

## Housing

The housing supply and price in Belgrade are a key determinant factor for future growth in the town as well as more diversity in town. A mixture of housing types encourage a variety of residents in age, gender, family composition, and economic standing.

While local government is not, and should not, be in the business of providing housing to residents, many local policies influence the style, price, and location of housing. Towns have historically been responsible for ensuring that their residents have safe, sanitary, and secure homes, and do what they can to keep the cost of housing down. While municipalities have little control over the supply of housing, it is possible for municipalities to have some impact. There are programs available, primarily through grants, such as if a large portion of housing is substandard. If housing prices rise to a point where homes are not affordable either to purchase or build, that will present a major challenge to the community. This chapter gives a holistic view of the housing supply of Belgrade.

\*\*\*\*Note: You may notice that the population number varies between 3,250 and 3,148. This is because 3,250 is from the Decennial Census and the 3,148 is from the 2021 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. 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.

### Housing Stock

Belgrade's demographic profile documents a steady decline in the average household size as well as a steady increase in average age. While at first glance, this may indicate that fewer units of housing are required, it is counterintuitive in that this translates to more units are required.

Based on projections by the Maine State Economist, Belgrade's population is expected to grow by 9.1%, or 289 residents, by 2040. At that point the population of Belgrade is estimated to be 3,539. When divided by the current average household size of 2.45 for Belgrade, a population of 3,539 residents would require approximately 1,445 housing units.

While the U.S. Census currently notes that there are 2,267 housing units in Belgrade, approximately 885 of those units are for seasonal, recreational, or occasional use. With the subtraction of the seasonal units from the total unit count of Belgrade, the estimated housing count for year-round residents is 1,382. Therefore the projected population growth would require an additional 60 units by 2040.

Belgrade is a prime location for employees in the Augusta and Waterville Micropolitan areas. Both areas are within easy commuting distance and already serve as service centers for Belgrade. Other nearby towns are experiencing commercial growth, such as

the First Park Business Park in Oakland and the downtown revitalizations of Augusta and Waterville.

As discussed in the Community Profile chapter, it is important to mention that population projections are just that, projections. These estimates are subject to many outside factors, some of which may not be possible to predict. One such factor was the COVID-19 pandemic. With the changes wrought by the pandemic, it will take some time for population projections and demographic analyses to determine the extent of the changes. Several changes that will need to be monitored for the effect they have are; the prevalence of remote work, multi-generational family groups, and the relocation from urban to rural living.

Regardless of changes, both known and unknown, population projections are a starting point and worthy of consideration when planning for the future. As such, they are considered in this Plan.

To some extent, the statistics representing household size relate to the type of housing as well as the quantity of housing units needed. Younger, single, and couple/partner households tend to reside in smaller homes, apartments, and 55+ communities. Subdivisions, with their larger lot sizes and homes, tend to attract couples who intend to add children to the home or existing family units. With the growing trend of the “Baby Boomer” generation retiring and downsizing from family homes, it can be anticipated that the market for larger family homes will be reduced in favor of smaller, more efficient housing that would allow that generation to age in place.

**BELGRADE IS AN OUTLIER HERE, ACCORDING TO THE COMMITTEE. DATA?**

Both the United States Census and the American Community Survey record housing units and their associated characteristics. Table 1, below, highlights discrepancies between the 2020 Census and the 2021 American Community Survey datum.

**Table 1: Housing Comparison**

	2010 Census	2020 Census	2021 ACS	Percent Change 2010 to 2020
Population	3,189	3,250		
Total Housing Count	2,198	2,267	2,212	
Occupied Housing Units	1,265	1,394	1,278	
Vacant Housing Units	933	873	934	

*Source: 2010 & 2020 Census, 2020 ACS*

As with other chapters of this plan, in some cases the 2021 American Community Survey was used for calculations rather than the 2020 Census Data. In a couple situations the 2020 Census was not published and switching back and forth between data sources would be inaccurate. Data sources will be notated for tables and charts.

Table 2 shows the development of housing type and occupancy characteristics since 2000.

**Table 2: Housing Type and Occupancy Characteristics**

	2000	2010	2015	2020	2021
<b>Total Housing Units</b>	2,007	2,198	2,137	2,212	2,293
<b>Occupied Housing Units</b>	1,178	1,265	1,266	1,278	1,308
<b>Vacant Housing Units</b>	829	863	871	934	985
<b>Seasonal Housing Units</b>	786	735	783	842	885
<b>Mobile Homes</b>	142	137	128	140	168
<b>Owner Occupied</b>	1,008	1,078	1,118	1,212	1,225
<b>Renter Occupied</b>	170	187	148	66	83
<b>Single Unit Housing</b>	1,782	1,824	1,923	2,038	2,089
<b>Two or Multi Unit Housing</b>	83	132	107	34	36

Source: American Community Survey

Housing numbers most significantly increased from 2000 to 2010, growing by 87 units in the ten-year period despite a recession occurring during some of that time period. The number of mobile homes in Belgrade dropped from 2000 through 2015 before significantly rising to 168 in 2021.

The number of vacant units is of concern. The United States Census defines a vacant unit as a housing unit that is unoccupied at the time of the interview, unless it is a temporary absence such as for illness or vacation. It also includes a unit which is entirely occupied by persons who have a usual residence elsewhere, a common occurrence in Maine where there are what is colloquially known as “snowbirds”. These are typically older residents who live in warmer climates during the winter months.

### WHAT IS GOING ON WITH THE MULTI FAMILY HOUSING?

There is no data directly addressing how many renters live in houses versus apartments, however there is data on how many housing units there are in a building or house. According to the ACS survey there are 36 dwellings with two or more units in Belgrade. Several of the units may be counted solely, or duplicated, in the owner-occupied count for situations where the homeowner lives on the premises but there are attached units.

### Occupancy Characteristics

Average family size is classified as people who are living together and are related as opposed to average household size, which is all residents of a housing unit, related or not. Table 3 shows the changes in the average family size in Belgrade since 2010.

**Table 3: Average Family Size**

Average Family Size	
2021	2.86
2020	2.73
2015	2.74
2010	3.09

Source: American Community Survey

The average household size in 2021 for owner occupied housing units was 2.51 whereas the average household size of renter occupied unit is 1.51. Smaller households, especially those in rental units, tend to be in flux more often than larger households. Based on the ACS count of 36 rental units it would equate to approximately 55 residents, a very small proportion of Belgrade residents, especially when compared to the 1,225 owner occupied units which accounts for 3,075 residents.

### Seasonal Housing

Belgrade has a large number of seasonal housing units. Almost 1/3 of the housing units in town are classified as for seasonal, occasional, or recreational use. Of 985 vacant units in Belgrade, 13 were classified as for sale, 25 were classified as sold, not occupied and another 62 were vacant. The remaining 885 units were seasonal. As discussed in the Community Profile chapter, the seasonal changes in demographics play a huge role in Belgrade.

### CONVERSION TO YEAR ROUND HOMES?

#### Assessing Profile

The current number of real estate accounts in Belgrade is 2,365 with 738 vacant. Out of those accounts 58% of the total assessed value of Belgrade are waterfront properties, and 42% are non-waterfront.

Tax Exemptions	
Type	Quantity
Homestead	938
Veterans	107
Blind	2

*Source: Town of Belgrade*

The town last went through revaluation in 2012.

### OTHER ASSESSING INFORMATION?

#### Housing Condition

There is minimal statistical data on the age and condition of Belgrade's housing stock. Both the census and the ACS contain questions on when each house was built as well as if the house has modern plumbing, heating, electric and various other utilities. These counts are based on a statistical sample, these samples are so small, especially for a town the size of Belgrade that the figure is more of a guess than a true data set. It is common in Maine for seasonal homes, commonly called a "camp to not contain electricity, central heat and even plumbing. This can further skew what data is available and not provide a realistic picture of housing conditions.

A census tally of substandard living conditions is intended to identify substandard housing conditions. According to ACS data, Belgrade does not have a problem with substandard housing, however there are 10 units considered to be over-crowded based on have more than one person per room.

Like many towns in Maine, the age of homes in Belgrade span a significant length of time with an estimated 380 homes being built prior to 1939. We know that there are multiple homes that were constructed prior to 1900 that are still occupied. The age of housing structures can often be used as an indicator of conditions. While some older homes are structurally sound, elements such as plumbing, wiring, insulation, and heating are often inadequate and must be upgraded. Homes built prior to the lead paint ban in 1978 must be remediated. According to the United States Environmental Protection Agency, up to 87% of home built prior to 1940 have some sort of lead-based paint. Homes built in more recent decades are more likely to conform to modern building codes and best practices. In Belgrade, 380 homes, or 16.6%, were built prior to 1939.

**Table 4: Age of Housing Units**

Year Structure was Built	# of Units	Percent of Total
1939 or Prior	380	16.6%
1940-1949	104	4.5%
1950-1959	208	9.1%
1960-1969	92	4.0%
1970-1979	321	14.0%
1980-1989	351	15.3%
1990-1999	270	11.8%
2000-2009	446	19.5%
2010-2019	121	5.3%
2020 or later	0	0

Source: American Community Survey

Table 4 shows a relatively even spread of housing age.

### HOUSES BUILT 2020+?

Table 5 compares the age of the housing stock of Belgrade to several neighboring communities. Belgrade has significantly more units built 1959 and earlier compared to the other towns.

**Table 5: Housing Stock Comparison**

Year Structure was Built	# of Units				
	Oakland	Sidney	Belgrade	Readfield	Manchester
1939 or Prior	257	216	380	238	200
1940-1949	69	32	104	23	52
1950-1959	30	78	208	51	60
1960-1969	87	126	92	46	113

<b>1970-1979</b>	76	306	321	346	175
<b>1980-1989</b>	120	401	351	164	228
<b>1990-1999</b>	249	374	270	191	141
<b>2000-2009</b>	191	401	446	167	138
<b>2010-2019</b>	138	256	121	47	43
<b>2020 or later</b>	0	0	0	24	0

Source: American Community Survey

## Price and Affordability

Price and the subsequent affordability of housing is a significant factor in the economic development of a town. Housing prices are not something that can be controlled by a municipality, they are influenced by local state and federal trends such as interest rates, job availability, and more. If supply and demand are not in sync, it can result in insufficient available housing, unaffordability for prospective workforce members, and can push current residents out of a town due to being unable to afford to maintain their current home expenses or incur even greater expenses.

The growth management goal for affordable housing states that ten percent of new housing 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 ten percent should be as stick-built homes, mobile homes, rental properties, or elderly apartments.

The determination of whether housing is affordable begins with a discussion of cost. The Census provides very good (though sample-sized) data regarding price of housing in Belgrade (see table 6 below). This price is derived through owners' estimation of their homes value, meaning it does not necessarily match up with actual recorded sales prices, assessor evaluation, 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 American Community Survey, the median value of owner-occupied housing in was \$218,800 in 2010 and the 202 median home price for owner-occupied units was \$222,300.

**Table 6: Value of Owner Occupied Housing**

	<b>2000</b>	<b>2010</b>	<b>2020</b>
<b>Median Value*</b>	\$99,400	\$218,800	\$222,300
<b>Less than \$50,000</b>	29	40	18
<b>\$50,000-\$99,999</b>	313	52	24
<b>\$100,000-\$149,999</b>	181	113	181
<b>\$150,000-\$199,999</b>	82	257	265
<b>\$200,000-\$299,999</b>	41	291	404
<b>\$300,000-\$499,999</b>	20	166	162
<b>\$500,000-\$999,999</b>	4	50	131
<b>\$1,00,000 or more</b>	4	84	27

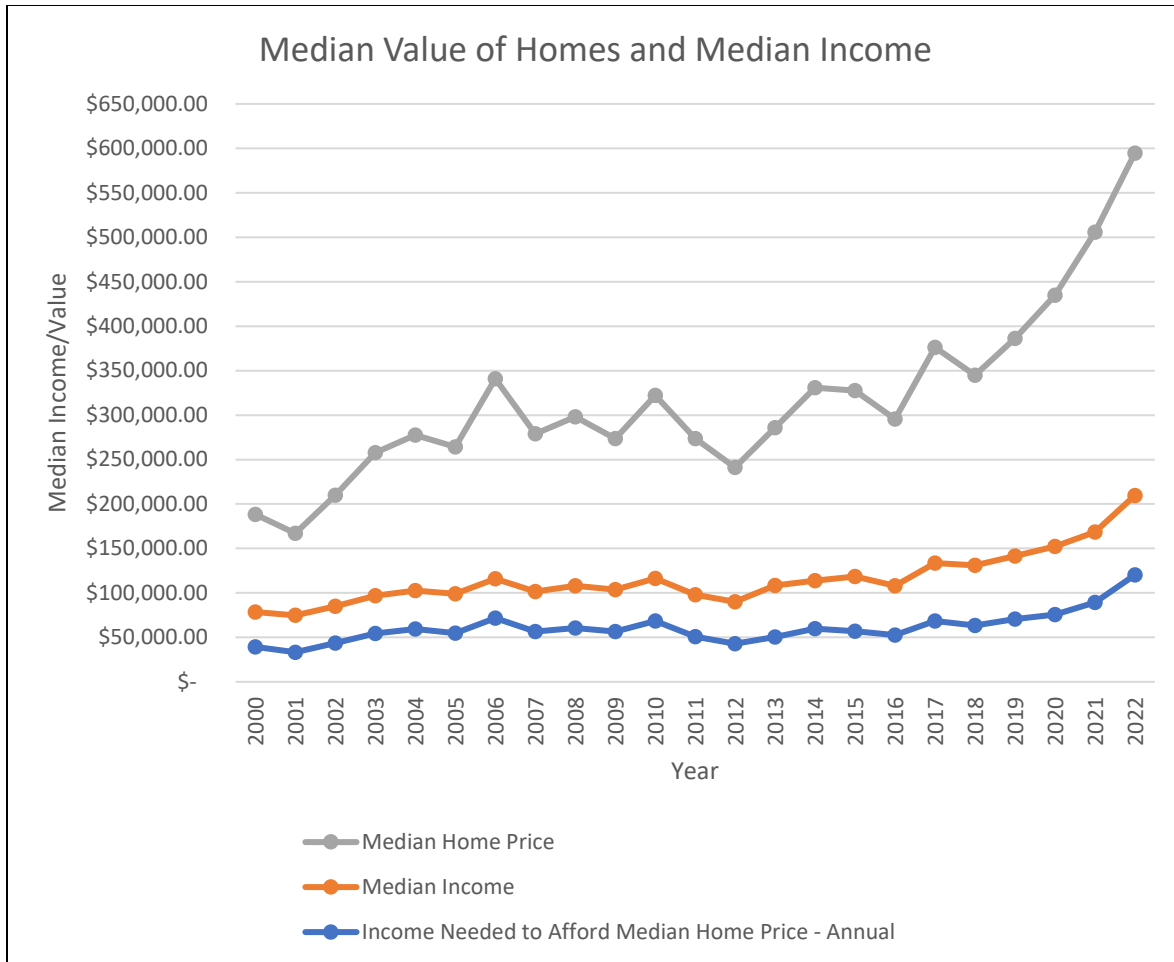
Source: American Community Survey

*\*Value is the respondent's estimate of how much the property would sell for should it be listed for sale at the time of the survey.*

As mentioned above, it is important to keep in mind that the estimated value of homes in the above tables are supplied by the respondent and does not represent the true appraised value or what the dwelling would actually sell for. The prices attributed to home value in 2020 also do not encompass the exorbitant increase in real estate costs that Maine saw throughout 2021 and 2022.

Maine State Housing Authority (MSHA) tracks actual sales data. According to that organization, the median price (actual sale) for a home in Belgrade in 2022 was \$385,000. The lowest median home price occurred in 2001 when homes sold for an average of just \$92,250. Belgrade, like most municipalities, saw the effect of the recession that hit in 2008 with a drop in median home price through 2010. There have been rises and falls in value before the stabilized and began to steadily rise from 2018 to present. Figure 1 compares the median home price in Belgrade since 2000 with the town's median income as well as the income that is needed to afford a home at the median price.

**Figure 1: Comparison of Median Price of Homes, Median Income, and Income Needed to Afford Median Value Home, 2000-2022**



Source: Maine State Housing Authority

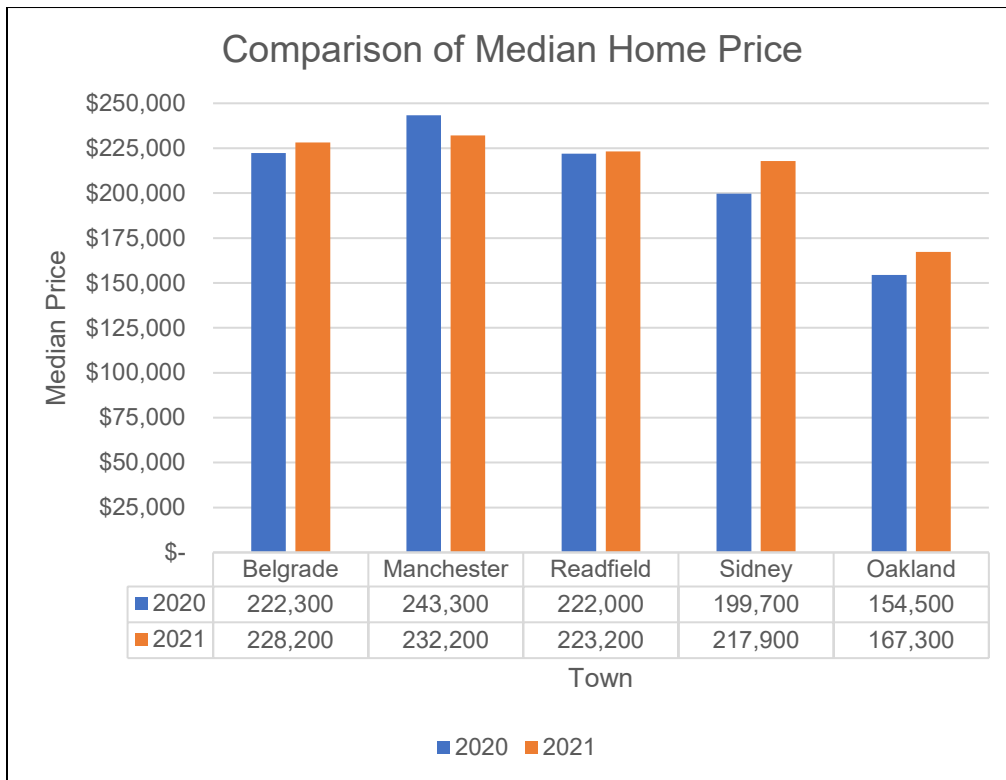
The data shows that while the fluctuations of the median income and the income needed to afford the median home price mimic each other, there is a growing separation in the two variables. Additionally, the median home price is increasing at a much more significant rate.

The median home price for all of Kennebec County according to MSHA was \$243,000 in 2021 and jumped to \$265,000 in 2022. The median home price for Belgrade is over \$100,000 greater than the average for Kennebec County.

The median home price of Belgrade is most comparable to its neighboring town Readfield. In 2020 the difference in their median price was negligible, and while Readfield's price also increased in 2021 it was less than how much Belgrade's increased. The median home price in 2020 and 2021 has been reliably higher than both Sidney and Oakland, and slightly lower than that of Manchester. Of the five municipalities that are compared, Manchester is the only community in which the median home price decreased.



**Table 7: Comparison of Median Home Price**



Source: American Community Survey

Provision of affordable housing options are assisted by MSHA programs. MSHA provides some state and federal options for many types of buyers and renters. Maine State Legislature enacted several new bills with provision to attempt to remediate the affordable housing problem state-wide.

**Household Income**

According to data compiled by MSHA, the median home price in Belgrade of \$228,200 is considered unaffordable based on the 80% of median income rule mentioned above. MSHA calculates an affordable home at various income levels, factoring in interest rates and other variables, and using the rule of thumb that a homeowner should pay no more than 28 percent of its monthly income in housing costs (28 percent is for homeowners; renters should pay not more than 30 percent of monthly income).

Data from MSHA calculates the annual median income in 2021 in Belgrade as \$79,366. The annual median income needed to afford the median home according to MSHA is \$89,256 or \$42.91 an hour. The difference in income and housing cost is \$9,890. The average cost of a home would need to be approximately \$299,900 to be afforded by those making the annual median income. 56.5% of households in Belgrade are not able to afford the cost of a home at the current price.

**Table 8: Belgrade’s Estimated Household Incomes**

<b>Total Households: 1,308</b>	<b>Approximate Number of Households</b>
<b>Less than \$10,000</b>	.8%
<b>\$10,000 to \$14,999</b>	1.6%
<b>\$15,000 to \$24,999</b>	5.3%
<b>\$25,000 to \$34,999</b>	7.1%
<b>\$35,000 to \$49,999</b>	6%
<b>\$50,000 to \$74,999</b>	25.3%
<b>\$75,000 to \$99,999</b>	17.8%
<b>\$100,000 to \$149,999</b>	19.6%
<b>\$150,000 to \$199,999</b>	5.7%
<b>\$200,000 or more</b>	10.7%
<b>Median Income</b>	\$77,161

Source: American Community Survey

By these standards, of the 92 homes sold in Belgrade, 34 were considered to be affordable and 58, or 63%, are not able to be afforded by households making the average income. That is 5% higher than Kennebec County where 58.3% of households are not able to afford the median house cost.

This means Belgrade homes are not affordable for 824 households out of the 1,308 households currently living in town. Lower-income and younger households tend to rent rather than own, so measures of home values are inconsequential in some ways. However, the high cost of home ownership in Belgrade may inhibit population growth.

## Rental Housing

The table below shows changes over the last three decades in the cost and affordability of rental housing in Belgrade.

**Table 9: Month Rental Cost**

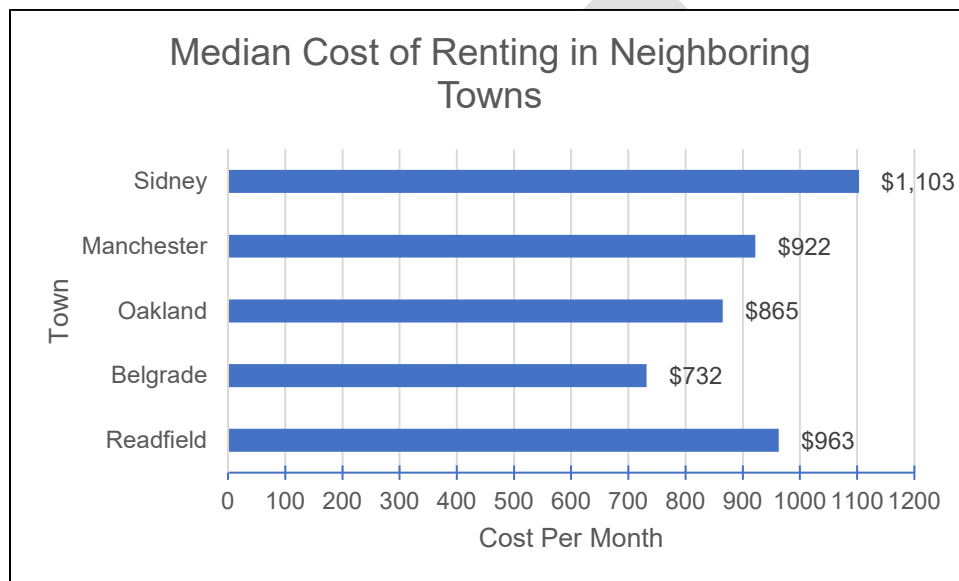
	<b>2010</b>	<b>2020</b>	<b>2021</b>
<b>Median Monthly Rent Specified Renter-Occupied Units</b>	<b>\$751</b>	<b>\$1,281</b>	<b>\$732</b>
Less than \$500	68	0	0
\$500-\$999	113	16	46
\$1,000 - \$1,499	0	33	0
\$1,500 - \$1,999	0	0	0
\$2,000 - \$2,499	0	0	0
\$2,500 - \$2,999	0	0	0
More than \$3,000	0	0	0
No Rent Paid	6	17	28
<b>Rent as a Percent of Household Income</b>			
Less than 20%	33	40	44
20-30%	45	0	0
30% or more	84	9	11

Not Computed	25	17	28
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Source: American Community Survey

The above data is provided by the American Community Survey. Comparatively, data provided by MSHA shows that for a 2 bedroom rental unit with utilities averaged \$985 per month in Kennebec County in 2020. The yearly income needed to afford a rental fee of \$985 would be \$39,397 while the average yearly income of a renter was \$32,358. 57.7% of households were unable to afford a rental unit at the median cost. The MSHA statistics are not able to be broken down by municipality as they are organized by the county and labor market area only.

**Figure 2: Median Cost of Renting**



Source: American Community Survey

Belgrade’s median cost of rent is significantly lower than that of the neighboring towns. All surrounding towns are included in either the Augusta or Waterville micropolitan labor market area’s. Based on data from MSHA, rentals in the Augusta LMA have not been considered affordable since 2015, and have been unaffordable for the Waterville LMA since 2003.

Does the town participate in any subsidized rent programs? Are there any low-income or income driven housing complexes in the community? Are senior accommodations available?

**Housing Location Trends**

Belgrade’s character is defined by it’s three regions, the Depot area, Village area and North Belgrade. The Depot area is considered the region of town where one of the original train depot’s was located and is generally considered [redacted]. The Village area of Belgrade is the western portion of town, and contains several landmark businesses and seasonal recreational businesses. North Belgrade is just that, the northern portion of

Belgrade, and follows the path of State Route 8 and 11. North Belgrade residents generally consider themselves to be a part of the Waterville Micropolitan area while the Depot and Village consider themselves to be a part of the Augusta Micropolitan area.

Existing housing is dispersed fairly evenly throughout the town, with the highest density located in the Village area. Statewide, the trend for development of new housing has been characterized by the term “suburban sprawl”. There is an undeniable trend of small suburban towns seeing the population grow while the population of cities shrinks. This trend has affected Belgrade. Belgrade has large swaths of land available for development should ownership patterns and zoning allow/encourage it.

Town records show **permits issued over the last** years.

**Table 10: Permits Issued**

Year	Houses/Dwellings	Manufactured Homes	Internal Plumbing	Septic Systems	Seasonal Dwellings

Source: Belgrade Code Enforcement

**Discuss permits**

**Projections**

Referring to the population projections contained in the Community Profile, it is difficult to anticipate what demand for housing will look like. The community profile chapter describes a population growth of 289 residents in Belgrade by 2040. Based on the current average household size that growth would dictate the need for 118 new housing units by 2040. Those projections do not take into account natural changes in population or the changes wrought by COVID-19 pandemic.

Household sizes cannot shrink indefinitely; in fact, data is showing that they are plateauing off over the last 20 years. Even if household size continued to shrink an additional 5 percent over the next fifteen years, the average will go to about 2.2 persons per household. An average household size of 2.2 and a growth of 289 residents would require 131 new housing units by 2040. A growth of 118 housing units by 2040 would be 7 per year, a growth of 131 units would be 8 per year. Both estimates are easily achievable.

Such a small rate of growth can pose a challenge to ensuring that a portion of new units being affordable. Maine's growth management goal states that 10% of new housing should be affordable to households making less than 80% of the median household income. It is up to the town to decide how that 10% will be dispersed, whether through conventional stick built homes, mobile homes, rental units, or 55+ living. Under the current growth predictions of 7 or 8 new units per year that would equate to less than one unit per year being affordable.

To accommodate for affordable housing for families, units appropriate for seniors and assisted living situations, housing will need to be developed, or converted, with those goals in mind. The aging population of Belgrade will need specific housing situations in order to maintain residency in town.

### **Current Housing Regulations**

The Town of Belgrade does not have any municipal zoning. The town has adopted the mandatory floodplain and shoreland ordinances as well as a minimum lot size ordinance. The minimum lot size ordinance gives a minimum lot size for residential and commercial use as well as individual private campsites. This ordinance also dictates setbacks, road frontage and lot coverage.

Outside of these three uses, there are no established restrictions on lot area and dimensions, except that a lot requiring subsurface wastewater disposal must meet the State Minimum Lot Size Law.

### **What else?**

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

While Belgrade has no plans to change its Zoning Regulation with regard to the new affordable housing related bills, any time a Comprehensive Plan update is completed, the town will need to review and possibly amend its regulations and ordinances for consistency with the new Comprehensive Plan.