

Development of old Bath Y site brings two proposals that could add housing downtown

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By Chris Chase

BATH — A long-vacant property owned by the city at 26 Summer Street could be empty no longer, and the city council gets to decide between two proposals competing for the space.

The property was the site of the old YMCA and is adjacent to the Moses Block on the corner of Front and Summer streets. With frontage to both Summer and Elm streets, the location is ideal for a number of uses and is within walking distance to many amenities.

The two proposals are similar in size and appearance, but present two different options for the space. One proposal, by the Szanton Company, who redeveloped the John E. L. Huse School, and Bath Housing Authority, would put between 42 and 49 mixed-income apartments on the property.

The other proposal, made by the NewHeight Group, would create between 20 and 30 residential condominiums placed above commercial use fronting Summer Street. On the bottom floor, the building would have on-site structured parking.

One of the biggest current differences between the two proposals is affordability. The Szanton Company's proposal would create mixed-income housing, similar to the model used at the Huse School. Roughly 75 percent of the apartments would be priced based on the income of the occupant.



Conceptual rendering courtesy of Archetype Architects

The proposal by the Szanton Company could consist of mixed-income apartments. *Courtesy photo*

“There are so many people throughout the economy who make in the 20s and 30s who would be eligible for our income restricted units, I could go on and on naming occupations in that range,” said Nathan Szanton, principal of the Szanton Company. “Nurses aids, childcare worker, people working in a nonprofit, retail clerks, etc.”

In contrast, New Height’s proposal is 20 to 30 condominiums that would start in the “mid \$200,000” range and go up to the \$400,000 range. The majority would be priced on the low end. Using the average home-loan interest rate in Maine of 3.68 percent, the mortgage for a \$250,000 condo would be \$1,148 a month. The more expensive units would cost up to \$1,827 a month.



The proposal by the NewHeight Group could include commercial space and parking. This rendering shows what the building could look like. *Courtesy of Ryan Senatore Architecture*

The NewHeight Group's initial proposals included Community Housing of Maine, an organization that develops affordable housing. However, the formal proposal to City Council did not.

Erin Cooperrider, development director for CHOM, said their inclusion was intended to make the development proposal as flexible as possible.

"Those two organizations do two different things," she said. CHOM typically does rental market for low to moderate incomes, while NewHeight aims for higher-end condominiums. "The reason for the joint venture was to be able to deliver one or the other or a mixture of the two products."

"We didn't know, coming into it, what the market really needed. That's what we're working on right now. We have a good understanding of the supply, and the demand," said Cooperrider.

Another thing that NewHeights's proposal would offer is a retail space and parking. Current ideas for a retail/commercial space include some sort of entertainment-based business. At the initial presentation to Bath City Councilors, the idea of something similar to Bayside Bowl in Portland was floated.

For Deb Keller, executive director of Bath Housing, the housing in highest demand is largely a known factor. She said the need for lower priced housing in Bath is greater than its ever been. "We're a partner in the Szanton Company proposal for a reason, and that is because of our desire to keep Bath as a community where people of all income levels can thrive, which means the need for a mix of housing options."

A study in 2014 by Bath Housing found that the need for adequate affordable housing has grown. Roughly 1 in 8 homeowners "live in housing with at least one 'severe problem,'" such as overcrowding, paying over half of their

income to cover housing costs, or a lack of kitchen or plumbing facilities. One-fifth of all renters in Bath pay over 50 percent of household income towards rent.

Given the two proposals, someone making \$28,600 would pay over 60 percent of their take-home income on a mortgage for the cheapest offerings by Community Housing of Maine's initial proposal.

The report also found that there's a diminishing supply of rental properties in Bath. An aging housing stock, lack of new development, and economic growth in areas like Brunswick Landing has created an increasingly tight rental market, driving prices up and pushing those making below median income out.

Keller said she points to the "Kings Arm" scenario as evidence of the increase in rental costs in Bath. Kings Arms, she said, was purchased by a developer. What was once market-rate property, rented in modest ranges, is now increased in price. "A one-bedroom at Kings Arms is going for \$1,200."

Searching for housing in the Bath area shows there's slim pickings for those looking for a rental that's under \$1,000 a month. Craigslist only contained 11 postings for properties under \$1,000 on June 16. A number of those are for the aforementioned Huse School development, and some are for the Washington House – which houses "Section 8" residents.

Szanton said the demand is obvious when examining the success of the Huse School project. While the project isn't even finished yet, 36 of the 59 apartments are spoken for. Most of them don't even resemble what they'll look like as a finished project yet.

"It's still under construction. But we've been leasing it very successfully, even while it's under construction, which is not easy to do," he said. He projects that the project will have 100 percent occupancy either before it officially opens July 17 or soon after, when typically it takes six or nine months. "To us, that speaks to the depths of pent-up demand to this type of housing."

Keller said she hopes Bath can find a way to provide a mix of housing that keeps the blend of people that Bath has always had. "Our hope is that the City recognizes this and commits to investing in this mix so we can keep people who so dearly love Bath here."

Bath's Director of Economic Development Scott LaFlamme said City Council will likely look at both proposals on Aug. 2. Council has to decide what makes the best sense for the site in question.

More contrasts than just the affordability of the housing are present. The Szanton Company's proposal does not include on-site parking, something that may be a concern, but offers a parking arrangement using existing city parking.

NewHeight's proposal includes parking, and additional commercial space. Regardless of which developer the council chooses, the city will benefit, he said.

"These are two great projects by well established developers. The council has to decide what makes the most sense for this particular site. There are not a lot of developable spots downtown."

For more information about the two proposals, visit cityofbath.com.

UPDATE: This article was updated June 26 to clarify that the NewHeight Group, not Community Housing of Maine, made the second proposal.

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