

**TOWN OF MOUNT DESERT  
PLANNING BOARD  
MINUTES  
March 8, 2023**

**Planning Board Members in Attendance:** Chair William Hanley, Tracy Loftus Keller, Meredith Randolph, David Ashmore

**Members of the Public in Attendance:** Mark Reece, Winn, Katherine Bell, Carol, Jay Habermann, Ellie Grassi, Linda Jonas, Mary Reath, Rhuck, Amy Coolidge, Charles T. Bucklin, Lynn Janney, Daniel Pileggi, Elizabeth (Betsy) Kelly, Charlene Marshall, Lanie Lincoln, Christopher Zamore, Sid Graves, Sam McGee, Lucy, Nikki Moser, Lynne Wheat, Molly Seyffer, Bill, Patti Tracy, Aaron Small, Barbara Ryerson, Nancy Schafer, Sara Dunn, Darron Collins, Tracey Aberman, Ronald Musetti, Charlie Mellon, Ned Harrington, Jamey Hancock, Inness Hancock, Jean Burden, Kathy Miller, Martha Dudman, John Macauley, Donna Reis, Lincoln Millstein, Andrew Kennedy, Steve Anastasia, Darren Collins, Laura Foulke, Joseph Ryerson, Eric Stiles, Jeff Teunisen, Stephanie Kelley-Reece, Noel Musson, Jerry Miller, Katrina Carter, Greg Johnston, Adam Fraley, Helen Koch, Amelia Callahan, Judy Gilkes Benson, Dan McKay, Alison Schafer, Campbell Harrington, Sara Dennis, Pam Madeira, Robin Graves, Jen Judd-McGee, Tad Lincoln, Christina Paumgarten, Katy Miller, John Lothrop, Elaine Scott, Judy Van der Grift, Ann Worrick

**I. Call to order 6:00 p.m.**

Chair Hanley called the meeting to order. Board Members were noted.

Alternate Member Gloria Kunje was not in attendance.

**II. Approval of Minutes**

February 22, 2023:

MS. RANDOLPH MOVED WITH MS. LOFTUS KELLER SECONDING, APPROVAL OF THE FEBRUARY 22, 2023, MINUTES AS PRESENTED.

VOTE:

MEREDITH RANDOLPH: AYE

TRACY LOFTUS KELLER: AYE

DAVID ASHMORE: AYE

CHAIR WILLIAM HANLEY: AYE

MOTION APPROVED 4-0.

**III. Public Hearing – 6:05PM**

*Land Use Zoning Ordinance and Land Use Map Amendments for the 2023 Annual Town Meeting on May 2, 2023.*

CEO Keene confirmed adequate public notice.

Consultant Noel Musson reported that this amendment changes how height limits are calculated for a building in both the floodplain and the Shoreland Zone. This brings the ordinance into

1 alignment with current State rules. The amendment does not change the height limitation; it  
2 changes from where a building is measured to establish height. The Town Attorney has reviewed  
3 the proposed amendment.

4  
5 Chair Hanley opened the discussion and asked for public comment. Jamie Hancock asked what the  
6 calculation will be. Mr. Musson explained height is currently calculated starting at the mean  
7 original grade on the downhill side of the structure. The new provision will allow for height to be  
8 measured from the bottom of the sill of the structure to the highest point of the structure excluding  
9 chimneys, steeples, etc. This exclusion is part of the current calculation as well.

10  
11 There was no other public comment. Chair Hanley closed the public comment.

12  
13 MS. LOFTUS KELLER MOVED, WITH MR. ASHMORE SECONDING, TO RECOMMEND FOR PASSAGE  
14 THE LAND USE ZONING ORDINANCE AND LAND USE MAP AMENDMENTS FOR THE 2023 ANNUAL  
15 TOWN MEETING ON MAY 2, 2023, AS PRESENTED.

16 VOTE:

17 TRACY LOFTUS KELLER: AYE

18 DAVID ASHMORE: AYE

19 MEREDITH RANDOLPH: AYE

20 CHAIR WILLIAM HANLEY: AYE

21 MOTION APPROVED 4-0.

22  
23 **IV. Subdivision Approval Application(s):**

24 **Section 4.1 Pre-Application Procedures for Subdivisions:**

25 **Sketch Plan:**

26 **Subdivision #001-2023**

27 **A. OWNER(S) NAME(S):** James F. Marcogliese Rev. Trust

28 **AGENT:** Jeff Teunisen, Haley Ward, Inc. **LOCATION:** Off Quarry's Edge Road, Mount  
29 Desert

30 **TAX MAP:** 008 **LOT(S):** 134-003-001 **ZONING DISTRICT:** Rural Woodland 3 (RW3)

31 **PURPOSE:** Modifications to a previously approved and recorded Subdivision.  
32 (Amendment #1 of the 3.02 Acres Subdivision – File 45 Number 61 recorded  
33 October 25, 2018 & Amendment #2 File 48 Number 54 recorded March 10, 2021).

34 **SITE VISIT:** 4:45PM

35 CEO Keene confirmed Public Notice, however, per the LUZO, Public Notice is not required at this juncture  
36 in the process.

37  
38 Ms. Loftus Keller reported on the Site Visit. Chair Hanley and Ms. Randolph were also at the Site Visit.  
39 Quarry's Edge Road is a dirt road. They walked the length of the road to view the survey markings  
40 delineating the end boundaries of the property and a line between two lots that is proposed to be moved.  
41 Mr. Tuenisen explained the lot line was proposed to be moved because there were wetlands in the area.  
42 This move will result in two lots with buildable land. Mr. Tuenisen reported the subdivision boundary is  
43 not changing, just an internal line.

1  
2 Mr. Teunisen reported the Applicant proposes to amend an existing subdivision. The change will require  
3 moving one lot line. The map presented to the Board shows the wetlands and acreage of buildable land  
4 on both the lots. No new roads will be built. There are two test pits on each lot. Currently there is no  
5 desire or plan to build on the lots. The lots are intended to be conveyed to the Applicant's children.  
6

7 Ms. Randolph thought there were four lots on the site. Mr. Teunisen explained some additional nearby  
8 land was conveyed to the Applicant through different deeds. Those deeds are not part of the subdivision.  
9 Ms. Randolph asked how many lots were included in the original subdivision plan. She noted some shaded  
10 dashed lines on the plan that appear to be original subdivision lot lines. Mr. Teunisen said that on the  
11 proposed three-acre lot, those lines represent lot 3-A of the original subdivision.  
12

13 Ms. Randolph asked for clarification on the original edge of the subdivision. It appeared the other lots are  
14 included in the subdivision per the description. Mr. Teunisen stated the original subdivision plan could be  
15 provided. It was not included in the submissions presented.  
16

17 Chair Hanley noted this step in the process is an information stage where the project and its scope is  
18 discussed. He asked for Public Comment.  
19

20 CEO Keene was able to locate in the Town's records and share the various subdivision plan iterations for  
21 the area. The Board reviewed a plan labeled "Amendment #2, 2021". Ms. Randolph noted that a portion  
22 was referred to as "First Lot," possibly referencing another subdivision.  
23

24 Mr. Teunisen believed deeds differentiate parcels. A lot referred to as "first lot" is not necessarily part of  
25 the subdivision.  
26

27 It appeared a portion of the subdivision was not included on the plan presented. Mr. Teunisen stated that  
28 in an amended subdivision, the entire parcel is often not shown. The drawing shows only the amended  
29 lot. It appeared the revision is not going beyond the boundary lines.  
30

31 Chair Hanley asked again for public comment. There was none.  
32

33 CEO Keene thought the project was creating a new lot. Mr. Teunisen stated he was changing the record  
34 of an existing subdivision lot. CEO Keene asked whether the change resulted in the same number of lots  
35 from the previous amendment. Mr. Teunisen confirmed it did. CEO Keene asked for confirmation that the  
36 change to the lot lines was the result of the wetlands. Mr. Tuenisen confirmed it was.  
37

38 Chair Hanley noted the wetlands are now mapped, and there is a possible vernal pool on the property.  
39 Ms. Randolph did not believe it would affect the criteria of a subdivision. The criteria used to determine  
40 whether a public hearing is necessary include adding lots within a subdivision or changing the exterior  
41 boundary of a previously approved subdivision. Ms. Randolph did not believe the application required a  
42 public hearing, based on what the Board had been told. It appeared the only changes have been to map  
43 the wetlands and change one interior line.

1  
2 Ms. Randolph asked whether the lot number was going from three lots to two. Mr. Teunisen said he is  
3 only moving one interior lot line. The lot line is being changed to meet the acreage threshold and to  
4 accommodate the wetlands. He reiterated that no new lots are being created.

5  
6 Discussion ensued regarding the lot locations and labeling. CEO Keene pointed out that in Amendment #2  
7 there was Lot 1, Lot 3A, and Lot 3B. There appeared to be other lots as well. Mr. Teunisen reiterated that  
8 the one lot line was being shifted and that was all. Ms. Randolph noted that only two lots are shown. She  
9 asked about the third lot. Mr. Teunisen pointed out the third lot.

10  
11 Ms. Randolph compared the survey versions of the lot. "First Lot" was sold to the Applicant separately.  
12 Ms. Randolph found no corresponding lot of similar size on the second survey iteration. The surveys were  
13 compared. It appeared "First Lot" was sold to the Applicant, but it did not come to the Planning Board for  
14 a subdivision amendment. An after-the-fact review was deemed necessary when the Applicant purchased  
15 two acres from an abutter within the subdivision. "First Lot" was added in the later survey. This would  
16 explain why the parcels are out of sequence.

17  
18 Ms. Randolph did not believe the survey showing the entire subdivision was equating to the boundary lines  
19 in the later survey. CEO Keene pointed out that Lot 1 was merged with the rest of the land in the  
20 subdivision. Mr. Teunisen offered to mark out where Lot 1 merged. The change is being made to the  
21 amended subdivision.

22  
23 CEO Keene thought the lot change was in the first amendment of the subdivision. The first subdivision  
24 amendment includes the two acres acquired from another lot in the subdivision and also one additional  
25 acre. The Applicant did not come for an amendment at that time. Ms. Randolph was still unable to match  
26 the lot sizes up. The plans the Planning Board has do not appear to show a logical progression. Mr.  
27 Teunisen asserted the lots were on the survey. Mr. Tuenisen delineated the lots. It was noted there is one  
28 deed for the various lots. They were delineated within the one deed in sections titled "First Lot," "Second  
29 Lot," etc. Given this information, it appeared the Applicant did not require a Public Hearing.

30  
31 MS. RANDOLPH MOVED, WITH MS. LOFTUS KELLER SECONDING, THE SUBDIVISION DOES NOT REQUIRE A  
32 PUBLIC HEARING.

33 VOTE:

34 MEREDITH RANDOLPH: AYE

35 TRACY LOFTUS KELLER: AYE

36 DAVID ASHMORE: AYE

37 CHAIR WILLIAM HANLEY: AYE

38 MOTION APPROVED 4-0.

39  
40 **B. Subdivision #002-2023**

41 **OWNER(S) NAME(S):** Mount Desert 365

42 **AGENT:** Greg Johnston, G.F. Johnston & Associates

43 **LOCATION:** 5 Manchester Road, Northeast Harbor

1                   **TAX MAP: 023 LOT(S): 025 ZONING DISTRICT:** Village Residential One (VR1)

2                   **PURPOSE:** Subdivision as defined is the construction or placement of 3 or more  
3 dwelling units on a single tract or parcel of land within a 5-year period. The  
4 proposal is the construction or placement of 6 dwelling units on a single tract or  
5 parcel of land within a 5-year period. Workforce Housing.

6                   **SITE VISIT:** 4:00PM

7 CEO Keene confirmed adequate Public Notice. Per the LUZO, notification of abutters is not necessary at  
8 this point in the process.

9  
10 No Conflict of Interest was found among the Board.

11  
12 Ms. Randolph reported on the Site Visit. Chair Hanley and Ms. Loftus Keller were also in attendance at  
13 the Site Visit. The area is marked out with yellow tape showing where the buildings are proposed to go  
14 and blue tape showing the center line of the proposed driveway. The driveway is proposed for north of  
15 the driveway currently in place. The garage is proposed to be renovated and will become storage for  
16 the residents. The area is wooded. At the south side of the property there is a Right of Way (ROW). The  
17 Applicant does not plan to use the ROW. The existing house will be renovated, and parking will be moved  
18 north of it. A fence is proposed to go along the ROW, giving the subdivision privacy and separation from  
19 neighbors.

20  
21 Chair Hanley added that utilities are proposed to come off Neighborhood Road. The existing house will  
22 remain a single-family house. One additional single-family house and two two-family houses are  
23 proposed, totaling three new structures planned for the site.

24  
25 Ms. Loftus Keller added that each residence will have two parking spots. A common driveway will be  
26 shared by all the homes. The driveway curves, allowing vegetation to better screen the residences.

27  
28 MD365 Executive Director Kathy Miller reported that MD365 has owned the property since 2017. It was  
29 purchased for the purpose of creating year-round housing. The proposal is for six year-round residential  
30 dwellings. There was a sketch plan review in May 2021. Based on that review and public comment at  
31 that time, changes have been incorporated into the plan. Some of those changes include retaining and  
32 refurbishing the existing garage for residential storage use. Each residence will have a storage bay area  
33 for their use. Two of the originally planned single-family homes have been combined into a duplex and  
34 will be further from the corner than originally proposed. Duplex entrances are 90 degrees from each  
35 other to ensure privacy for the residents. The existing driveway will be eliminated due to concerns heard  
36 from residents regarding pedestrians and bicycle traffic. All residents of the subdivision will use a  
37 driveway off Neighborhood Road. The driveway has been redesigned to curve, providing more of a  
38 greenery buffer, and it has been moved back from the corner where it was originally proposed. Buffering  
39 and landscaping have been added for around the edges and for between the residences. There is a fence  
40 currently spanning from Manchester Road to approximately where the existing driveway is. The fence  
41 will be replaced and extended to enhance buffering from the neighbors. The fence will have a gate, but  
42 there will be no vehicle traffic using this portion of the property. Building design has been decided on.  
43 Visuals of the proposed residences and the plans were shared with those in attendance.

1  
2 Agent Greg Johnston explained the driveway will be cobbled, differentiating it from parking areas. He  
3 confirmed there will be dense evergreen buffer on both sides of the units. The driveway to the existing  
4 residence will be discontinued. There is an existing sewer line on the southeast corner connected to the  
5 existing residence. The proposed new residences will not be using that sewer line. Public sewer and  
6 water exist along Manchester Road. A water main will be brought in; it will loop around the property  
7 and back out to Manchester Road to prevent a closed water line that would require additional  
8 maintenance. Additional landscaping details will be forthcoming. At the southeast corner there is an  
9 area with trees. A portion of those trees will remain near the existing garage, despite the fact that an  
10 extra single-family residence could be placed there.

11  
12 Consultant Noel Musson described the density. Section 5.16.2.2 of the Subdivision Ordinance notes that  
13 subdivision density is determined by calculating minimum lot size on the developable portion of the  
14 property. For workforce housing, the Ordinance states that the entire parcel can be used to calculate  
15 density, including wetland area. Section 5.16.2.2 refers to Section 3.5 where a chart shows minimum lot  
16 sizes. This property is in Village Residential One zone; the minimum lot size is 10,000 square feet (sf).  
17 The existing parcel is 9 acres, or 39,204sf. This project is proposed to be a workforce housing subdivision.  
18 All residences proposed will be dedicated to workforce housing and this allows for a density bonus. That  
19 bonus would allow for 6.9 lots on the property.

20  
21 Chair Hanley opened the discussion to public comment.

22  
23 Jamie Hancock asked what data Mr. Musson's calculations were based on. Mr. Musson reiterated that  
24 the calculations for density are based on the Town of Mount Desert's Land Use Ordinance and  
25 Subdivision Ordinance. Mr. Hancock reported he has heard discussion regarding changes to the road  
26 width, based on the number of cars and dwellings. Are ordinance changes being implemented in order  
27 to reach this density? Mr. Musson reported the project is designed based on the ordinance regulations  
28 currently in place.

29  
30 Ms. Randolph pointed out that the Applicant has refrained from creating individual lots, so subdivision  
31 road width requirements are not triggered. Mr. Musson affirmed that the application proposes a "non-  
32 land" subdivision. Therefore, there is no road proposed, only a driveway per the standards in the  
33 ordinance.

34  
35 Mr. Hancock acknowledged the consideration given to pedestrian and bike traffic on Manchester Road  
36 and the accommodation made. However, Neighborhood Road is also heavily used for pedestrian and  
37 bike traffic. He asked if the Applicant has considered this, particularly with the increase in cars to the  
38 area. Mr. Johnston reported that a traffic engineer was engaged to look at the issue and gather data on  
39 road use. Changes such as increasing the distance of the residences from the corner were a result of the  
40 data gathered. The amount of traffic generated from the project was found to be six vehicles in a peak  
41 hour, due to the workforce housing residents coming and going at roughly the same time in the morning.  
42 This engineering will be shared in the completeness hearing. Additional engineering studies were held,  
43 particularly during the summer months. The studies can be shared with the public.

1  
2 Charlene Marshall asked about utilities. Mr. Johnston reported that on the south end behind the garage,  
3 at the end of the existing gravel, there is a sanitary manhole. It serves the abutter to the south with two  
4 connections. Additionally, it serves the existing residence on the property. That line crosses Ms.  
5 Marshall's property, which is a private sewer line that connects to another private sewer line. These are  
6 lines the Town does not maintain. The sewer line crossing Ms. Marshall's property will not be used for  
7 the proposed development. The public sewer line on Manchester Road will be tapped between the  
8 existing residence and the duplex planned for the area.

9  
10 Innes Hancock asked if research has been done on creating a plan and timeline for the village of  
11 Northeast Harbor as a whole, with regard to the other properties owned by MD365. In light of other  
12 housing proposed around Mount Desert Island, she inquired whether the need has been determined.

13  
14 Ms. Miller stated that in 2018 MD365 collaborated with the Island Housing Trust and a number of other  
15 entities on a study regarding housing needs on Mount Desert Island. It was determined at that time that  
16 hundreds of homes were needed to accommodate people driving on and off the island each day for  
17 work. Since 2018, the situation has worsened with regard to year-round housing availability and  
18 affordability. A number of institutions and businesses are finding that housing is a significant obstacle  
19 in filling positions and keeping businesses open.

20  
21 Ms. Hancock asked for the data supporting Ms. Miller's statements. Mr. Musson directed her to the  
22 Island Housing Trust website for the 2018 study. Mr. Musson took part in the study, along with others,  
23 and he confirmed the study supports the need for housing. Additionally, the Town of Bar Harbor  
24 conducted a study and that is available on their Town website. When work begins on the Comprehensive  
25 Plan that information will be further updated.

26  
27 Ms. Hancock asked whether studies were done for this particular development and the burden it will  
28 add to the Town's infrastructure, such as sewer and electricity. She inquired who would be paying for  
29 any necessary infrastructure upgrades. Mr. Johnston reported they have worked with Public Works on  
30 the project, and Public Works has reviewed the preliminary plans. There is capacity for the residences  
31 in that area of Town. A sewer line of satisfactory size and shape has been identified. Versant has  
32 confirmed there is adequate power in the area. The power will be installed with underground lines, so  
33 no additional overhead lines will be added. There will be a single internal transformer for the site.  
34 Regarding waste disposal, there is capacity for the town to handle waste disposal. The Water District  
35 has been contacted. Letters from all these entities confirming adequate capacity will be included in the  
36 subdivision application packet.

37  
38 Ms. Hancock asked where additional visitors to the area would park.

39  
40 Mr. Johnston believed the overflow parking area planned within the neighborhood would be adequate  
41 most of the time. Extra parking would be near the garage and other places. There are no plans to widen  
42 the road.

43

1 Jay Haberman asked about the cost of the homes. Ms. Miller stated the goal is to keep the price at  
2 approximately \$275,000.00 per residence. The longer the approval process extends, the higher the price  
3 per residence will go. No order for the houses has been put in yet. A general contractor will do the  
4 development work, landscaping, and foundation work on site. The houses will be on site and ready for  
5 families to move in.

6  
7 Mr. Haberman asked about the density. He felt there was little green space and open space. If there are  
8 children, where will they play? Ms. Miller stated a small green space around each home is planned, and  
9 a patio or deck area. There's space in the corner lot towards the back. Additionally, the elementary  
10 school is a block away from the neighborhood. The community has hiking trails in Town, and it is a  
11 reasonable driving distance to Acadia National Park. She did not feel there was a shortage of  
12 opportunities to be outside.

13  
14 Mr. Haberman stated the driveway is directly opposite his home. He asked why a second entrance was  
15 not considered. Ms. Miller stated the decision was made based on speaking with the neighbors on the  
16 south end and their concerns regarding traffic in that area. Initially, the existing house was the only one  
17 that would have had access to the driveway there. All other traffic was planned to come in on  
18 Neighborhood Road. The driveway was originally planned to be directly across from Mr. Haberman's  
19 driveway, but it was moved further up the road based on Mr. Haberman's concerns. Safety factors and  
20 proximity to the corner were taken into consideration. The intent was to find a balance between safety  
21 and Mr. Haberman's concerns. Earlier discussions centered around the safety of children riding bicycles  
22 on Manchester Road, therefore, the intent was to eliminate what traffic they could on Manchester Road.  
23 Mr. Haberman argued that children cut through the area on their way to the fleet or downtown. The  
24 challenge is equally difficult on either road.

25  
26 Ms. Miller hoped the project would attract families with children. She believed the adults in those  
27 families would drive carefully.

28  
29 Jean Burden worried about speeding traffic. She asked for clarification on how the homes will be owned  
30 or rented. Ms. Miller stated the goal is to make the homes affordable for year-round residents in  
31 perpetuity. There are affordability covenants on the homes, and eligibility criteria the buyers must meet.  
32 MD365 follows the criteria that Island Housing Trust uses. Residents will have a maximum income cap  
33 and will commit to the residence being their year-round primary residence. The residences cannot be  
34 used for renting out via a short-term rental arrangement. The covenants automatically renew every 30  
35 years unless determined otherwise by the homeowner's association.

36  
37 Mr. Hancock asserted that there is no overflow parking included on the plan. He asked for clarification.  
38 Mr. Johnston pointed out an area near the garage where the surface was pavers and not grass. This area  
39 would accommodate occasional overflow parking. Mr. Hancock asked if there would be maintenance  
40 fees like those associated with condominiums. Mr. Johnston reported the area will be managed by a  
41 homeowner's association. Homeowners will have more control of the area immediately around their  
42 homes, and the homeowner's association will contribute to upkeep in the general area. Upkeep is  
43 factored into the calculations regarding affordability.

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Tracey Aberman asked if homeowners purchasing the homes will be working in Northeast Harbor. Additionally, are the residences being built for MD365 employees? She asked what kind of taxpayer burden the project would cause for Mount Desert residents. Ms. Aberman opined that there should only be three residences built. She voiced concerns over the lot being clearcut, and a lack of sensitivity to neighbors. She asserted that MD365 owns other lots in higher-density areas in Town, and she believed those areas would not be resistant to higher-density projects.

Mr. Johnston stated the intent of the project was not to be MD365 employee housing. He did not know if MD365 employees would be excluded from applying. The property is on the tax rolls and the homeowners will be paying taxes. Ms. Aberman clarified that her question was what amount the Town's taxpayers would be paying to subsidize the project. Mr. Johnston stated that any public funding for a private project would have to be approved at the Town Meeting. There is no intention that the Town pay for upgrades.

Ms. Aberman asked why the project cannot consist of three houses and not six. Ms. Miller stated the need for housing is great. The ordinance allows for the housing planned. She noted the top three goals of the Town's Comprehensive Plan are to increase the year-round population, support Mount Desert's economic vibrancy, and provide more year-round workforce housing. MD365 is trying to put forth a project that meets those goals while abiding by Town ordinances. MD365 believes that Neighborhood Road, a block from the elementary school, is the right place to develop year-round housing.

Martha Dudman stated her support of the housing project. She felt it was a small but important step in restoring year-round housing to the village of Northeast Harbor. Year-round housing stock has been depleted in recent years. The number of investment short-term rentals has grown. Prices have increased making houses here unaffordable for people who work in Town.

Linda Jonas asked for an explanation of the term "Land Subdivision," as opposed to a "Subdivision." Mr. Johnston explained that the ordinance allows subdivisions via physically dividing up parcels of land, or via development. If, for example, three homes were built on a parcel of land within a five-year period, the subdivision law is triggered. If those homes were built on three divided parcels that also triggers the subdivision laws. This parcel, based on its size, could be divided into four lots and a duplex could be built on each lot, without taking advantage of the adjustment allowed for workforce housing. If this land were divided into various lots each of those lots would have their own driveway and residents would decide how to build. The type of subdivision planned controls where parking is, and how a single shared driveway enters the property.

Betsy Kelly stated that she supported MD365 and the idea of affordable housing. She asserted that MD365 is funded by a single wealthy benefactor. She challenged MD365 to create housing similar in excellence and beauty to the contributions other benefactors have made to the island. She worried this issue was creating an adversarial component between year-round residents and summer residents. The neighborhood in question has always been a mix and they have historically gotten along. She asked MD365 to provide the Town with their long-term strategic plan, including how much they intend to

1 invest, and over what period of time, and insight into their overall goal for the community. She asked  
2 why their long-term strategic plan has not been published.

3  
4 Ms. Miller stated that the properties MD365 have acquired have been clearly stated and are available  
5 for review on their website. They have been clear regarding what the possibilities are for developing  
6 those properties. There are four properties on Main Street and MD365 hosted a public event to talk  
7 about the possibility of creating 15 apartments, most of which would be rented out. There is a property  
8 on Summit Road, where two homes could be built. There is additional property on Neighborhood Road.  
9 MD365 has stopped acquiring properties, so they can focus on developing properties that they do own.  
10 The overall plan is to carefully and thoughtfully develop the properties they own. MD365 is still  
11 considering the appropriate amount of development for the area. The plan is to develop what properties  
12 MD365 has, and the map of what properties they own has been available to the public for some time.

13  
14 Donna Reis noted she is a year-round resident and neighbor of the project, living off Manchester Road.  
15 She attended the site visit today. Her questions were all answered to her satisfaction. She appreciated  
16 the effort MD365 is making and supports year-round affordable housing. She felt MD365 had been  
17 respectful of residents and has worked hard to ensure the project will be consistent and fit in with the  
18 rest of the neighborhood.

19  
20 Lincoln Millstein asked attendees about their earlier stated concerns regarding children and bicycle  
21 traffic. He did not receive a reply. He noted an attendee used the term "low-income." He asked for  
22 clarity on the term. Chair Hanley noted this meeting was a review of the sketch plan, and not a cross  
23 examination of meeting attendees. There has never been any history or precedent of such cross  
24 examination occurring at a Planning Board meeting. He requested discussion remain focused on the  
25 project at hand.

26  
27 Mr. Millstein asked Ms. Miller what her understanding was of the question regarding "low income"  
28 housing. Ms. Miller stated the project is focused on median income housing. There will be a maximum  
29 income cap consistent with Island Housing Trust, that cap being that family income is not more than  
30 160% of the State median income. The reverse of that is that people need to show they can afford to  
31 buy a house. They will have to show they have worked with a lender and can secure funding as part of  
32 the application process. Ms. Miller believed low-income housing is generally defined as 50% or below  
33 the median income. She believed that sometimes speakers use terms that are not accurate, without full  
34 understanding of what it is they are saying.

35  
36 Mr. Millstein asked Ms. Miller about a previous question regarding the safety of children on bicycles. He  
37 asked whether Ms. Miller was aware of year-round residents in that neighborhood with children riding  
38 bicycles. Ms. Miller could not conjecture about the thoughts of others when they ask questions. She  
39 walked the area prior to the meeting and passed the elementary school. She noted that across the street  
40 from the elementary school each day there are cars lined up on the road. The cars belong to the teachers  
41 and support staff for the school, and there is traffic on that road coming and going. However, Ms. Miller  
42 has never heard of an incident involving cars and pedestrians in that area. She believed people are aware  
43 that there are children around a school and drive accordingly. Nevertheless, she agreed with an earlier

1 statement that people generally drive too fast.

2

3 Ms. Hancock asked if the Applicant would be allowed to remove every tree on the lot in order to build  
4 the residences. Mr. Johnston stated there are trees slated to remain on site. They will include the apple  
5 trees in one corner of the property. The plan shows which trees will remain. Some of the trees slated  
6 to be removed are invasive species.

7

8 Ms. Hancock asked whether potential residents be required to have school-aged children. Further, she  
9 asked whether there was a noise ordinance that would be taken into account to prevent situations like  
10 blasting at 7AM.

11

12 Chair Hanley explained that the Town does not have an ordinance in place for noise or limiting  
13 construction time, although the issue has been raised many times. There are no plans for implementing  
14 such an ordinance via the Land Use Advisory Committee. Mr. Johnston added that there are rules  
15 regarding construction startup. Generally speaking, construction equipment does not start until  
16 approximately 8AM. The issue could be considered for more ways to manage it. Chair Hanley believed  
17 that, with regard to construction in the village, it is a human process. If there are concerns about start  
18 times or noise, most general contractors in the area will take it into consideration. Ms. Miller noted that  
19 construction start times have been included in contracts.

20

21 Andrew Kennedy asked about the profile of potential homebuyers. There is a cap limiting how much the  
22 homes can increase in value. He did not understand who would buy a home that can only moderately  
23 increase in value. Ms. Miller explained the homes are intended for home ownership. MD365 is following  
24 the guidelines used by Island Housing Trust. A maximum sale price will be set. At the time someone  
25 wants to sell their property, MD365 will review what the house was purchased for and how it has  
26 increased over time, relative to the median income for the state. This will set the sale price. She reported  
27 that Island Housing Trust has a waiting list for houses. This indicates there are people who want to buy  
28 these houses. Mr. Kennedy asked how long people tend to stay in the houses. Ms. Miller confirmed  
29 that people usually stay in the homes for years. She noted Island Housing Trust's development in Seal  
30 Harbor began building in the 1990's. So far, only one home of the dozen has changed hands.

31

32 Steve Anastasia reported that he has a home in the Island Housing Trust subdivision in Somesville. He is  
33 an example of what the residents in workforce housing look like. He works for the park service. He is a  
34 board member of the Somesville library. He has two kids who attended Mount Desert Elementary School  
35 and are now at MDI High School. The house is a long-term residence. The benefit to him when he  
36 purchased the house was that he could afford to live on Mount Desert Island and be part of the  
37 community. A sense of community is not a gain that can be measured by dollars. It is measured by a  
38 quality of life that can be very hard to find in other places. His house was valued at \$210,000.00 at the  
39 time he purchased it. Changes in a number of factors have increased the value of his home by slightly  
40 over \$100,000.00. Value in affordable housing does not remain stagnant, even though it is not an  
41 investment to be used as a retirement plan.

42

43 College of the Atlantic President Darren Collins believed that COA faculty or staff could be potential

1 residents of these residences. He confirmed the difficulty in finding housing for new COA faculty and  
2 staff. He could envision a newly hired PhD faculty member with a family becoming part of the  
3 community.

4  
5 Laura Foulke stated she has a home across the road from the project, on Manchester Road. She asked  
6 about noise and about the lighting to be used for the subdivision, and also about the profile of the  
7 residents who may be living there, and how long it is estimated they will stay. She believed it would be  
8 preferable to have long-term residents who are invested in the community. What are the criteria for  
9 how residents will be chosen?

10  
11 Mr. Johnston explained the lighting will be downward only and fully shielded lighting on the residences  
12 and no floodlighting over parking areas. There would be no direct visibility to the lightbulbs. Chair  
13 Hanley added that the Land Use Zoning Ordinance has a very specific lighting ordinance.

14  
15 Ms. Miller reported that it is the hope that the people buying these homes will want to stay. She  
16 reiterated that there are criteria for when the home is purchased. Criteria is income based, it must be  
17 the resident's primary year-round residence, residents cannot rent the home out, and residents must  
18 abide by the housing covenants which include resale covenants. Resale covenants are that when the  
19 house is sold, it will be sold to someone who also fits this eligibility criteria. With regard to selection of  
20 residents, the plan is to set a date for when applications will be accepted, and publicize the housing  
21 availability, providing enough time that potential housing applicants can meet with their financial  
22 services to secure funding, and then it will be on a first-come, first-served basis.

23  
24 Ms. Foulke asked whether six units will meet the need. Ms. Miller stated six units do not meet the need.  
25 She reiterated that MD365 has other properties. Once this project is complete, they will begin to focus  
26 on the next housing project. She noted that beyond the need for housing ownership, there is a possibly  
27 greater need for year-round apartment or home rentals. All MD365 projects are intended to be for year-  
28 round living.

29  
30 Joseph Ryerson asked about the buffer strip. Ms. Miller explained the buffer strip is a combination of  
31 greenery, trees, and plantings, along with a fence. The fence along the driveway will be replaced and  
32 extended. Vegetation will provide buffering and screening along the Neighborhood Road and along the  
33 back. Mr. Ryerson argued the plantings shown on the sketch cannot be considered a buffer. He asked  
34 about what appeared to be a pull-in on the south end with an eight-foot gate. Ms. Miller explained the  
35 gate was for people on the property to use as an exit or entrance to their property. It is for pedestrian  
36 traffic only. Mr. Johnston added that the Right of Way there provides residents the right to access their  
37 property. The fee ownership of that Right of Way is attached to the house already existing on the  
38 property. Mr. Ryerson pointed out that the eight-foot gate is wide for pedestrian traffic. Ms. Miller  
39 noted this is the sketch plan review, and the eight-foot gate can be reviewed prior to the final application.

40  
41 Mr. Ryerson asked whether a person living in the subdivision would be evicted if they lost their job. Ms.  
42 Miller stated that the homeowner, like any other homeowner, would likely have a mortgage with their  
43 bank, and should they lose their job, they would work their finances out with their bank. These

1 subdivision residents will be homeowners and can stay in their home as long as they wish to and can  
2 afford to. Mr. Ryerson asked whether they would be able to stay once they retire. Ms. Miller reported  
3 that homeowners would not be expected to leave upon their retirement. Mr. Ryerson argued the houses  
4 would then eventually become retirement homes, and no longer workforce housing. Ms. Randolph  
5 reiterated that the people living in this subdivision will purchase the home and will own it. They could  
6 not be expelled from a house they own. Mr. Ryerson asked what length constituted “year-round.” Ms.  
7 Miller noted year-round means eleven months. Mr. Ryerson asked about someone who does not stay  
8 in the home year-round. Ms. Miller explained that they would be breaking covenants they agreed to  
9 and therefore would not be eligible to stay. In such a case, the owner would have to sell, and MD365  
10 would have a right of first refusal, or work with the owner to ensure someone eligible with regard to the  
11 criteria can be found to buy the home. Mr. Ryerson asked to see the covenants. Ms. Miller noted the  
12 covenants are not a part of this process and not part of the discussion. Mr. Ryerson asked whether the  
13 subdivision would be limited only to people working in Northeast Harbor. Ms. Miller stated the goal was  
14 to bring back to Northeast Harbor a more robust year-round population. There will be no requirement  
15 included that the people living there must work in Northeast Harbor.

16  
17 Ms. Randolph noted that Island Housing Trust requires their housing residents to work on Mount Desert  
18 Island. Ms. Miller agreed. MD365 has not yet committed to such a requirement. There are issues to  
19 consider. For example, many people work from their home now. It is not clear whether that can be  
20 considered as working on Mount Desert Island. She noted that her own experience was that while she  
21 herself worked off-island for years, her children attended Mount Desert Island schools, and she was  
22 involved in island organizations.

23  
24 Chair Hanley reminded those in attendance that the subdivision review process is a multi-step review  
25 process, including discussions on completeness and compliance and another public hearing.

26  
27 Ms. Burden stated that with regard to the density and lack of trees, her own property has five buildings  
28 on under four acres and there are still many trees. If trees must be removed for construction, they can  
29 be replaced. Ms. Burden has lived in places with density that still retained a nice ambience, and it can  
30 be achieved.

31  
32 Mr. Millstein noted the Planning Board has tolerated questions regarding the type of applicants that  
33 might occupy this housing. Attendees have asked about the “profile” of potential property owners. He  
34 asked if this indicated the Planning Board’s intent to quality and profile applicants. Would such a  
35 qualification be part of the application consideration? It was noted that an attendee brought up the  
36 question of a resident who might be unable to pay their bills. He felt such a question was a bank’s job  
37 to address.

38  
39 Ms. Miller did not believe that the Planning Board had such authority. In MD365’s research into housing  
40 models in other areas of the country they learned that some communities do have a scoring mechanism  
41 for applicants, including giving a higher score to an applicant for the type of role they play in the  
42 community. Rather than picking and choosing, MD365’s intent is to make the offer of housing as widely  
43 publicized as possible, give people the time necessary to prepare their application, and take a first-come,

1 first-served approach when people are confirmed eligible with regard to the criteria of meeting the  
2 income caps, agreeing with the covenants and their ability to finance the purchase. It is a small number  
3 of eligibility criteria, and it applies only to when the home is purchased. Once purchased, the only way  
4 someone would be removed from the subdivision is if they are not abiding by the covenants they agreed  
5 to.

6  
7 With regard to profiling applicants, Chair Hanley stated the Planning Board is required to review a very  
8 specific checklist for approval of the subdivision. Considering potential residents is not a part of that  
9 checklist.

10  
11 Ms. Randolph believed that the Planning Board's job is, in large part, to build communities. Public  
12 Hearings allow residents to come together for conversation about a project and its potential effect on  
13 the community. The Planning Board is listening to people's concerns about what MD365 is doing and  
14 providing the opportunity for anyone in the community to weigh in with their concerns and questions  
15 whatever those concerns and questions may be, and to create a plan that is fair and satisfies everyone  
16 to the extent possible. Ms. Randolph felt that toward that end it was worth the time to allow people to  
17 share their questions and concerns.

18  
19 Sam McGee voiced his support for the project. It was a small step toward creating more year-round  
20 housing for Northeast Harbor and the Town of Mount Desert and also Mount Desert Island. He knew it  
21 would take more than this project to ameliorate the issue of shrinking year-round housing options. He  
22 was unsure his children would be able to afford to live in the community they had grown up in. The  
23 viability of continuity of the community and the generations of people that might want to live in the  
24 community is at risk. Mr. McGee stated that he supported the project, but even if there were some  
25 aspects of the project he did not support, he felt the rule of law needed to be respected. There is a Town  
26 building code. Private property owners have the right to do as they see fit with their property, within  
27 reason, and as long as it is legal.

28  
29 Friends of Acadia President and CEO Eric Stiles shared that Friends of Acadia is working with MD365 and  
30 Island Housing Trust. They submitted a letter recognizing housing as a fundamental challenge faced by  
31 a number of employers, including Jackson Laboratory, MDI Hospital, Birch Bay Village, Friends of Acadia,  
32 College of the Atlantic, Land and Garden Preserve and others. It was his belief that MD365 is a high  
33 caliber organization with great integrity. The issue of housing is an urgent matter, not just for Mount  
34 Desert, but for the entire island community.

35  
36 Chair Hanley noted that buildings have finite lives. It is not the Planning Board's purview to regulate  
37 aesthetics, but in pairing with the organization's mission of sustainability, he wondered if consideration  
38 had been given to the type of structure needed to meet the goal of a longer lifespan. Ms. Miller reported  
39 it took time to find the right type of house. They worked with a company for houses on Summit Road  
40 that were intended to be affordable simple solid construction. The prices they received for these  
41 buildings, in 2018, were \$400,000 and \$500,000 per house, making the project untenable for the market  
42 they are looking at. It was at that time they decided to go with modular homes. They found a company  
43 in New England with a good design aesthetic for the community and they are a good company with good

1 reviews. Ms. Miller visited the factory. The company pays attention to energy efficiency and energy  
2 use. They use the same materials and adhere to the same building codes we use here. Because they  
3 ship homes over distances, they must be well built to withstand the travel. Additionally, MD365 will  
4 work with a local builder to put the homes together once they are ordered and arrive. They have trust  
5 in the contractor they will use on this end to ensure that the buildings are in the right order. Many of  
6 the materials used are used in stick-built houses. As with any house, it will have to be properly  
7 maintained throughout its life. Additionally, Ms. Miller noted she has received advice from those in the  
8 construction industry recommending they have buildings built somewhere else because it is prohibitively  
9 expensive otherwise.

10  
11 Chair Hanley asked the Planning Board members if they had any questions for the Applicant. There were  
12 none.

13  
14 Ms. Kelly asked Ms. Miller to share the name of the company MD365 intends to use. Ms. Miller noted  
15 that MD365 has not entered into any contracts for the homes. She preferred not to share the name at  
16 this time.

17  
18 Mr. Ryerson asked about Mr. Anastasia's earlier comments with regard to the worth of his home. Ms.  
19 Randolph explained that the value of affordable housing is allowed to increase at the rate of an  
20 individual's income. Additionally, he has made additions to his home. Chair Hanley noted it was likely a  
21 question for the Island Housing Trust. Mr. Anastasia was no longer in attendance at the meeting.

22  
23 Ms. Hancock stated that some off-the-record conversations in the Zoom chat function seemed to be  
24 making the issue a summer residents versus year-round residents. She hoped it would not be reduced  
25 to that.

26  
27 Mr. Millstein noted a considerable amount of the meeting seemed to be questions about the profiles  
28 and quality of the people that may be living in the subdivision. He reiterated that such an issue is not  
29 the purview of the Planning Board.

30  
31 Chair Hanley reported the Applicant will return to the Planning Board for a completeness review. And a  
32 review would be made of the entire Subdivision checklist at that time. The Planning Board may require  
33 additional information from the Applicant at that time.

34  
35 Ms. Miller asked if the Planning Board felt they would need to see the homeowner covenant information  
36 or the eligibility criteria for the completeness review. Chair Hanley noted the only information required  
37 is what is required by the Land Use Ordinance. He referred her to that for review.

38  
39 **V. Other**

40 There was no Other Business.

41  
42 **VI. Adjournment**

43 MR. ASHMORE MOVED, WITH MS. RANDOLPH SECONDING TO ADJOURN.

- 1 VOTE:
- 2 DAVID ASHMORE: AYE
- 3 MEREDITH RANDOLPH: AYE
- 4 TRACY LOFTUS KELLER: AYE
- 5 CHAIR WILLIAM HANLEY: AYE
- 6 MOTION APPROVED 4-0.
- 7
- 8 The Meeting adjourned at 9:00PM
- 9