

**Town of Kennebunkport
Board of Selectmen/Assessors Meeting
Village Fire Station-32 North Street
March 9, 2017 – 6:00 PM**

Minutes of the Selectmen Meeting of March 9, 2017

Selectmen present: Patrick A. Briggs, Allen A. Daggett, Edward W. Hutchins, and Sheila Matthews-Bull

Selectmen absent: Stuart E. Barwise

Others present: Ted Baker, Judy Barrett, Barbara Barwise, Dan Beard, Susan Boak, Adam Burnett, Michael Claus, Robin Comstock, Carol Cook, Michael Davis, Doug Dicey, Richard Driver, Joe Frank, Werner Gilliam, David James, Jenne James, Bill Leffler, Kathryn Leffler, Jennifer Lord, Leo Martin, Lee McCurdy, Mary Loreta McDonnell, Arlene McMurray, Dawn Morse, Tracey O’Roak, Jill Page, Bob Pappas, Rick Patton, Michelle Powell, Craig Sanford, Dan Saunders, Dick Stedman, Bob Sherman, Dennis Thayer, Laurie Smith and others

1. Call to Order.

Vice-Chair Patrick Briggs called the meeting to order at 6:02 PM.

Budget Board Chair Leo Martin called the Budget Board to order.

2. Joint meeting with Budget Board for fiscal year 2018 municipal budget presentation and discussion of department capital requests.

Chair Leo Martin adjourned the Budget Board meeting at 6:02 PM

a. Presentation, by Robin Comstock, of the Workforce Housing Charrette Report.

Robin Comstock and Rick Patton presented the Workforce Housing Charrette Report and Town Manager Laurie Smith gave the census statistics.

See Exhibit A for presentation.

3. Approve the March 2, 2017, selectmen meeting minutes.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the March 2, 2017, selectmen meeting minutes. **Vote:** 4-0.

4. Public Forum (This is an opportunity for anyone who wants to address the Board of Selectmen with any issue that is not on the agenda.).

There were no comments.

5. Consider a renewal liquor license application submitted by Robert and Stephanie Fischer, DBA Mabels Lobster Claw Restaurant, 124 Ocean Avenue.

Vice-Chair Briggs announced that the following liquor licenses and special amusement permit applications were reviewed and approved by the police chief, fire inspector, and code enforcement officer.

Motion by Selectman Hutchins, seconded by Selectman Daggett, to approve the renewal liquor license application submitted by Robert and Stephanie Fischer, DBA Mabels Lobster Claw Restaurant, 124 Ocean Avenue. **Vote:** 4-0.

6. Consider a renewal liquor license application submitted by SBJC, LLC, DBA Bandaloop, 2 Ocean Avenue.

Motion by Selectman Hutchins, seconded by Selectman Daggett, to approve the renewal liquor license application submitted by SBJC, LLC, DBA Bandaloop, 2 Ocean Avenue.

Vote: 4-0.

7. Consider a renewal special amusement permit application submitted by W. Scott Lee for SBJC, LLC, DBA Bandaloop, 2 Ocean Avenue.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the renewal special amusement permit application submitted by W. Scott Lee for SBJC, LLC, DBA Bandaloop, 2 Ocean Avenue. **Vote:** 4-0.

8. Consider a renewal liquor license application submitted by RL Restaurants, LLC, DBA Salt and Honey, 24 Ocean Avenue.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the renewal liquor license application submitted by RL Restaurants, LLC, DBA Salt and Honey, 24 Ocean Avenue. **Vote:** 4-0.

9. Consider a renewal liquor license for The Ramp Grill, LLC, DBA Pier 77 Restaurant, 77 Pier Road.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the a renewal liquor license for The Ramp Grill, LLC, DBA Pier 77 Restaurant, 77 Pier Road. **Vote:** 4-0.

10. Consider a renewal liquor license application submitted by Coastal Breezes, Inc., DBA The Kennebunkport Inn, 1 Dock Square.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the renewal liquor license application submitted by Coastal Breezes, Inc.,

DBA The Kennebunkport Inn, 1 Dock Square. **Vote:** 4-0.

11. Consider a special amusement permit for Coastal Breezes, Inc., DBA The Kennebunkport Inn, 1 Dock Square.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the special amusement permit for Coastal Breezes, Inc., DBA The Kennebunkport Inn, 1 Dock Square. **Vote:** 4-0.

12. Review proposed ordinance revisions for Town Meeting Warrant.

- a. Shellfish Ordinance**
- b. Lock Box Ordinance**

Town Clerk Tracey O'Roak said the Town Attorney reviewed everything and approved all of the language to the proposed ordinances.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the proposed ordinance revisions for the Town Meeting Warrant. **Vote:** 4-0.

13. Sarah Lachance of the Conservation Commission to explain solar pv results.

Solar panels were installed at the Village Fire Station approximately six months ago, and Sarah Lachance presented the statistics on how they were working. So far, 3,287 kw were used since its installation. She said she read the kw production from the inverter and compared it with the CMP bills and found an expected drop in electrical usage for the first several months after installation of the solar system, and then an increase in electrical usage. She needed to find out whether this increase was from the rise in the use of the solar charging station or from the installation of new equipment in the building. She found out that the new heat pumps in the meeting room for air conditioning and heating were installed. She said the heat pumps used a lot of electricity and skewed the data because there was an upswing of electrical usage when these pumps were on. She stated it would be nice to have a log book by the charging station to see how much it is used. Her bottom line is that the solar panels are working as expected.

14. Consider appointments to the Conservation Commission.

Four applicants applied for membership on the Conservation Commission: Jenne James, Benjamin Senning, Joe Frank, and Gillet "Jill" Page.

Motion by Selectman Hutchins, seconded by Selectman Daggett, to appoint to the Conservation Commission: Jenne James to a term expiring in July 2019; Benjamin Senning to a term expiring in July 2017; Joe Frank to term expiring in July 2018; and Gillet "Jill" Page to a term expiring in July 2018. **Vote:** 4-0.

15. Consider appointments to the Ad Hoc Senior Advisory Committee.

Motion by Selectman Hutchins, seconded by Selectman Daggett, to appoint to the Ad Hoc Senior Advisory Committee: Dennis Thayer, Mary Loreta McDonnell, Dean Auriemma, William Leffler, Susan Gesing, Susan Boak, and Penelope Gruen for a term expiring January 31, 2018. **Vote:** 4-0.

16. Consider request from the Goose Rocks Beach Advisory Committee to ask the State to lower the seasonal speed limit of New Biddeford Road to 20 mph in the area between King's Highway and the bridge.

Chair of the GRB Advisory Committee Richard Driver said the Committee recommended reducing the speed to 20 mph in the section of New Biddeford Road that has a 25 mph speed limit from Memorial Day to Labor Day. This request is due to the narrowness of the road and bike riders and pedestrian traffic in the summer. After discussion, he added that it would be best to reduce the speed from the bridges on Dyke Road and New Biddeford Road.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to leave it up to the Police Chief's discretion of where to reduce the speed to 20 mph from the bridges on Dyke Road and New Biddeford Road. **Vote:** 4-0.

17. Accept a \$150 donation from United Way of York County to the emergency fuel program.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to accept a \$150 donation from United Way of York County to the emergency fuel program. **Vote:** 4-0.

18. Accept a \$50 donation to the Conservation Commission in honor of Elizabeth "Pixie" Lown.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to accept a \$50 donation from Ingrid and Martin Michaelis to the Conservation Commission. **Vote:** 4-0.

19. Meet as Assessors to consider tax abatement.

Property Owner	Location	Map	Blk	Lot(s)	Tax Abatements 2017
Tracy Ramsey	207 Kings Highway, Unit 1	34	1	20A	Denied

Ms. Smith announced that the assessing department received an appraisal today and would like to postpone this item for now.

20. Authorize the Town Manager to apply for a State of Maine Harbor Management Access Grant for a \$20,000 project to include a gangway and float for public access.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to authorize the Town Manager to apply for a State of Maine Harbor Management Access Grant for a \$20,000 project to include a gangway and float for public access. **Vote:** 4-0.

21. Other business.

Ms. Smith mentioned that the police department will have two employees on medical leave. She asked for authorization to use surplus funds to pay the overtime for the officers who will be covering for the two on medical leave.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to authorize the Town Manager to use the police reimbursement funds to cover expenditures for when two police officers are on medical leave. **Vote:** 4-0.

Ms. Smith reminded everyone that taxes are due tomorrow. She also announced that residents who get a homestead exemption should have received a letter in the mail, requesting they file a new application. The deadline is April 1. She said they received six new homestead exemption applications so far.

22. Approve the March 9, 2017, Treasurer's Warrant.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to approve the March 9, 2017, Treasurer's Warrant. **Vote:** 4-0.

23. Adjournment.

Motion by Selectman Hutchins, seconded by Selectman Matthews-Bull, to adjourn. **Vote:** 4-0.

The meeting adjourned at 8:10 PM.

Submitted by

Arlene McMurray
Administrative Assistant

March 9, 2017 – Exhibit A



Kennebunk Savings

Workforce Housing Design Charrette Kennebunkport, Maine

Brought to you by the Workforce Housing Coalition of the Greater Seacoast

September, 27th & 29th, 2016

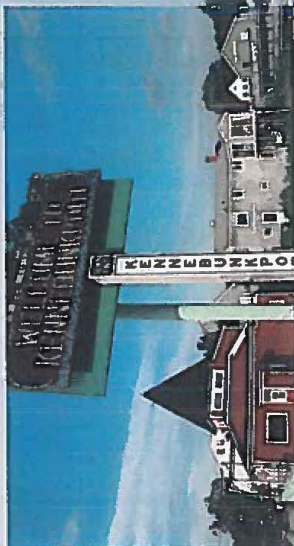




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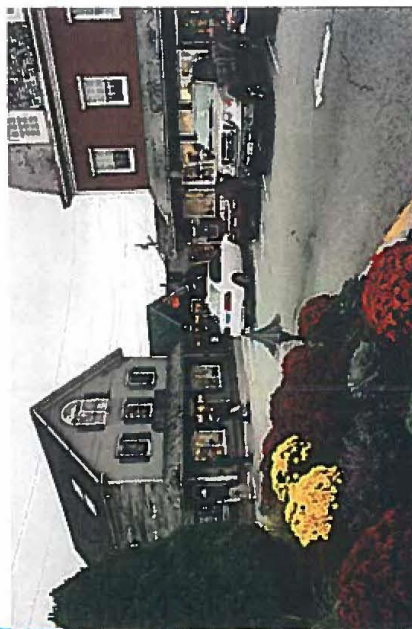
Kennebunkport Community Information

Kennebunkport is a town located in York County, Maine. The population was 3,474 people at the 2010 census. The town center, the area in and around Dock Square, is located along the Kennebunk River, approximately 1 mile from the mouth of the river on the Atlantic Ocean. Historically a shipbuilding and fishing village, for well over a century the town has been a popular summer and seaside tourist destination. The Dock Square area has a district of souvenir shops, art galleries, seafood restaurants, and bed and breakfasts. Cape Porpoise, while retaining its identity as a fishing harbor, has a very small village area with several restaurants, a church, grocery store, coffee shop, small library, and art gallery. Kennebunkport has a reputation as a summer haven for the upper class and is one of the wealthiest communities in the state of Maine.



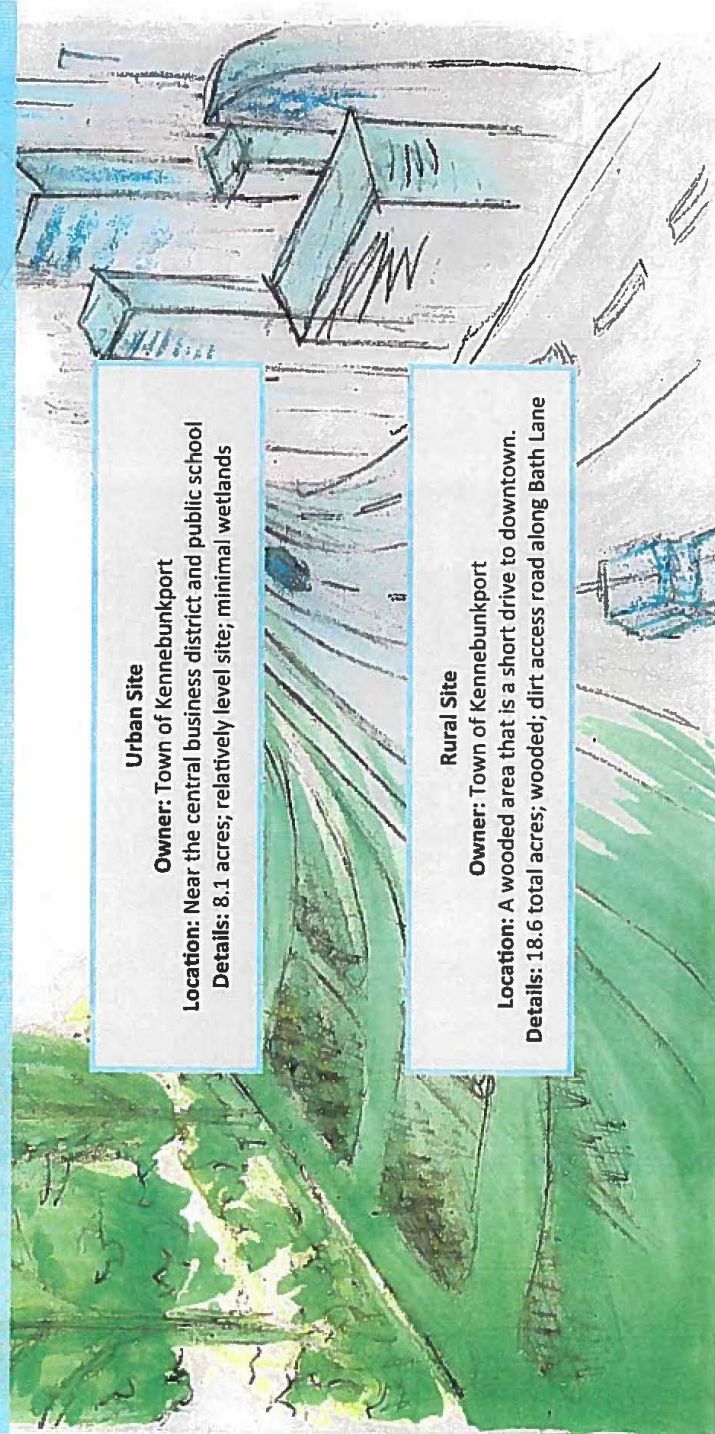
Community Context

The median household income in 2015 was approximately \$74,167 and the median home price was \$509,330. Kennebunkport reported in 2015 that 66.4% of households earned annual incomes below the level needed to afford the median home price in the town. This indicates that for nearly 66.4% of residents, the available housing is unaffordable, which puts financial pressure on these households by requiring them to spend a higher percentage of their income on housing.



Overview of Site Location and Existing Conditions

The focus areas for study are two generic and conceptual areas that are examples of a rural and urban sites that are beautiful parcels located near services, municipal offices, recreational fields, potential future job opportunities, and are well connected to abutting residential neighborhoods. The two sites are also close to a municipal trail connection and has nearby sidewalks that lead to other neighborhoods, a school, and the downtown village.



Urban Site

Owner: Town of Kennebunkport

Location: Near the central business district and public school
Details: 8.1 acres; relatively level site; minimal wetlands

Rural Site

Owner: Town of Kennebunkport

Location: A wooded area that is a short drive to downtown.
Details: 18.6 total acres; wooded; dirt access road along Bath Lane

Site Walk Observations September 27th 3:30 - 4:30 pm

Interested participants from the charrette team along with numerous members of the community, met at two site parcels owned by the town that served as example sites with elements of an urban and rural development.

Executive Director of the Workforce Housing Coalition, Robin Comstock talked about the WHC and the charrette program. She introduced the Design Team Lead, Rip Patten who discussed the purpose of the site visit. Kennebunkport Director of Planning and Development, Werner Gilliam, discussed local zoning conditions. Over 25 people participated, including a sizable number of residents.

Two site parcels were visited, one on School Street for "Urban" and a second on Old Cape Road for "Rural."

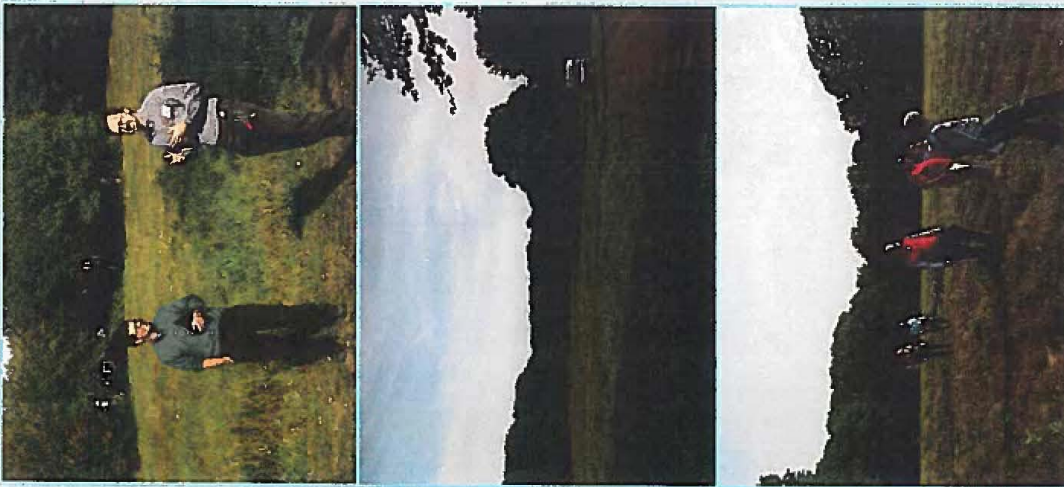


Rural Site

Old Cape Road parcels is a group of parcels consisting of land that has been tax acquired by the town. The land area is approximately 18.7 acres with about 3.25 acres of identified wetlands. The properties have an existing right of way that abuts Old Cape Road. Public utilities are not in close proximity, creating the need for this property to be serviced by septic systems and wells.

The property is heavily wooded, having been burned out in 1947 for regrowth. The rear of the property is bordered by an abandoned trolley line that once served the towns neighborhoods; now used by hikers and bicyclists. The site visit did not include a walk of the site owing to the density and the wetlands, but it was reported to be somewhat ledgey in places as well as wet in others.

This location will serve as an example to base the development of a "Rural" concept.



Urban Site

This parcel was purchased by the Town of Kennebunkport in 2013, with the intention of providing for the possibility of waste water treatment for passive recreational uses. Selectmen at the time recognized the value and uniqueness of the property due to its close proximity to the school with its educational and recreational features and to the town's wastewater treatment plant. It was noted during the site walk that the school age population is in decline and that the cost of housing in Kennebunkport is so prohibitive that the Town might force the exclusion of the next generation of local residents.

The site is a good example of qualities and consideration of elements of an "Urban" site concept, because it is within walking distance of the downtown and has access to both town sewer and town water. The total parcel size is about 8.1 acres. The site itself is handsome with a sloping meadow of mixed vegetation including cranberries, poison ivy and other plants. The land is bordered by tall, stately oak and sugar maple trees. A few houses are visible beyond the surrounding tree line but they do not intrude on the tranquility of the site.

The property is zoned as a Village Residential District; intended for single-family homes and duplexes. Some businesses exist in such zones but these are largely as non-conforming uses. Minimum lot size in this zone is 40,000sqft although duplexes could be built on 20,000sqft. There is a 35ft height restriction in this zone. No minimum dwelling size is dictated but duplexes are limited to 650sqft minimum. There is no minimum size for single family homes.

Public Listening Session September 27th 6:00 – 8:00pm

An enthusiastic crowd of approximately 100 people turned out for the public listening session. The Workforce Housing Coalition's Executive Director Robin Comstock welcomed everyone and provided an overview of the mission, and strategies of the Coalition. She pointed out that the task of the charrette is conceptual. She explained who workforce housing is for: teachers, firefighters, police, young professionals, etc. She explained how the charrette would roll out over the next two days and then introduced the staff and volunteers who will be working on the Kennebunkport charrette on Thursday.

History

Local historian Barbara Barwise and Chamber of Commerce representative Alaina LeBlanc-Tridente offered an informative presentation summarizing the history of Kennebunkport from 1603. Covered in the presentation was the origins of the Town and its history through 2016, the Town's municipal office site, the local shipbuilding boom, and the Town's growth as seen in the establishment of its thirteen schools by 1860. The presentation also covered Kennebunkport's economic history, its attraction to "rusticators," famous individuals and families — not the least of which is that of former President George H.W. Bush.

The presentation reviewed the Town's current demographics, including a discussion of the current population (3,981 people with a median age of 51.8 years), labor force participation rate (42.2% are not in the labor force) and occupancy status (40.5% of all units are seasonal units unoccupied for most of the year). There are 1,737 residential households in Kennebunkport where the median household income is \$74,167 — higher than the State's median. The summer population may be as high as 15,000 people according to the Town Planner.

Housing

Amy Nucci of Habitat for Humanity made a presentation about Workforce Housing and who needs it. She explained that workforce housing should cost less than 30% of household income. She reported the town's median family income at \$74,167, this would allow households to buy homes at up to \$275,000 but there are virtually no such units available. The current median home value in Kennebunkport is \$509,330. Such a median property would require an annual income of \$130,507 to be affordable. Kennebunkport has very little or no affordable housing for municipal workers.

The picture for rental units is similar in that only 32% of renters can afford to live in town. Only one home was for sale at the time, it rents for \$1,475 per month. Nucci noted that this was a seasonal property. After providing a context for the discussion, she reviewed

data on the high cost of housing in Kennebunkport and the obstacles this raises to working families who want to live and work in Kennebunkport. She concluded her presentation by showing the audience some photos of Habitat for Humanity market-rate units in neighboring towns.



Community Questions

Following the talks on history and on the concept of workforce housing, Kristen Grant proceeded to open the floor to questions from the audience. Most of what followed focused on the School Street site; there was virtually no reference to the Old Cape Road site. Many in the audience were concerned about the process of site selection, the sequence of events leading up to the charrette and the handling of public notification.



Community Questions

- There was some discussion of seasonal units and the general cost of housing in Kennebunkport. The regular year-round housing inventory was noted to be quite low.
- People asked about how many workforce housing (WH) units exist in Town? How many units are needed in Town?
- Many seasonal workers work only in Summer e.g., retail sales workers.
- How does affordable housing stay in that category and not be traded up to the next owner? Nucci responded that restrictive covenants for a defined period are an option as are deed restrictions.
- There were questions about municipal financing and zoning regulations. Would WH developments impact taxpayers? How are such projects financed? Michael Castagna responded that conventional financing is feasible for some projects while others may require tax credits or other financing vehicles. It was also noted that these projects would be private development opportunities rather than public or housing authority ownership.
- There was a discussion on the meaning of density — how many units per acre — which might involve cluster housing.
- There was a complaint from several residents about the notification process which was deemed insufficient.
- Why was Kennebunkport selected when Kennebunk has more workers?
- It was stated that the land on School Street was obtained in order to be for new schools, expanded recreation, or water and sewer capacity expansion — not for housing.
- One person said that private developers are the elephants in the room. "Is this a plan for a development project? Is there a developer lined up?"
- Werner Gilliam spoke to the process that led the Town to invite in the WHC to consider the Town's need for WH. Some attendees commented that the process missed many different stakeholders in town. Once the Town was selected for a charrette the topic was discussed at Selectmen's meetings, posted on the town web-site, Facebook page, local access TV, and email notifications were sent to the town resident list. The point was made that the charrette provides a tangible mechanism to bring residents to the community-wide discussion.
- Is there a need for WH in Town? If so, then where might it be best done?
- Some people admitted that Kennebunkport needs WH but that the site selection is "putting the cart before the horse." There may be a need for WH but we need more information on where the workers live now along with other questions answered before we do a design charrette.
- There seemed to be persistent and perhaps widespread opposition to WH — at least at the School Street site.
- Premature development plans and anything that reduces the green space would be objectionable to many — again focused on School Street.
- Some people asked whether WHC could take a generic property of a certain size and condition rather than these two specific parcels? They asked if we could skip these two sites and seek a longer term solution.

Public Session Conclusion

At the conclusion of the night Ms. Comstock took center stage, and indicated that because of the late hour, the program would be adjourned. However, she also noted that even though the Community Listening session had not occurred, in fact, there had been an important and vibrant community-wide conversation on the subject of WH. Comstock thoughtfully observed that the first step of a discussion on WH had occurred, and the second step of thoughtfully planning the community future, to include considerations for WH will ensure the vibrancy of the community continues, and that the next generation will be able to call Kennebunkport home for themselves and their children.

Comstock then told the audience that the sites chosen would only be used as the 'templates' for the conceptual renderings to be developed. Rip Patten, the Design Team Lead, agreed that he and his team would move to generic sites, for the conceptual plans.



Public Listening Session Continued

Compiled by Kristen Grant

Maine Sea Grant and University of Maine Cooperative Extension

Community Member Input

Participants in the Listening Session contributed the input below in answer to the questions: When considering possible options for development at the identified sites, *what would you like to see, what would you NOT like to see, and what are special considerations of these sites?*

Recreation

Like

- Site adjacent to school: would like to see green space or recreation for the community
- School Street area is in a position to be used for recreation or left as is to just be enjoyed
- For the School Street property - if it cannot stay GREEN, it should be used for #1 School #2 Something to benefit the majority of the community, for example a waterhouse center, pool, tennis court, etc.

Neighborhoods

Like

- As little impact on nature as possible & keep open space
- Walking paths, bike paths, sidewalks and trees
- Solar and/or wind facility to serve the whole site

Not Like

- Designed best for recreational space for the town – Not workforce housing

Considerations

- No more development. Put a moratorium on all developers projects (not individual builders) for 2 years! (Limit KRC – it's becoming a monopoly!!)
- Could Maine law be changed to allow the land to be leased – like Hawaii – so homes could be more affordable
- New way for the owners to build equity

Nature

Like

- Site adjacent to school: would like to see green space or recreation for the community

Businesses

Not Like

- Don't think businesses are good on these sites
- Considerations
- Retail work cannot sustain homeownership

Design/Character

Considerations

- Minimize "horizon" visual impact of a WH housing neighborhood
- Would need to match existing home styles

Other Categories

- We have WH in Kennebunk, do people living in them work in the town? Any problems with those?
- It's very difficult to share what we want to see when the need has not been defined.
- There are large rectangle boxes with multiple units/box with bikes and chairs on the steps in Kennebunk WH – Not That. Need single, free standing units, yards.
- It is a shame that this event got so derailed by specifics of property chosen. Concept is very important – even imperative

PeopleLike

- Housing for elderly as well as workforce
- More young families and children
- Bring young families into this town – well balanced population
- Support middle class development - need people who are committed to the community, not just to a house

Considerations

- Community needs active committees of caring, committed people – you don't get that with \$1000 per night accommodations and multimillion homes that sit vacant
- Kennebunkport is constantly changing but the current trend is making it impossible for workforce families to live /work and prosper here

HomesLike

- We desperately need WH perhaps scattered all through the town - some smaller areas and some larger areas
- Mixed income might be more acceptable
- Low rise buildings
- Public water and sewer
- Homes that blend well with neighborhood
- Well landscaped
- Open space, green space mixed in
- Would like to see affordable housing units on both lots
- Modular homes would be acceptable
- Sense of privacy
- Affordable apartments for seniors might free up some small homes and/or land
- Cluster housing units with open space for recreation

Not Like

- No housing development next to school – Waterhouse model, town rec space
- School Street property – no change unless associated with school activities – no WH on this site

- Housing/homes with no garage.

- Do not want housing projects, or more KRC
- No homes built near the road. A strip of park as buffer for noise – would be nice

Considerations

- We need homes that are affordable so that we can have youth in town!
- How do you keep WH? How do you prioritize who gets to buy?
- Need for housing for elderly who have lived here for years and are downsizing and are on fixed incomes
- Some single family housing, some condo type units
- Challenge – how to keep them from being used as seasonal/rental properties
- How does person buying the affordable housing participate in the increase in value if there are deed restrictions
- What is demand for WFH for Kennebunkport?
- Can we offer long-term tax abatement to keep house affordable?
- Tax base impact – who pays?
- Keep house affordable for workforce long-term

TransportationLike

- Bike paths throughout town!
- Best if neat town because no transportation
- Access to public transportation

Design Team

Introduction

September 29

9:00am - 5:00pm



The morning began with Robin Comstock calling design team members together and introducing everyone. By 9:15 there were 16 people ready to start. Robin summarized the morning's tasks involving design development as well as financial feasibility.

Review of the Listening Session.

Robin Comstock summarized what had been said during Tuesday's evening session for the benefit of those had not been in attendance. People responded to some of the observations that had been made e.g., the reported absence of open space when, in fact, there is abundant open space. It was noted that the school population is dropping and that there is a need for affordable housing for people who work in Kennebunkport and are being priced out of the housing market. This should not be construed as a seasonal housing problem, but rather, a year-round residential problem. The designs should speak to the need for unique designs and not a cookie-cutter project. Robin observed that there was a lot of support for WH expressed after the



listening session by people who felt silenced by the chorus of opposition. This was expressed in the many sticky notes left by participants and transcribed by Kristen Grant.

Initial Brainstorming

Teams worked to communicate possible solutions to the workforce housing dilemma in Kennebunkport. The site plan is an important element as is envisioning how the property will be used.

The focus was an urban site on Town services, and a rural site where private water and septic would have to be added. The sites were no longer being thought of as two specific sites but rather as two generic sites with aspects of the previously identified parcels.





Initially, the urban site was the center of discussion. It seems as though zoning regulations concerning density and land use ordinances would be a limiting factor. Changes would have to be made to the Town's regulations if a feasible design were to be achieved. The key features of any feasible development are density and home size. Infrastructure near the roadways would reduce costs and should be kept in mind. Price point is crucial, too. A cost of \$275,000 may not be possible for new units because of the current density standards, infrastructure, land costs, etc. The idea of a mixed income development was raised to help subsidize the project. Swamp and rock are the town's two prominent soil types, this also affects the cost of development.

Attention shifted to discussion of the rural site where there will be wetlands, vernal pools, and other environmental limits. The rural zone would allow for detached units. If you want it to be affordable then cluster housing or multi-story garden apartments are options. Seven 40,000sqft lots might be seen (e.g., on the urban site) while the rural site might offer opportunity for 12 single-family lots, 24 duplexes or 36 multiplexes (three units per lot) if that were allowed in the rural area (which it isn't). Can we put 24 clustered units on land with slopes, wetlands and other obstacles? Storm water and septic capacity will have to be factored into the cost as well.

Cluster housing might work better on the site, 32 units may overwhelm. Werner reviewed what is allowed



according to the Town's zoning and land use regulations.

A third scenario could be proposed, if zoning standards changed to allow three families per building in the multiplex type development.



Simple elevation drawings would help the community envision all the options. Are there any assumptions about family size? Size matters less than household income, and the number of bedrooms in the units is crucial, too. Units should be 1,500 - 1,800sqft. Assume three bedrooms, because more bedrooms means larger and more expensive septic systems. Rental units may face some opposition from residents. It is important to think about ownership which won't run into seasonal housing issues that are prominent in residents' minds. Recreational services/uses should not be forgotten — especially at the urban site. Walkability would be important.

Team Formation

The talent in the room — six architects, landscape architects and designers will split up with three assigned to each team. Two civil and/or environmental engineers were available, one assigned per team. Finance people will be a separate group available to each team.

Team I: The Urban Site under existing zoning conditions and under assumptions of altered zoning: This team is led by Scott Collard and Colin Dinsmore. Other professionals will be shuttling in and out.

Team II: The Rural Site under existing zoning conditions and under altered zoning. This team is being led by Bill Walsh and Steve Doe. Others will be moving in and out.

Architectural Team: An architectural team was also formed to develop specific concepts for single, duplex and multiplex housing options to include within each of the site layouts.

Financial Team: The team is being led by Michael Castagna to address the feasibility of the design concepts

Developmental Costs Assumptions: Affordable housing cost for the area - median income is approximately \$70,000 which would afford a home at a cost of up to \$275,000.

DESIGN



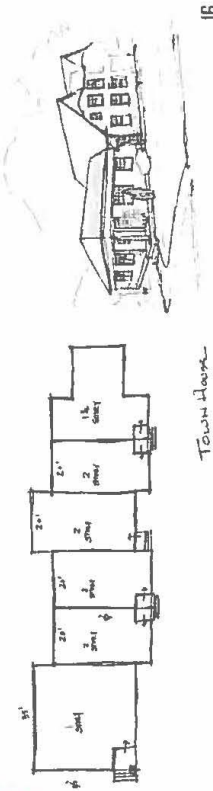
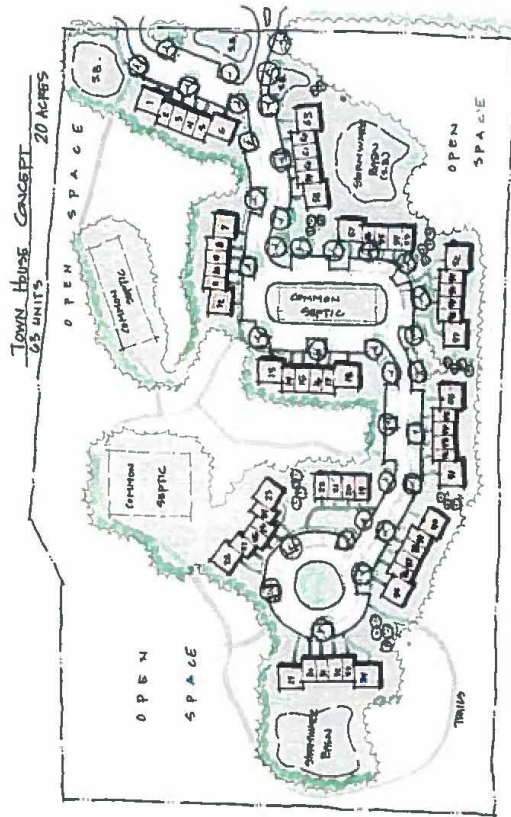
Urban Site Developmental Costs

- 10 acres at a cost of \$75,000/acre
- Water and Sewer available to site
- 750ft of new roadway
- Present zoning configuration:
 - 8 lots
 - 8 duplexes, 16 units @ 1,500sqft/unit at a construction cost of \$160/sqft
 - Density Bonus
 - 80 units at 1,500sf/unit at a construction cost of \$110/unit
- Site work costs \$100,000/acre
- Soft costs, design and permitting fees calculated at 20% of total construction cost
- Loan interest rate 4.5%
- Developer fees 15%

Purchase price of units for the Urban Site scenario

- Current zoning: \$529,500/unit
- With density bonus: \$267,375/unit
- The density bonus on this site gets us below the affordable threshold.





16

Rural Site Developmental Costs

- 20 acres at a cost of \$35,000/acre
- Approximately 1000ft of new roadway
- Community well and septic system for the development
- Present zoning configuration:
 - 16 lots
 - 16 duplexes, 32 units @ 1,800sqft/each at a construction cost off \$160/sqft
 - Density Bonus:
 - 56 units at 1,500sf/unit at a construction cost of \$130/sqft
- Site work costs \$50,000/acre
- Soft costs, design and permitting fees calculated at 20% of total construction cost
- Loan interest rate 4.5%
- Developer fees 15%

Purchase price of units for the Rural Site scenario

- Under current zoning: \$540,000/unit purchase price
- With Density Bonus: \$370,000/unit purchase price
- These costs do not fall into the affordable range for the area. Either the density would have to increase to 94 units on this 20 acre site or the development cost would have to be subsidized with federal tax credits which equate to 9% of the capital stack. The units would also be rentals and not for sale units. Typically the sponsor of the development is a for profit developer or a not for profit housing authority that would own and manage the complex.



6-8 UNIT TOWNHOUSE

Reveal Report September 29, 2016 6:00pm - 8:00pm

After working all day, at around 5:00 pm, the designers began preparing to reveal their renderings of conceptual considerations to build workforce housing in Kennebunkport. The team was anxious and excited to obtain community feedback to the concepts offered. After hours of deliberation the design team concluded that it would potentially be most helpful to Kennebunkport to propose an "urban" and "rural" concept to the community. Their focus throughout the day had been in those two areas, and they were pleased with the results.

One design team developed an urban concept, the second a rural. The third team worked to develop a façade and structure consistent with the existing architecture and appearance of homes and buildings found with-in the community. Rather than large buildings that appeared tall, flat and linear, the group worked to match the conceptual new construction with the concept of the



Kennebunkport estate or mansion that would in fact hold several workforce housing units.

Design Concepts

The goal of the day's exercise was to design site development concepts that could successfully achieve the \$275,000 price point goal for affordable workforce housing. The design teams began with using the current zoning and single family housing as a base case and several iterations were performed by increasing the housing density, modifying the zoning, and implementing other changes in order to determine the total number of units on each parcel that would result in enough efficiencies to reach the \$275,000 price point.

Base Case

The base case assumed single family homes on 40,000sqft lots resulting in 8 lots on the urban parcel and 16 lots on the rural parcel. Using an average new construction cost of \$160/sqft and average size of 1,800sqft results in a per home construction cost of \$280,000. This does not include costs for purchase, installing new roads, landscaping and driveways, or new utilities. Therefore, it was quickly realized that the base case for single family homes cannot achieve the \$275,000 price point and typically are in the \$400,000 to \$550,000 range (And helps explain why affordable workforce housing is not present in Kennebunkport).

Multi-Unit Apartment Building Urban Case

Based on the site constraints and financial analysis, it was determined that up to 80



units would be required to be constructed on the urban parcel in order to meet the \$275,000 price point. The design concept included eight ten-unit buildings. It should be noted that the architectural group developed building plans and concepts that can still be aesthetically pleasing and fit in with the area context and character.

Multi-Unit Apartment Building Rural Case

Based on Site constraints, amount of wetlands, installation of private water and septic systems, and land for storm water management, it was determined that only 54 units of housing could feasibly be installed at the site for an estimated cost of \$350,000 to \$400,000 each, which is in exceedance of the \$275,000 target

Tax Credits and Other Subsidies

An alternative to increasing the density of units to achieve cost efficiencies is to seek tax credits and other subsidies to lower the per unit cost. Low Income Housing Tax Credits are the most common form of subsidy for workforce housing. The tax credits are



competitively allocated by Maine Housing for qualifying projects. Investors buy income tax credits in these properties creating cash equity for owners that reduces project development debt burden. In exchange, the owner agrees to rent a specific number of units to qualified tenants at specified rents, usually below-market. Two levels of tax credits are available: one at 9% of depreciable basis, competitively allocated; the other, at 4% of depreciable basis. Other common types of subsidies include donation of land, materials, and other services. Many experienced workforce housing developers are in the region that are familiar with this funding, including non-profit developers like Habitat for Humanity, Avesta Housing, the Caleb Group, and the Housing Partnership, to name a few.

Recommendations/ Next Steps

The Kennebunkport Charrette provided a process through which public and private stakeholders might become aware of the many possibilities for creating workforce housing within your Town. This charrette was intended to be a creative stimulus – a brain storming event – which yields both

practical design and redevelopment ideas. Stakeholders, including town officials, should take the most reasonable elements of this charrette and devise a comprehensive strategy for improving and creating the workforce housing within Kennebunkport. Specific recommendations/next steps include the following:

A. It was clear from the charrette that many people from the community wanted more dialogue. Therefore it is important to continue the community dialogue on workforce housing. The WHC is more than happy to facilitate this dialogue at future town council/planning board meetings.

B. Form an ad-hoc Workforce Housing committee that can champion workforce housing and take lead in implementing these recommendations

C. People need to come first. Increasing density will allow more people to move into the center of town. The business will follow. The town needs to look at present planning and zoning regulations and make the necessary changes to allow for workforce housing to become a reality.

- i. Consider awarding density bonuses for construction of workforce housing (restrictive covenants will be required to ensure long-term affordability).
- ii. Develop and adopt a form-based code and streetscape design standards for the downtown to encourage workforce housing that will stay within the current character.

D. The Town should consider other incentives including shared parking opportunities in the downtown, tax abatements, mixed-use zoning, flexible zoning, and fee waivers all can help make the development of workforce housing more economically feasible.

E. Consider developing an affordable housing Tax Increment Financing (TIF). TIF directs the additional revenue that will be generated by new development in an area directly to that development, rather than back into the town's general revenue stream. It provides an excellent method of financing needed infrastructure improvements and can be used for direct subsidy for workforce housing.

F. Consider various ways to create a trust fund dedicated to financing the construction of workforce housing. This can range from the sale of excess Town property, dedicated funding stream, development fees from higher end developments, local employer contributions, or direct corporate or personal donations.

G. Consider tax acquired land/properties as subsidy for workforce housing



WORKFORCE HOUSING

What do you mean by workforce housing?

Workforce housing includes single-family homes, townhouses, condominiums and apartments that are affordable to low and moderate income households. To be affordable, monthly housing costs shouldn't demand more than 30% of gross household income. To close the widening gap between incomes and housing costs, some developers/owners utilize subsidy programs.

The Workforce Housing Coalition defines workforce housing as for-sale housing which is affordable to a four-person household earning no more than 100% of median area income or rental housing which is affordable to a three-person household earning no more than 60% of median area income.

A healthy and vibrant community with strong eco-systems is filled with all generations of the workforce. The faces of that workforce include empty nesters to young professionals and they are often nurses and doctors, teachers, and first responders. Insuring these members of community, who provide the benefits and services we associate with a desirable place to live and work, live and give to the community as their home, will insure they are able to engage and contribute in all the ways we need for healthy social, cultural, and economic systems.

Who needs workforce housing?

The Greater Seacoast of New Hampshire and Southern Maine is one of the least affordable regions in the country. Many people cannot afford to live in the communities in which they work, so they endure long commutes, which is harmful to the environment and limits time with family and at community and volunteer activities. Some people move away, leaving employers who are unable to hire and retain the workers needed to sustain and grow their businesses.

What does workforce housing look like?

Workforce housing is based on good design, minimal impact, small, mixed income developments distributed in a town. Developments in suburban settings are clustered to leave areas of open space. Compared to unplanned sprawl, such land use is much more efficient and attractive.

Workforce Housing coalition of the Greater Seacoast

With the support of our members and sponsors, the WHC tackles complex issues that contribute to the region's limited housing options.

We offer planners and developers advice and resources on how to meet the housing need. Through our annual design charrettes, we inspire dialogue and generate concept designs that include innovative ways to increase the local supply of workforce housing.

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Support the Workforce Housing Coalition of the Greater Seacoast and help to promote a friendlier climate for workforce housing development in the Greater Seacoast, for more information visit www.seacoastwhc.org



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