



# Kennebunk Housing Needs Plan 2024-2034

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*Consultants*

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**Executive summary**

# Housing Needs Plan Summary



This report profiles the local community's people and housing stock, establishes an approach to meeting projected demand, and recommends strategies for new housing to meet expected need through 2034.



**Population trends:** Kennebunk is expected to grow at a rate of about 50 households per year for the next 10 years. These households are distributed across the income, with half of the net new demand in the **workforce range of 60-120% AMI**.



**Housing stock:** This section includes characteristics such as structure type, bedroom count, household costs, and market pricing for local rental and ownership homes. This section also includes maps and an assessment of development capacity based on current zoning.



- Housing production goals:** The 10-year housing production target is 530 homes, including adjustments for a healthy housing market.
- (1) **Affordable housing:** At least 10% of new homes subsidized affordable.
  - (2) **Promote Village housing:** Prioritize new housing in the three villages and away from climate hazards.
  - (3) **Workforce:** Backfill the workforce housing needs, targeting households in the 60-120% AMI range.
  - (4) **Senior housing:** Accommodate Kennebunk's older adults.
  - (5) **Sustainable housing:** Achieve Climate Action Plan land use goals



**Strategies for housing production:** Town actions, other funding sources, and development partners to create the recommended mix of future homes.



This Housing Needs Plan combines extensive quantitative data analysis with consideration of the community's goals for its future to produce a 10-year housing production target.

# Overview

This chapter contains the following two sections:

## **Context**

Literature review, ongoing studies, and recent trends.

## **Comparison communities**

Key indicators for Kennebunk and similar communities in Cumberland and York Counties showing trends over the past decade.

Overview | Context

# Can a household with a median income afford a median home price?

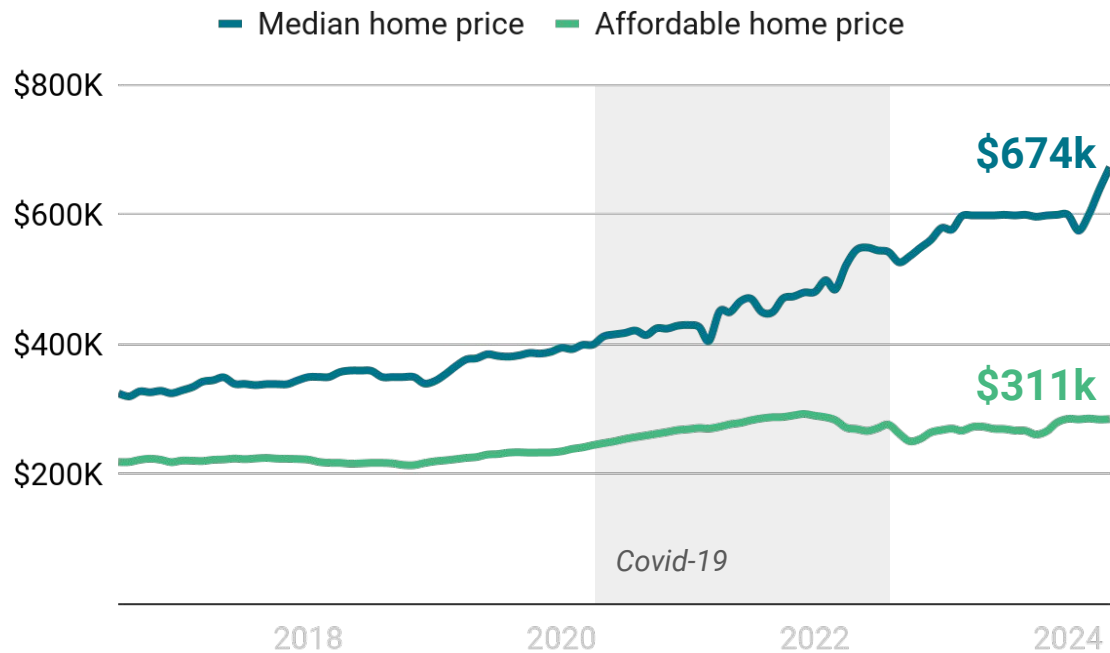
Sources: FRED Federal Bank of St. Louis; Town of Kennebunk; CommunityScale, based on the October 2024 interest rate is 6.18%

This chart compares the median listing price in Kennebunk with the home value affordable to a household earning the median household income. A wider gap means higher barrier to entry for first-time homebuyers and increased risk that an existing resident might be priced out of the community if they choose or need to move to a different house.

The calculations behind this chart include consideration of mortgage interest rates, typical down payments, and added monthly costs such as private mortgage insurance, property tax, home insurance, and utilities.

## Current housing values relative to the price affordable on the median income

Affordability is based on the town’s estimated median income. Actual affordability levels for specific properties vary based on variation in the above variables as well as possible additional costs for some homes such as condominium fees.



Overview | Context

# How has Kennebunk changed?

**Kennebunk in 2020 and 2022 are demographically similar.** Kennebunk’s last Comprehensive Plan was adopted in 2022 and was based on 2020 data. At that time, Kennebunk was growing faster than the rest of the State, and it continues to do so. Kennebunk also had a large senior population, which has continued to grow. Kennebunk’s median household income continues to be above average for the region and the State.

**Kennebunk has established policies to promote housing inventory and affordable housing.** Kennebunk’s adopted the following LD 2003 actions in 2023:

- Updated the ADU definition, allowable in several districts
- Defined affordable housing as 80% AMI for rental and 120% AMI for ownership
- Definition for two-family detached dwelling, allowed in certain districts
- Voluntary short-term rental (STR) registration system was recently put in place

Kennebunk is excited to see how these relatively recent zoning changes encourage the production of more affordable housing in the coming years.



*New development of 4-unit multifamily structures at 79 York Street (Google Street View)*

## Overview | Context

# Literature review and ongoing studies

### State of Maine Housing Production Needs Study (2023)

This Statewide plan allocates York County a housing production target of 10,100 to 11,100 homes between 2021-2030. The Town of Kennebunk has 5.2% of York County's homes and 5.7% of York County's households.

If Kennebunk uses this proportional share of the housing allocation, then the production target is 525 to 577 homes over the 10-year period, or **53 to 58 homes a year**, which is consistent with the findings from this study.

### Ongoing studies

These are the ongoing studies that are being developed in parallel with this Housing Needs Plan:

- Updated Community and Business Trends for economic development is being managed by the Town of Kennebunk, expected in 2024.
- Southern Maine Planning and Development Commission (SMPDC) is working on a buildability analysis. This includes an understanding of the housing potential on each lot based on zoning, dimensional requirements, use requirements, and existing uses.

### Latest Kennebunk Comprehensive Plan (2022)

*"During public participation held at the beginning of preparing this Comprehensive Plan, when asked "Does the Town adequately provide for the housing needs of Kennebunk's low and moderate income families?" 51% of respondents said no, 20% said yes, 27% had no opinion, and 2% did not respond... a relatively large percentage of residents believe that Kennebunk does not have sufficient housing for low and moderate-income families."*

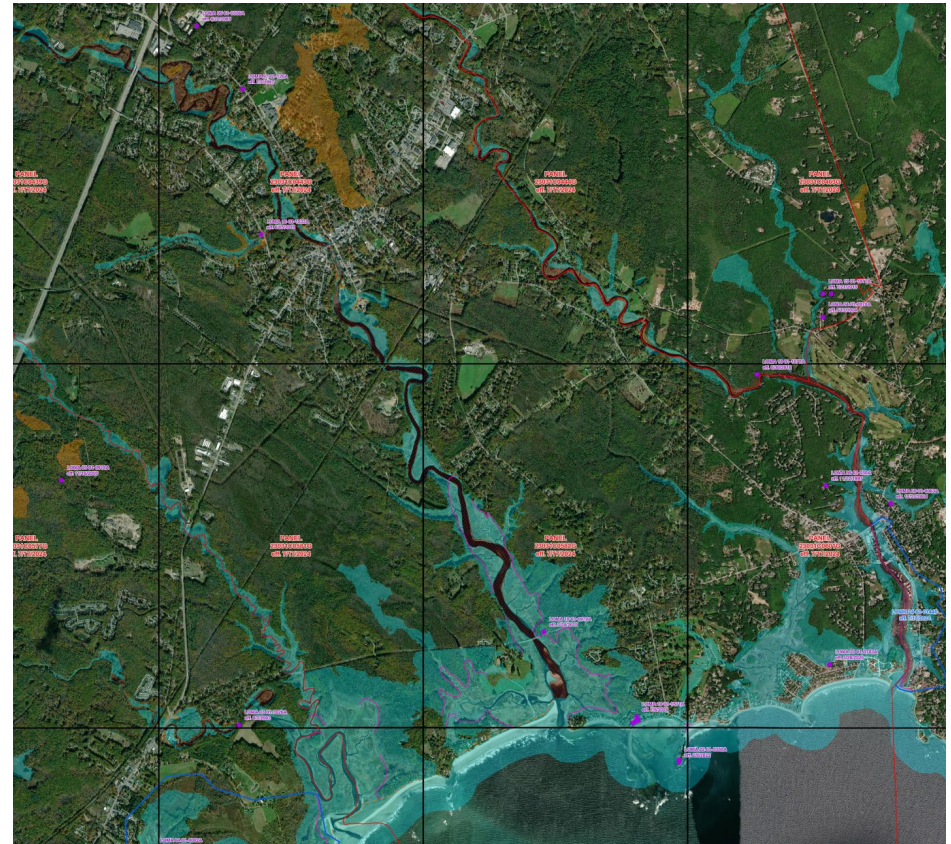
The Plan indicates that Kennebunk is approaching its 1991 goal of 10% affordable housing, much of which is workforce and senior housing supported by MaineHousing. Looking forward, the goal continues to be 10% affordable housing. The other strategies including monitoring the zoning's performance in terms of creating homes. This may include something like the Sustain Southern Maine's Center of Opportunity Village model.

Overview | Context

# Kennebunk's *Climate Action Plan (2024)* recommends new growth away from climate hazards and within areas already serviced with amenities

## Climate Action Plan - Land Use Goals

1. Amend ordinances to continue to direct growth and development toward appropriate areas that are already developed, have public services (e.g. water and sewer), and are at low risk of natural hazards and climate change impacts. **Discourage growth and development in areas at high risk of climate hazards.**
2. Refine ordinance to allow **increased density in areas with sewer, water, energy transmission, other amenities, and low risk of climate hazards.** Pair efforts to increase density with increased public transit and alternative transportation options.
3. Review and modify as necessary incentives for infill development in growth areas, such as the **Route 1 corridor and other areas close to goods and services, including downtown and village centers outside of flood hazard areas**



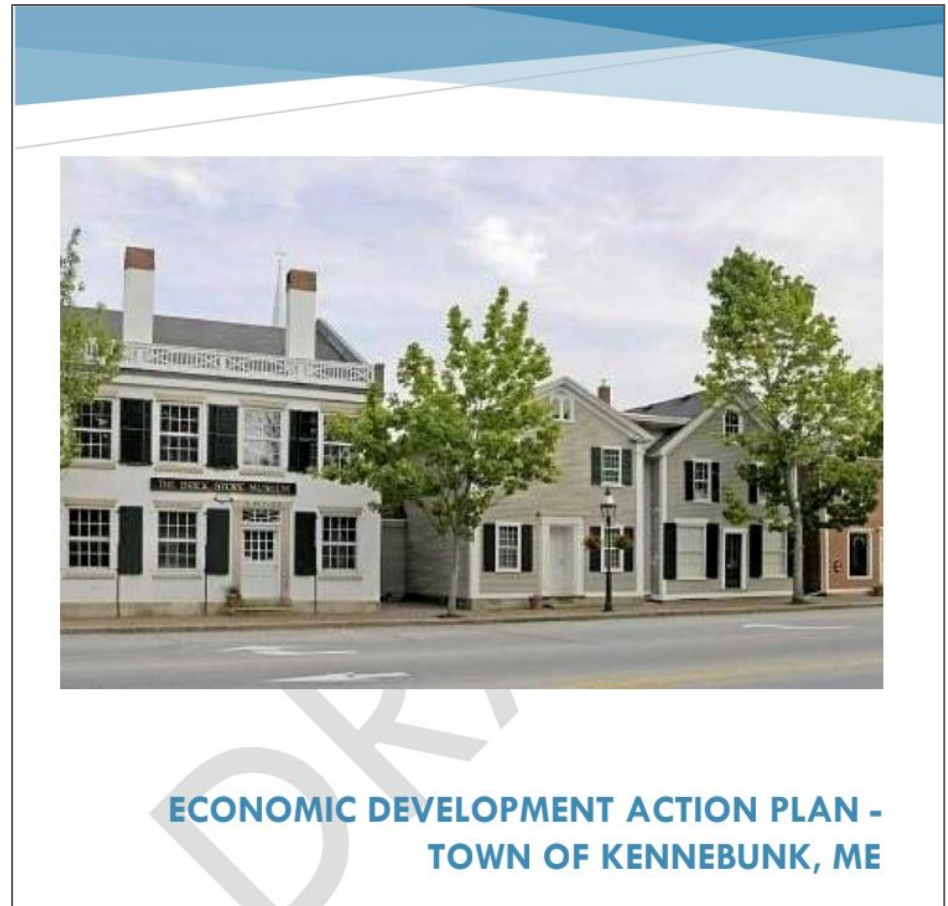
[Maine Flood Hazard Map](#)

**Overview | Context**

# ***Economic Development Action Plan (2024)* outlines housing initiatives to support the workforce and attract younger homebuyers and renters**

The forthcoming Economic Development Action Plan recognizes that diversifying the housing stock to support workforce needs and attract younger residents is a top priority. That plan emphasizes revising zoning regulations to facilitate more affordable housing, such as allowing for smaller townhouses and multi-family developments. It also proposes exploring mixed-use development in core business areas and revisiting regulations that limit density, like minimum lot sizes and height restrictions.

This Housing Needs Plan and the Economic Development Action Plan are aligned in understanding the need for diverse housing types to attract a range of residents, supporting workforce housing, and addressing gaps in affordability and availability in Kennebunk’s housing market.





**Overview | Comparison communities**

# What are Kennebunk's comparison communities?

Source: ACS 5-Year 2010-2022

Kennebunk's comparison communities are all in York and Cumberland Counties and share many of the same opportunities and challenges as Kennebunk. For the purpose of this Housing Needs Plan, the topics of comparison are the number of households, rate of growth since 2010, the amount of vacancy, median household income, and the share of households whose householder is 65 years or older.

Households	Household growth 2010-2022	65+ households	Median household income	Vacant homes*	
9,575	6.0%	26.1%	\$69,587	9.9%	Biddeford
8,695	3.0%	46.1%	\$78,360	7.0%	Brunswick
3,413	1.7%	48.0%	\$104,938	14.7%	Freeport
6,043	18.4%	40.0%	\$113,467	3.7%	Gorham
<b>5,136</b>	<b>11.9%</b>	<b>49.6%</b>	<b>\$106,495</b>	<b>14.1%</b>	<b>Kennebunk</b>
4,849	15.2%	53.7%	\$90,869	8.2%	Kittery
5,224	20.3%	35.4%	\$68,569	27.9%	Old Orchard Beach
8,872	16.9%	27.5%	\$89,459	8.0%	Saco
9,168	23.9%	41.3%	\$124,618	11.4%	Scarborough
11,769	6.3%	39.8%	\$90,738	5.1%	South Portland
4,949	23.1%	31.5%	\$83,276	47.4%	Wells
5,675	6.6%	35.9%	\$117,797	37.7%	York

\* Vacation homes and short term rentals are counted as vacant in the Census.

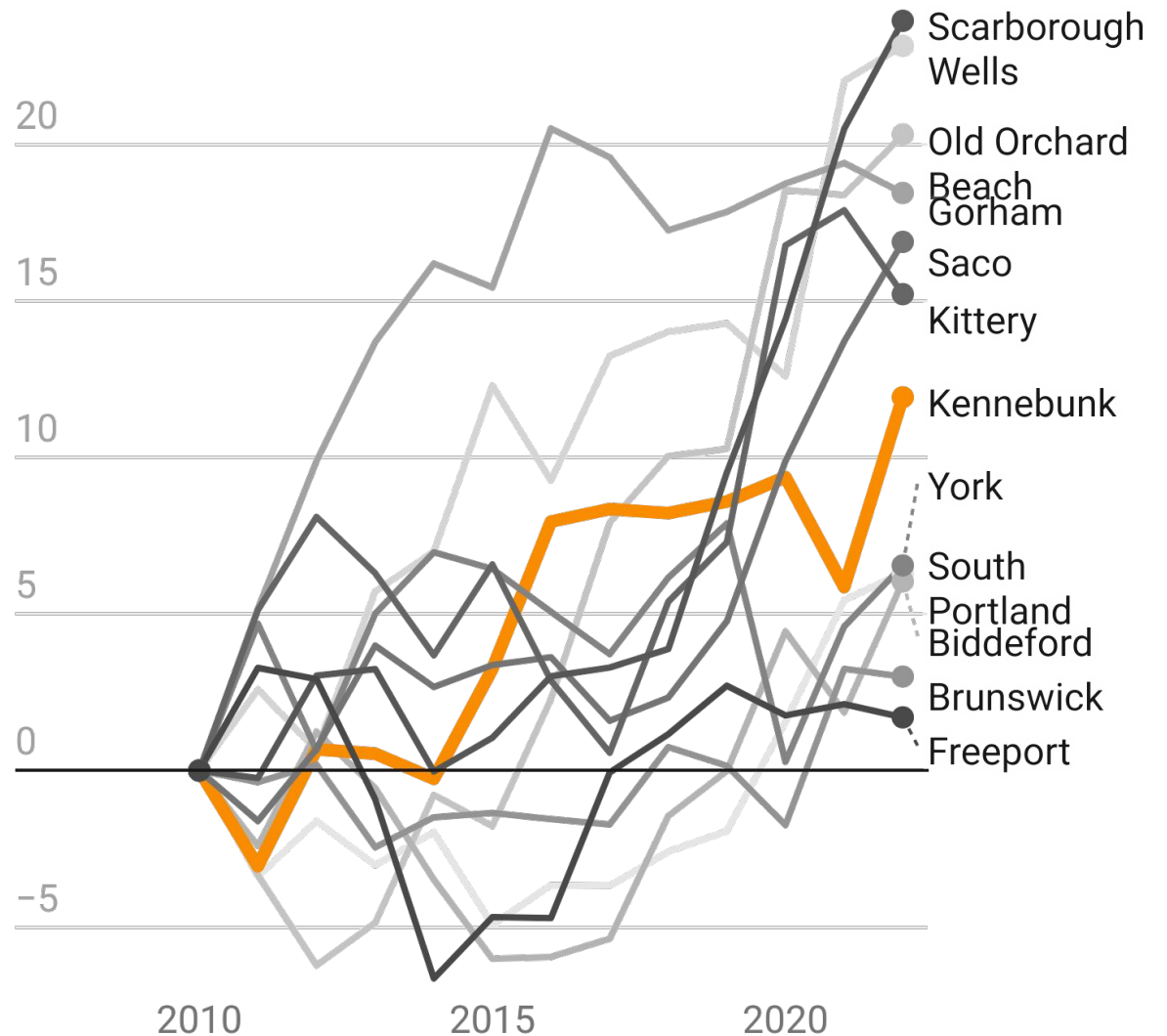
Overview | Comparison communities

# Percent household growth since 2010

Source: ACS 5-Year 2010-2022

Kennebunk is in the middle of the pack when it comes to household growth since 2010. The trend of nearly 12% is expected to continue in the State forecasts.

- 23.9% Scarborough
- 23.1% Wells
- 20.3% Old Orchard Beach
- 18.4% Gorham
- 16.9% Saco
- 15.2% Kittery
- 11.9% Kennebunk**
- 6.6% York
- 6.3% South Portland
- 6.0% Biddeford
- 3.0% Brunswick
- 1.7% Freeport



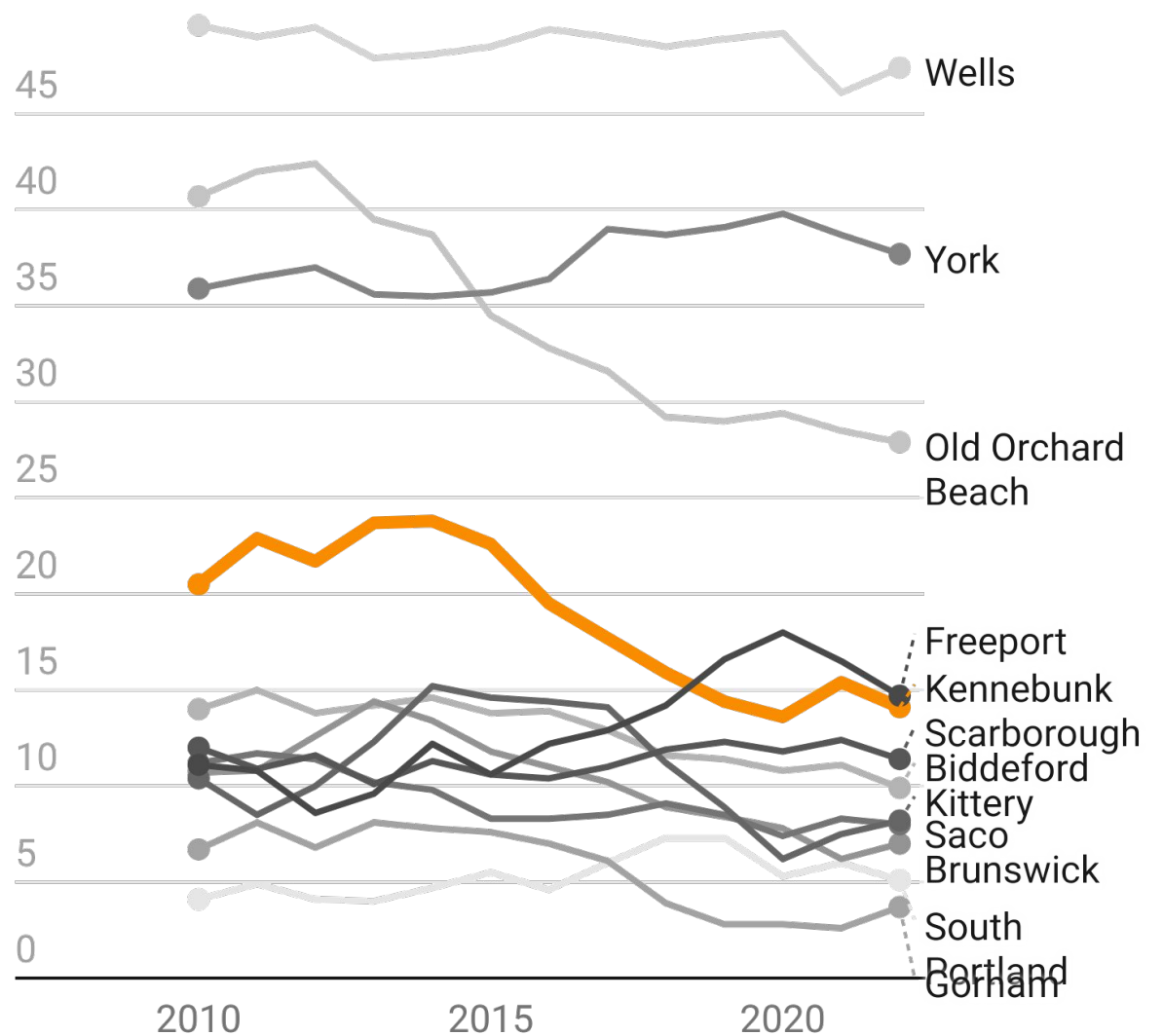
Overview | Comparison communities

# Percent vacant homes

Source: ACS 5-Year 2010-2022

Second homes, seasonal homes, and short term rentals are all considered to be vacant homes. Kennebunk is relatively high, but not as high as some other vacation communities.

- 47.4% Wells
- 37.7% York
- 27.9% Old Orchard Beach
- 14.7% Freeport
- 14.1% Kennebunk**
- 11.4% Scarborough
- 9.9% Biddeford
- 8.2% Kittery
- 8.0% Saco
- 7.0% Brunswick
- 5.1% South Portland
- 3.7% Gorham



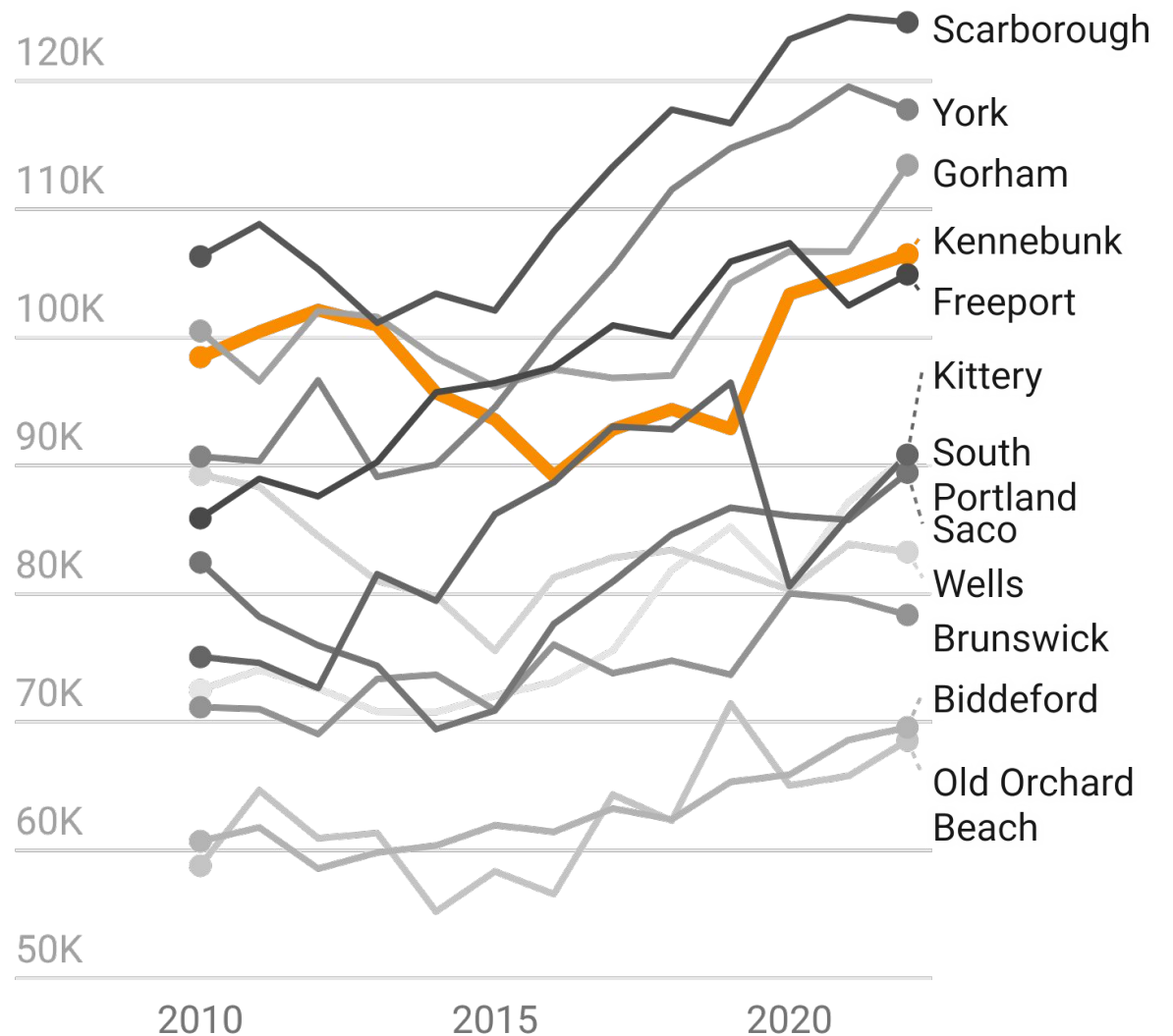
Overview | Comparison communities

# Inflation-adjusted median household income

Source: ACS 5-Year 2010-2022, CPI for inflation

Kennebunk is near the top of median household income and has been relatively steady since 2010 despite a small dip in the middle middle of the decade.

- \$124,618 Scarborough
- \$117,797 York
- \$113,467 Gorham
- \$106,495 Kennebunk**
- \$104,938 Freeport
- \$90,869 Kittery
- \$90,738 South Portland
- \$89,459 Saco
- \$83,276 Wells
- \$78,360 Brunswick
- \$69,587 Biddeford
- \$68,569 Old Orchard Beach



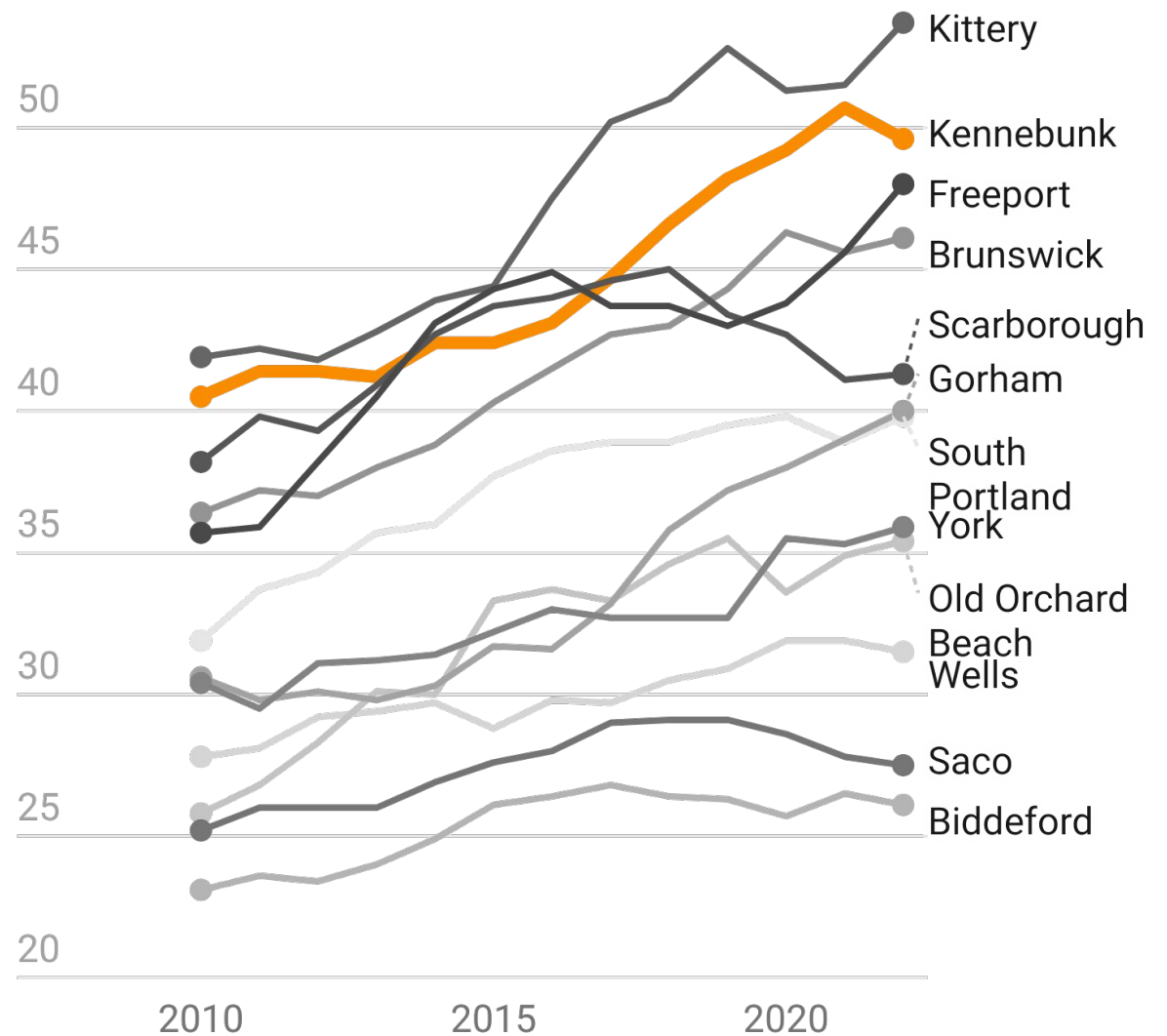
Overview | Comparison communities

# Percent of householders over 65 years old

Source: ACS 5-Year 2010-2022

Householders over 65 years old are a growing share of all households in the region, but in Kennebunk the share is very high, as Kennebunk is considered an “age-friendly community”.

- 53.7% Kittery
- 49.6% Kennebunk**
- 48.0% Freeport
- 46.1% Brunswick
- 41.3% Scarborough
- 40.0% Gorham
- 39.8% South Portland
- 35.9% York
- 35.4% Old Orchard Beach
- 31.5% Wells
- 27.5% Saco
- 26.1% Biddeford





The following section profiles the people of Kennebunk, detailing characteristics such as income, employment, household structure, and cost burden. These indicators combine to describe the local population's housing needs and preferences which inform this report's recommended strategies for new housing production to meet demand and fill gaps in affordability and attainability.

# People

## **Demographic profile and trends**

Understanding the demographic composition of a community and changes over time sheds light on likely housing needs today and into the future. Key demographic indicators include racial makeup, household types, and population age trends. Analyzing a community's demographic and housing characteristics by income level provides insight into the range of housing types and costs that might best meet local needs and ability to pay. Key household socioeconomic indicators include incomes, cost burden by tenure (rent/own), household size, number of bedrooms, age, number of children, number of earners, and housing structure type - all broken down by income level for comparison between higher- and lower-income households.

## **Employment patterns**

Evaluating the local jobs mix and changes over time suggest what income levels and housing values employers within the area are able to support. Key indicators include employment change over time by sector and the geographic distribution of jobs by sector in and around the area.

People | Demographic profile and trends

# Household profiles by income group

Source: ACS 5-Year, CommunityScale, HUD

## \$97,900

### Area Median Income

York County, ME (part) HUD area

The table at right profiles Kennebunk’s population by AMI level to illustrate how many people fall into each group, their income, and the range they can affordably pay for housing.

The highlighted workforce households are between 60% and 120% AMI (\$59K - \$117K annual household income). There are currently 1,662 households in this segment, many of which are currently spending more than 30% of the income on housing. Affordable monthly housing costs in this segment are between \$1,450 and \$2,950 a month, whether rent or mortgage payments.

Household financial characteristics by income, workforce highlighted in yellow

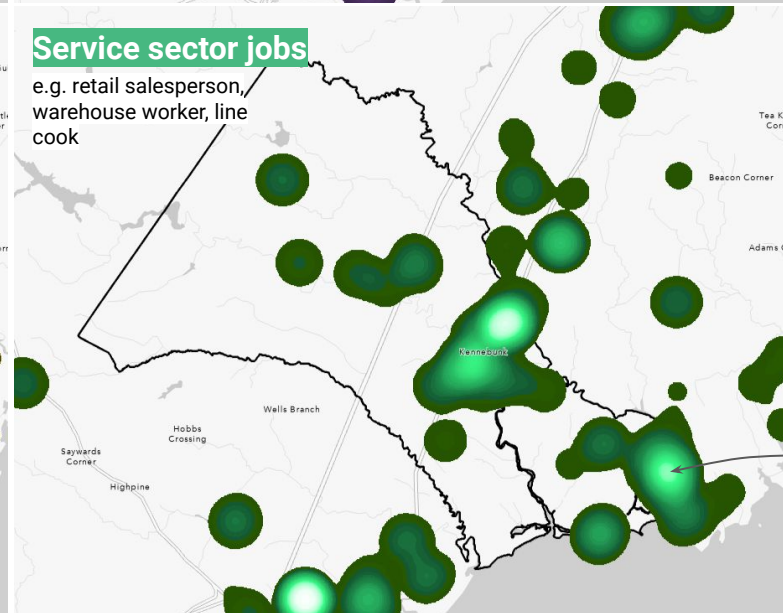
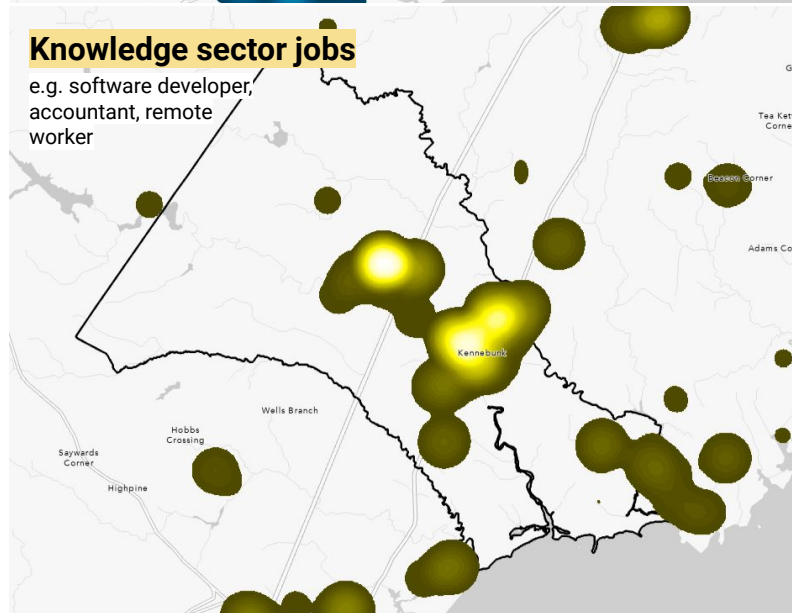
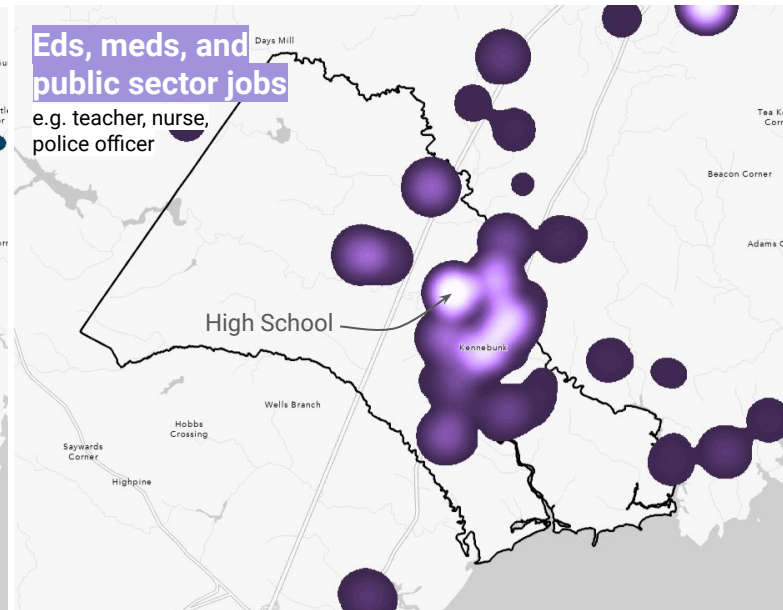
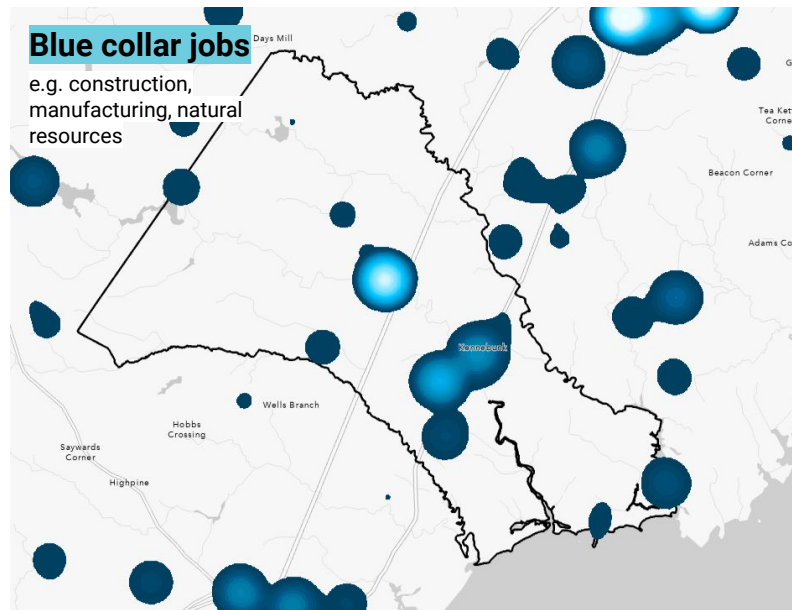
	AMI level	Total households	Household income range	Monthly affordable housing costs
Lower income	<30%	591	<\$29,370	<\$750
	30-60%	773	\$29,370-\$58,740	\$750-\$1,450
Middle income workforce	60-80%	503	\$58,740-\$78,320	\$1,450-\$1,950
	80-100%	537	\$78,320-\$97,900	\$1,950-\$2,450
	100-120%	622	\$97,900-\$117,480	\$2,450-\$2,950
Higher income	>120%	2,160	>\$117,480	>\$2,950

*This analysis examines household characteristics and housing need in terms of household incomes relative to the local Area Median Income (AMI). For example, households within the "60-80%" group earn between 60% and 80% of the HUD-established AMI for the metro area. Each household AMI group has a different need for monthly housing costs.*

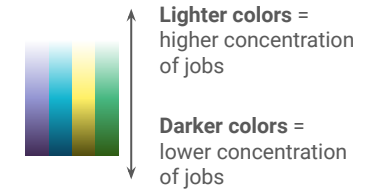
People | Employment patterns

# Distribution of job sectors across the community

Source: US Census, Longitudinal Employer-Household Dynamics dataset, 2021.



**HOW TO READ THESE MAPS:**



The maps at right illustrate clusters of jobs by type or sector - clockwise from top left: blue collar jobs; jobs in education, healthcare, or public sector; service sector jobs, and "knowledge sector" jobs. This map does not represent every single employer but rather relative clusters of the four sectors of employment.

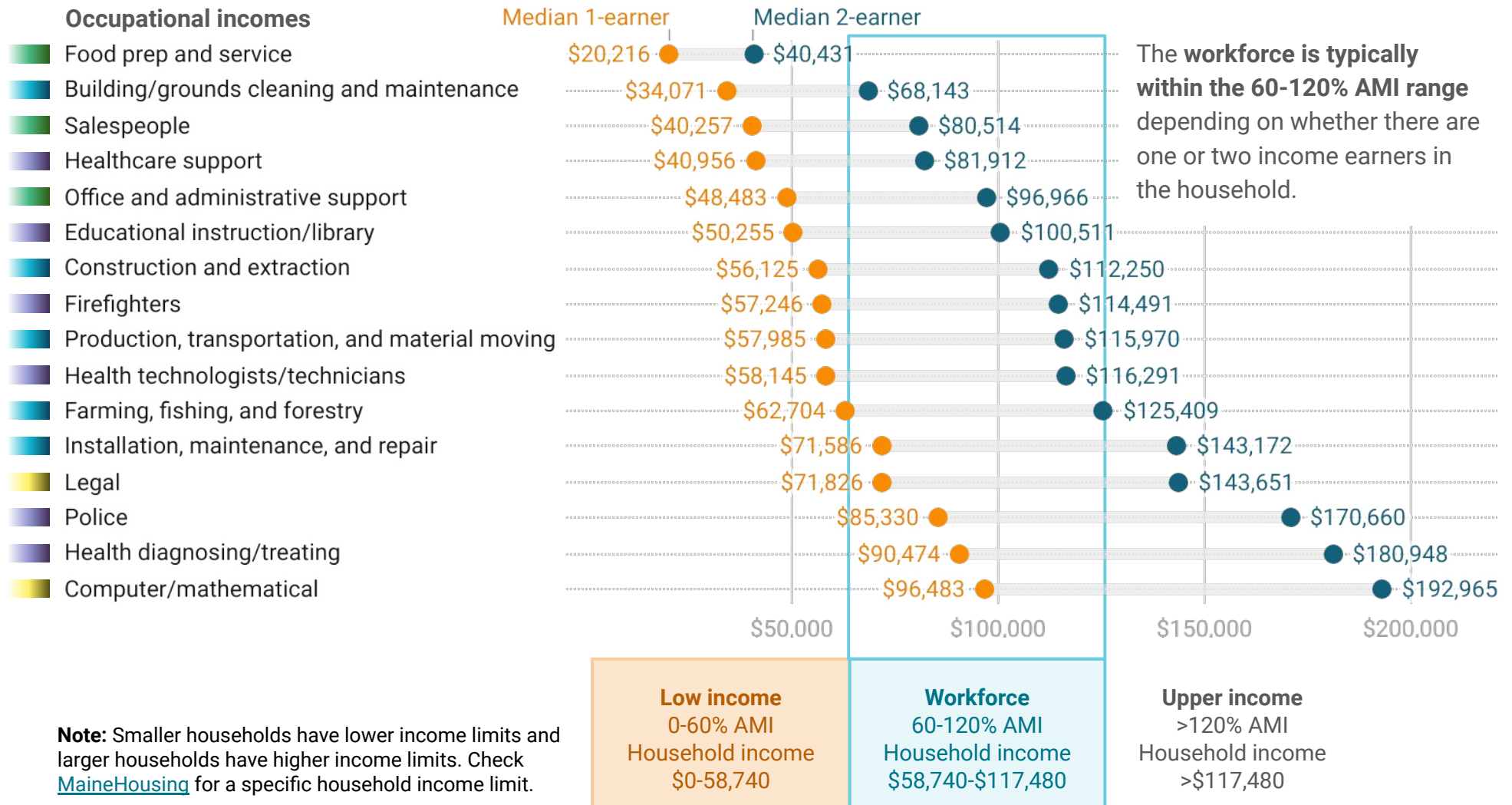
Lower Village



People | Employment patterns

# Who is eligible for affordable housing?

Source: Kennebunk-specific Longitudinal Employer-Household Dynamics dataset, median income per occupation in 2022 inflation adjusted to 2024. CoStar.



People | Demographic profile and trends

# AMI groups, by cost burden

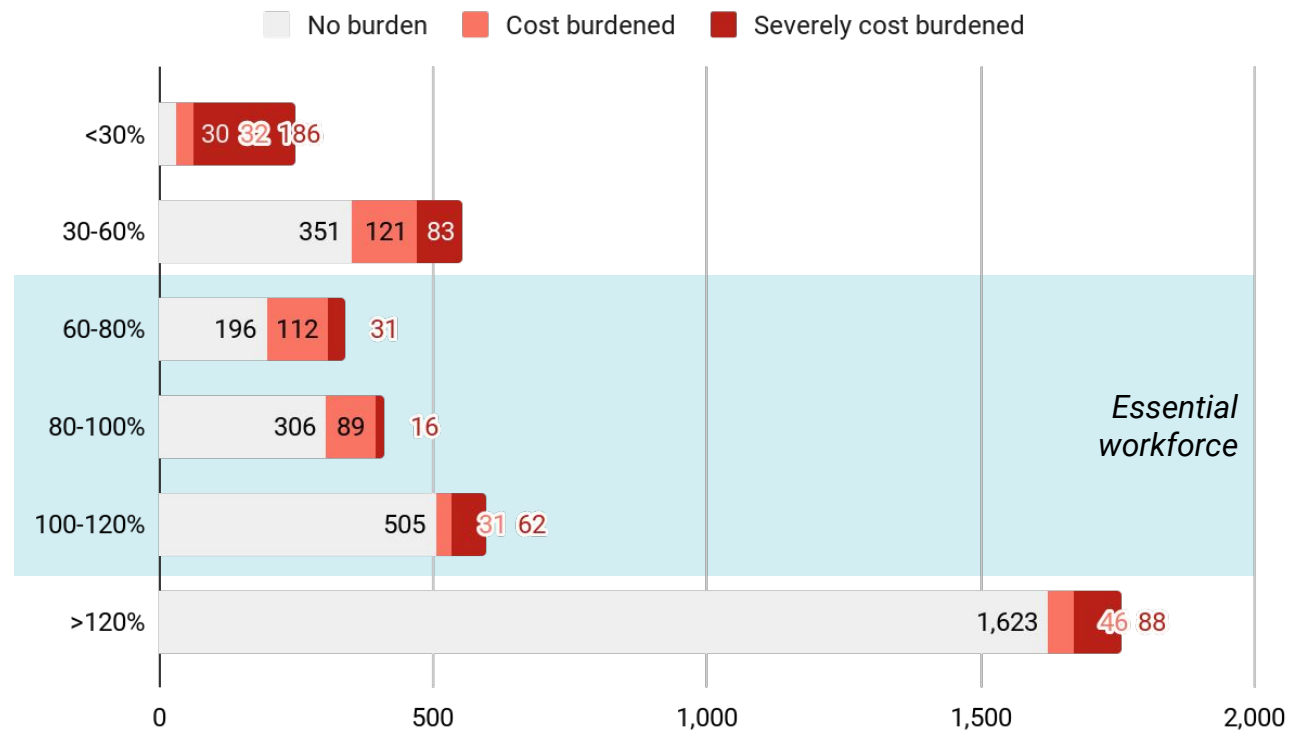
Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

In Kennebunk, most low-income households are cost burdened. Most households earning >80% AMI are not cost burdened.

Households are cost burdened when paying more than 30% of their income on housing costs. They are considered severely cost burdened when these costs exceed 50% of their income. For [renters](#), this includes lease rent and utilities. For [homeowners](#), this includes mortgage costs, property taxes, insurance, utilities, and any condo fees.

Number of households in each AMI group, by cost burden



People | Demographic profile and trends

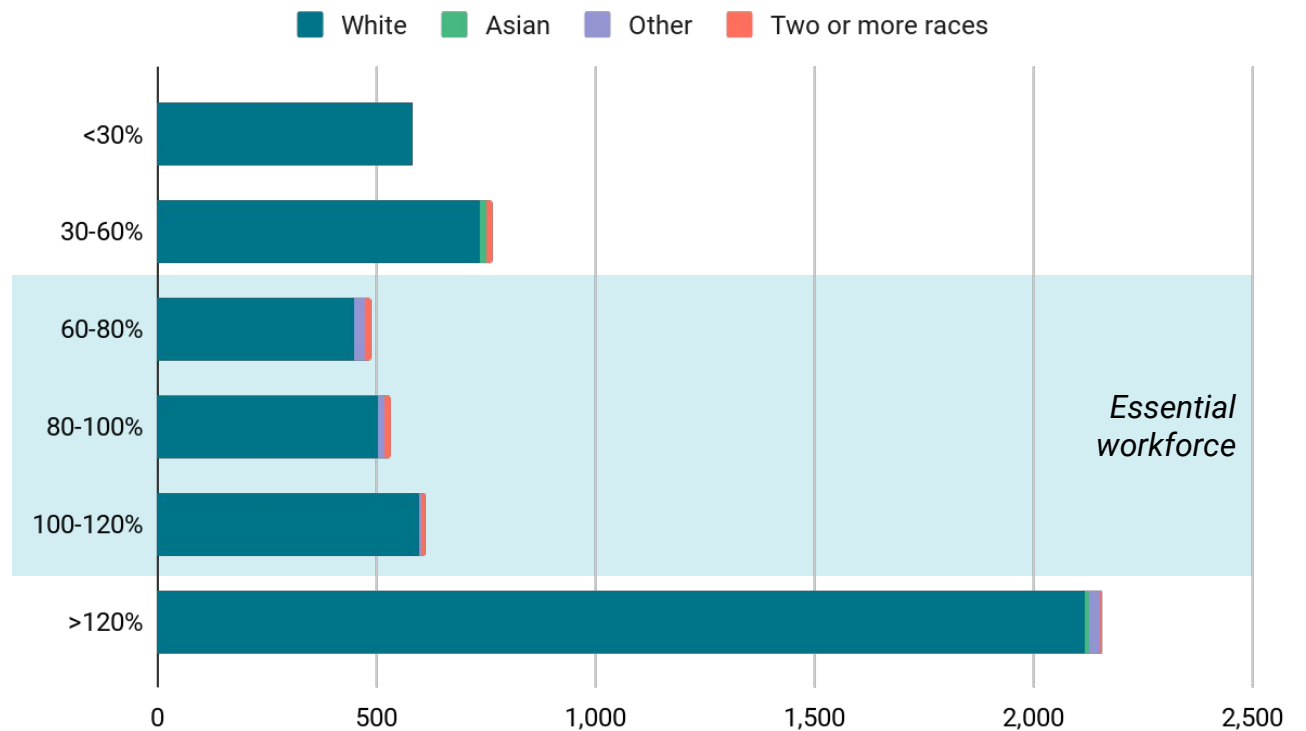
# AMI groups, by race of householder

Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

While Kennebunk is generally majority White, Kennebunk’s lowest income groups are its most racially diverse, especially the <30% and 30-60% AMI groups. Other income levels are relatively consistent in their proportional ratios of white and non-white households.

Number of households in each AMI group, by race



People | Demographic profile and trends

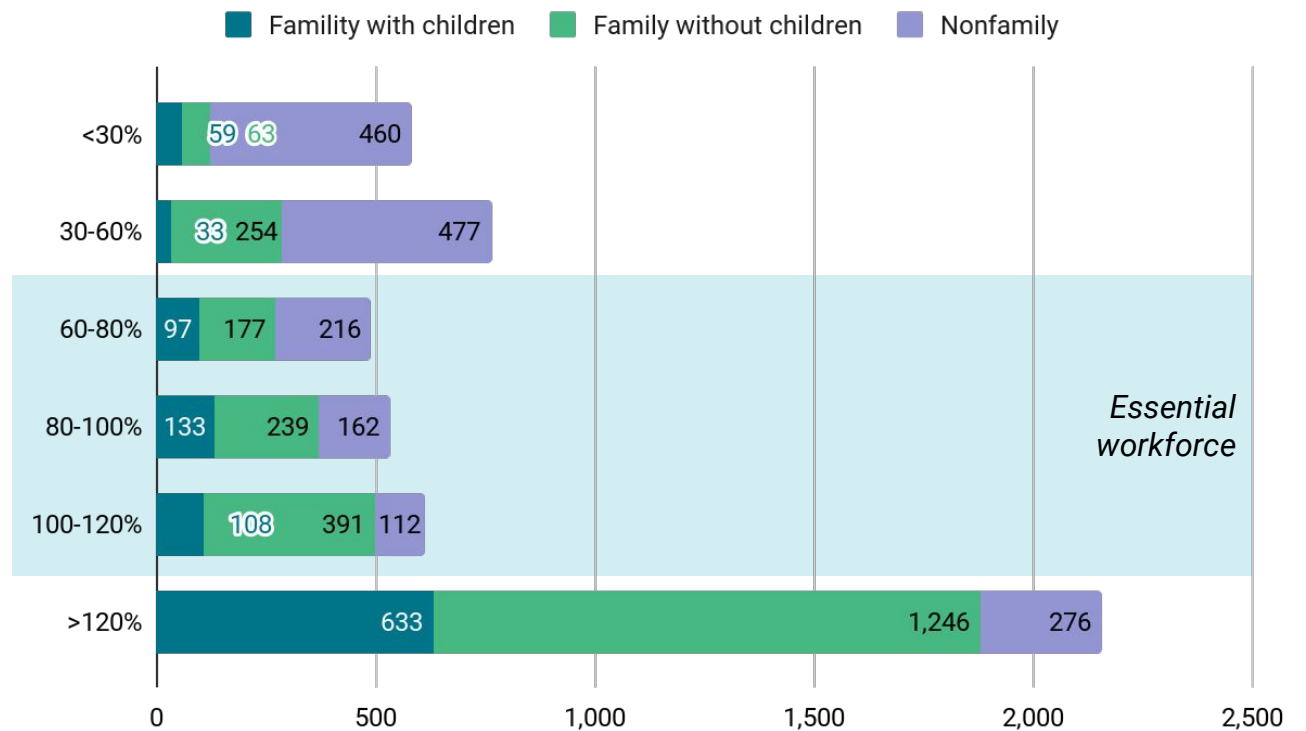
# AMI groups, by household type

Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

Kennebunk’s families with children are most prevalent in the >120% AMI group. Nonfamily households are predominantly low-income (this group includes one-person households). Families without children (such as couples) are most common at the >120% AMI level.

Number of households in each AMI group, by household type



People | Demographic profile and trends

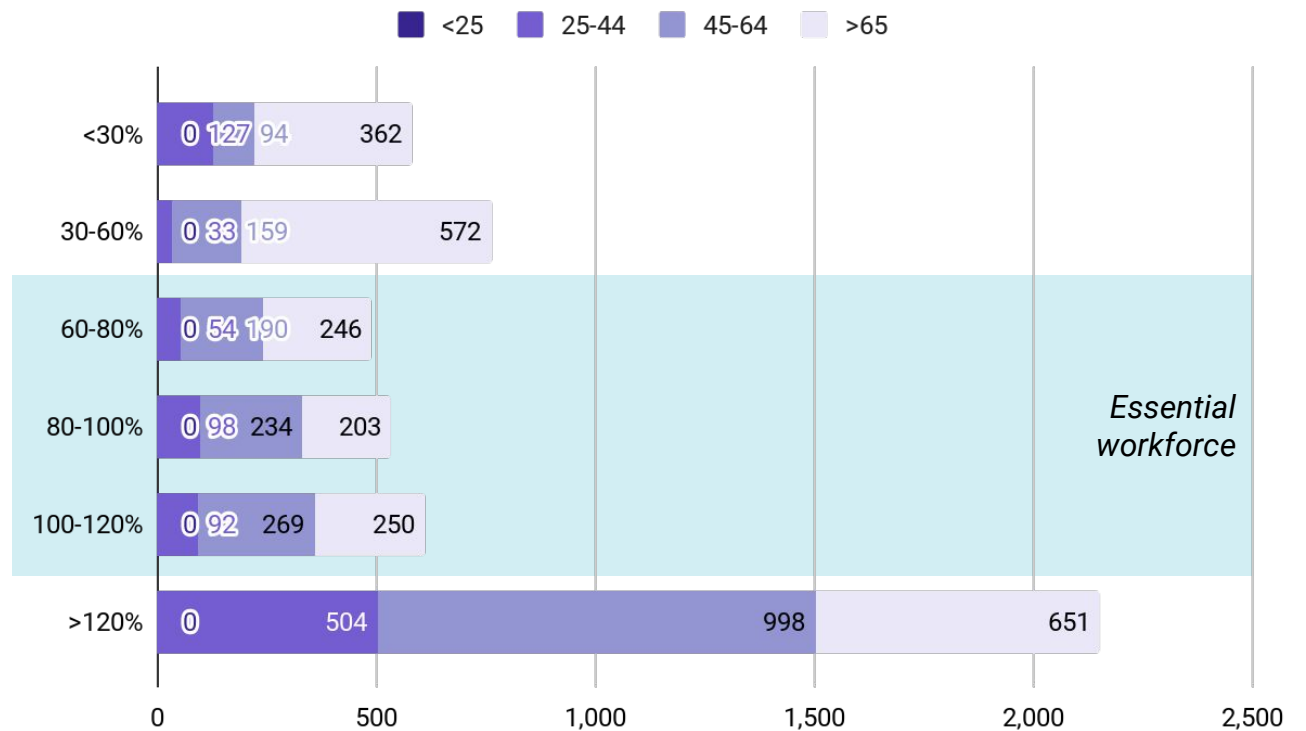
# AMI groups, by age of householder

Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

Most households in the >65 age group have incomes below 60% AMI. Households between 25-64 are most prevalent in the >120% AMI but also particularly numerous in the 30-60% and <30% AMI groups. The small group of youngest households (<25 years) are somewhat more concentrated at lower income levels.

Number of households in each AMI group, by age of householder



People | Demographic profile and trends

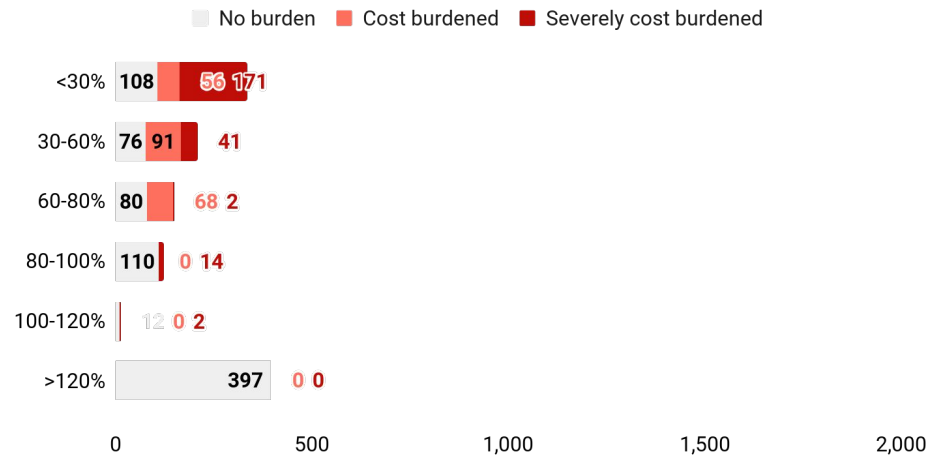
# Cost burdened households by tenure and AMI group

Source: ACS 5-Year, tables B25074, B25095, 2022

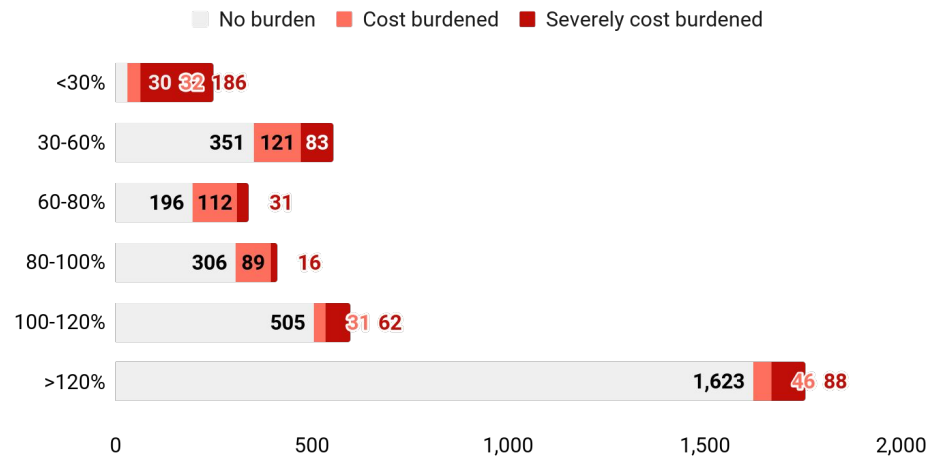
Tenure	Share of housing stock
Renter- occupied	25.3%
Owner- occupied	74.7%

Many of Kennebunk’s residents are experiencing cost burden, especially lower-income households.

## Cost-burdened renters, by AMI group



## Cost-burdened homeowners, by AMI group



People | Demographic profile and trends

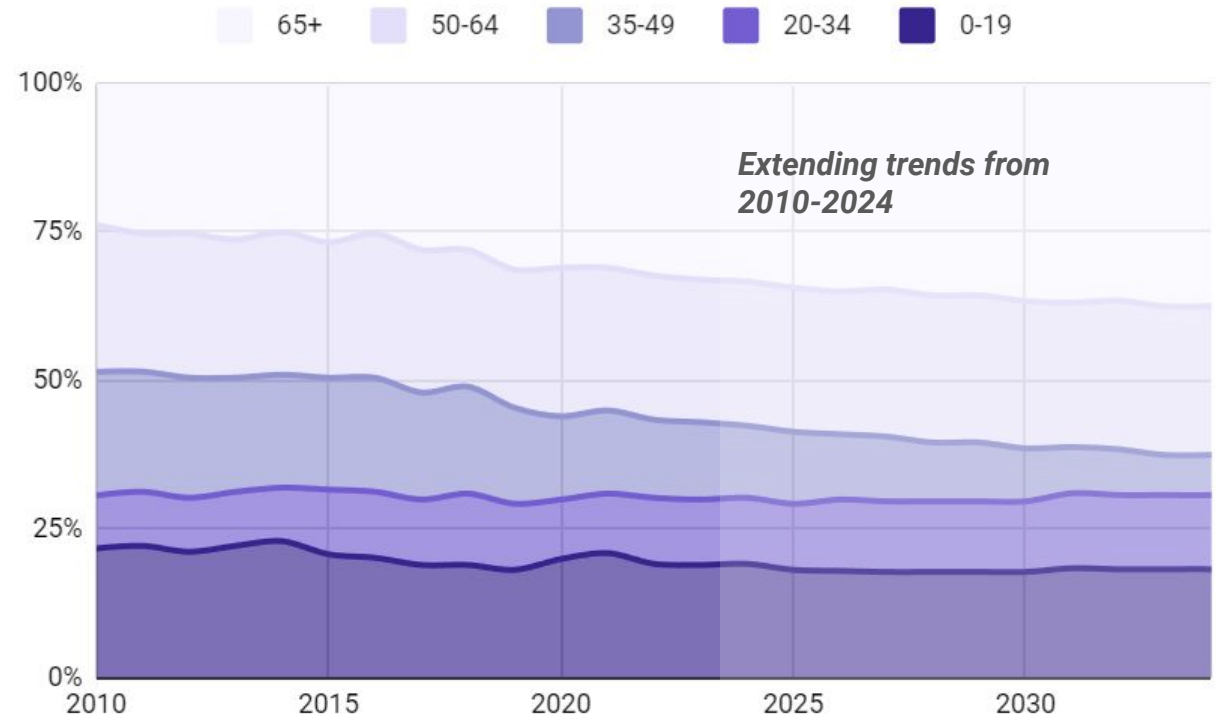
# Population age trend and projection

Source: ACS 5-Year, CommunityScale

Kennebunk’s population has been aging over the past decade, with the 65+ age group growing faster than other groups and projected to outpace others into the future.

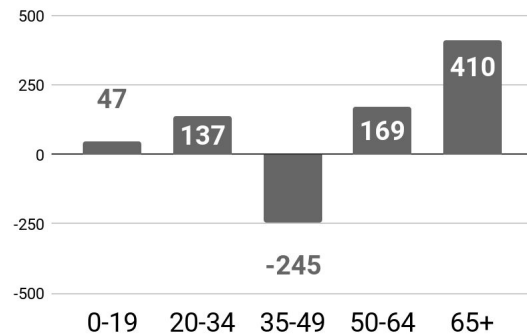
In general, younger households are more likely to prefer family-oriented housing and neighborhoods where as older households may have a broader range of preferences and priorities, including senior options.

Population by age cohort



This chart illustrates trends in population by age cohort, both historic and projected. The projection is based on recent trends extended. Depending on economic, policy, and other conditions, the future age distribution may vary over time.

Net household change, 2024-34



People | Demographic profile and trends

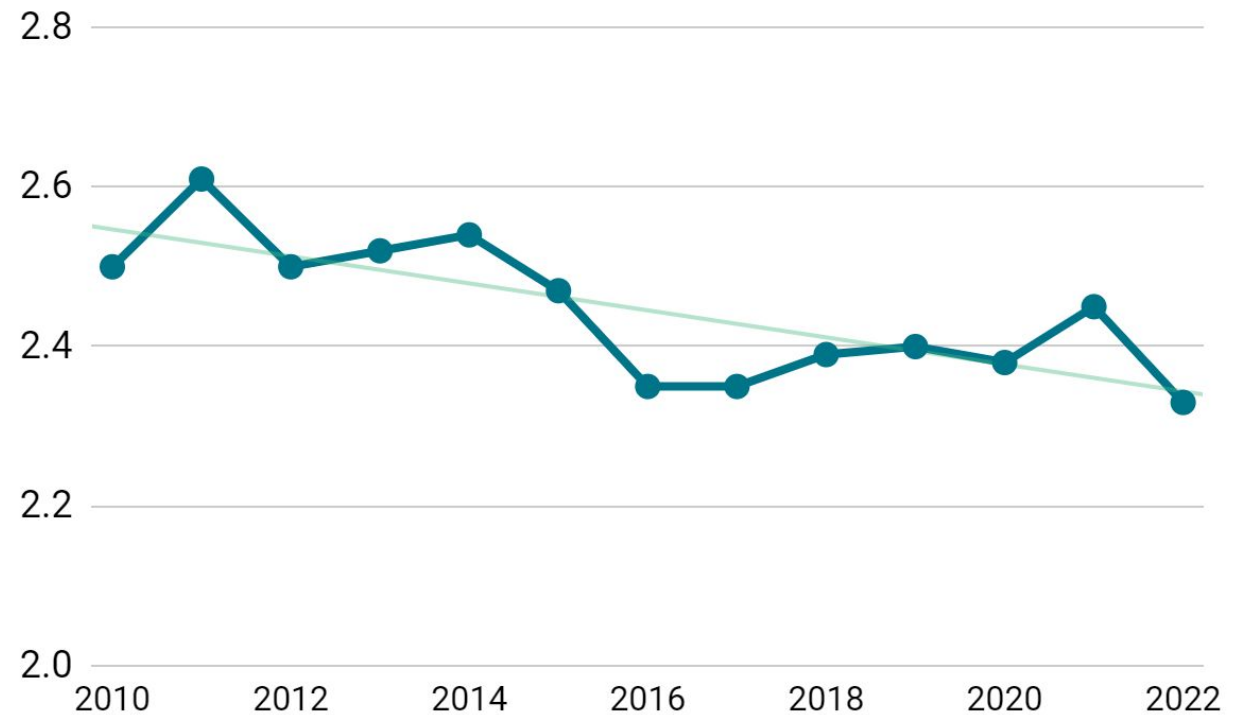
# Kennebunk’s average household size has been slightly decreasing over the last decade

Source: ACS 5-Year, CommunityScale

Dropping average household sizes have significant housing implications for a municipality. Smaller household sizes typically result in higher demand for homes since fewer people are living in each home, which helps explain why the rate of housing demand can outpace the rate of population increase.

This shift can strain the existing housing supply and increase demand to build more homes, particularly smaller homes or multifamily housing, to accommodate this new demographic reality.

Kennebunk’s average household size





People | Demographic profile and trends

# Kennebunk’s school enrollment is remaining steady or declining despite the housing supply growing by 5.9% from 2010 to 2020

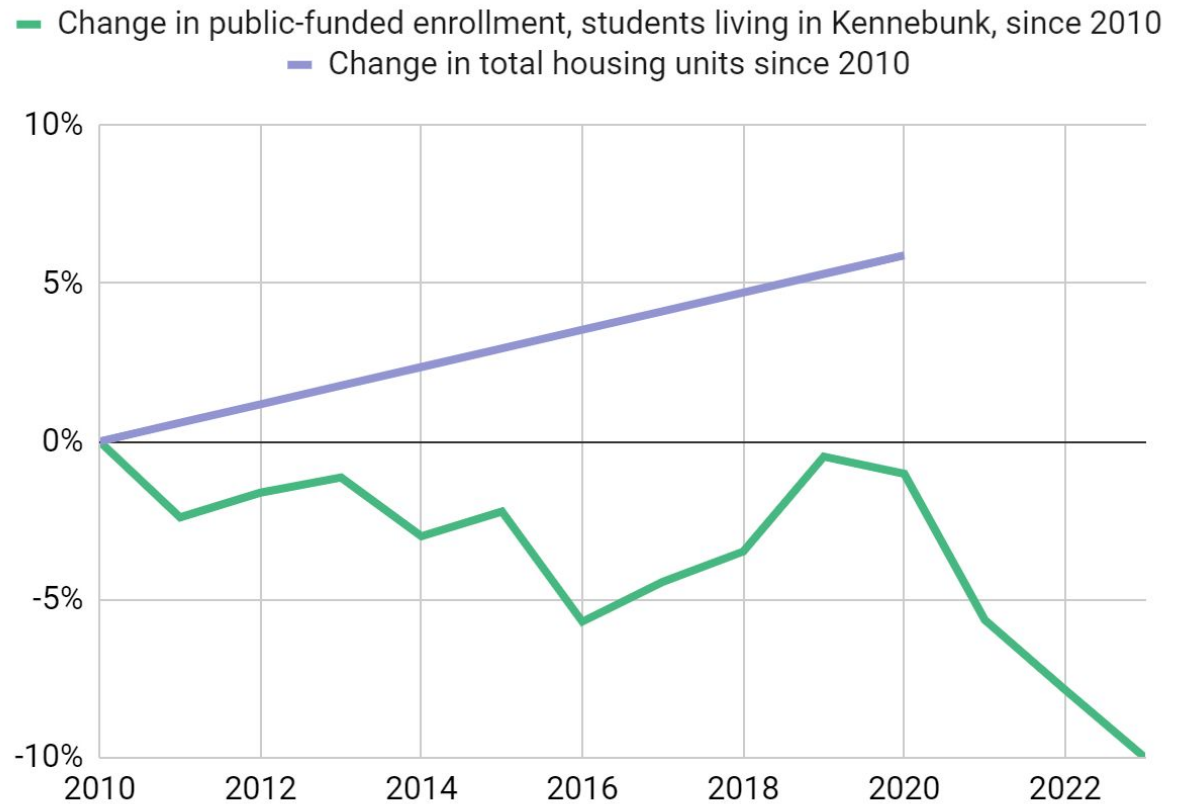
Source: Maine DOE (2015-2023) and as reported in 2014-2015 School Enrollment Projections for RSU 21 report, prepared by Planning Decisions, Inc. (2010-2014) [enrollment]; US Decennial Census [homes]

Kennebunk’s school enrollment data show a steady or declining overall enrollment in the past decade despite growth in the number of homes. The number of RSU 21-enrolled students per home in 2010 was 0.28, and dropped to 0.26 in 2020.

This is related to the declining family size and the declining number of enrolled students per household.

Rather than new housing appearing to be a threat to the school system, Kennebunk should understand new housing as being necessary to maintain the schools in the community.

Percent change in enrollment and homes since 2010





The following section profiles Kennebunk's housing stock and affordability, detailing characteristics such as structure type, bedroom count, and development timeframe as well as household costs and market pricing for local rental and ownership homes.

# Place

## **Current housing mix**

A community's housing stock varies in terms of several variables that are important to gauging how well local residents' needs are being met, including the unit's structure type and number of bedrooms. Organizing homes by year of construction helps identify the relative pace of development over the years. Tabulating subsidized homes within the community indicates how many of the lowest income households are likely to find homes they can afford.

## **Cost of housing**

Housing prices can change much more rapidly than housing stock or the resident population. Tracking prices over time can indicate trends of higher or lower overall housing affordability and, as an extension, the degree of economic vulnerability households at lower income levels are likely to experience.

## **Mapping**

Mapping key socioeconomic characteristics can reveal potential geographic disparities within the community, such as neighborhoods with particularly high concentrations of cost burden.

Place | **Current housing mix**

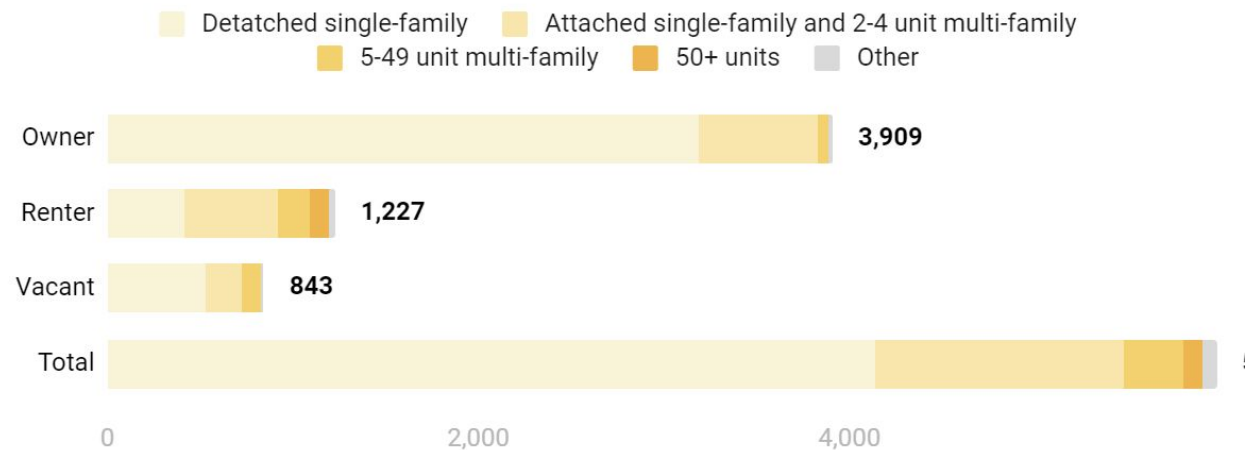
# Existing homes by structure type

Source: ACS 5-year 2022

This graph inventories the local housing stock in terms of each unit's structure type, a characteristic defined as the number of homes in the building that contains a given unit.

Households may have different structure type preferences depending on characteristics such as household size, income, employment, presence of children, age of individuals, and lifestyle choices. Understanding the housing stock in corresponding terms helps assess how well existing homes align with existing households' ideals.

**Existing homes by structure type**



In most places, ownership homes are predominantly single family detached. Rental homes are typically more diverse, including small- and large-scale multifamily developments. While these trends might reflect market preferences to some degree, other non-market factors also influence what types of homes are actually built, such as zoning ordinances, regulatory constraints, and community choices.



Place | Current housing mix

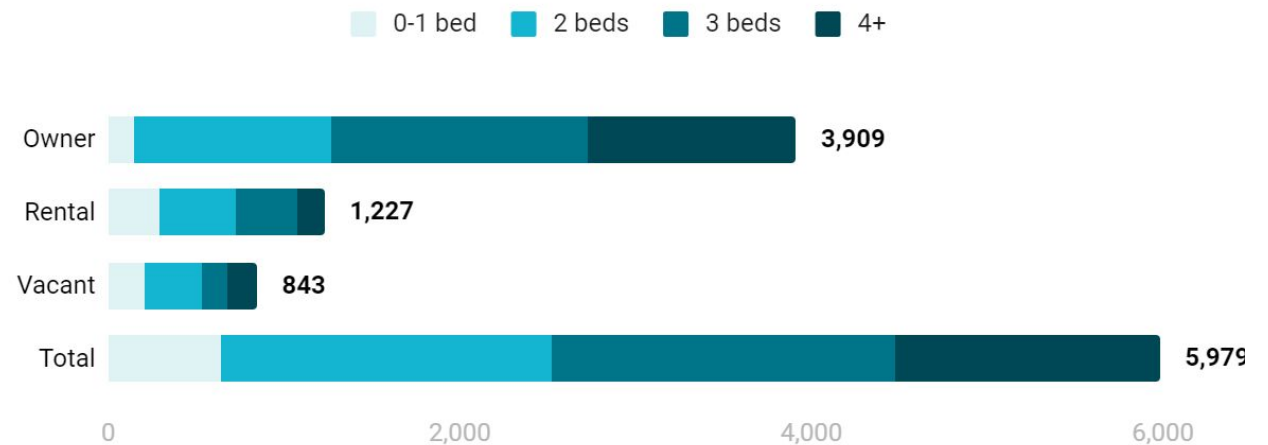
# Existing homes by bedroom count

Source: ACS 5-year 2022

This graph inventories the local housing stock in terms of bedroom count by home by tenure. The majority of Kennebunk’s homes are two bedroom or larger, especially among ownership homes.

Household size and the presence of children are primary drivers for bedroom count with, as expected, larger families desiring more bedrooms than smaller households. However, other factors such as income and the incremental cost of extra bedrooms also influence these preferences. In most places, ownership homes are generally offer more bedrooms than rental homes. As above with structure type, this is not exclusively a result of the market reflecting household preferences.

Existing homes by number of bedrooms



Few single family houses contain less than three bedrooms so, if they dominate the local ownership supply, there will not many small ownership homes available. Conversely, most rental homes contain fewer than three bedrooms so households interested in renting a larger home may have limited options to choose from. This misalignment is at least somewhat driven by the fact that it is less capital efficient to build small houses and large apartments even if there may be some demand for them.

Place | **Current housing mix**

# Age of existing housing

Source: ACS 1-year 2022, Town of Kennebunk for post-2020 permits

The figure at right tabulates the age of local homes in terms of when they were built. Kennebunk saw relatively consistent housing production for most of the 20th century.

This table chronicles the community's development history, indicating decades with relatively more or less construction activity.

2020 or later is approximate as new homes are completed.

## Age of existing homes

Year built	homes	Share	Cumulative share
2020 or later	262	4%	4.2%
2010 to 2019	342	5%	10%
2000 to 2009	816	13%	23%
1990 to 1999	844	14%	36%
1980 to 1989	1,027	16%	53%
1970 to 1979	427	7%	60%
1960 to 1969	302	5%	65%
1950 to 1959	583	9%	74%
1940 to 1949	139	2%	76%
1939 or earlier	1,490	24%	100%

Place | **Current housing mix**

# Committed affordable homes

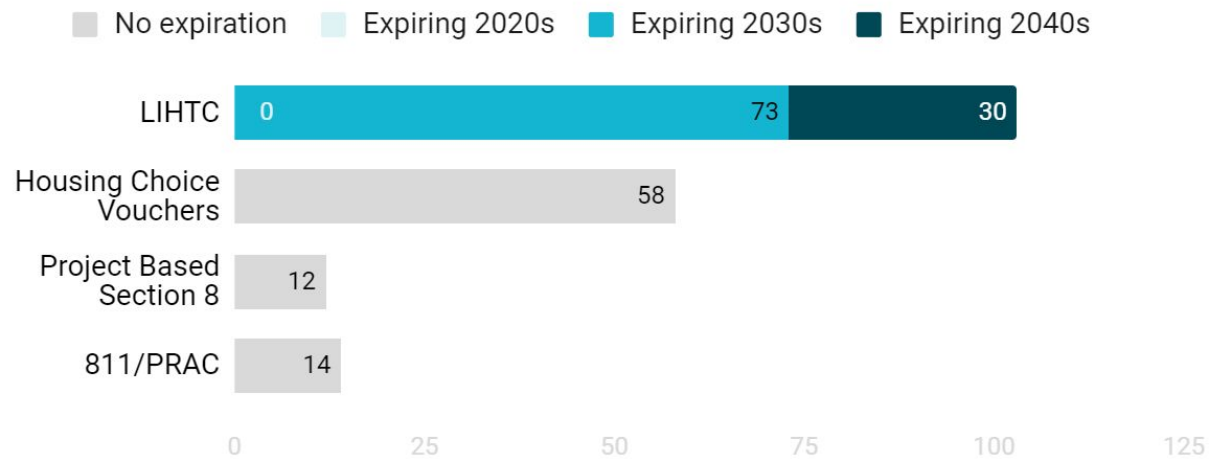
Source: Local inventory of subsidized homes by HUD program and expiration horizon, York County, Kennebunk Comprehensive 2022

Kennebunk currently has 240 committed affordable homes, 145 of which are age restricted.

Homes supported federal programs such as Low Income Housing Tax Credits (LIHTC) and Housing Choice Vouchers are shown in the chart to the right. For households with particularly low incomes, these homes can represent one of the only housing options available to them.

While most of these programs are funded indefinitely, LIHTC homes are only required to remain cost-restricted for up to 30 years. After that "expiration" date, the homes may convert to market-rate costs, effectively ending their affordability for these low income households.

**HUD-subsidized affordable homes by program and expiration date**



## Housing costs and affordability (Ownership)

*The following pages examine housing costs, prices, and other measures of affordability. Combined with the indicators described in the report's People section, this data directly relates to the scope and scale of attainability problems such as cost burden and other misalignments between demand and supply.*

**How to estimate what's affordable?** Variables and assumptions informing the affordability metrics featured on the following pages include:

**30-year loan term:** 90% of mortgages in the US are 30 year term loans.

**Mortgage rates:** Mortgage interest rates are a primary driver of affordability: lower rates amplify a household's buying power while higher rates can dramatically reduce it. In May 2024 the typical rate was 7.06%.

**Down payment:** While a 20% down payment is often considered standard, most households pay less. In Maine, the average down payment is 13.1% of the purchase price.

**PMI:** Private mortgage insurance (PMI) is required by virtually all lenders when the down payment is less than 20% of the purchase price. Rates range widely due to a variety of factors but 0.5% approximates a typical rate.

**Property tax:** Property tax obligations reduce the amount of household income available for mortgage payments..

**Homeowners insurance:** Banks require homeowner insurance as part of the financing process.

**Utilities:** Homeowner costs include the basic utilities required to keep the property heated and operational.

**Condo fees:** Homeowners in condominium communities typically contribute a monthly fee plus periodic assessments to support the maintenance and management of common areas and the overall premises outside their unit.

**Translating sale price to monthly cost.** Even setting aside factors such as interest rates and down payments, changes in home sales prices - especially dramatic increases - can significantly limit households' ability to access the housing options they may need or prefer. First-time homebuyers are especially impacted by rising prices because they lack access to equity in the form of a prior home that they might otherwise be able to sell into the same market and derive extra value from. Here is how example sale prices translate into typical monthly costs based on current mortgage rates, down payments, property taxes, utility costs, and related factors:

**\$200,000 home costs \$1,550/month**  
**\$400,000 home costs \$2,950/month**  
**\$600,000 home costs \$4,400/month**  
**\$800,000 home costs \$5,800/month**

Place | Cost of housing

# Homeownership costs

Source: Zillow ZHVI 2024, Census ACS 2022 5-Year

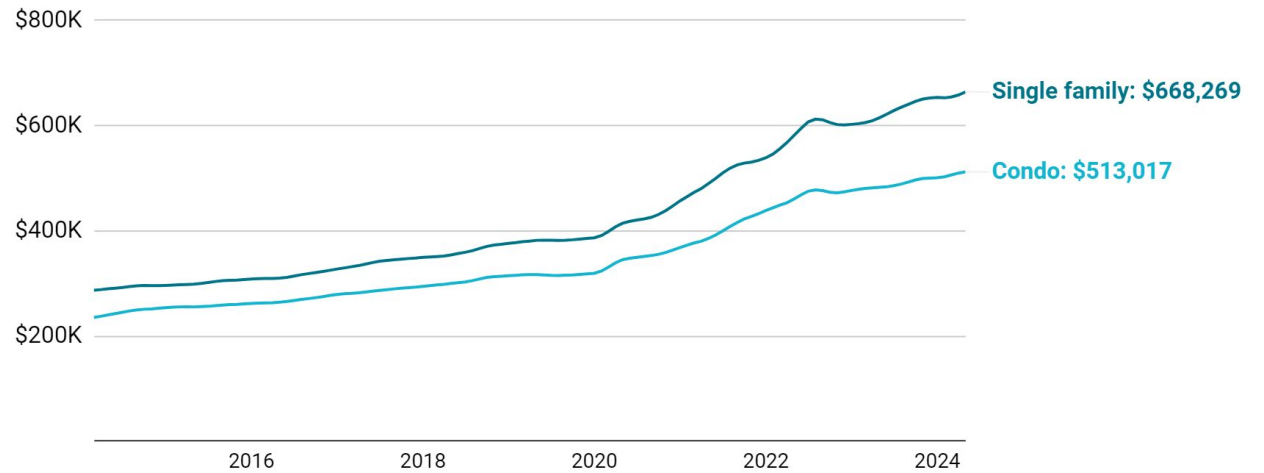
The top chart tracks the [typical market value](#) for single family homes and condos over the past several years. The adjacent table translates these values into monthly costs (mortgage + tax and other costs).

The bottom chart summarizes the distribution of costs across all ownership homes in the area, most of which last transacted years ago.

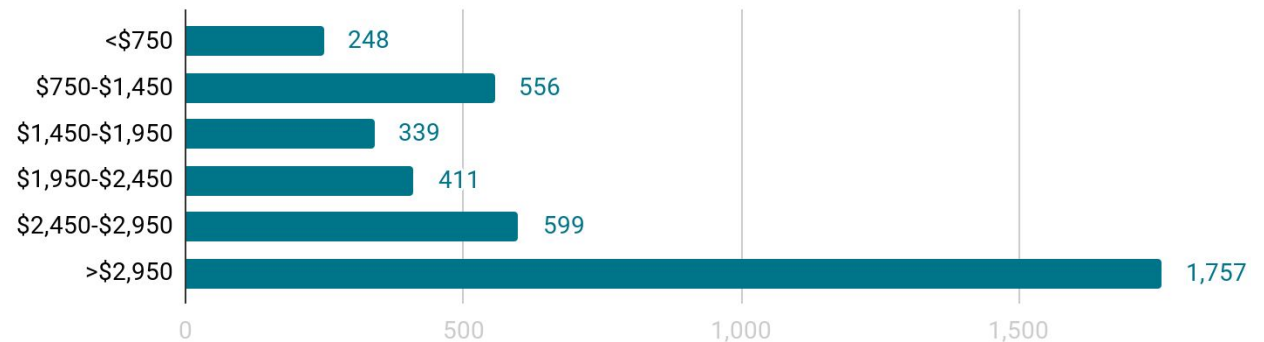
These charts reveal the significant difference between how much most homeowners currently pay per month (bottom) and it would cost per month to own a home purchased on today's market (top). Almost 60% of Kennebunk homeowners pay below \$2,950/mo compared to the \$4,116 and \$5,324 required to afford a condo and single family on today's market.

Home type	Home price	Monthly cost
Single family	\$668,269	\$5,324
Condo	\$513,017	\$4,116

## Typical market value



## Owner households by current monthly housing costs





Place | Cost of housing

# Renter costs

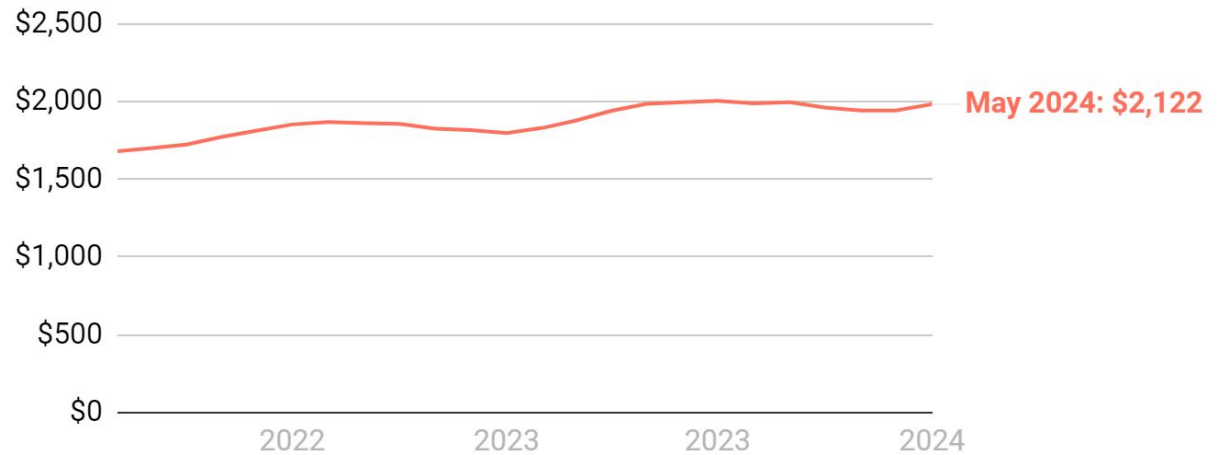
Source: Zillow ZHVI 2024, Census ACS 2022 5-Year. CoStar class 4 and 5 are approximations of new market rate construction.

The average asking rent should be understood as the typical cost to a household signing a new lease under current conditions. In reality, because this is a single average value, actual asking rents may vary depending on characteristics such as size, location, and property features but they will collectively track along this trendline.

The costs indicated in the bottom chart include newly occupied homes along with homes that have been occupied for longer (and where rent may have been set at a much lower rate than today's asking price).

The average asking rent in new multifamily construction is slightly higher, at \$2,200.

### Average rents by month (York County)



Place | Cost of housing

# The regional multifamily housing market continues to be strong, with lower-than-average vacancy rates and above average gains in rent

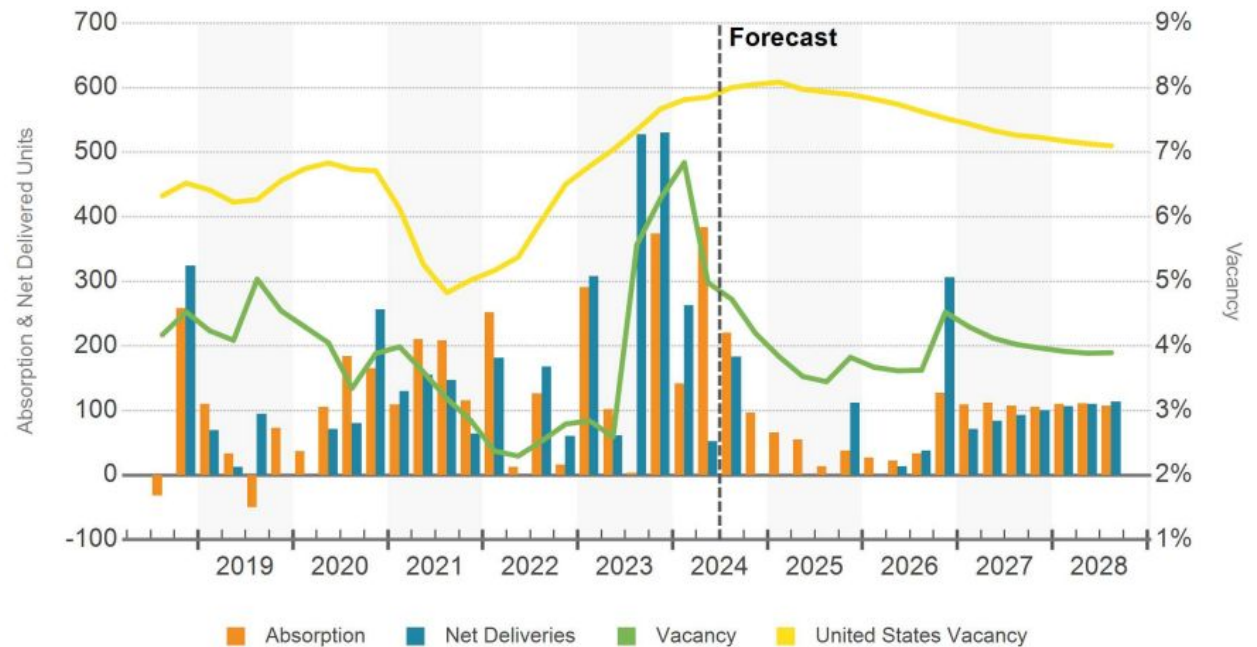
Source: CoStar report for Portland area, including Kennebunk

The Portland multifamily market has a vacancy rate of 5.0%. This vacancy rate is 1.1% higher than it was this time last year.

Asking rents in the York County submarket are \$1,775, which is slightly lower than the regional average of \$1,870/month.

York County currently has 250 homes under construction, which is the highest rate of construction in the region. Over the next 12 months, it is expected that 230 of those homes will be occupied. Some example projects are 192 York St, York, and 4 Merriam St, Berwick.

Regional absorption, net deliveries, and vacancy

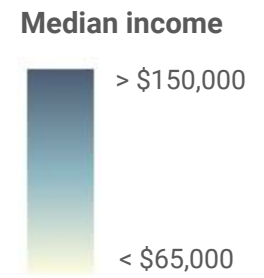
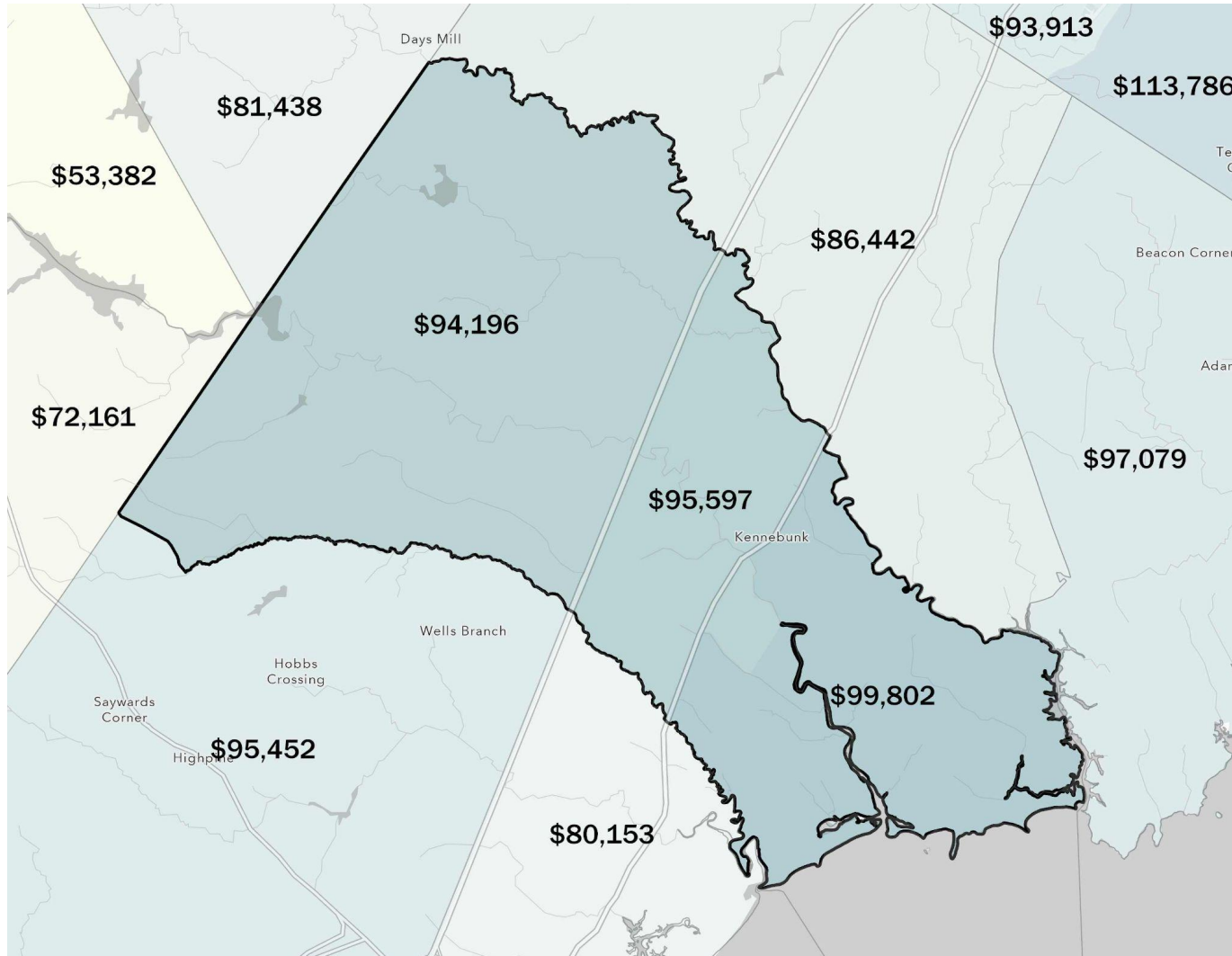


The regional vacancy is higher than its trailing three-year average of 3.9% but is still lower than the national trailing three-year average, which is 6.6%. Rents have increased 12.3% over the past three years, higher than the national average of 9.7%.

Place | Mapping

# Median household income, by Census tract

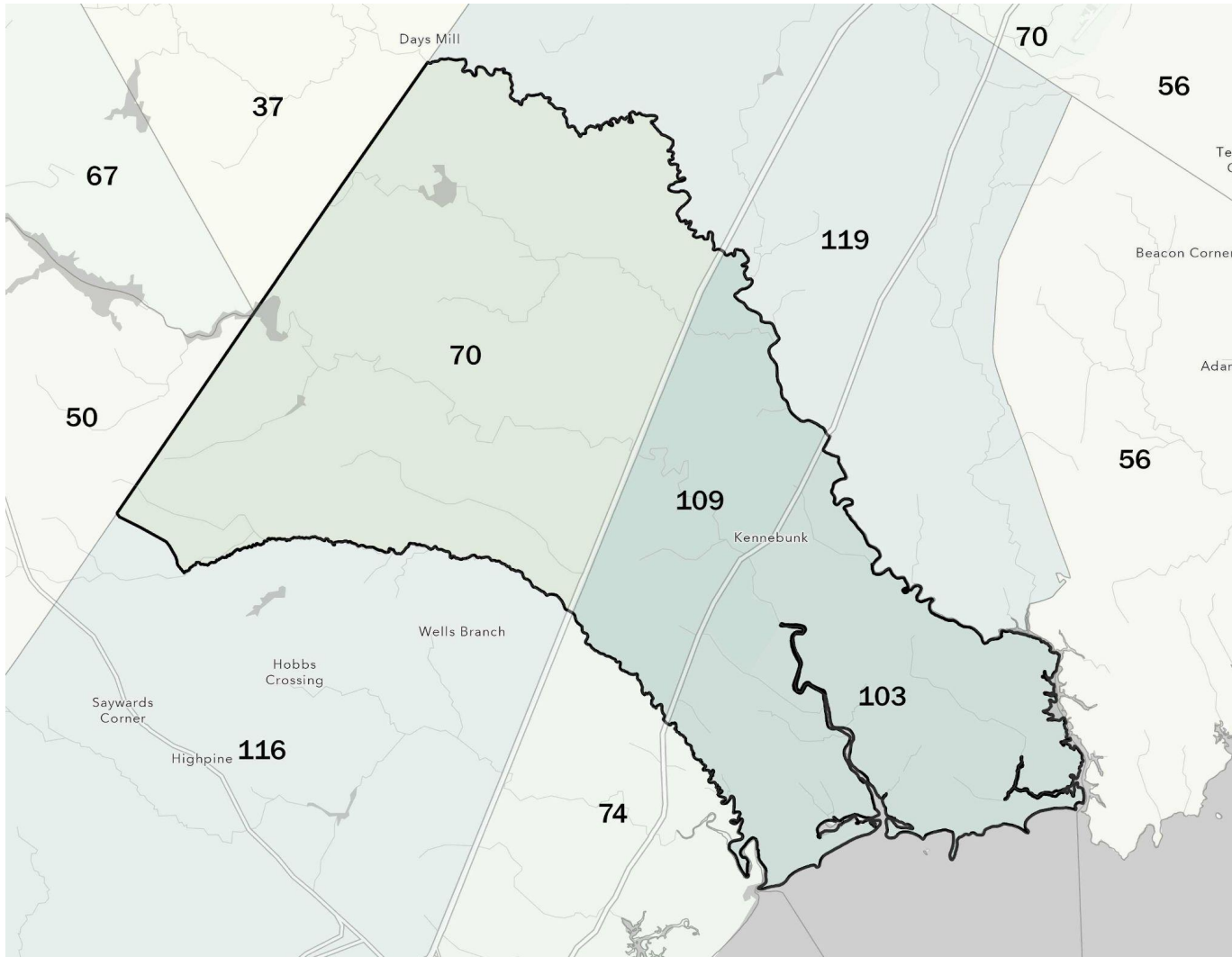
Source: ACS 5-Year, 2022



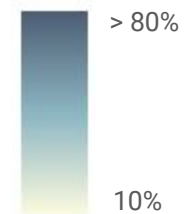
Place | Mapping

# Cost-burdened renters, by Census tract

Source: ACS 5-Year, 2022



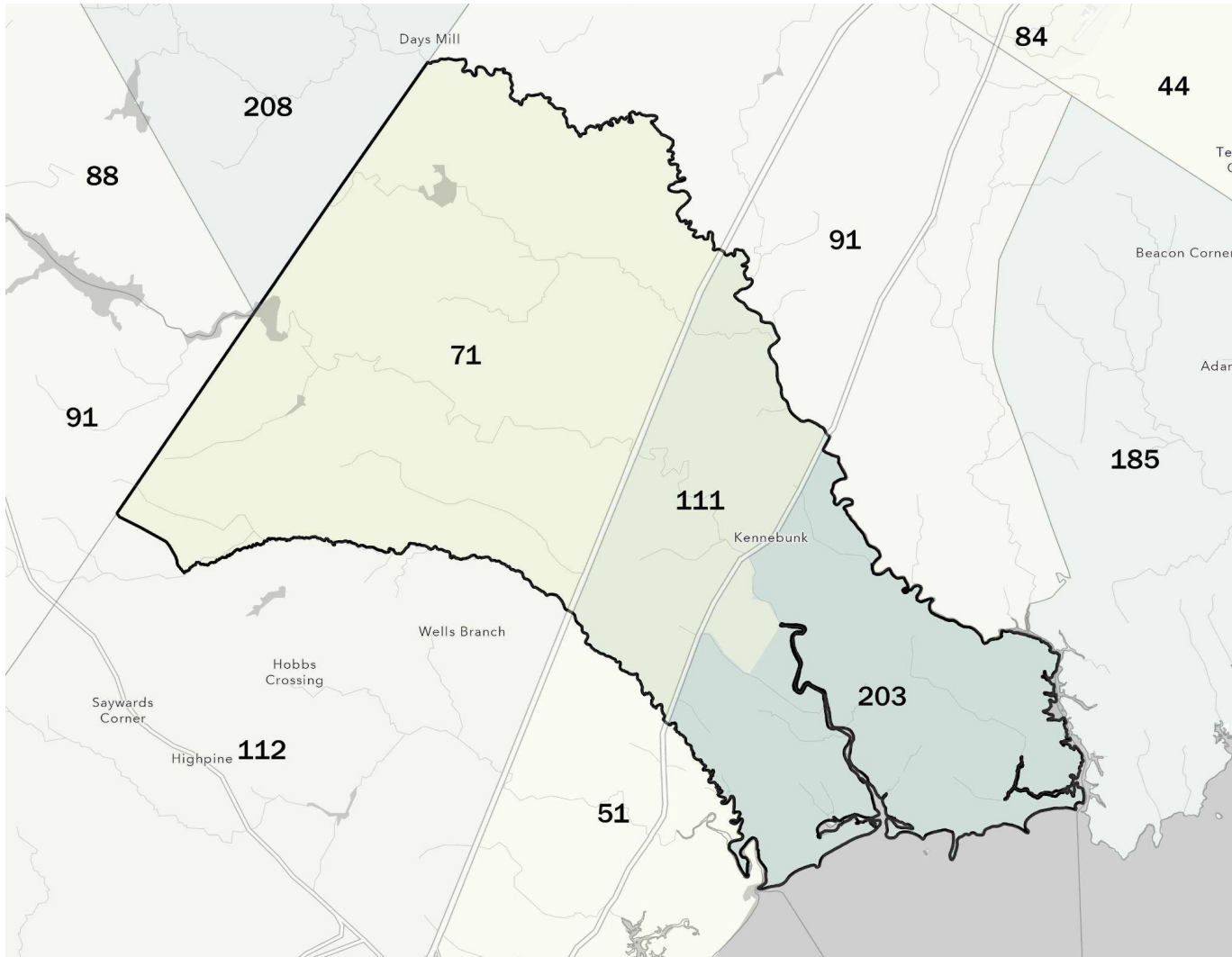
Share of renters cost-burdened



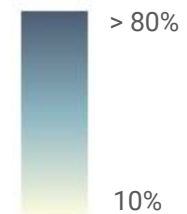
Place | Mapping

# Cost-burdened homeowners, by Census tract

Source: ACS 5-Year, 2022



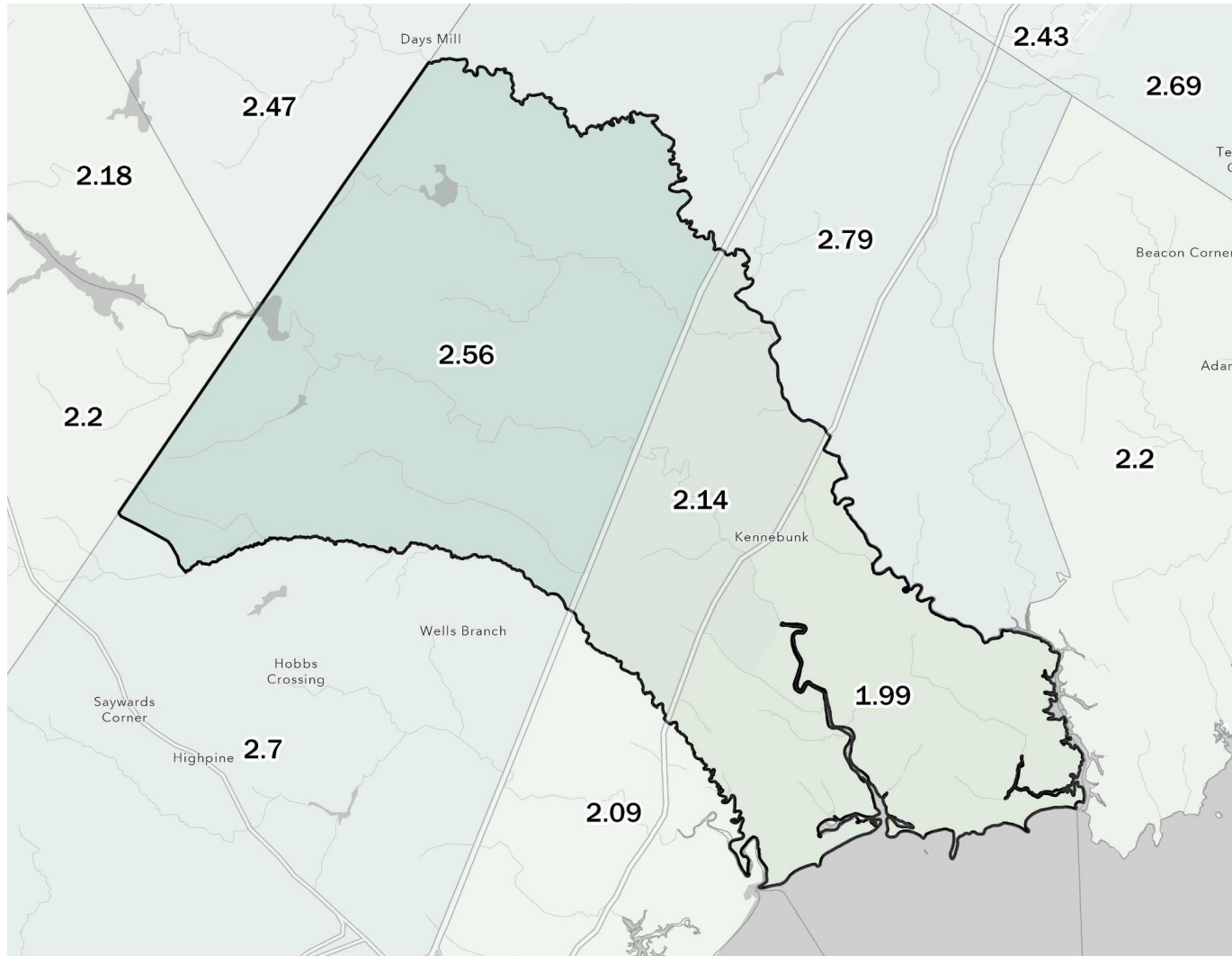
Share of homeowners cost-burdened



Place | Mapping

# Household size, by Census tract

Source: ACS 5-Year, 2022



Average household size

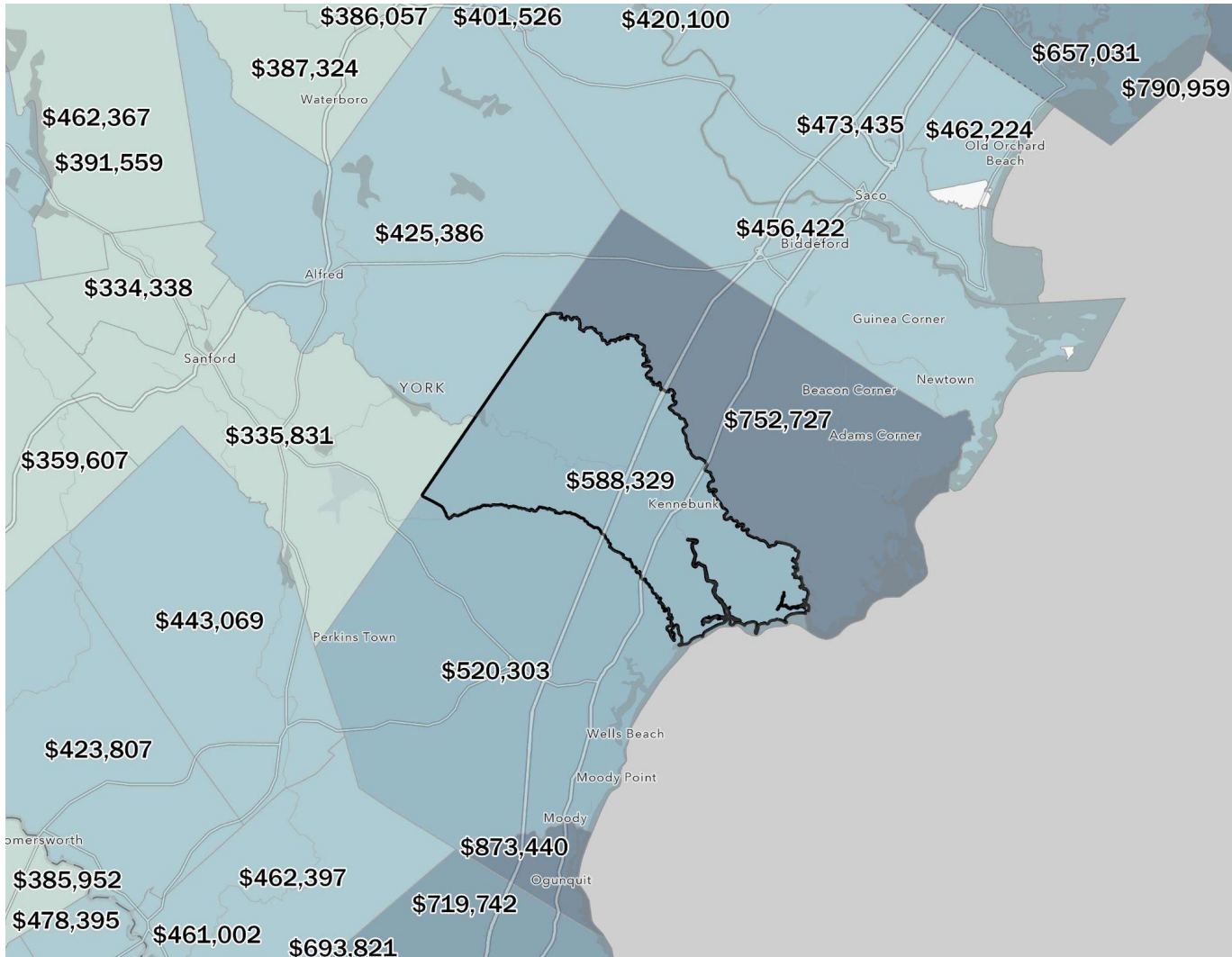


Place | Mapping

# Typical home prices by zip code

Source: Zillow ZHVI 2024

This map illustrates typical home prices in April 2024 by zip code across Kennebunk and surrounding areas. "Typical home price" is defined by Zillow as "the typical value for homes in the 35th to 65th percentile range."



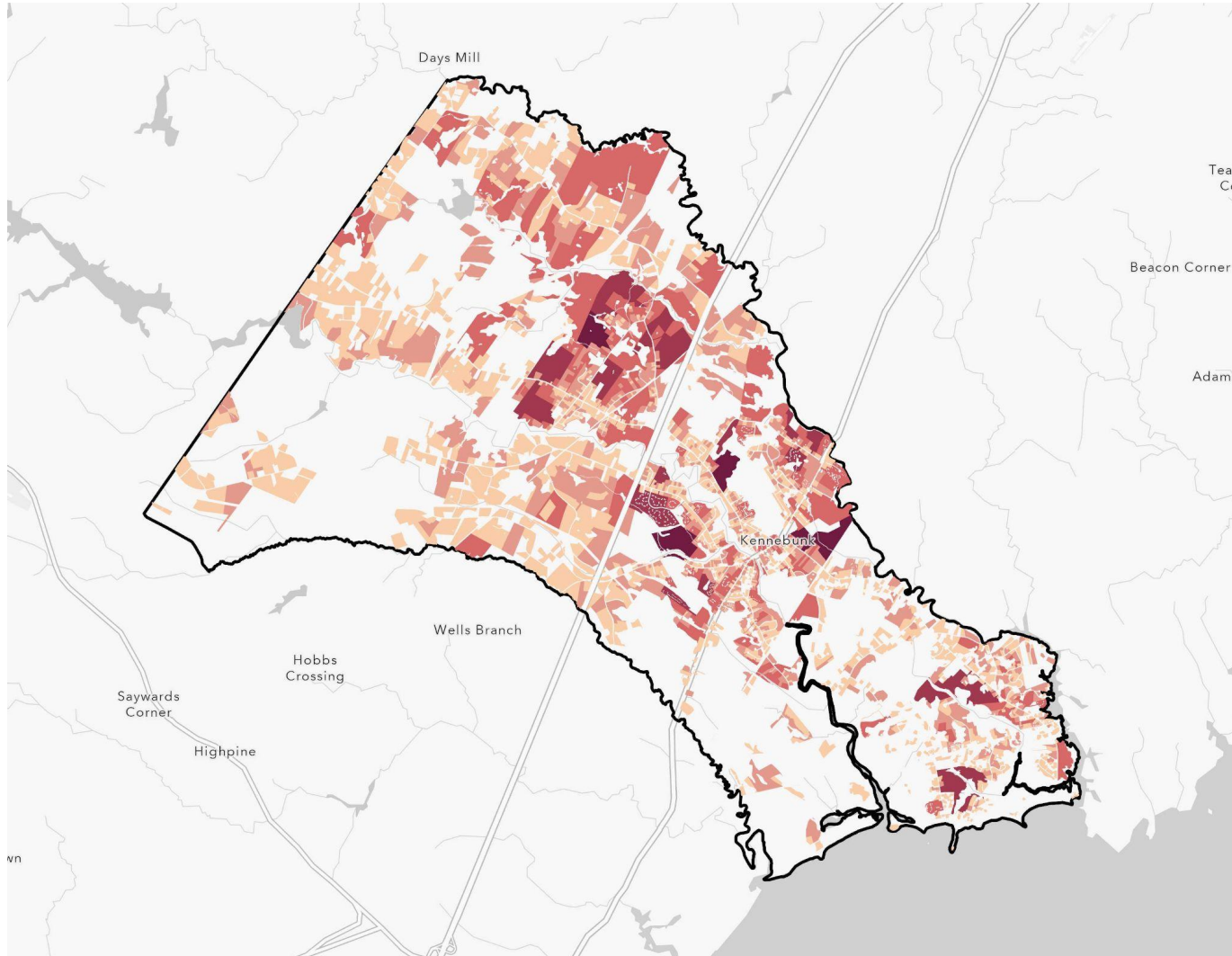
Typical home price, Jan. 2024



Place | Mapping

# Zoned capacity

Source: Town of Kennebunk, FEMA, State of Maine

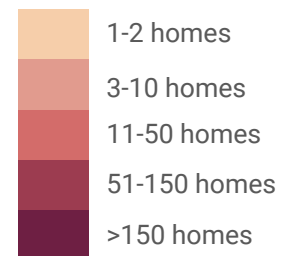


Excludes flood zones, wetlands, Maine conservation lands, and Town-owned land.

All together, Kennebunk has 13,681 homes worth of total zoned capacity outside of flood zones and other factors excluding development.

This value is much higher than today's 5,236 homes in Kennebunk and much higher than the 530 homes projected to be needed in the next 10 years.

### Total zoned capacity

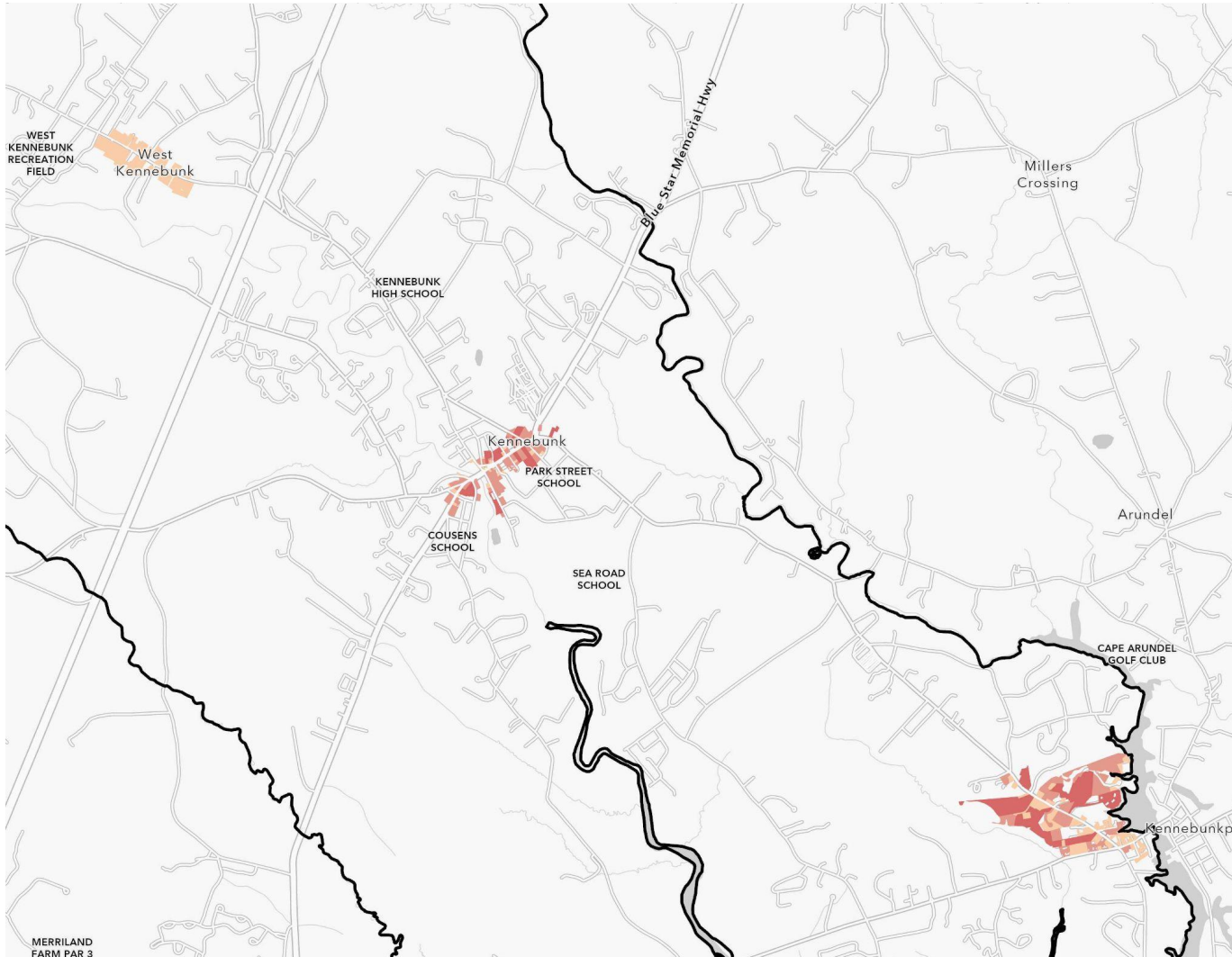




Place | Mapping

# Zoned capacity - Business districts (WKV, DB, US, LVB)

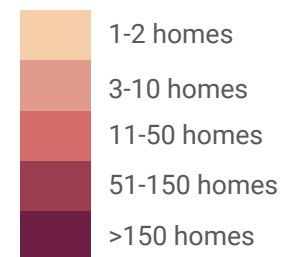
Source: Town of Kennebunk, FEMA, State of Maine



1,016 home capacity in the village business districts - 7% of total zoned capacity.

These areas are very suitable for new higher-density multifamily residential because they are close to services, jobs, and infrastructure – which also reduces the need for residents to drive.

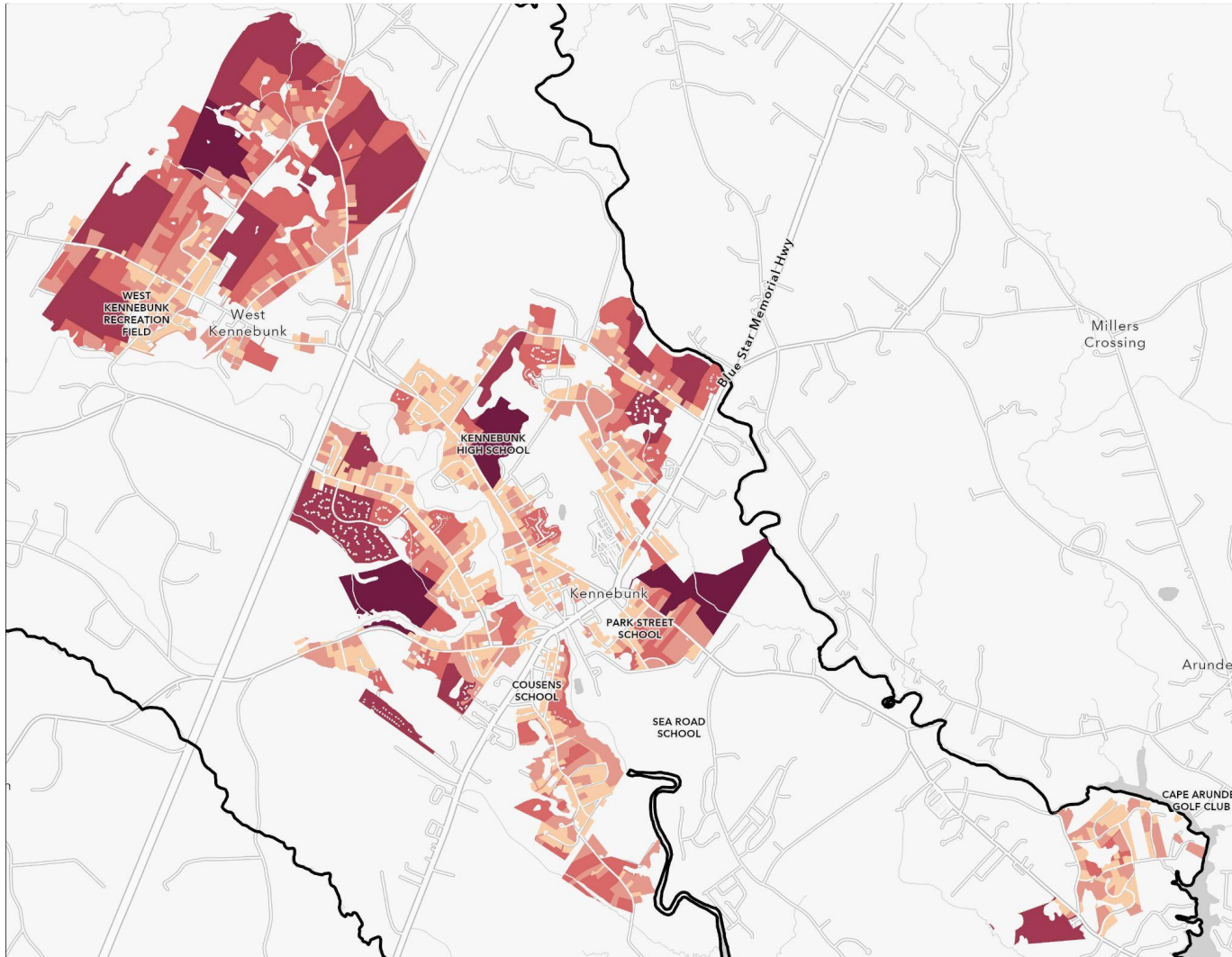
### Total zoned capacity



Place | Mapping

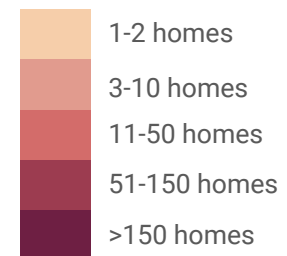
# Zoned capacity - Village Residential zone

Source: Town of Kennebunk, FEMA, State of Maine



9,337 home capacity in Village Residential zone - 68% of total zoned capacity is in this district, which is well suited for receiving housing growth due to its proximity to services.

### Total zoned capacity



Place | Mapping

# Zoned capacity - concept for Downtown Village Residential

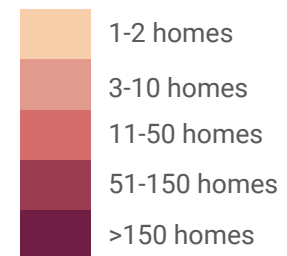
Source: Town of Kennebunk, FEMA, State of Maine



Upzoning Village Residential within a 1/2 mile of downtown to create a Downtown Village Residential district would result in a capacity increase of 961 homes, for a total capacity of 1,718.

This change is from 10,000 square feet to 5,000 square feet.

### Total zoned capacity





This section translates the People and Place sections into a recommended housing production mix optimized to respond to local need and meet projected new demand in line with the community's values and priorities for the future.

# Goals for housing creation

## **Stated community goals**

Community goals from this plan and others.

## **Housing production target**

Based on the Housing Needs Plan analysis and the community's stated housing policy goals and priorities, the housing production target summarizes the new homes the community should plan for, organized by cost, bedroom count, and tenure (rent/own).

## **Housing preferences**

Trends in housing to meet today's demand.

Goals | Stated community goals

# Kennebunk’s five goals aim to increase housing availability, attainability, and sustainability for current and future residents

1	10% Affordable Housing	At least <b>10% of new homes should be subsidized affordable</b> . There are currently 34 subsidized affordable homes in the pipeline (Avesta project). Kennebunk needs another 19 in the coming decade to meet the target.
2	Village housing	Prioritize <b>new housing in the three villages</b> and away from climate hazards to encourage compact, climate-resilient growth. This can be achieved by upzoning parts of the Village Residential district within walking distance to downtown and providing density bonuses up to five stories in the villages for affordable housing.
3	Workforce housing	Workforce housing needs account for about <b>230 homes or 44% of the overall 10 year demand</b> . These households in the 60-120% AMI range hold a variety of essential jobs in Kennebunk, including healthcare support, teachers, construction workers, and agriculture workers. These households earn \$58K-\$117K per year, can afford a home purchase price of \$205K-\$309K or monthly rent of \$1,950-\$2,950, and are more likely to prefer homes with fewer bedrooms than higher income households.
4	Senior housing	Accommodate Kennebunk's older adults. Based on past trends, Kennebunk is expected to have a <b>410 household net increase for the 65+ segment</b> in the next decade. The majority of these households will likely "age in place" but there will still be demand for smaller units to downsize into.
5	Sustainable housing	Achieve the Climate Action Plan land use goals by not incentivizing new housing within FEMA flood risk areas and <b>upzoning resilient areas</b> such as around downtown.

Goals | Housing production target

# Projected household income distribution based on past trends

Source: HUD, ACS 5-year, CPI

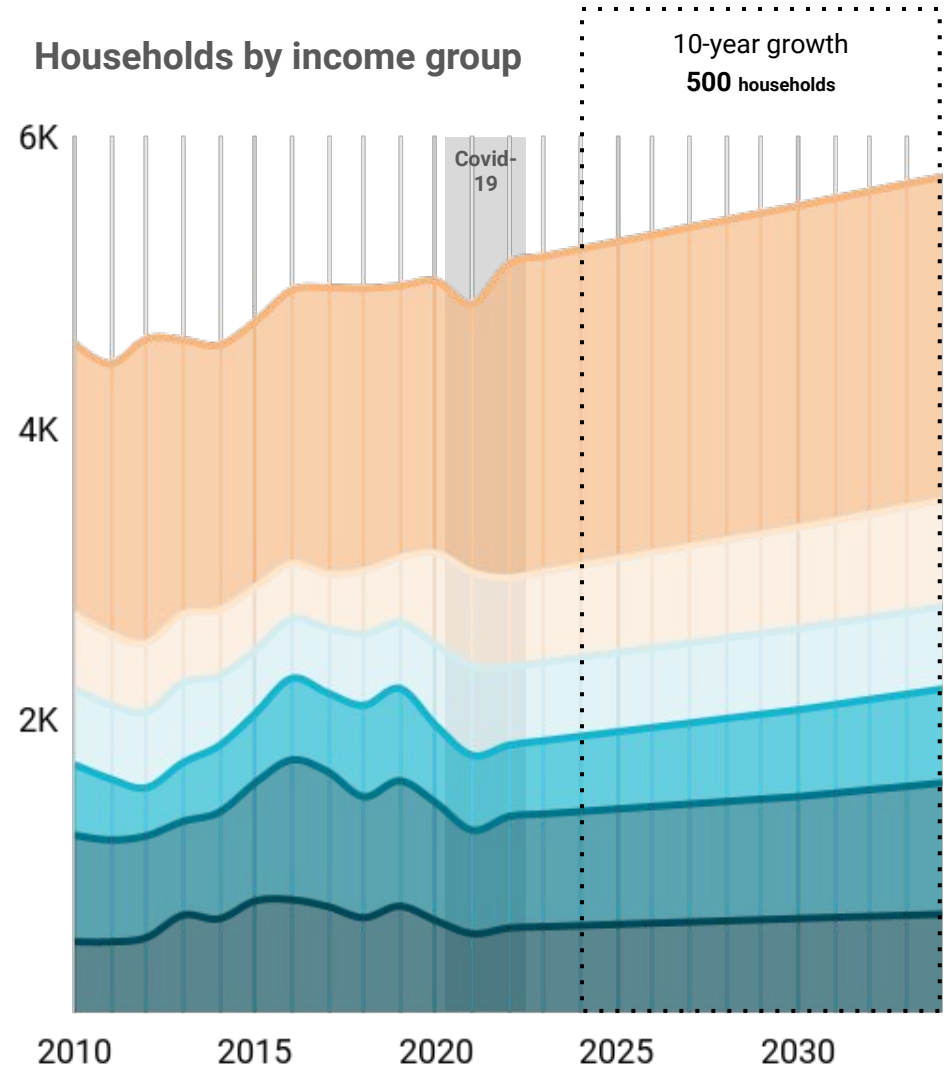
## Net new households by income group in 10 years

Income (AMI)	2024 households		2034 households		Net new
<30%	599	11%	676	12%	77
30-60%	782	15%	901	16%	119
60-80%	516	10%	644	11%	128
80-100%	540	10%	565	10%	25
100-120%	632	12%	727	13%	95
>120%	2,167	41%	2,220	39%	53
<i>Total</i>	<i>5,236</i>		<i>5,733</i>		<i>497</i>

The number of households in Kennebunk grew by more than 14% in the last 10 years (4,577 households in 2010 to 5,235 households in 2024). Given this slope of household formation, Kennebunk will add almost another 500 households over the next 10 years, at a rate of **50 households per year**.

Kennebunk has been adding 10-15 homes a year of single-family construction, which is typically more expensive homes. Looking ahead, the household growth is distributed across the income spectrum, with **50% of the expected 10-year housing need in the workforce range of 60-120% AMI**.

## Households by income group



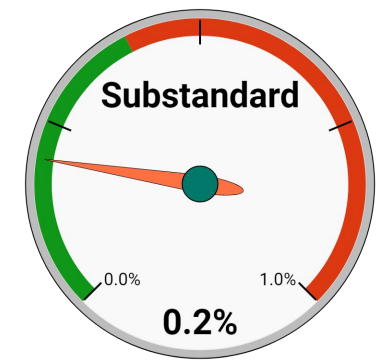
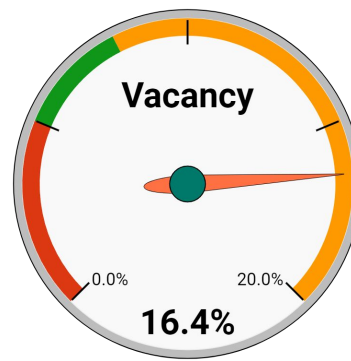
Goals | **Housing production target**

# Production of 530 homes in the next 10 years is recommended for a healthy housing market

Source: ACS 5-Year, 2022; CommunityScale

How many homes are needed? The magnitude of housing production to plan for is informed by a combination of factors, including projected household growth, existing vacancy rates, and the condition of existing housing stock.

Drivers of housing production in Kennebunk are household growth and a some replacement housing. Kennebunk’s vacancy rate, overcrowding rate, and substandard housing rate are within the healthy range.



## 500 homes

Overall forecast over future planning horizon.

## 30 homes

Some housing stock is replaced annually, which includes uninhabitable or obsolete houses. 0.05% annual replacement is typical.

## 0 homes

5-8% overall vacancy is considered healthy. >8% can be attributed to second homes, seasonal, and vacation homes.

## 0 homes

Overcrowding is >1 occupant/room. The national average is 3.4%. Overcrowding is a symptom of a lack of housing supply.

## 0 homes

Substandard housing is measured by incomplete plumbing or kitchen. It is the portion of homes that are functionally inadequate. The national average is 0.4%.

Goals | Housing production target

# Housing production target mix

Sources: Census ACS 2022 5-Year; CommunityScale, PUMS for housing preference, CoStar new market rate construction, FRED interest rates Sept 2024

%AMI	Household income	Ownership by bedrooms and price					Rental by bedrooms and price					Total	Housing focus				
		Purchase price	0-1	2	3	4	Monthly rent	0-1	2	3	4						
<30%	<\$29,370	\$75,000	18	12	9	2	<\$750	31	21	2	0	97	Reduce cost burden				
30-60%	\$29,370-\$58,740	\$153,000	12	40	49	17	\$1,450	18	17	7	2	163					
60-80%	\$58,740-\$78,320	\$205,000	7	26	43	13	\$1,950	13	19	6	2	129	Essential workforce				
80-100%	\$78,320-\$97,900	\$257,000	3	7	13	6	\$2,450	3	3	2	0	37					
100-120%	\$97,900-\$117,480	\$309,000	5	11	33	16	\$2,950	0	1	0	0	66					
>120%	>\$117,480	>\$309,000	1	4	14	13	>\$2,950	1	4	2	1	40	Upper income				
			46	100	161	67				67	64	20	5				
						Total own	374						Total rent	155	530		

### What is the right mix?

Determining a target mix of new housing types, sizes, and price points is derived from the historic trends of growth in each household income level. The rate of demand by home size and tenure at each income level is estimated based on the expressed preferences of similar households in the region using public microdata. Below is a summary by home size:

- 113 homes as studios or 1 bedroom
- 165 homes with 2 bedrooms
- 181 homes with 3 bedrooms
- 72 homes with 4 bedrooms

### Market supportable versus subsidized affordable

Multifamily market-rate rental properties in the Kennebunk region have an average rent of \$2,200, which is affordable to a household income of about 90% AMI. There are currently 250 homes of this type under construction in the region, and the regional market has the capacity to absorb 725 homes over the next 12 months. Given this market condition, new construction above 100% AMI is considered market supportable and could be developed without extensive direct subsidy (though some indirect incentives might still be needed).

New construction below 100% AMI may need to be subsidized to achieve below-market costs. Kennebunk’s Inclusionary Zoning cross subsidies 80-120% AMI housing with market rate housing. New housing below in the 0-80% typically needs other forms of financing, as covered in the strategy section.



Goals | Housing production target

# The town’s housing pipeline is on track for overall production, but the permits are predominantly single-family

Source: Town of Kennebunk

Kennebunk has a housing production target of 525 to 577 homes over a 10-year period (2021-2030), averaging 53 to 58 homes per year. The total of 391 homes in the pipeline (permits issued and planned projects for the equivalent of 5 years) is a rate of about 78 homes annually. Of the pipeline homes, 34 are subsidized affordable in the Avesta project, which is about 9% of the total.

Kennebunk currently has 240 subsidized affordable homes, which is 4% of the overall 5,979 homes.

## Housing permits and pipeline from January 2021 through September 2024

Structure type	Pipeline unit count	Subsidized affordable	Average homes size (SF)
ADU	13		598
Single Family Dwelling	258		3,115
Two Family Dwelling	30		1,551
Multifamily Dwelling	90	34	1,443
<b>Total</b>	<b>391</b>	<b>8.7%</b>	<b>1,677</b>

### Adjusting the course

The majority of new construction is concentrated on single-family homes, with limited focus on more affordable housing types like ADUs, small townhomes, and multifamily structures, that could impact the ability to meet affordable housing targets. The permits also show that ADUs are the most cost-effective housing option.

Looking ahead, there is a shortfall of smaller, more affordable homes, particularly for below 120% AMI groups. To meet the housing targets, Kennebunk needs to focus on building approximately smaller homes (ADUs, townhouses, and multifamily dwellings) in the 600 to 1,800 square foot range, particularly those priced for lower-income and workforce households.

**Goals | Preferences**

# Meeting demand: Today's general housing preferences

Sources: Census PUMS 2022 5-Year; CommunityScale

This and the following slides summarize current trends and housing preferences that should be considered when programming and designing housing to best meet demand.

Household structures have changed significantly since much of Kennebunk's housing supply was built. Today, households are smaller, less likely to have one or more children, and more likely to include non-family or multi-generational cohabitants. Future development should be designed to reflect the current diversity of household structures and wider range of housing needs and preferences.

**Smaller homes:** Fewer bedrooms for smaller households.

**Parking optional:** Enabling a car-free or car lite lifestyle.

**Roommate-ready:** Accommodating non-family households.

**Green building:** Efficient, low-impact design and equipment.

**Multigenerational:** Space for adult children or elderly parents.

Goals | Preferences

# Meeting demand: Workforce housing

Sources: Census PUMS 2022 5-Year; CommunityScale



“Workforce housing” is typically oriented to middle-income households that often consist of singles, couples, or young families. Jobs typically attributed to this group include public safety officers, educators, municipal employees, skilled nurses, and other occupations that often require some level of higher education and pay wages equating to 60-120% AMI.

**Moderate cost for families:** Workforce families can afford homes that cost \$1,450 to \$2,950 per month.

**Low cost for singles:** One-person workforce households cannot afford as much as dual-earner families.

**Not to too many bedrooms:** Workforce-oriented housing should include mostly 0-2 bedroom homes.

**Well-maintained:** Workforce can afford rent/mortgage but large capital costs can be destabilizing.

**Near job centers:** Households can save money by living close to work and commuting without a car.

Goals | Preferences

# Meeting demand: Senior housing

Sources: Census PUMS 2022 5-Year; CommunityScale



Many people 65 and older explore transitions to homes that allow them to age-in-place, offering accessible design, enabling lower-cost living, and supporting an active, community-oriented lifestyle.

While some seniors are attracted to purpose-built, age-restricted housing developments, others prefer housing in more conventional settings that is designed or retrofit to accommodate aging people.

**Universal design:** Accommodating to people with limited mobility.

**Low maintenance:** Less space and less work to keep up.

**Energy efficiency:** Lower utility costs affordable on fixed income.

**Accessible:** Single-level with ADA-compliant doors, baths, etc.

**Social:** Designed and located to promote an active community life

Goals | Preferences

# Meeting demand: Downtown living

Sources: Census PUMS 2022 5-Year; CommunityScale



Recent years have seen growing demand for housing in walkable, downtown or compact neighborhood environments. This can include both dense urban places as well as small town downtowns. Increasingly, the most desirable and competitive housing markets are those with access to the qualities and amenities of a downtown environment within walking distance.

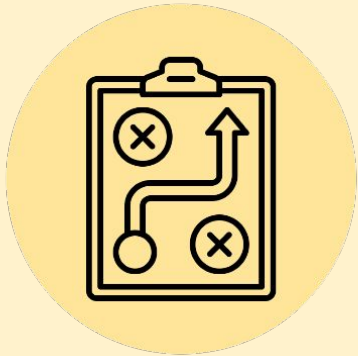
**Walkability:** More daily needs and wants accessible on foot.

**Transit:** Close to bus lines and train connections.

**Amenities:** Near restaurants, shops, and cultural destinations.

**Services:** Access to health and community services without a car.

**Activity:** Located in a lively and vibrant neighborhood.



This section translates the People, Place, and Demand sections into a recommended housing production mix optimized to respond to local need and meet projected new demand in line with the community's values and priorities for the future.

## Strategies

Housing markets and household preferences are always changing. As such, building to accommodate new trends might entail a shift from past development patterns. The change in course summary addresses how the mix of future homes compares in terms of structure type and bedroom count to recent development and the local housing stock overall.

## Strategies

# Recommendation categories

### Town actions

Based on the expected needs, we recommend the following public actions be considered. These actions, taken as a set, are the best approach to meeting expected housing demand in the Town.

[Affordable Housing Trust Fund](#)

[Density bonuses for affordable multifamily housing in villages](#)

[Accelerate ADU adoption](#)

[Use of public land for development](#)

### Other funding sources

These sources of funding can be combined with other strategies to help unlock development opportunities and bridge financing gaps. In many cases, affordable housing production is not possible - or at least very difficult - without support from these programs.

[Low Income Housing Tax Credits](#)

[Historic Tax Credits](#)

[MaineHousing sources funded by State Allocations](#)

### Development entities

Tools are one thing, but it will take developers who can utilize these tools to produce the actual housing. In this section, we describe who will take these tools and utilize them to produce housing, with expected funding sources listed.

[Private developers](#)

[Nonprofit affordable housing developers](#)

[Community land trusts](#)

## Strategies | Town actions

## Town Affordable Housing Trust Fund

**Kennebunk should establish an Affordable Housing Trust Fund (AHTF) as a dedicated account to fund development of below-market housing.** Many communities in Maine and across the country have an AHTF and find the flexibility of a local fund helps leverage the specific housing needs of the community, such as the Kennebunkport Heritage Housing Trust.

An AHTF is a dedicated account that exists beyond a specific fiscal year and is designed to provide local funding for housing development. Essentially, an AHTF serves as a holding account that allows a municipality to leverage other resources and guide housing development.

Often there is an advisory board that recommends how the funds should be expended, with the final decision left to the Town Council. Trust expenditures can consist of gap financing for tax credit projects; soft second loans for developers as part of a capital stack; pre-development expenses to identify housing sites; and other housing-related expenses. Trust Funds are not generally used to fund staff, although each community can determine the best use of its own Fund.

An AHTF can be created with no funds in it. Funds that could be placed in it can come from sources such as fees-in-lieu from Inclusionary Zoning, sale of Town property, appropriation, bonding, impact fees on development, grants and donations, other one-time sources of revenue, and unencumbered fund balance at the end of the fiscal year (end-of-fiscal-year Free Cash).

AHTF funds are flexible and can be targeted towards types of housing that are needed locally but for which there are no other sources of funds. They can also be used to close gaps in financing for locally desired projects. Generally funds are used to directly support housing production.

Given Kennebunk's emphasis on meeting demand for workforce housing, AHTF funds could be targeted toward housing attainable to households earning 60-120% AMI.



Strategies | Town actions

# Accelerate ADU adoption

Between July 2022 and September 12, 2024 Kennebunk has added 10 new ADU's (13 total permitted). The ordinance was updated with the LD 2003 law to be more permissive by allowing larger ADUs.

Looking forward, Kennebunk can make it even easier to build Accessory Dwelling Units by-right to achieve the housing production target.

Kennebunk allows Accessory Dwelling Units (ADU's) with restrictions at present. The best practice to ensure production of ADU's is to limit restrictions such as maximum size, owner occupancy, and parking needs as much as possible. The easier it is to produce ADU's, the more likely they will be built. Property owners may still have issues with code or financing issues, but as a start removing zoning restrictions can help. One restriction that could remain in place would be a limit on the use of ADU's as short term rentals or as seasonal homes, to ensure they remain part of the year-round housing stock.



*Example backyard detached ADU*

Strategies | Town actions

# Density bonuses for affordable multifamily housing in villages

**LD2003 requires density bonuses. The town should consider going beyond those requirements as much as is feasible.** Density bonuses are additional development rights for projects that meet certain below-market affordability requirements. Generally, it takes a higher number of homes on the same lot to make the finances of a below-market attainable housing project viable. Developers of such projects often achieve that higher density by asking for an amendment to the zoning for such a parcel, after they achieve site control. Such a request creates a great deal of risk and uncertainty for the developer, who is faced with the need to offer the highest price for a parcel before knowing if it will be useful for their plans. By allowing a higher density and other relief for such projects up front, the developer of such a project is able to compete with commercial and market-rate developers with the confidence that they can move forward with a project without regulatory risk.

Density bonuses should be calibrated to match development feasibility thresholds. If the bonus is too slight, the benefits of will not outweigh the added costs of providing below-market homes. Portland provides up to a 250% density bonus to help developers achieve financial feasibility for mixed-income projects.

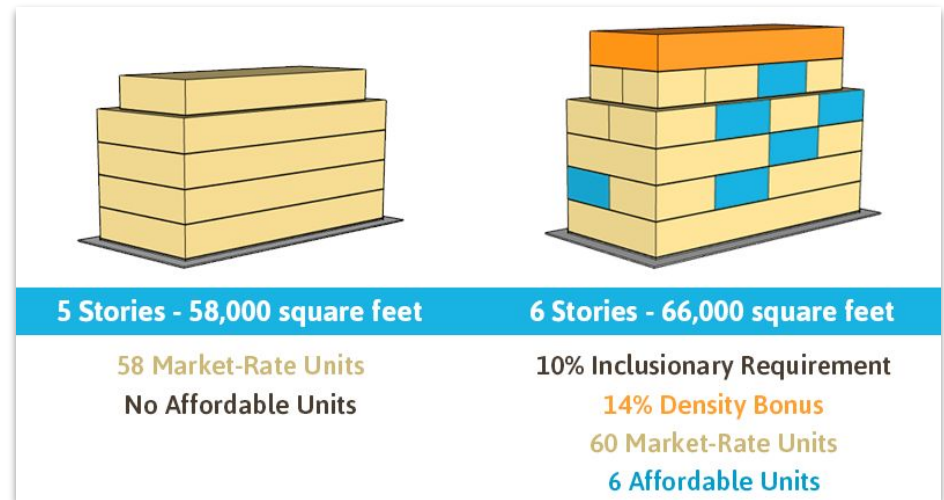


Image source: <https://groundedsolutions.org/inclusionary-housing/>

Target zones for density bonuses

**Downtown Business (DB) and Upper Square District (US):**

Increased allowable height to 5 stories (60')

**Lower Village Business District (LVB):** Increased allowable

height to 3 stories (40') and maximum lot coverage to 80%

**York Street Mixed Residential and Commercial Use District**

**(MRCU):** Increased allowable height to 5 stories (60')

**Suburban Commercial District (SC):** Increase allowable height

to 4 stories (45')

Strategies | Town actions

# Use of public land for development

**Kennebunk should survey public land available to see if any is appropriate to offer for housing production.** Municipalities and other public agencies that have surplus land or buildings sometimes offer it for use for below-market housing development. The land can be offered at a discount or, often, for free or a token price. This strategy requires confidence that the property in question is truly not needed any longer, and also that the reduced price will make a project financially feasible. Often additional subsidies are also needed.

Kennebunk should survey any surplus publicly owned land for potential offering for development as housing. Some land may not be suitable for housing, or only a portion of a lot may be suitable. In those cases, the Town could limit housing development to the portion where housing is appropriate and restrict uses on the rest of the land.

Offering public land at a discount can help finance housing needs that might not otherwise be feasible. Given Kennebunk’s emphasis on meeting demand for workforce housing, these sites could be targeted toward housing attainable to households earning 60-120% AMI.



*Examples of multifamily housing in Greater Portland*

## Strategies | Other funding sources

# Low Income Housing Tax Credits

**Kennebunk should work with local developers, especially experienced non-profits, to encourage Low Income Housing Tax Credit (LIHTC) projects in the city.** The LIHTC program provides each state with an allocation of tax credits that fund below-market attainable housing. Each state issues a Qualified Allocation Plan (QAP) that sets forth how developers can apply for credits through a process of allocating points for various factors. Factors include the per-unit cost of the development and whether the project is receiving local support.

These tax credits are sold by the developer to corporations or other taxpayers who are seeking to reduce their federal tax bills. Each \$1 of credit generally sells for less than \$1, saving that taxpayer money. The revenue from sale of the tax credits helps fund the development.

There are actually two kinds of tax credits. The so-called “9 percent” credits are more limited but provide more funding for a development. The so-called “4 percent” credits are easier to receive but provide less funding. In addition, the funding from a 4 percent tax credit may be limited to certain kinds of projects.

Created in 1986, LIHTC is a complex program, but it has been politically durable. As a result, many developers count on LIHTC as a source of funding. They also count on local governments to help their efforts to receive tax credits by taking actions such as providing a Affordable Housing Tax Increment Finance district, or approving a project in a timely fashion.

The Town may also be able to take actions to make applications more competitive for funding under MaineHousing’s QAP.

**Strategies | Other funding sources****Historic tax credits**

Similarly, **Kennebunk should encourage local developers to utilize Maine Historic Rehabilitation Tax Credits and the federal Historic Preservation Tax Incentives program for housing financing.** Historic Tax Credits can be used to help pay for restoration and preservation of buildings on the National Register of Historic Places. They are often used for development of housing in such buildings. While preserving historic character can cost more money up front, the tax credits generally more than make up for the additional costs, and can make a project feasible, especially when layered with other sources. A developer must retain a building for five years in order to properly utilize the credits, so it is generally best suited for properties that will be rented for some period of time.



*Example historic property from Greater Portland Landmarks*

**Strategies | Other funding sources**

# MaineHousing sources funded by State Allocations

**Kennebunk should maximize use of other MaineHousing funding sources, including ongoing state programs and one-time state bonding or other funds.** There are several other state source of funding that can be sought by developers of affordable housing. These funding opportunities are generally passed as part of state legislation and administered by MaineHousing. For example, MaineHousing currently has a Rural Affordable Rental Housing Program to provide economic equity to rural areas of Maine. The Program provides subsidy in the form of zero interest forgivable loans as well as paying debt for the acquisition and substantial rehabilitation or construction of any homes developed under the Program. MaineHousing also has a \$10 million program funded by the American Rescue Plan Act, available to facilitate the development of subdivisions with affordable single family homes. The Affordable Homeownership Program is intended to help lower the costs to developers building single-family subdivisions by providing zero percent interest, forgivable loans.



*21 Dawn Marie Dr - Cascade Brook, Saco, ME, senior housing supported by MaineHousing*

Strategies | Development entities

# Private developers

Local private developers continue to play an important role in housing production in Kennebunk. Factors point in Kennebunk’s favor, including available land and a welcoming city government. It is possible that larger scale developers could be attracted to the market through proactive marketing of opportunities in the city, as well as some limited public incentives to fund needed improvements such as site preparation, elevators for upper stories, and density bonuses for certain types of housing.

Potential Funding Sources: Low Income Housing Tax Credits; HOME/CDBG; zoning amendments



*3 Carriage Walk Ln - Carriage Walk Apartments at the Downs, Scarborough*

Strategies | Development entities

# Non-Profit Affordable Housing Developers

There are many non-profit developers of affordable housing that do work in Kennebunk and nearby communities. Examples include the Kennebunk Heritage Housing Trust and Habitat for Humanity of Greater Portland. There are other non-profit developers who do work in Maine and might be interested in working in Kennebunk if the right opportunity were to arise.

Kennebunk’s CDBG Funds are also most effectively used by developers, who are then responsible for delivering homes rather than potentially leaving the Town on the hook.

Avesta has also done work in York County in the past and is generally interested in opportunities where the host community recognizes the value of providing below-market affordable housing. Other developers such as Community Housing of Maine and Developer’s Collaborative may also be interested in bringing funding to projects in Kennebunk if the community’s leadership reaches out and the community is generally supportive.

Potential Funding Sources: Low Income Housing Tax Credits; AHTF; HOME/CDBG; zoning amendments



*350 Route 1 - Yarmouth Commons, Yarmouth, 18 homes under construction*



**Strategies | Development entities**

# Community Land Trusts for Housing Development & Preservation

A Land Trust is a not-for-profit owner of land that generally holds it in order to develop below-market housing. The Trust will enter into a partnership to develop housing on the land – or renovate existing housing on the land. Through owning the underlying land, the Trust is able to require that the housing be attainable at certain income levels. Land Trust ownership of land is an alternative to recording a deed restriction on the property, which is sometimes vulnerable to being ignored or eliminated by another party with interest in the property. A Land Trust is not to be confused with an Affordable Housing Trust Fund, which provides funding for development. Rather, they are more like conservation Land Trusts that hold land as open space, but instead hold it for housing development.

Potential Funding Sources: Low Income Housing Tax Credits; AHTF; HOME/CDBG; zoning amendments



*Examples of multifamily housing in Greater Portland*



# Kennebunk Housing Needs Plan