this committee to do some of that research in order to pitch it to developers?
- Mike reiterated that Richard does not want to subdivide the property to separate the store from the land. Pitching our idea to the buyer depends on what they want to do with the property. Ginny had someone walk through and do a perc test a while back. The land is perc-able, but we don't know how many houses it would support.
- Tom stated that all of the 17 acres isn't buildable, but certainly half of it is.
- Cate stated that IAP struggles with quantifying need and demand. It's hard to tell who would stay if they could. The attempt at surveying that Rick and others have done has been challenging, in talking with employers and individuals.
- Tom stated that we've had two or three informal surveys, trying to talk with commuters and people who live here now and are searching, but it's difficult to get significant numbers.
- Tom outlined three different avenues:
 - Private developer. Someone buys a piece of property and out of the goodness of their heart builds affordable housing. You can do that with the intent of breaking even.
 - Nonprofit. We've got IAP already, and that is cornered, doing what they can, which doesn't break even.
 - Municipal. We've never done anything to clarify or galvanize a municipal effort other than forming this committee. We have no budget, no resources. Affordable housing has to be subsidized somehow, either by gifts or a municipal contribution.

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- Susan stated that she's heard informally that a lot of people would like housing for two people or single people, small houses or tiny homes. That is much less expensive to build, except for the land.
- Mike stated that the cost of building a house is \$400,000 to \$500,000. If you can find a builder to do a tiny home, which can be pre-built in a shop, you can potentially get it for under \$100,000. This is in the affordable range. The question is the demand issue.
- Cate stated that Stonington just created a municipal mobile home park. The town is acting as the park manager, and putting in the water and septic, and pads, and people are putting in their homes.
- Tom stated that mobile homes would be a hard sell for the community, but tiny homes might not be.
- Mike stated he's willing to do some research on possibilities for Durkee's property, and what it would cost to put housing there. He will bring it to the next meeting.
- Mike stated that the waste management system that Tom recently brought to the table would be ideal for a group of tiny homes. It would keep the Town from having to put in a big plant.
- Susan suggested doing another survey and asking about who would be interested in tiny homes.
- Cate stated that there's a tiny home eco-village that's launching in Blue Hill, called Tiny Seed Village. It's not pitched as affordable or workforce housing, but it is generally more affordable because it's tiny homes. We might be able to talk with them about their experience. It's an extension of a housing co-op. Cate will try to find out more.
- Tom asked about the technical definition of a tiny home. Mike replied that an ADU is 900 sf. The largest tiny home he's seen on a television show featuring tiny homes is 350 sf.
- Cate asked if anyone has been interested in developing ADUs, now that it's been sanctioned statewide. If we do a survey, it would be interesting to see if people are interested in adding ADUs. There might be municipal incentives to use these as long-term rentals.
- Tom stated that Islesboro's Land Use Ordinance was amended last year to address the state mandate for ADUs, so now any buildable lot can have two dwellings.
- Mike added that, as long as you meet the water and septic requirements and setbacks, no one can tell you no. The only ADU he knows of that was recently built was Christine Robb's.
- Susan volunteered to draft a survey. Members should send ideas to Susan.
- Cate will reach out to Stonington and the Tiny Seed Village. She will ask how they finance their developments, what they're charging for rent, what they do about septic, etc.
- Tom stated he would research the cost of tiny homes.
- Discussion of eco-friendly pre-fab homes.

Motion by T. Tutor, seconded by M. Nelson, to develop survey to investigate demand for affordable housing and tiny homes, with Susan taking the lead. Roll Call. Motion passed, 4 yes, 0 no, Unanimous.

6. Comments from Visitors

- Peter Rothschild mentioned the Taylor Watts property by the ferry landing.
- Peter is concerned about the parking issues along that property, and the potential impact if parking is eliminated.
- Mr. Watts wants \$700,000 for 6 acres. 4 acres are above the flood zone. There is the possibility of creating parking there. 50 parking spaces would take up a third of the property. There has been some suggestion that there could also be a community park there.

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- It's buildable, but there's a restrictive covenant on property. Abutters have to agree to allow more than one house there.
- This could be a wonderful location for affordable housing, as it's within walking distance of the ferry. Someone could build a tiny home village.
- 20-40K in parking revenue could pay a debt service on part of the purchase price if the Town were to buy the property.
- Peter spoke about a development in New Jersey that had trouble with housing for its labor force. The town passed an ordinance that any new houses that cost more than \$1M had to put 20K into a fund for affordable housing. We could do something similar on Islesboro.
- Mike asked if there were a financial analysis of the property that showed what the Town could make for a year, would the Town be willing to entertain buying that land? Peter is studying this issue as a new Select Board member.
- Susan asked if there has ever been a partnership between IAP and Town for affordable housing. Maybe this is an opportunity for a partnership, if the Town gets its parking lot and IAP could raise the money to build some affordable tiny homes.
- Cate stated that we've talked about whether we would ever want the Town to create some kind of land trust model, where the land is owned by the Town, but the housing is not. It's been a challenge for IAP to have that model, but a tiny home or mobile home version of that is standard in terms of where the responsibilities lie. So, it might be a lot-rent situation.
- Peter added that if the Town were willing to give some tax relief to that property as a further inducement to do something else, that might sweeten the pot for any buyer. This may not be feasible.
- Peter stated that he'd be delighted if anyone from this committee would join his think tank on the Taylor Watts property.
- Peter asked about why there seems to be little enthusiasm for multi-family housing on the island. Cate explained that it's often an issue of water and septic limitations. Density is limited by not having a sewer system. Pre-treatment systems can help. Tom added that any type of multi-family dwelling can only be built in the Town Centers.
- Tom stated that the Housing Committee supports Peter's investigating an initiative to buy that property and have both parking and some affordable housing on it.

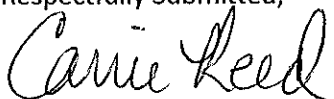
7. Next meeting date

- Next meeting Thurs, September 11th, 5:00 PM.

8. Adjourn

Motion by T. Tutor, seconded by C. Blackford, to adjourn at 6:06 PM. Roll Call. Motion passed, 4 yes, 0 no, Unanimous.

Respectfully Submitted,



Carrie Reed, Secretary