



City of Auburn, Maine
Business & Community Development
Glen Holmes, Director
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May 16, 2023

Re: Proposed Amendment to Auburn Land Use Code Section 60-2 to allow for increased options for affordable housing development.

For consideration by the City of Auburn, Maine Planning Board:

I am writing to discuss current Land Use ordinances as they pertain to the development of affordable housing options in Auburn, specifically addressing the prevailing needs of low- to moderate-income residents. Our team at the Business & Community Development Department has been working closely with the Maine State Housing Authority (MSHA) and the U.S. Department of Housing & Urban Development (HUD) to create programs which support the construction of new, affordable housing which better align with prevailing community needs.

In recent years, we have observed rising construction costs and a decrease in the size of families seeking housing assistance. This has led us to recognize that the current minimum requirement of 700 square feet of net floor area for habitable space is overly restrictive for renters, developers, and homeowners interested in building environmentally friendly, efficient, and affordable homes or additional accessory dwelling units on their properties.

We have received confirmation of the unmet housing needs from various reliable sources, including the city's General Assistance, Public Health, and Housing Resource Coordinator. For example, year-to-date data provided by the Auburn General Assistance office demonstrates that 225 of the 305 cases approved this year were families requiring aid in paying for rent. This line item is already 268% higher than the previous year, with two more months left. Similarly, 91 cases were approved for utility assistance (primarily electricity) which constitutes an 827% increase from the previous year's totals. To compensate for this, many housing service providers across the state have resorted to renting out individual rooms within existing units, either informally or by offering bifurcated lease options.

Furthermore, housing developments constructed with HUD and/or MSHA funds impose limits on the maximum allowable rent that developers and property owners can charge. While this ensures affordability for low- to moderate-income residents, it presents challenges for developers to generate sufficient cash flow to sustain these projects at below-market rates without substantial low-income tax credits, TIF-funded credit enhancements, or federal subsidies. Current Fair Market Rent (FMR) caps for a 1-bedroom unit in the Lewiston-Auburn Metro Statistical area is \$834 per month including all tenant paid utilities.

Recent affordable housing projects in neighboring communities are currently seeing construction costs of more than \$350 per square foot. For a 600sqft 1-bedroom unit with rents capped at allowable FMR limits it would take over 20 years to break even on construction, before even

considering operational and maintenance expenses. Still, when these budgetary obstacles are overcome, local opposition to project placement often hinders the realization of even the most well-intentioned endeavors.

To address these issues and create a decentralized affordable housing development program, the Auburn Business and Community Development Department has formed a partnership with MSHA and HUD. Our goal is to promote the construction of modest-sized accessory dwelling units that are not only cost-effective but are also owned by local developers or situated on owner-occupied Auburn properties.

Currently, the existing ordinances stipulate a minimum of 700 square feet of net floor space for single-family attached or detached dwellings. State laws provide provisions for tiny homes of up to 400 square feet. However, this leaves a considerable gap in the allowable size of new dwelling units, where units ranging from 401 to 699 square feet are inherently incongruous with the current zoning standards.

Thankfully, the proposed changes that accompany this letter are both straightforward and impactful. By implementing these changes, we can facilitate the construction and occupation of a significant number of new, modest, and economical housing units for low- to moderate-income Auburn residents. Moreover, this approach to developing scatter-site affordable housing aligns with Auburn's strategic plan, which aims to create housing opportunities that integrate seamlessly with existing neighborhood conditions. It also adheres to HUD's guidance, which discourages the concentration of affordable housing projects in low-income areas and the creation of new enclaves of low-income residents.

By embracing these proposed changes, Auburn demonstrates its commitment to accommodating both existing and prospective residents, particularly by providing new affordable housing options which cater to workforce and retirement needs. These optimized housing solutions, tailored to current demands, serve as a testament to the progress made by the planning board in modernizing Auburn's zoning standards.

We firmly believe that by supporting this request, Auburn will not only align with new industry standards but also remain competitive in attracting residents and fostering a harmonious neighborhood environment. Our proposal is in complete harmony with our comprehensive plan and addresses the pressing needs of Auburn's residents.

Thank you for considering this proposal. We look forward to discussing this further and working together to make Auburn an even better place to live for all its residents.

All the best.



Zak W. Maher

Deputy Director of Business & Community Development

Sec. 60-2. Definitions.

For the purposes of this chapter, the following words and terms as used herein shall have the meanings or limitations of meaning hereby defined, explained or assigned:

Dwelling means a building or portion thereof arranged or designed to provide living facilities for one or more families.

Dwelling, multifamily, means a residence designed for or occupied by three or more families with separate housekeeping and cooking facilities for each.

Dwelling, one-family attached, means a residential structure designed to house a single-family unit from lowest level to roof, with private outside entrance, but not necessarily occupying a private lot, and sharing a common wall or walls with an adjoining dwelling unit or units. ~~Each one-family attached dwelling shall contain not less than 700 square feet of net floor area of habitable space.~~

Dwelling, one-family detached, means a dwelling unit singly and apart from any other building and intended and designed to be occupied and used exclusively for residential purposes by one family only, excluding those forms of temporary housing permitted by section 60-666. ~~Each one-family detached dwelling shall contain not less than 700 square feet of net floor area of habitable space.~~

Dwelling, seasonal, means a dwelling occupied for not more than six months of any year.

Dwelling, two-family, means a freestanding building intended and designed to be occupied and used exclusively for residential purposes by two families only, with separate housekeeping and cooking facilities for each.

Dwelling unit means a room or group of rooms located within a building and forming a single habitable unit, physically separated from any other rooms or dwelling units which may be in the same structure, with facilities which are used for or intended to be used for independent living, sleeping, cooking and eating purposes. Dwelling units available for rental or occupancy for periods of less than one week shall be considered boarding/lodging units.

Mobile homes, newer, means those units constructed after June 15, 1976, commonly called "newer mobile homes," which the manufacture certifies are constructed in compliance with the United States Department of Housing and Urban Development standards, meaning structures, transportable in one or more sections, which, in the traveling mode, are 14 body feet or more in width ~~and are 700 or more square feet, and~~ which are built on a permanent chassis and designed to be used as dwellings on foundations when connected to the required utilities, including the plumbing, heating, air conditioning and electrical system contained therein; except that the term "newer mobile homes" includes any structure which meets all the requirements of this definition, except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the Secretary of the United States Department of Housing and Urban development and complies with the standard established under the National Manufactured Housing Construction and Safety Standards Act of 1974, United States Code, 42 USC 5401 et seq.

Mobile homes, older, means any factory-built home which fails to meet the definition of manufactured housing and more specifically, the term "older mobile homes" means any mobile home constructed prior to June 15, 1976. These units shall be restricted to approved mobile home parks.

Modular homes means those units which the manufacturer certifies are constructed in compliance with the state's Manufactured Housing Act and regulations, meaning structures, transportable in one or more sections, which are not constructed on a permanent chassis and are designed to be used as dwellings on foundations when connected to required utilities, including the plumbing, heating, air conditioning or electrical systems contained therein.