

## Housing in Winthrop

Winthrop's housing supply and prices drive the town's ability to house current and future residents. As housing unit prices rise and household sizes contract, Winthrop needs to review the housing stock available to meet future needs. A mixture of housing unit types will ensure a mixture of residents – old and young, large families and single-person households, as well as different economic classes.

Winthrop's local policies influence the style, price, and location of housing units throughout the community. Housing supply may be difficult to control, but the town can address potential problems with existing housing inventory, for example, through grants for substandard housing units and by addressing energy efficiency challenges. This chapter profiles the housing unit supply and its characteristics in Winthrop.

\*\*\*\*Note: You may notice the population number varies between 6,121 and 6,005. This is because the 6,005 is from the American Community Survey (ACS) and is an estimate. It has been used in certain charts because the data was calculated based on this number from the ACS. To change the population and recalculate the data would be inaccurate. Likewise, the 2020 Census data shows that Winthrop has 3,297 housing units, with 2,646 occupied, and 651 vacant. The ACS data shows Winthrop as having 2,556 occupied housing units and 722 vacant for a total of 3,278. Table 1 highlights these important differences. It is important to understand this because it could be construed as a mistake, and it is not. These discrepancies have been annotated in several places.

## Introduction:

Winthrop has more than 3,000 housing units of varying sizes, styles, and prices. Approximately 70 percent of those housing units are owner-occupied, with the other 30 percent as rental units. Most of Winthrop's housing falls in the private sector, as there are minimal subsidized housing unit options available.

As with most towns in the region, Winthrop faces issues regarding housing unit affordability and stock. There are several ways in which to address these issues -- for example, by coordinating with the state and seeking assistance from nonprofit organizations.

## The Housing Stock:

The 2020 Census shows Winthrop has 3,297 total housing units -- 2,646 of which are occupied and 651 of which are vacant. In contrast, the 2020 ACS data shows Winthrop has 3,278 total housing units -- 2,556 occupied units and 722 vacant units. It is important to note that the number of vacant units includes housing units that are not used on a full-time basis by the owners, and those that are on the real estate market for sale or rent, in addition to housing units that are truly vacant. Per the Census, a housing unit is considered vacant if no one is living in it at the time of the survey, unless its occupants are only temporarily absent. In addition, a vacant unit may be one that is entirely occupied by persons who have a usual address elsewhere.

Table 1 below highlights the disparities between the 2020 Census data and the 2020 ACS data.

**TABLE 1: DIFFERENCES IN 2020 CENSUS VS. 2020 ACS DATA COMPARED TO 2010 CENSUS DATA**

	<b>2020 Census Data</b>	<b>2020 ACS Data</b>	<b>2010 Census Data</b>	<b>% Change 2020 Census Vs. 2010 Census</b>
<b>Population</b>	6,121	6,005	6,149	-28 -0.46%
<b>Total Housing Units</b>	3,297	3,278	3,295	2 0.06%
<b>Occupied Housing Units</b>	2,646	2,556	2,598	48 1.85%
<b>Vacant Housing Units</b>	651	722	697	-46 -6.60%
<b>Households</b>	N/A	2,556	2,506	50* 1.99%

Source: 2010 & 2020 Census, 2020 ACS

\*Derived from 2020 ACS and 2010 Census

In Table 2, below, 2020 ACS data was used for comparison because not all the 2020 Census data was available at the time of this writing and calculations were made (by the Census Bureau) using the ACS data. To switch back and forth between data sources would render data inaccurate. Table 2 shows the development of housing by type since 1980. (There are other discrepancies. For example, the Census changed its definition of seasonal units in 1980.)

**TABLE 2: HOUSING: TYPE AND OCCUPANCY FROM 1980 TO 2020**

	1980	1990	2000	2010	2020*
Total Housing Units	1,939	2,704	3,053	3,295	3,278
Occupied Housing Units	1,360	2,136	2,495	2,598	2,556
Vacant Housing Units	579	568	558	697	722
Seasonal Housing Units	445	414	451	488	465
Mobile Homes	219	248	342	237	427
Owner Occupied Housing	-	-	-	2,009	1,783
Renter Occupied Housing	-	-	-	497	773
Single-Family Housing Unit (attached and detached) Including Mobile Homes (out of total housing stock)	1,615	1,596	1,856	2,467	2,338
Two or More Unit Housing	423	475	330	467	513

*Source: 1980, 1990, 2000 & 2010 Census unless otherwise noted.*

*\* Data source 2020 ACS*

As mentioned above, the U.S. Census defines “vacant” as a housing unit in which no one is living at the time of the Census interview unless its occupants are only temporarily absent. In addition, a vacant unit may be one that is entirely occupied by persons who have a usual residence elsewhere.

Table 2 shows that between 1980 and 2010, housing construction added a significant number of units to Winthrop’s overall housing stock. Between 1980 and 1990, the housing stock increased by 39 percent. Between 1990 and 2000, it increased 13 percent, and between 2000 and 2010, Winthrop’s housing stock increased 8 percent.

But between 2010 and 2020, housing construction plateaued. The 2020 ACS shows a decline in the number of housing units in Winthrop in this 10-year period; however, the 2020 Census shows the actual number of housing units in Winthrop to be 3,297, which is a 0.06 percent increase since 2010.

The number of vacant housing units saw a sizable jump from 2010 to 2020, while seasonal housing units decreased slightly.

Another notable area is the increased number of mobile homes from 1980 onward. In fact, from 2010 to 2020, there was an 80-percent increase in the number of mobile homes.

Renter-occupied housing units also saw a sizable increase in this same 10-year period, jumping nearly 56 percent.

There is no data directly addressing how many renters live in houses versus apartments, but there is data on how many housing units there are in a building, or multi-family housing units. According to data from the ACS, as of 2020, there were 2,338 attached and detached single-family housing units (including mobile homes) in Winthrop and 513 multi-family housing units, classified as such because they contain two or more housing units.

Of the 513 multi-family housing units, some may be owner-occupied, leaving only a small number of single-family housing units rented. Current, available data does not break down housing stock and rented units in this way.

### **Seasonal Housing Units**

As with most Maine communities, Winthrop has seasonal housing units. Due to its 11 lakes, Winthrop has a larger seasonal population than many other towns. According to the 2020 ACS, there are 465 housing units in Winthrop used only seasonally, though they may have amenities to allow for year-round habitation.

Increasingly since 2020, properties that were traditionally used only seasonally have become year-round housing units or are used more regularly, as part of the overall influx of people coming to Maine. This has not changed Winthrop's housing stock, just the use of said stock.

In 2010, approximately 15 percent of housing units out of the total housing stock were considered seasonal, recreational, or occasional use housing units. In 2020, 14 percent of the housing units were noted as seasonal. The 2020 ACS lists 722 housing units as "vacant;" however, that number includes the 465 housing units listed as seasonal.

Winthrop recently began using online permit tracking software that documents all permit applications, including those for seasonal conversion into year-round houses. Until the adoption of this system, the town has not documented or tracked any kind of permits issued. Therefore, it is not possible to estimate an approximation on the number of seasonal housing units converted for year-round use, nor is it possible to determine the impact these conversions would have on the community.

### **Housing Age and Condition:**

The census tallies the age of the housing unit stock as well as its condition. The age of a housing unit could be an indicator of other issues. A high number of older housing units could mean heightened maintenance and heating costs, but also could indicate potentially historic architecture. Older housing units may have modern plumbing and electric systems but are less energy efficient, while housing units built more recently will typically be more energy efficient and structurally sound. The age and last inspection of septic systems associated with older housing units is also a concern.

Winthrop's housing inventory has 2,030 housing units that were built prior to 1980 when the building codes and standards began to change. Many older homes have been lived

in for many years by the same family. Trends indicate that more recently purchased older homes tend to sell to those on more constrained budgets. These property purchasers would benefit from updates to septic systems and interior plumbing, electric wiring and panels, energy efficient features, roofing, et cetera, but may not have the means for these improvements. Seeking funding for and encouraging investment in affordable home improvement programs are solid approaches for the town’s residential revitalization and healthy housing inventory.

**Housing Unit Conditions**

Minimal statistical data exists on the *age and condition* of the town’s housing unit stock. The Census does ask questions such as the age of a housing unit, and whether it has modern plumbing and heating systems, but this is based on a statistical sample (formerly the “long form,” now called the American Community Survey), and the samples are so small that in a town the size of Winthrop, the figure is little more than a guess.

**TABLE 3: HOUSING CONDITIONS**

<b>Occupied Housing Units</b>	<b>2,556</b>
<b>Lacking complete plumbing facilities</b>	<b>0</b>
<b>Lacking complete kitchen facilities</b>	<b>24</b>
<b>No telephone service available</b>	<b>78</b>

*Source: 2020 ACS*

Complete kitchens and plumbing are a common identifier used to determine the condition and quality of housing units in each community. Camp-style or seasonal housing units have potential to skew these numbers.

A Census tally of substandard living conditions is intended to identify poverty housing conditions. According to ACS data, Winthrop does not have a pervasive problem with substandard housing units, although 10 housing units were considered over-crowded based on having more than one person per bedroom.

**Housing Unit Age**

The age of housing unit structures can often be used as an indicator of housing unit conditions with varying degrees of accuracy. While some older housing units are structurally sound, they may have inadequate wiring and/or inefficient insulation or contain hazardous materials like lead paint or asbestos. Housing units built in the 1960s and 1970s or earlier tend to have inadequate insulation, whereas housing units built more recently mostly conform to modern building code requirements.

In Winthrop, the 2020 ACS estimates 806 houses were built prior to the start of World War II in 1939 (31.5 percent of all occupied housing stock). In Kennebec County, 23.9 percent of all housing units were built before WWII. In Winthrop, 1,248 housing units, or 49 percent, of the occupied housing units were built after 1980; in Kennebec County, that figure is 41.1 percent (Source: Maine State Housing Authority).

**TABLE 4: AGE OF HOUSING STOCK IN WINTHROP, MAINE**

<b>Age of Housing Units*</b>		
<b>Year Structure was Built</b>	<b># of Housing units</b>	<b>Percent of Total</b>
1939 or earlier	806	24.6%
1940-1949	271	8.3%
1950-1959	180	5.5%
1960-1969	171	5.2 %
1970-1979	602	18.4%
1980-1989	461	14.1%
1990-1999	351	10.7%
2000-2009	341	10.4%
2010-2013	9	0.3%
2014 or later	86	2.6%

*Source: 2020 ACS*

Table 4 shows an even spread of housing unit ages. It should be noted this age estimate (provided by Census responders) does not jibe at all with the actual number of housing units reported by the Census or ACS.

While much of the housing unit stock in Winthrop has been constructed after the 1970s, a sizable number of housing units have poor insulation, single-pane windows, substandard plumbing, antiquated heating units and faulty septic systems. Several housing units around Winthrop are in visible need of repair. They are not clustered in any area.

### **Housing Prices and Affordability:**

The price of housing units is governed by economic factors and often significantly contributes to the economic life of the town. Often the relationship between affordable housing unit prices and local median and average income levels becomes out of line. This results in insufficient housing unit availability and unaffordability for prospective residents and Winthrop workers and could result in residents relocating to another town because they cannot afford local housing units.

The growth management goal for affordable housing states that 10 percent of new housing units should be affordable to households making less than 80 percent of the median household income. How this goal is attained is left up to the town to determine

whether that 10 percent should be as stick-built housing units, mobile homes, rental properties, or elderly apartments.

A housing unit is considered affordable if a household whose income is at or below 80 percent of the Area Median Income (AMI) can live there without spending more than 30 percent of their income (including insurance, utilities, heat, and other housing-related costs). This is true for both renters and owners.

In Kennebec County, 80 percent of the AMI by household size is as follows:

Family of 1: \$42,250	Family of 2: \$48,250
Family of 3: \$54,300	Family of 4: \$60,300
Family of 5: \$65,150	Family of 6: \$69,950
Family of 7: \$74,800	Family of 8: \$79,600

This data is from 2021 and can be found on the Maine Housing website.

The determination of whether housing is affordable begins with a discussion of cost. The Census provides adequate (though sample-sized) data regarding the price of housing in Winthrop (Tables 5 and 6). This price is derived through owners' estimation of their housing units value, meaning it does not necessarily match with actual recorded sales prices, assessor evaluations, or real estate appraisals. As such, this information is a good starting point; however, the margin of error is significant and should be taken into consideration.

According to the Census, the median value of owner-occupied housing units in Winthrop in 2010 was \$167,900; the ACS data shows the 2020 median housing unit price as \$246,600. The difference in median housing unit price from 2010 to 2020 increased by over 48 percent.



**TABLE 5: VALUE OF OWNER-OCCUPIED HOUSING UNITS FROM 2000 TO 2010**

	2000	2010	Change
Median Value* of Specified <sup>2</sup> Housing Units	\$97,300	\$162,800	\$65,500 (67.3%)
Number of Units Valued at:			
Less Than \$50,000	102	152	-50 (-49.0%)
\$50,000 - \$99,999	680	290	-390 (-57.4%)
\$100,000 - \$149,999	415	375	-40 (-9.6%)
\$150,000 - \$199,999	177	537	360 (203.4%)
\$200,000 - \$299,999	53	449	396 (747.2%)
\$300,000 - \$499,999	16	196	180 (1,125%)
\$500,000 - \$999,999	10	0	-10 (-100%)
\$1,000,000 or more	0	10	10 (100%)
<p><sup>1/</sup> "Value" is the Census respondent's estimate of how much the property would sell for if it were for sale.</p> <p><sup>2/</sup> "Specified" units exclude single-family houses on 10 or more acres and units with a commercial establishment on the premises. In 2000, mobile homes were excluded as well, but not in 2010, accounting for the significant rise in housing counts.</p>			

Source: 2000 & 2010 U.S. Census

**TABLE 6: VALUE OF OWNER-OCCUPIED HOUSING UNITS FROM 2010 TO 2020**

	2010	2020	Change
Median Value* of Specified <sup>2</sup> Housing Units	\$162,800	\$242,000	\$79,200 (48.6%)
Number of Units Valued at:			
Less Than \$50,000	152	82	-70 (-46.1 %)
\$50,000 - \$99,999	290	58	-232 (-80%)
\$100,000 - \$149,999	375	137	-238 (-63.5%)
\$150,000 - \$199,999	537	423	-114 (27%)
\$200,000 - \$299,999	449	615	166 (37%)
\$300,000 - \$499,999	196	403	207 (105.6%)
\$500,000 - \$999,999	0	51	51 (100%)
\$1,000,000 or more	10	14	4 (40%)
<p><sup>1/</sup> "Value" is the Census respondent's estimate of how much the property would sell for if it were for sale.</p> <p><sup>2/</sup> "Specified" units exclude single-family houses on 10 or more acres and units with a commercial establishment on the premises. In 2000, mobile homes were excluded as well, but not in 2010, accounting for the significant rise in housing counts <u>Important to note: "Specified Housing Units" is not a term used in the ACS.</u></p>			

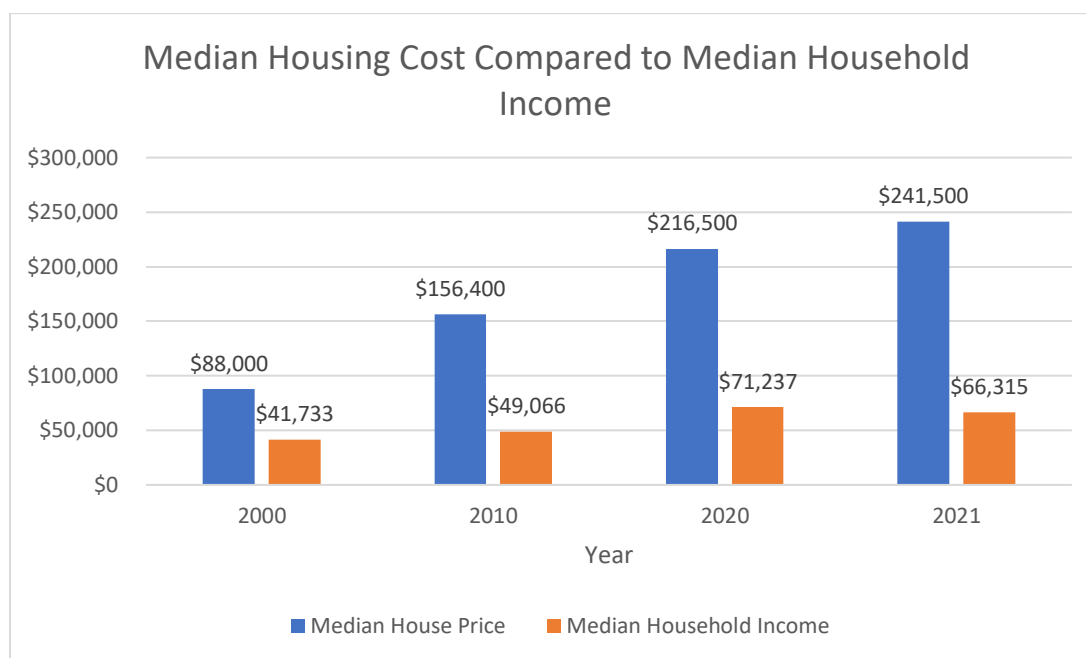
Source: 2010 U.S. Census & 2020 ACS



As mentioned in the previous paragraph, it is important to bear in mind that the estimated values of the housing units in Tables 5 and 6 are supplied to the Census by the homeowners and do not represent what the housing unit would sell for or even the appraised value. It is also important to understand this data is from 2020 and since that time, housing unit prices have increased exorbitantly. It is easier to understand the above information presented in Table 6 when these circumstances are taken into consideration.

The Maine State Housing Authority (MSHA) tracks actual sales data, though it is sometimes out of date by the time it is published. According to the MSHA, the median price (actual sales) for a housing unit in 2021 in Winthrop was \$241,500. For perspective, in 2010 the median price of a housing unit in Winthrop was \$156,400. In 2020, the median price of a housing unit was \$216,500. The median housing unit price for 2021 (\$241,500) is an increase of 12 percent in just one year. The data from the MSHA will differ from the estimate put out by the ACS.

**FIGURE 1: MEDIAN VALUE OF HOUSING UNITS & MEDIAN INCOME IN WINTHROP: 2000 TO 2021**

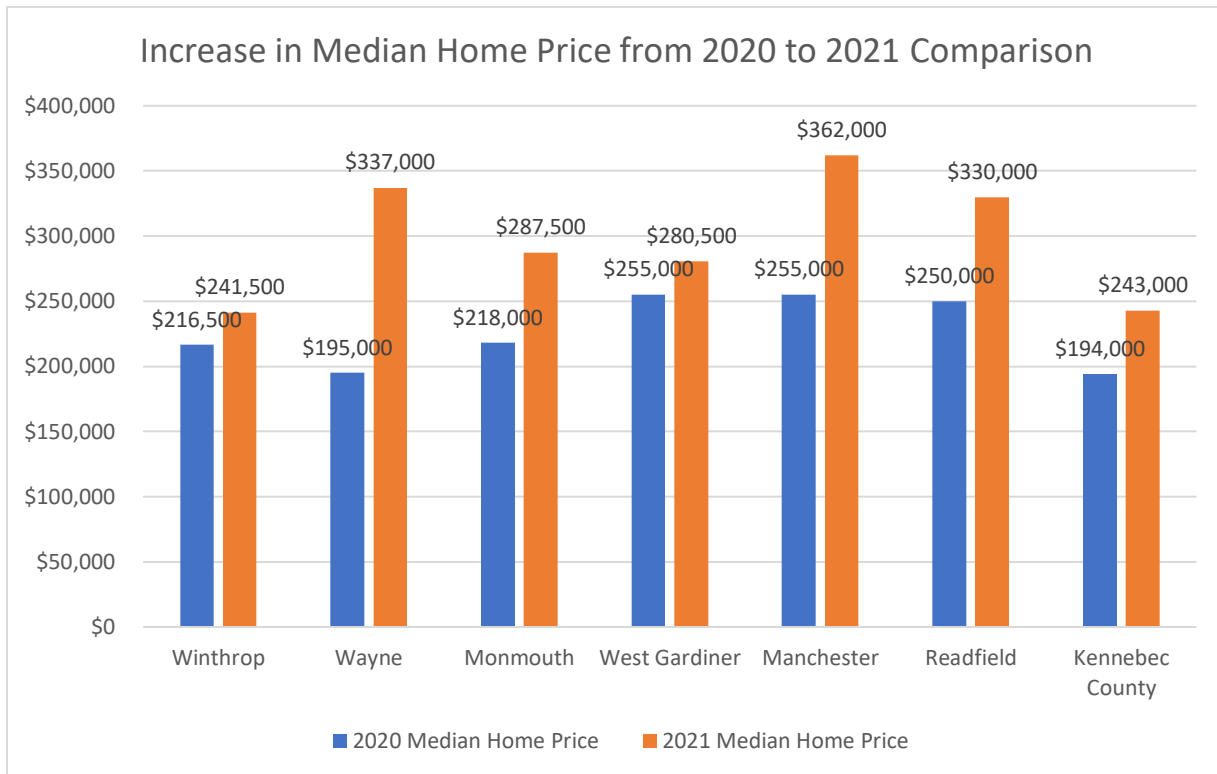


*Source: The Maine State Housing Authority*

According to the MSHA, some counties saw a staggering increase of more than 20 percent in median housing unit prices since 2020. In 2021, the median housing unit price for the State of Maine was \$295,000 and \$243,000 for Kennebec County. Comparatively, in 2015 the median housing unit price was \$176,000 for the State and \$134,250 for Kennebec County. The MSHA predicts this upward trend will continue.

Compared with surrounding communities and Kennebec County, Winthrop's median housing unit prices for 2020 were about average with surrounding towns. Compared with the cost of a median priced housing unit in 2021, Winthrop was lower than surrounding communities.

**FIGURE 2: MEDIAN HOUSING UNIT PRICE COMPARISON WITH NEIGHBORING TOWNS: 2020 & 2021**



Source: The Maine State Housing Authority

Provisions of affordable housing options are assisted by MSHA programs. MSHA provides some state and federal options for many types of buyers and renters. The Maine State Legislature in 2022 enacted several new bills with provisions to attempt to remediate the affordable housing problem statewide.

## Household Income:

The data from the Maine State Housing Authority is slightly different than the data from the 2020 ACS, presented in Table 7. This table shows a breakdown of household income levels as estimated by the 2020 ACS.

**TABLE 7: WINTHROP'S ESTIMATED HOUSEHOLD INCOMES**

<b>Total Households: 2,556</b>	<b>Approximate Number of Households</b>
<b>Less than \$10,000</b>	135 (5.3%)
<b>\$10,000 - \$14,999</b>	66 (2.6%)
<b>\$15,000 - \$24,999</b>	212 (8.3%)
<b>\$25,000 - \$34,999</b>	261 (10.2%)
<b>\$35,000 - \$49,999</b>	355 (13.9%)
<b>\$50,000 - \$74,999</b>	389 (15.2%)
<b>\$75,000 - \$99,999</b>	555 (21.7%)
<b>\$100,000 - \$149,999</b>	432 (16.9%)
<b>\$150,000 - \$199,999</b>	84 (3.3%)
<b>\$200,000 or more</b>	64 (2.5%)
<b>Median income</b>	<b>\$70,828</b>

*Source: 2020 ACS*

The Maine State Housing Authority breaks down household income and compares it with housing unit prices to create an affordability index. Since the MSHA is looking only at affordability and income levels, its data is a bit more complete and thorough compared with the estimates by the ACS in Table 7.

According to MSHA's data for 2021, the median housing unit price in Winthrop of \$241,500 is considered unaffordable based on the 80 percent of median income rule mentioned above. The MSHA calculates an affordable housing unit at various income levels, factoring in interest rates and other variables, and using the rule of thumb that a household should pay no more than 30 percent of their monthly income in housing costs.

Housing units are almost affordable to the median income household in Winthrop, but not quite. The MSHA data shows annual median income in Winthrop as \$66,315 and the income needed to afford the median priced housing unit (\$241,500) as \$68,115 annually, which calculates to an hourly rate of \$32.75. This is based on working a full-time, 40-hour week to meet the 80-percent rule.

The difference between the actual annual median income and the annual income necessary to afford the median housing unit price in Winthrop is \$1,800. The housing unit price that is affordable based on the current median income is \$235,117. By that standard, 51 percent of households (1,304 households) cannot afford a median-priced housing unit in Winthrop. Another way of looking at this is that of the housing units sold in Winthrop, approximately 55 percent of those are considered unattainable based on current annual wages.

That means Winthrop is not affordable for 1,304 households out of 2,556 total households living in town. In general, Winthrop has some affordability challenges, but is faring better than other parts of the state. The MSHA conducts an annual analysis of housing sales data and median household income by community to create the affordability index mentioned above that compares the sale price that would be affordable to the median household income with the median sale price.

In Winthrop, the 2021 affordability index was 0.97, which makes sense since the difference of income needed to afford a median price home was only \$1,800 more than the actual median income. Table 8 compares the index of neighboring towns, county, and state.

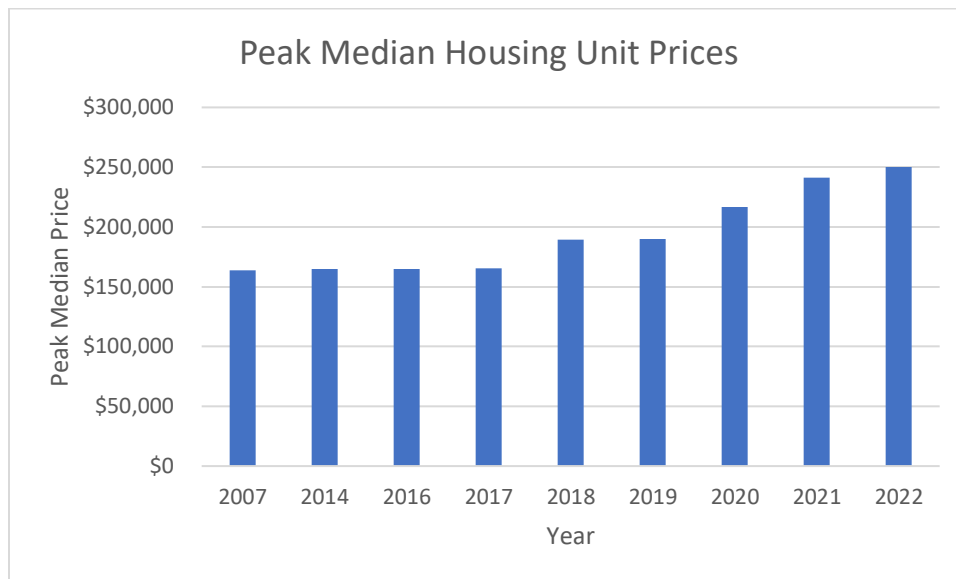
**TABLE 8: AFFORDABILITY INDEX FOR HOMEOWNERSHIP**

	Year	Median Home Index Price	Median Home Price	Median Income	Income Needed to Afford Median Priced Home	Home Price Affordable to Median Income
Maine	2021	0.80	\$295,000	\$63,427	\$79,201	\$236,243
	2020	0.91	\$255,000	\$63,340	\$69,691	\$231,762
	2019	0.90	\$225,000	\$63,340	\$66,044	\$202,959
	2018	0.89	\$212,500	\$56,987	\$64,367	\$188,138
Augusta Micropolitan Area	2021	0.85	\$255,000	\$59,072	\$69,361	\$217,175
	2020	1.06	\$210,000	\$60,799	\$57,560	\$221,814
	2019	1.12	\$182,400	\$60,004	\$53,591	\$204,228
	2018	1.08	\$172,000	\$56,213	\$52,086	\$185,630
Winthrop	2021	0.97	\$241,500	\$66,315	\$68,115	\$235,117
Wayne	2021	0.76	\$337,000	\$69,803	\$92,079	\$255,473
Monmouth	2021	0.78	\$287,500	\$61,383	\$78,540	\$224,697
West Gardiner	2021	1.03	\$280,500	\$72,455	\$70,350	\$288,895
Manchester	2021	0.72	\$362,000	\$71,379	\$98,676	\$261,858
Readfield	2021	0.85	\$330,000	\$78,106	\$92,252	\$279,398
Kennebec County	2021	0.84	\$243,000	\$55,866	\$66,606	\$203,816

*Source: Maine State Housing Authority*

In Table 8, the rows in red are considered unaffordable, while the rows in green are considered affordable.

**FIGURE 3: PEAKS OF MEDIAN HOUSING UNIT PRICES**



*Source: Maine State Housing*

Figure 3 shows the change and increase in median housing unit prices in Winthrop beginning in 2007. Although 2007 was a peak in median housing unit costs, prices reached 2007 levels again in 2014, then topped that in 2016, and have escalated each year since.

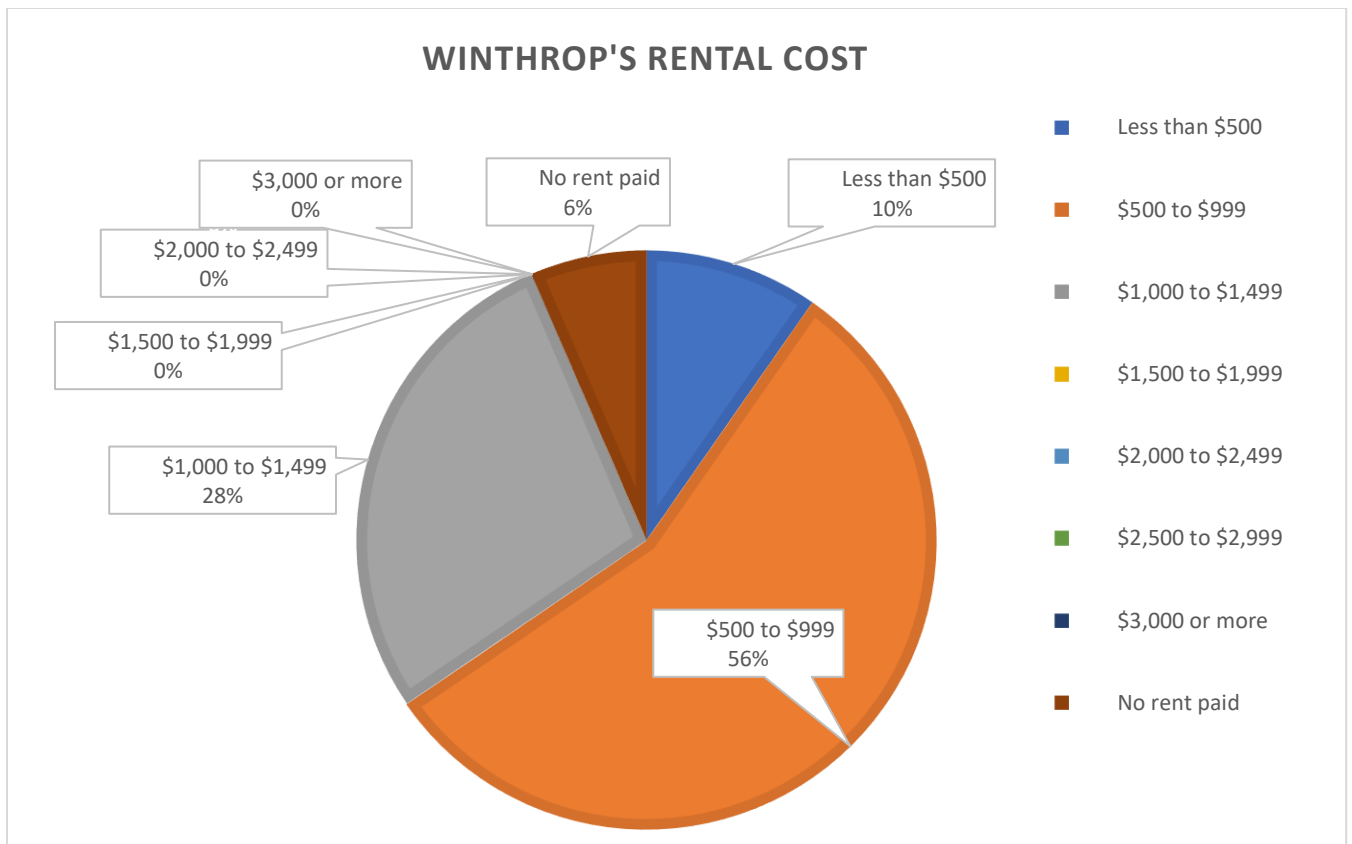
Household incomes rose by 35 percent and prices of housing units rose 54 percent in the period between 2010 and 2022. This data is skewed by a variety of economic factors; however, it is undeniable that household incomes have not increased to keep pace with the rising housing unit prices.

### **Year-Round Rental Housing Units:**

With nearly 30 percent of Winthrop's population, or 723 households, living in rental housing, the affordability of renting is a crucial aspect to consider.

Figures 4 and 5 below show the cost of renting in Winthrop and the gross rent as a percentage of income, respectively. The median rental cost for 2020 was \$862 and 56 percent of those renting fell into this category (statistics are for year-round rentals, not vacation rentals).

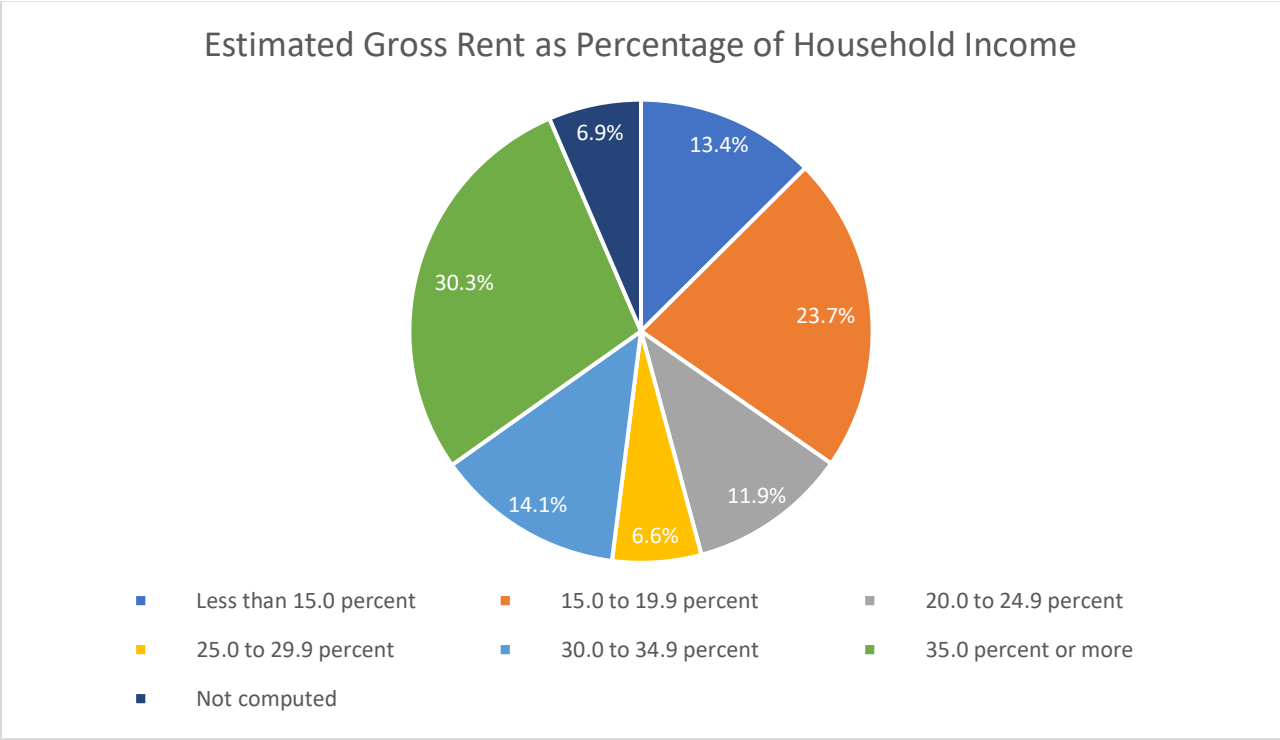
**FIGURE 4: COST OF RENTING IN WINTHROP**



Sources: 2020 ACS

Of the 773 renting households, 321 individuals, or 41.5 percent, paid rents that were above what would be considered affordable based on their incomes. Of those 321 households, 219 renting households paid 35 percent or more of their income toward rent and 102 renting households paid 30 percent to 34.9 percent of their income toward rent. These percentages can be seen in Figure 5 below.

**FIGURE 5: RENT AS PERCENTAGE OF HOUSEHOLD INCOME**



Source: 2020 ACS

Several factors contribute to rent consuming high percentages of household incomes. Generally, those who rent have lower incomes than those who own their own housing units. In addition, rentals are in short supply, which has driven up prices.

There are undoubtedly people in Winthrop’s community, as in every town, who are burdened with housing costs. While the median rent of \$862 may not be statistically excessive, it is still higher than some households can afford. Based on the data presented in Figures 4 and 5 above, this monthly rental cost is a significant burden on almost 50 percent of renting households in Winthrop.

A monthly rental price of \$862 leaves 41.5 percent of renting households rent-burdened, with another 17 percent to 19 percent paying at least 20 percent of their monthly income toward rent. 86 renting households pay between 20 percent and 24.9 percent of their monthly income toward rent, while 46 renting households pay between 29.9 percent and 35 percent of their monthly income toward rent. This is compounded by the unlikelihood of finding a rental property available for this price.

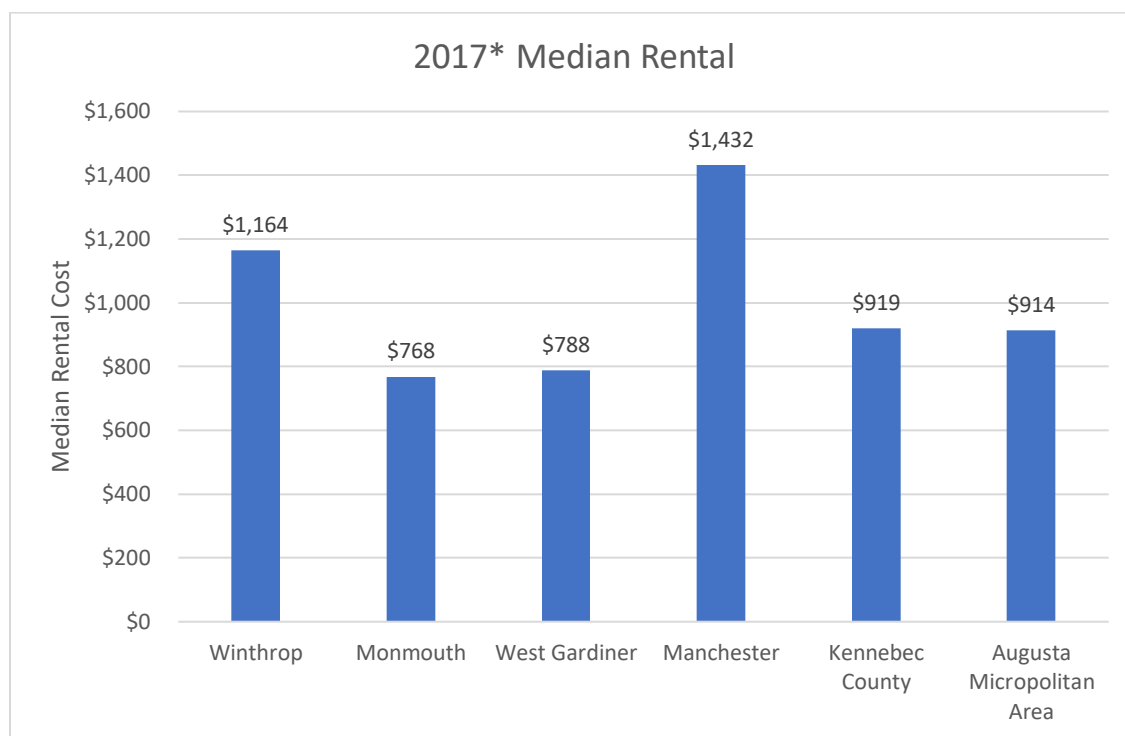
Addressing affordability issues in the rental market is easier than in the home ownership market, as there are state and federal programs to fund low-income affordable rental housing.

Comparatively, according to MSHA statistics, in 2017 (more recent data was not available) the median cost of the average two-bedroom rental in Winthrop was considered unaffordable at \$1,164 per month. By MSHA’s calculations, renter’s household median



income was \$39,509 annually, thus able to afford \$988 a month for rent with that income. MSHA estimates some 61.6 percent of renter households are unable to afford the median cost for an average 2-bedroom rental, though that data conflicts with the ACS data, which is an estimate.

**FIGURE 6: COMPARISON OF MEDIAN COST OF RENTING IN NEIGHBORING TOWNS - 2017\***



*Source: Maine State Housing Authority*

*\*2020 data not available for several of these towns*

Figure 6 shows Winthrop's 2017 median rental cost for a 2-bedroom apartment was higher than most neighboring towns, Kennebec County, and the Augusta Micropolitan Area in which it lies. The only exception was Manchester, which had a significantly higher median rent.

Rental prices in the area have also substantially increased since this data was gathered in 2020 while income, again, has not increased to the point of keeping rents attainable for residents. Lower-income households have a more pronounced affordability issue. This suggests a shortage of multi-family rental units.

Since people are likely to be willing to move to find more affordable housing, the housing unit prices need to be considered in a more regional perspective. If people come to work in Winthrop but cannot find a housing unit in their price range, they will either commute from out of town or leave their job to find better conditions elsewhere.

When considering affordability, it is important to bear in mind that potential homeowners are individuals who are often currently renting, typically between the ages of 25-44. Workforce renters are families, typically between the ages of 16-34. These ages need to be kept in mind when planning for future affordable housing.

Seniors, as a population, may benefit from special attention when considering the future of development in Winthrop, as their housing needs may change as they age. To ensure all community members have appropriate, right-sized housing, Winthrop should consider development that allows for a broad range of housing that allows community members to age in their community of choice.

Many seniors are still living in the housing units in which they raised their households. There are usually just one or two people living in housing units that once had four or more occupants. It is likely that if enough smaller housing unit stock were available, seniors living in these situations would downsize, freeing up larger housing units more appropriate for families trying to relocate to Winthrop.

### **Housing Location Trends:**

The Census designates Winthrop as having an urban cluster and a rural area. Of the 2020 Census population, 2,666 individuals are living within Winthrop's Census Designated Place, which leaves 3,455 individuals living in the more rural areas. This obviously shows a greater density of housing within the urbanized area needed to contain close to half the total town population.

Winthrop implemented an online permitting system in the summer of 2022. Prior to that, permit tracking was not maintained consistently. For that reason, new housing location trends cannot be reliably referenced.

### **Projections:**

Winthrop's Community Profile chapter documents a steady decline in the average number of people per household over the last several decades. Counterintuitively, this trend means that more housing units are required even if the population is not growing rapidly or at all.

Based on projections by the Office of the State Economist, by the year 2038, Winthrop's population is estimated to be 5,930, a decrease of 191 residents. Kennebec Valley Council of Governments (KVCOG) projects a population of 6,200 by 2030, a slight increase in the population.

The most likely scenario is no change to the population in terms of numbers, but a change in household size would result in a need for more housing units. With Winthrop's current population of 6,121, and an average household size of 2.31, 2,556 housing units are occupied (2020 ACS). If that same population in 2030 had an average household size of 2.19 (a decrease of just 5 percent from 2.31 to 2.19), they would need 2,795 housing units. Using the 3,297 total housing units from the Census and the 465 seasonal housing units from the 2020 ACS, there are 2,832 housing units that can accommodate year-round occupancy in Winthrop. It is important to bear in mind that 2,832 housing units includes 257 housing units that have been classified as "vacant" by the Census Bureau. Those housing units classified as vacant include housing units for sale, recently sold, for rent, or recently rented. If there were more affordable housing units available, this could

encourage younger people and families to relocate to Winthrop and allow seniors to remain in the town of their choosing.

Of those housing units for sale or rent that were classified as vacant by the Census, their status has more than likely changed since publication. To accommodate the projected changing population, Winthrop will need to add to its existing housing stock, ideally with a focus on right-sized housing for the changing demographic of individuals living alone.

As stated in the Community Profile chapter, it is important to remember many outside factors that can influence population change. Population projections may work sufficiently for smaller communities, but for larger ones, they are rarely accurate. To compound this, population projections are based on past trends. With the changes brought about by the COVID-19 pandemic, it is not possible to predict the future based on past trends. These are unique circumstances, never seen before. These circumstances have resulted in changes that were not possible to predict.

Regardless, population projections are a starting point, or at least a consideration, when planning for the future, and as such, they are considered in this Plan.

The baseline scenario for Winthrop is no population change. However, “no population change” does not mean “no growth”. Even if Winthrop’s population *numbers* do not change by 2030, the components of the population will most assuredly be different. Currently, the trend with the greatest impact on growth is declining average household size. This “no population change” scenario includes the assumption that the decreasing household size will eventually plateau, and average age will continue to increase for some time based on the Baby Boom generation.

To some extent, the household-size statistic relates to the type of housing units as well as quantity of housing units needed. A specific type of housing unit suits younger and older individuals, such as apartments or retirement communities. Large-lot subdivisions typically attract families with children. With the impending demographic trend from the retirement of Baby Boomers, the market for large family housing units may well be greatly reduced in favor of smaller, more efficient housing.

### **Current Housing Regulations:**

The following Ordinances exert regulatory pressures on all land uses:

Winthrop’s Zoning Ordinance covers the following:

Article I - General

Article II - Nonconforming Uses, Buildings, and Lots

Article III - Zoning Districts

Article IV - Performance Standards

Article V - Administration

Article VI - Definitions

Groundwater Protection Ordinance

Bike and Pedestrian Plan

## Parking and Traffic Control Ordinance

### Traffic Ordinance

### Winthrop's Downtown Revitalization Plan- 2000

### Maine Uniform Building and Energy Code

- International Residential Code
- International Building Code
- International Existing Building Code
- International Energy Conservation Code
- International Mechanical Code

Housing unit construction in Winthrop is impacted by local codes and ordinances, including zoning, subdivision, and building codes. The Zoning Ordinance outlines the town's requirements and standards for land use and construction. Single-family dwellings and two-family dwellings are subject to approval from the CEO (Code Enforcement Officer). Two-family housing units are required to meet the dimensional standards for single-family houses.

The current Zoning Ordinance does little to promote or encourage the development of affordable housing units such as accessory dwelling units or multi-family housing. Multi-family dwellings are allowed only with a Conditional Use Permit granted by the Planning Board in all zoning districts besides the Village District, which requires approval by the CEO (refer to the [Existing Land Use Map](#) in the appendices of this plan). For multi-family housing units in a shoreland district served by public water and sewer, the dimensional requirements are the product of the number of dwelling units on the lot multiplied by the minimum lot size required for a single-family housing unit. In all other districts, the minimum lot size shall be the same required for a single-family dwelling and 5,000 square feet for each additional dwelling unit beyond the first.

The Zoning Ordinance does not include any information on accessory apartments, which means they are not permitted in any district. Accessory apartments, also known as accessory dwelling units, are often a simple approach to increasing affordable housing stock.

The Zoning Ordinance sets lot sizes in the General Residential District of 30,000 square feet even with public sewer, which limits potential for building walkable neighborhoods on small lots or constructing smaller housing on smaller lots to reduce construction cost.

Cluster Residential Development is allowed in any zoning district where single-family dwellings are allowed, provided that the net residential density is not greater than would be allowed under traditional subdivision development. Other requirements for cluster subdivisions generally include connection to the town's municipal sewer system, a minimum lot size of 20,000 square feet, and 100 feet of road frontage.

### Topics covered in the Zoning Ordinance (not an exhaustive list):

Minimum Building Lot Requirements

Minimum Structural Requirements

Building Codes

Unsafe, Dilapidated and Casualty Damaged Structures

Planned Residential or Cluster Developments  
Mobile Home Parks  
Accessory Apartments  
Adjunct Residential Uses  
Home Occupations  
Bed and Breakfasts  
Junk Regulations

Winthrop's building code is based on Maine's Uniform Building and Energy Code (MUBEC). These are statewide standards that must be adhered to.

The State of Maine recently enacted several bills to promote affordable housing. Some of these bills may override local land use control, which would thereby force Winthrop to re-examine its Zoning Ordinance. These Legislative bills are part of a nationwide trend to encourage affordable housing.

### **Analysis:**

The community has an undeniable interest in maintaining a range of housing unit opportunities for its residents, as a diversity of housing units leads to a diverse and vibrant community. Winthrop's housing unit supply and prices ultimately determine future growth. And, with current housing costs, many people considering purchasing a housing unit in Winthrop are priced out of the market and end up looking in other areas for housing.

As structured, many local governments are not in the business of providing housing to residents; however, there are potential channels and levels of engagement to consider, such as establishing or participating with Housing Authorities, establishing development corporations, implementing housing committees, starting "housing trust funds," and land banking properties to auction for development by private developers that have deed restrictions ensuring intended use.

As currently structured, most local governments rely on policies that influence style, price, density, and location of housing units.

Towns have historically been responsible for ensuring that their citizens have safe, sanitary, and secure housing units, and have done what they can to keep the price of housing down.

To be effective, housing unit affordability needs to be addressed at a regional level. Since Winthrop has been in preliminary discussions with nearby towns, they have already taken small steps in this direction.

The following demographic trends must be considered when planning for housing needs in the future:

- 1) Populations are aging, nationwide and in Winthrop. Older households have different priorities for housing units. Regionally, there is an ever-increasing shortage of housing units appropriate for seniors.

- 2) The economy in Winthrop is improving. The result is an increasing need for more affordable housing units and rental housing units to continue to attract and retain single people and young couples, thus ensuring the overall health and diversity of the community.

Historically, the housing unit trend has been to construct mid-sized to large single-family housing units on large lots, but this trend is no longer meeting all needs. The town should consider exploring options and strategies that will reduce the cost of housing units without compromising quality.

It is clear that Winthrop's housing market is falling short of meeting certain needs, particularly for seniors and young potential homebuyers. Assistance is available on the state and federal level through programs that help with housing affordability. MSHA also has programs for first-time homebuyers; however, this program is only a discounted down payment and interest rate. At a certain point, even those incentives are inadequate to compensate for high housing unit prices.

Since Winthrop is the service center for western Kennebec County, there is an increased demand for workforce housing units and elderly housing units. Winthrop has rural character and community support as well as amenities such as medical services, restaurants, and other services. The town has proven to be an excellent location for those starting out in life and those looking to retire.

Zoning, or in many cases, the lack of zoning, is part of the equation in the supply and location of housing units within a community. Private enterprises are also affected by zoning or lack thereof. Just as zoning can influence housing units, so, too can the many styles of housing influence the size, age, and income levels of a community. Additionally, the location of housing units can impact the cost of providing town services and economic health of commercial areas.

The town can help by providing incentives or a regulatory structure, such as zoning, that will favor a preferred form of development. Based on past growth, future housing units should be encouraged to develop as follows:

- There should continue to be a diversity of housing unit size and styles, to reflect the diversity of the town's population;
- At least one of every 10 new housing units constructed will need to be affordable to a family making 80 percent of the median household income;
- Construction quality will be ensured through enforcement of the statewide building code.

The cost of housing units may be reduced primarily through reducing the development cost. Mechanisms for doing this include decreasing the required parcel size in predetermined areas, reducing the required parcel size for multifamily housing units, extending water and sewer services, and allowing mobile and manufactured housing units in more districts. Other mechanisms to consider include permitting more intensive use of existing buildings or forming an affordable housing committee to work with developers and ease the permitting process.

These and other strategies are discussed in more depth in the Policies and Strategies section of this plan.

One potential impediment to affordable housing can be municipal zoning ordinances. To ensure the Zoning Ordinance aligns with the goals, policies, and strategies of the Comprehensive Plan and needs of the town, it should be reviewed upon completion of the plan.

Winthrop's overall housing objective is to maintain the character of the town while promoting a housing trend that will meet future demand. The community strives to create more affordable housing to provide flexibility and opportunity for property owners in the town's designated growth areas.

Affordable housing units need not be large apartment buildings, nor are mobile homes the only type of affordable single-family housing units. It is possible to design stick-built affordable single-family housing units, providing another option in housing. It is also possible to design affordable housing neighborhoods within the larger community's architectural style.

It is important to keep in mind that affordable housing is not "low-class" housing. Promoting housing affordability is for the seniors already living in Winthrop who want to downsize, it's for the young couple who are struggling to start their careers and a family, it's for the younger generation who want to live in the town where they grew up, and for those who move to town after graduating college to start a career.