

Housing Needs Analysis and Assessment

Town of Kennebunkport, ME

Meeting 1
October 5, 2017

Agenda

I

Purpose

II

Overview of Our Scope

III

General Trends/Fact Summary

IV

Challenge & Opportunity Discussion

Purpose

- ▶ To understand existing housing market conditions (supply, demand, economic environment) and what this means for Kennebunkport
- ▶ To assess future demand for different housing types
- ▶ To identify constraints and provide recommendations for meeting housing goals

Project Scope

- ▶ Meeting 1 - Preliminary Findings
- ▶ Data Analysis & Interviews
- ▶ Meeting 2 - Results and Feedback
- ▶ Synthesis & Recommendations
- ▶ Final Report
- ▶ Meeting 3 - Final Presentation

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Initial Data Findings



- ▶ Demographic Overview
- ▶ Housing Stock
- ▶ Commutation
- ▶ Employment & Labor Force



- ▶ High-income community, but affordability challenges exist
- ▶ Aging population → growing retiree housing demand
- ▶ High housing prices limit home ownership to high-income households
- ▶ Constrained (but growing) rental supply, intensified by seasonal housing
- ▶ High degree of cross-commuting indicates mismatch between housing and jobs



Historic Population Growth				
	2010 Population	2017 Population	# Change	% Change
Town of Kennebunkport	3,474	3,657	183	5%
York County	197,131	207,699	10,568	5%
Maine	1,328,361	1,367,209	38,848	3%
United States	308,745,538	327,514,334	18,768,796	6%

Source: Esri

- *Population growth in Kennebunkport on par with York County; faster than Maine overall*



Demographic Overview, 2017					
	Population	Households	Average Household Size	Median Age	Median Household Income
Town of Kennebunkport	3,657	1,672	2.2	54.6	\$ 71,834
York County	207,699	85,982	2.4	45.0	\$ 60,612
Maine	1,367,209	575,385	2.3	44.6	\$ 51,709
United States	327,514,334	123,158,887	2.6	38.2	\$ 56,124

Source: Esri

- *Smaller household size and higher median age is indicative of retiree population → translates into type of housing demanded*

Demographics



Population by Age Distribution, 2017				
Age Group	Town of Kennebunkport	York County	Maine	United States
School Age (5-18)	13.7%	15.7%	15.3%	17.6%
Retirees (65+)	29.3%	19.1%	19.4%	15.6%
Median	54.6	45.0	44.6	38.2

Source: Esri

Kennebunkport is a town with an older population, within an older-than-average county and state

Consistent with many coastal tourism communities → high concentration of retirees, lower concentration of school-aged population



High income community:
\$71,834 median



York County: \$60,612
Maine: \$51,709
US: \$56,124



4% of households are below poverty line



20% of households make below \$35k annually



Housing affordability challenges

Housing - Affordability



Estimated Mortgage Payment		
	Town of Kennebunkport	York County
Median Price of Home	\$ 473,718	\$ 251,150
Total Monthly Payment	\$ 2,264	\$ 1,200
Annual HH Income Threshold	\$ 90,560	\$ 48,000

Source: Esri, Camoin Associates

High incomes needed to achieve home ownership

Rent as a Percent of Income		
	Town of Kennebunkport	York County
Median Rent	\$ 871	\$ 792
Annual HH Income Threshold	\$ 34,840	\$ 31,680

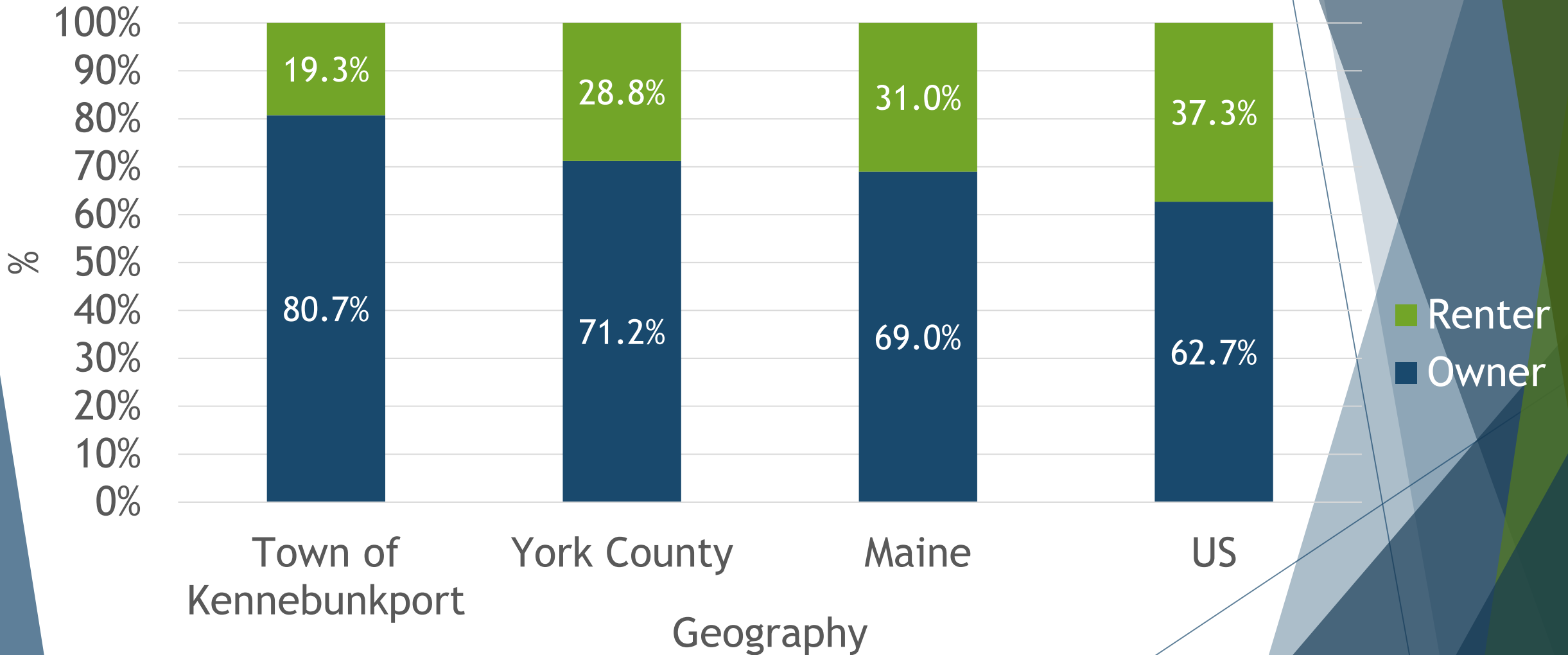
Source: Esri, Camoin Associates

Median rents relatively affordable, but rental options limited

Housing - Supply



Renter- vs. Owner-Occupied Housing Units, 2017



➤ Town has comparatively low share of renter-occupied units

Housing - Supply



Renter Occupied Housing Units by Monthly Contract Rent, 2014 Estimates

Contract Rent	Town of Kennebunkport		York County	Maine	United States
	#	%	%	%	%
\$0 to \$499	22	9.1%	13.2%	24.4%	20.3%
\$500 to \$749	44	18.2%	26.3%	32.5%	25.5%
\$750 to \$999	84	34.7%	33.0%	21.8%	19.7%
\$1,000 to \$1,249	16	6.6%	12.5%	8.1%	11.7%
\$1,250 to \$1,499	21	8.7%	5.7%	3.2%	6.8%
\$1,500 to \$1,999	0	0.0%	2.7%	1.8%	6.5%
\$2,000 or more	25	10.3%	1.3%	1.1%	4.2%
Median Contract Rent	\$871		\$792	\$673	\$767

Source: Esri

➤ *Disproportionate share of monthly rents above \$2,000*

Housing - Supply



Town housing stock is highly driven by single-family homes at 84%

County, state, US are much more evenly divided between single and multifamily homes

5-9-unit structures are the most common multifamily cohort in the town

Median year built for the town is 1971 → older housing stock, comparatively high percentage of homes built 1950 and earlier



Occupancy Trends Over Time: 2010-2017

	Town of Kennebunkport				York County	Maine	US
	2010	2017	# Change	% Change	% Change	% Change	% Change
Total Housing Units	2,897	3,057	160	6%	6%	4%	5%
Occupied	1,578	1,672	94	6%	6%	3%	6%
Owner	1,307	1,350	43	3%	3%	0%	2%
Renter	271	322	51	19%	15%	12%	13%

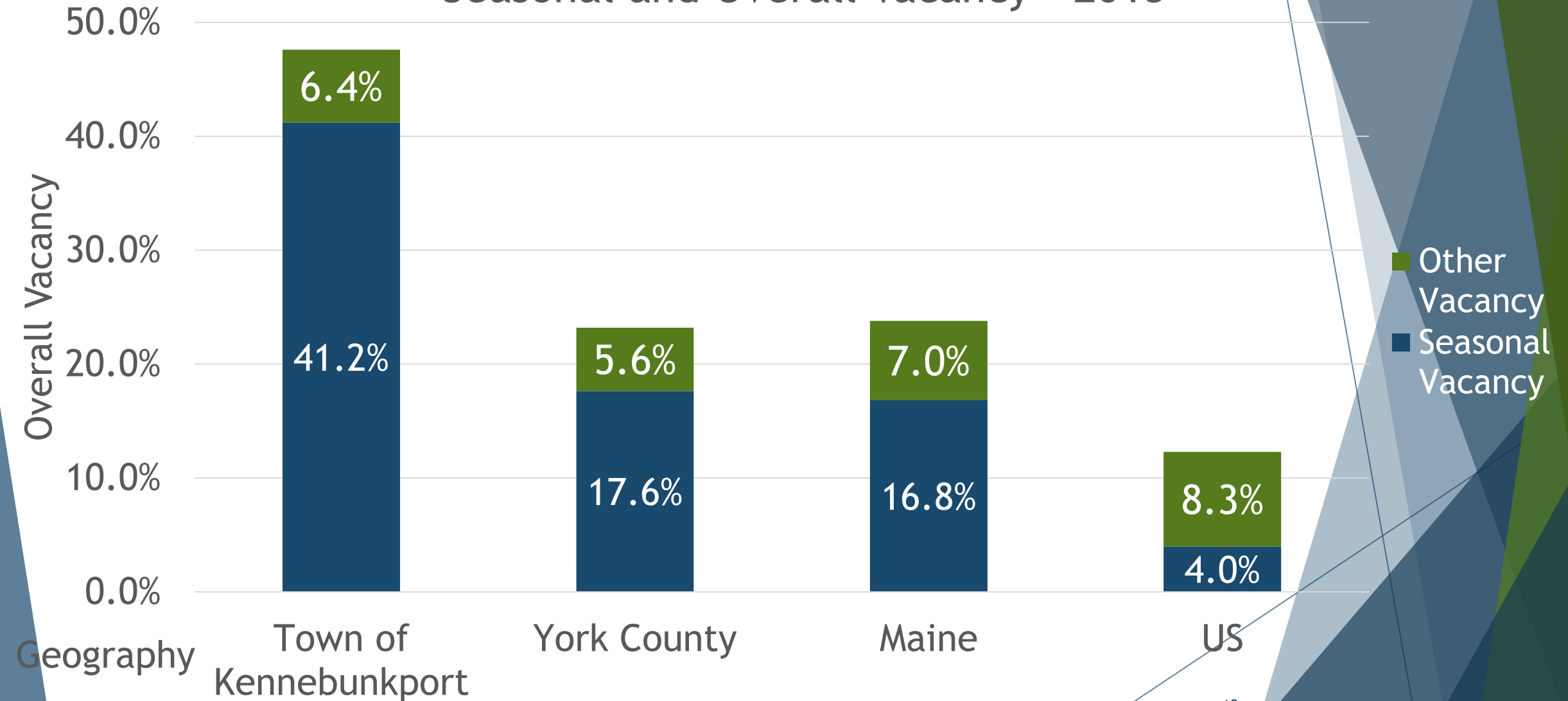
Source: Esri, American Fact Finder

- Increase in housing units on par with county; exceeds state and nation
- Growth in rental units (19%) far exceeds growth in owner-occupied units (3%)

Housing - Demand

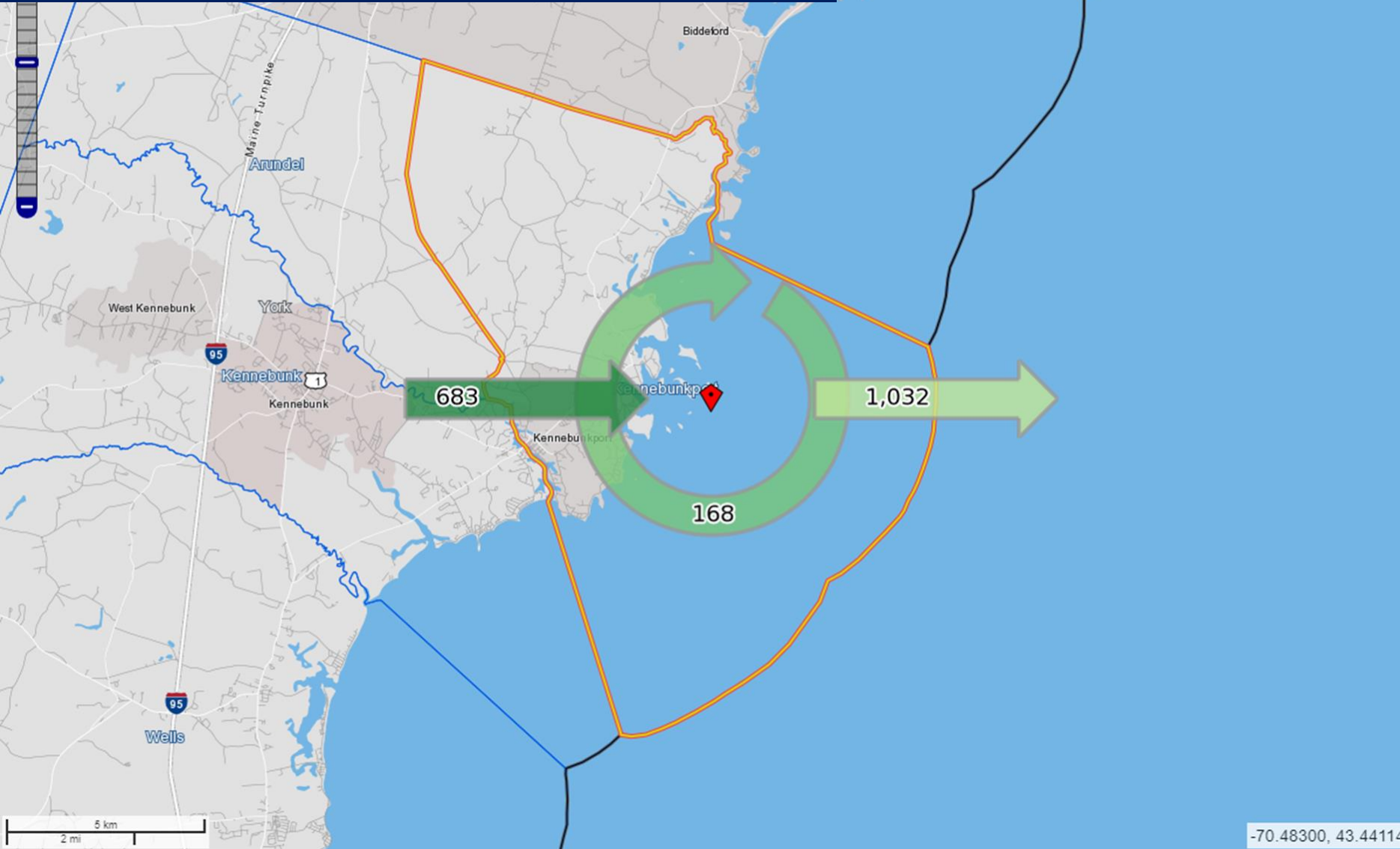


Seasonal and Overall Vacancy - 2015



➤ *Very high proportion of seasonally vacant units*

Commutation



Commutation



80% of Kennebunkport workers
are commuting from outside
the town

86% of Town residents in the
workforce commute to work
outside the town

Mismatch between jobs and
housing



Kennebunkport workers
are commuting from:
Kennebunk, Biddeford,
Sanford, Portland

Kennebunkport
residents are
commuting to:
Biddeford, Portland

Key Industries



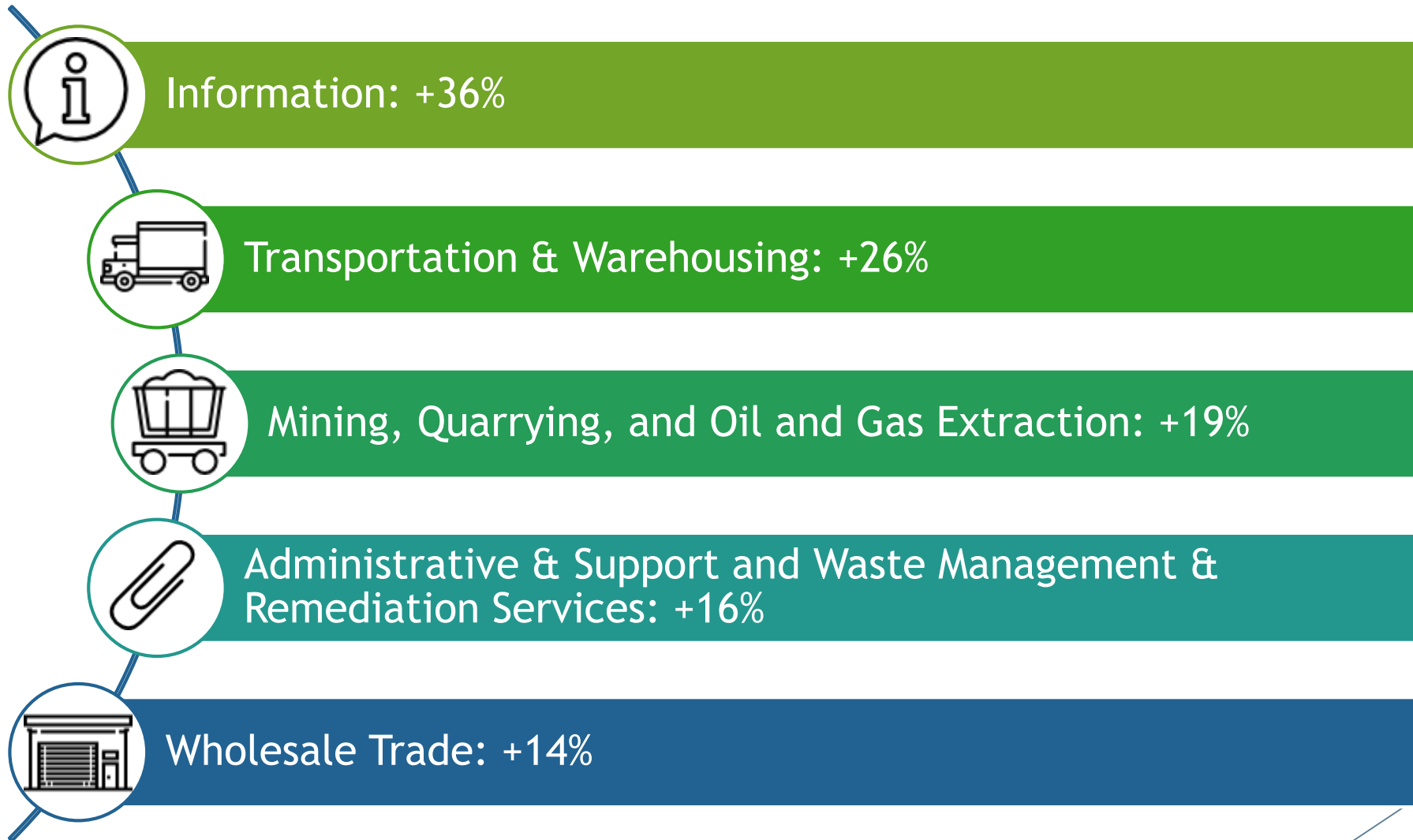
York County, Top 10 Industries by 2017 Jobs

NAICS (2-digit)	Description	2012 Jobs	2017 Jobs	2012 - 2017 Change	2012 - 2017 % Change	Avg. Earnings Per Job (2017)
90	Government	16,205	16,953	748	5%	\$77,498
62	Health Care and Social Assistance	9,867	10,557	690	7%	\$49,827
44	Retail Trade	9,950	10,230	280	3%	\$31,773
72	Accommodation and Food Services	9,744	10,202	458	5%	\$25,602
31	Manufacturing	7,725	7,812	87	1%	\$66,888
23	Construction	5,380	5,464	84	2%	\$40,110
81	Other Services (except Public Administration)	3,471	3,792	321	9%	\$25,575
56	Administrative and Support and Waste Management and Remediation Services	2,814	3,268	454	16%	\$34,350
54	Professional, Scientific, and Technical Services	2,826	3,022	196	7%	\$64,550
61	Educational Services	2,624	2,590	(34)	(1%)	\$40,707

Source: EMSI

➤ *Top 3 private employment sectors have earnings below county average of \$50K*

Growth: 2012-2017



Highest-Wage Sectors

*Note: Average annual wages
York County are \$49,970*



Utilities: \$97,853



Management of Companies & Enterprises: \$82,162



Government: \$77,498



Mining, Quarrying, & Oil & Gas Extraction: \$70,265



Finance & Insurance: \$68,015

- *Many of the county's highest-paying sectors do not have a strong presence in Kennebunkport*



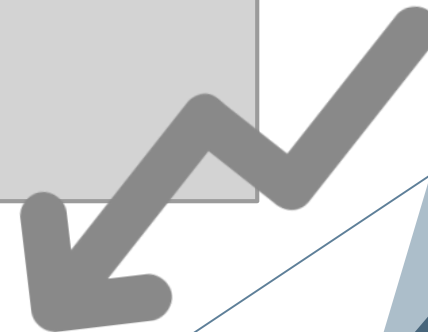
Opportunities



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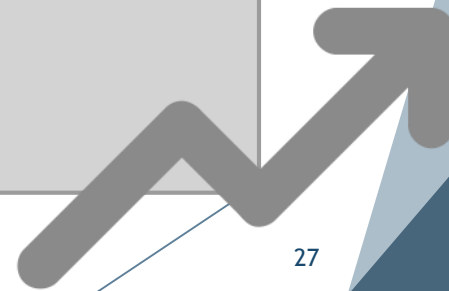


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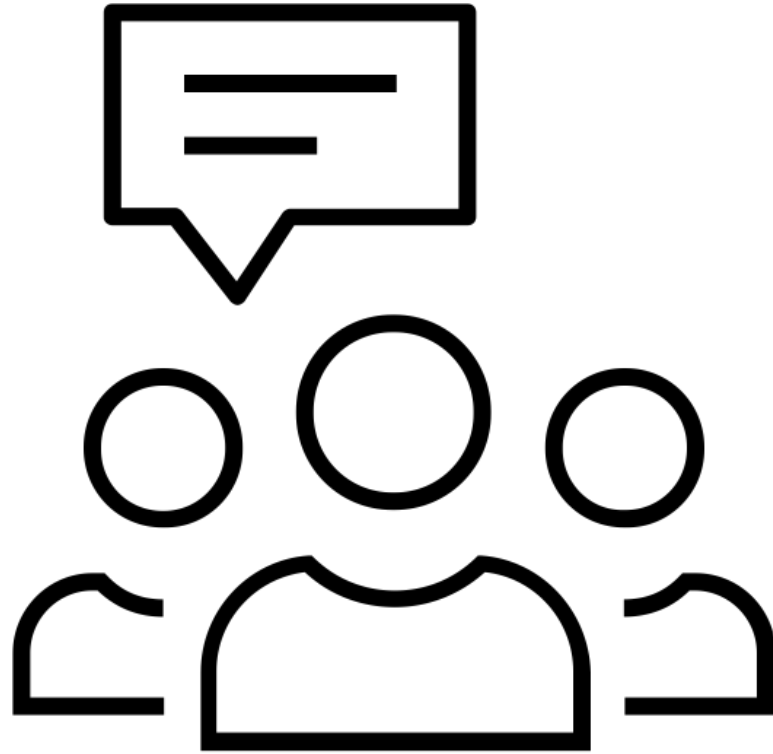


Opportunities



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Questions?



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