

Plum Creek proposes affordable housing

By [Anne Ravana](#)

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AUGUSTA, Maine — Affordable housing for future employees of Plum Creek's development in the Moosehead Lake region was the topic of discussion at a daylong hearing before the Land Use Regulatory Commission on Thursday.

Seattle-based Plum Creek proposes to rezone about 20,000 acres in the Moosehead Lake region to create, in part, 975 house lots and two large resorts. Plum Creek plans to donate 100 acres for the construction of affordable housing units for its employees and other area residents.

Regardless of whether the plan is approved by the commission, 25 acres will be donated for affordable housing construction in Greenville and Jackman, according to Luke Muzzy, Plum Creek Timber Co.'s senior land asset manager.

Plum Creek has entered into an agreement with Coastal Enterprises Inc., a Wiscasset-based economic development agency, to provide land and loans for affordable housing.

"We would want to see a third of the units sold to people earning 80 percent or below the area median income," Michael Finnegan, senior loan and investment officer at CEI, said during an afternoon cross-examination before LURC. A panel Finnegan was on was questioned by intervenors, or legally recognized parties, in the case.

On the 100 acres of donated land, between 60 and 90 housing units — perhaps in the form of linked townhouses — would be constructed initially, Finnegan said.

"We'll continue to build to the demand that begins to present itself," he said.

A report written by Eastern Maine Development Corp. and commissioned by Plum Creek estimates "160 affordable housing units will ultimately be needed because of the new jobs that the ... development will bring."

The report also notes that "permanent affordability measures are needed to address the tendency for tourism to inflate housing costs."

"You have to not make a place like Jackson Hole [a high-end resort community in Wyoming], where a starting house is \$500,000," Finnegan said.

An affordable house for someone earning 80 percent of the area's median income would cost less than \$110,000, according to Dale McCormick, director of the Maine State Housing Authority. McCormick sat on the panel alongside Muzzy and Finnegan.

Deed covenants would be put in place to keep housing affordable far into the future, according to Finnegan. Such covenants set income limits on future buyers of the property.

Ideally, affordable housing would be within walking distance to the downtown areas of Greenville and Rockwood, Muzzy said.

Many of the details of Plum Creek's plans for affordable housing remain unclear, such as how much housing would be available to employees and how much to other area residents, the location of the units, the total number of employees expected to work at the development, and where those employees will come from.

Employees would likely be offered a mix of houses for sale and dormitory rooms for rent, Finnegan said.

"There's one other big policy question here that lurks, and that is what kind of affordable housing is built may drive the kind of labor, the kind of jobs, the kind of people that take the jobs," McCormick said.

"If you want local people in Maine to take these jobs, you might want to build houses," she continued. "If the type of labor that is targeted is foreign labor, H2B Visa labor, then dormitory housing might be better."

Hearings before LURC continue today and next week at the St. Paul Center in Augusta. These hearings allow intervenors to testify and cross-examine each other. The general public is welcome to attend but is generally not allowed to participate.

There will be another opportunity for public comment on Saturday, Dec. 15, at the Holiday Inn By the Bay in Portland and Sunday, Dec. 16, at the Greenville High School auditorium.