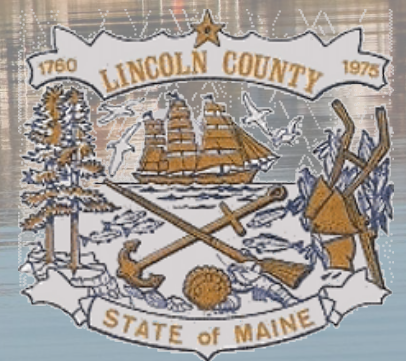


Housing Needs Assessment

Lincoln County, ME

Final Presentation
May 25, 2023

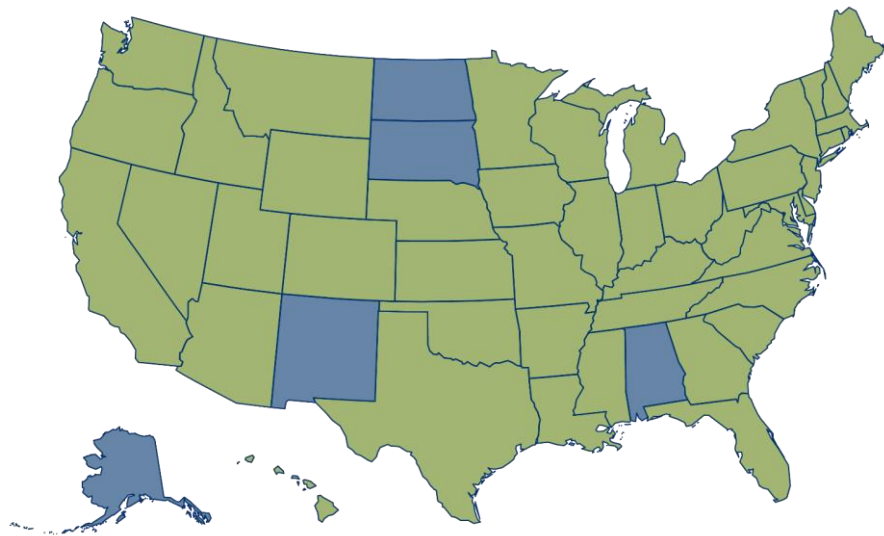
Prepared by





AGENDA

1. Introductions
2. Project Purpose & Tasks
3. Data Highlights
4. Housing Need
5. Strategies
6. Q&A



- Founded in 1999 as a full-service economic development consulting firm
- Completed work in 45 states
- Employ 25+ full-time staff
- 4 staff in Maine
- National leaders in real estate and housing analysis

HOUSING NEEDS ASSESSMENT PURPOSE

- Assess current state of housing
- Identify current and future housing needs
- Develop strategy framework to address needs
- Engage and mobilize key stakeholders



STUDY COMPONENTS



- Task 1: Project Kickoff
- Task 2: Demographic & Economic Trends
- Task 3: Housing Inventory
- Task 4: Housing Market Trends
- Task 5: Housing Affordability & Attainability
- Task 6: Housing Needs Assessment
- Task 7: Future Growth Areas Maps
- Task 8: Housing Strategy and Implementation Framework
- Task 9: Final Report & Presentation

ENGAGEMENT



- 8 interviews/focus groups with:
 - County employers
 - Housing developers and lenders
 - Municipal government representatives
 - State and local legislators
 - Homelessness and housing service providers
- Interim public session in December 2022

#1: Steady growth in year-round population

- Lincoln County population growth (Decennial Census)
 - 2000-2010: +841 residents
 - 2010-2020: +780 residents
- Between 2010 and 2020:
 - County grew slightly slower than state (2.3% vs 2.6% growth)

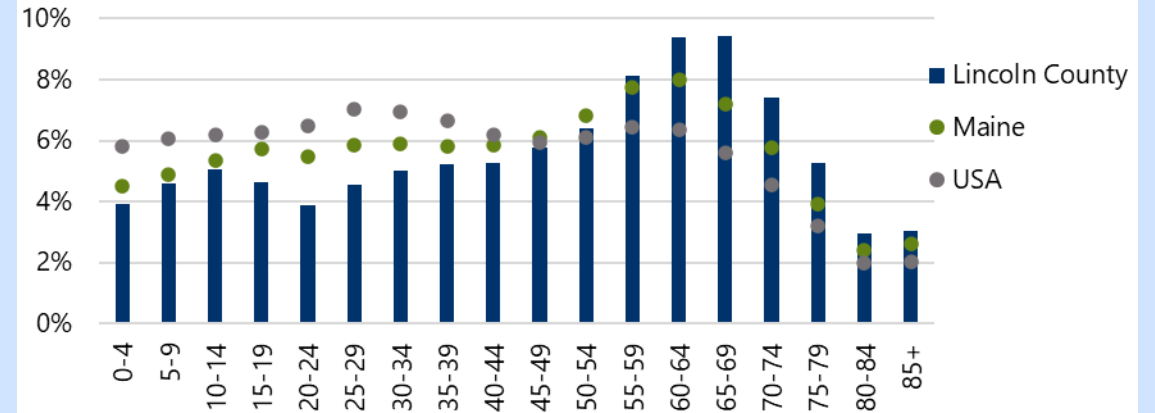
Total Population				
Geography	Population			Percent Change
	2010	2020	Change	
Alna	709	710	1	0.1%
Boothbay	3,120	3,003	(117)	-3.8%
Boothbay Harbor	2,165	2,027	(138)	-6.4%
Bremen	806	823	17	2.1%
Bristol	2,755	2,834	79	2.9%
Damariscotta	2,218	2,297	79	3.6%
Dresden	1,672	1,725	53	3.2%
Edgecomb	1,249	1,188	(61)	-4.9%
Jefferson	2,427	2,551	124	5.1%
Monhegan	69	64	(5)	-7.2%
Newcastle	1,752	1,848	96	5.5%
Nobleboro	1,643	1,791	148	9.0%
Somerville	548	600	52	9.5%
South Bristol	892	1,127	235	26.3%
Southport	606	622	16	2.6%
Waldoboro	5,075	5,154	79	1.6%
Westport Island	718	719	1	0.1%
Whitefield	2,300	2,408	108	4.7%
Wiscasset	3,732	3,742	10	0.3%
Lincoln County	34,457	35,237	780	2.3%
Maine	1,328,361	1,362,359	33,998	2.6%

Source: Decennial Census

#2: Population is aging

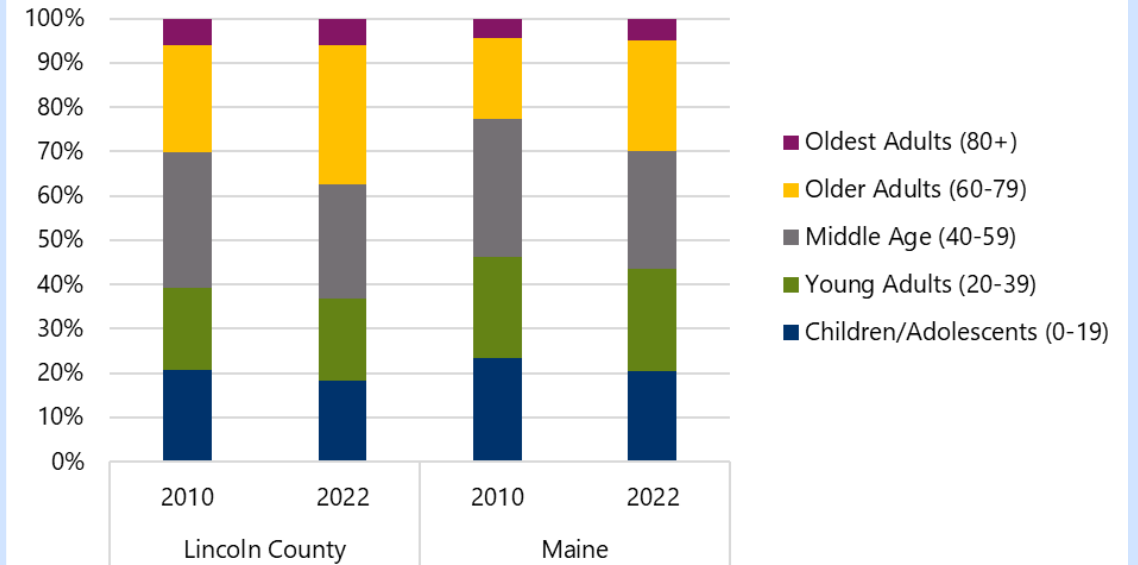
- Median age:
 - Lincoln County: 51.2 years
 - Maine: 44.8 years
 - US: 38.9 years
- Age 60+ population expanded from 30% to 37.5% of total county population (2010-2022)
- Under-18 population down 11% (2010-2020)
- Declining average household size

Age Distribution, 2021



Source: ESRI

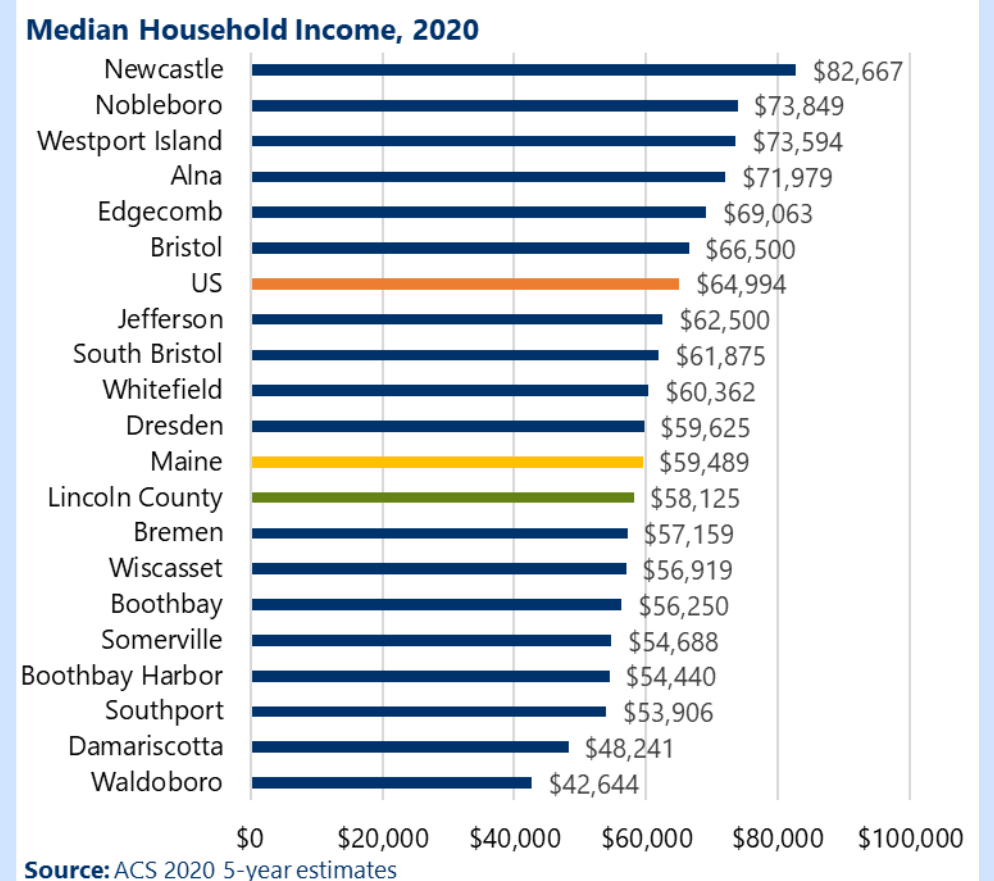
Age Distribution by Cohort, 2010-2022



Source: ESRI

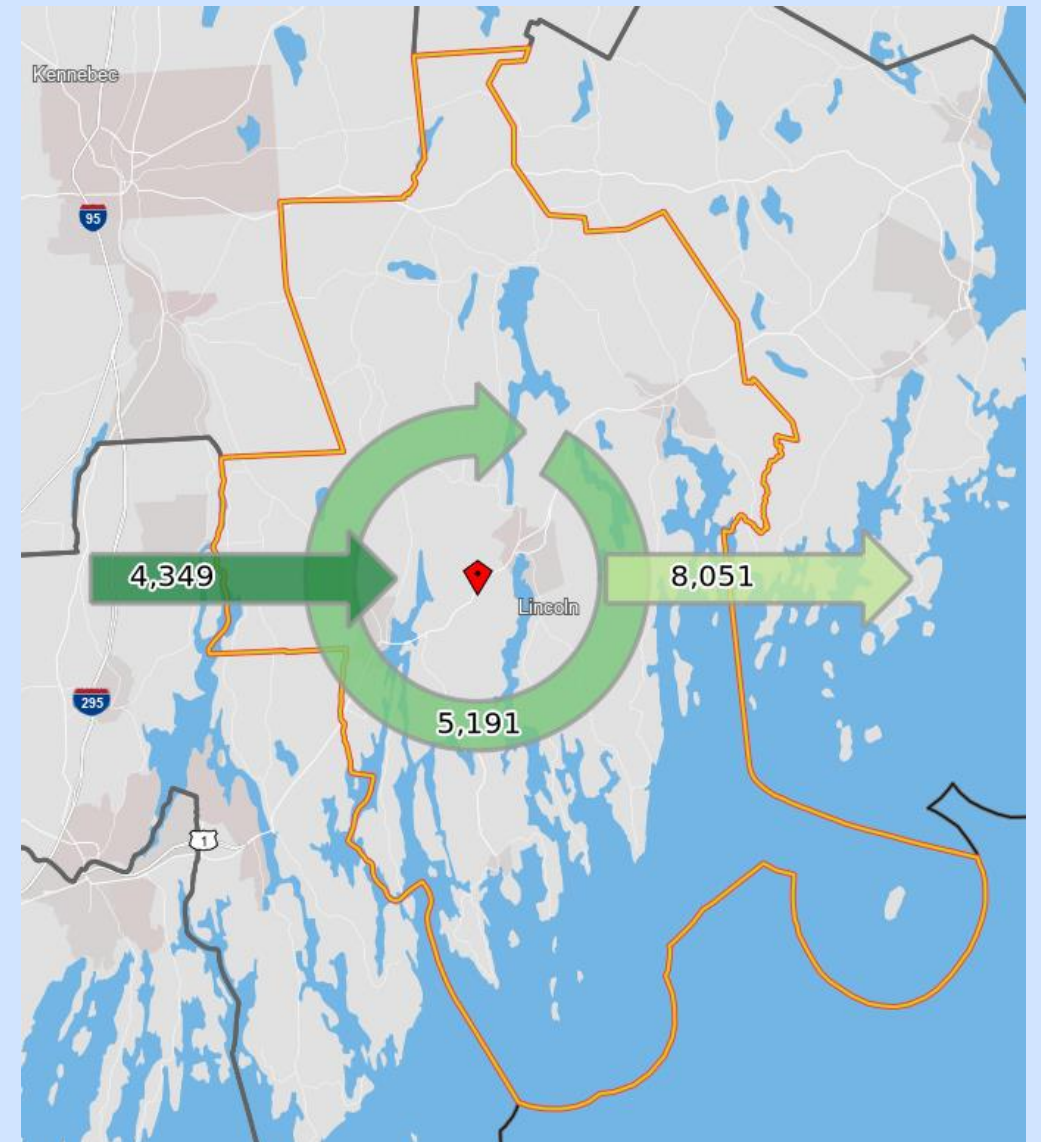
#3: Incomes vary substantially by community

- Median household income
 - Lincoln County: \$58,125
 - Maine: \$59,489
 - US: \$64,994
- Permanent resident households (excludes seasonal)



#4: More out-commuters than in-commuters

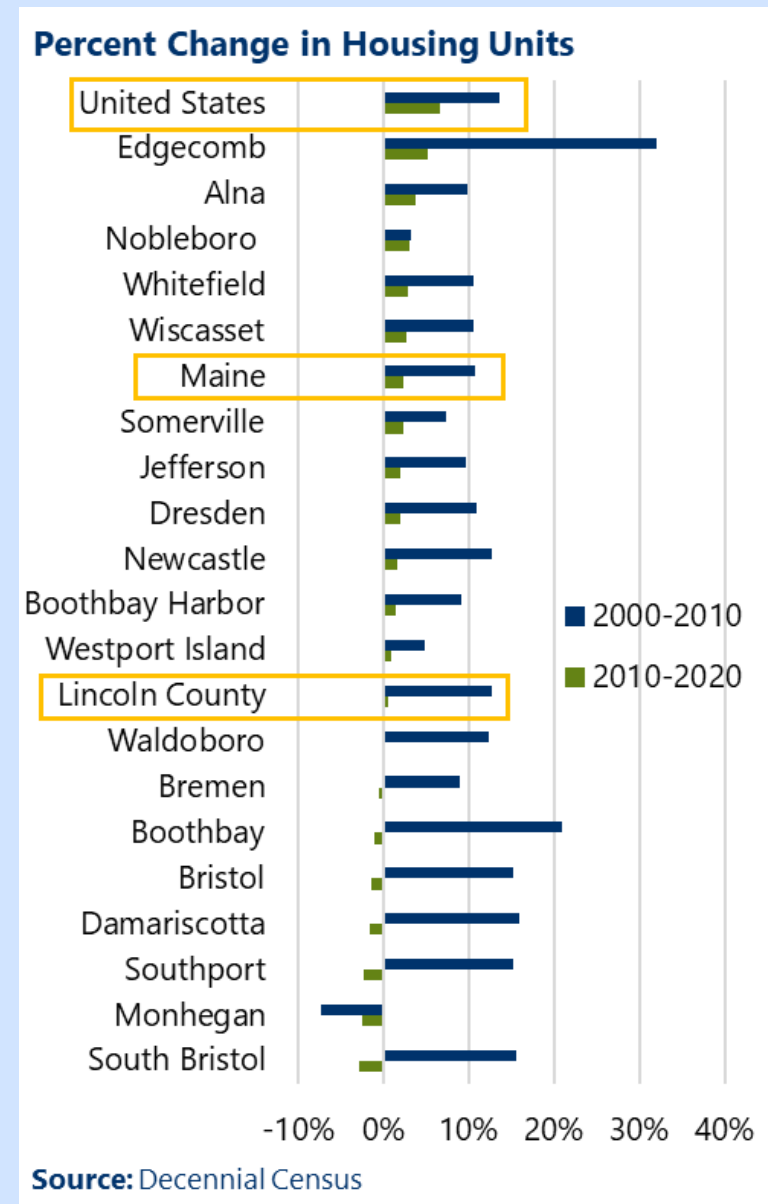
- 61% of county residents work outside county
 - Top destinations: Damariscotta (#1), Bath (#2), Augusta (#3), Portland (#4)
- 46% of county workers live outside county
- Residents commute out for higher-paying jobs



#5: Dramatic slowdown in housing production

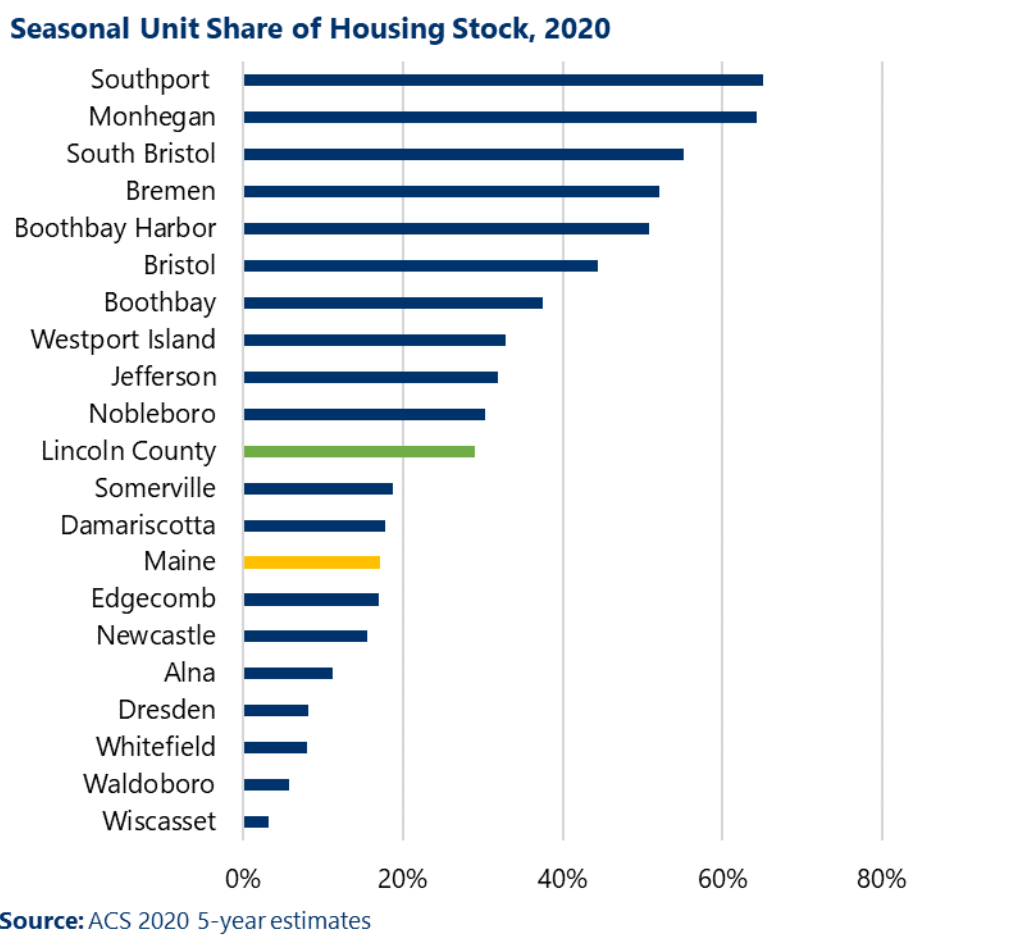
- 2000-2010: +2,644 units
- 2010-2020: +115 units
- Dropoff in almost every community
- Net declines in 8 communities over last decade

Reflects all housing units (permanent, seasonal, vacant, etc.)



#6: Seasonal units are a substantial share of the housing stock

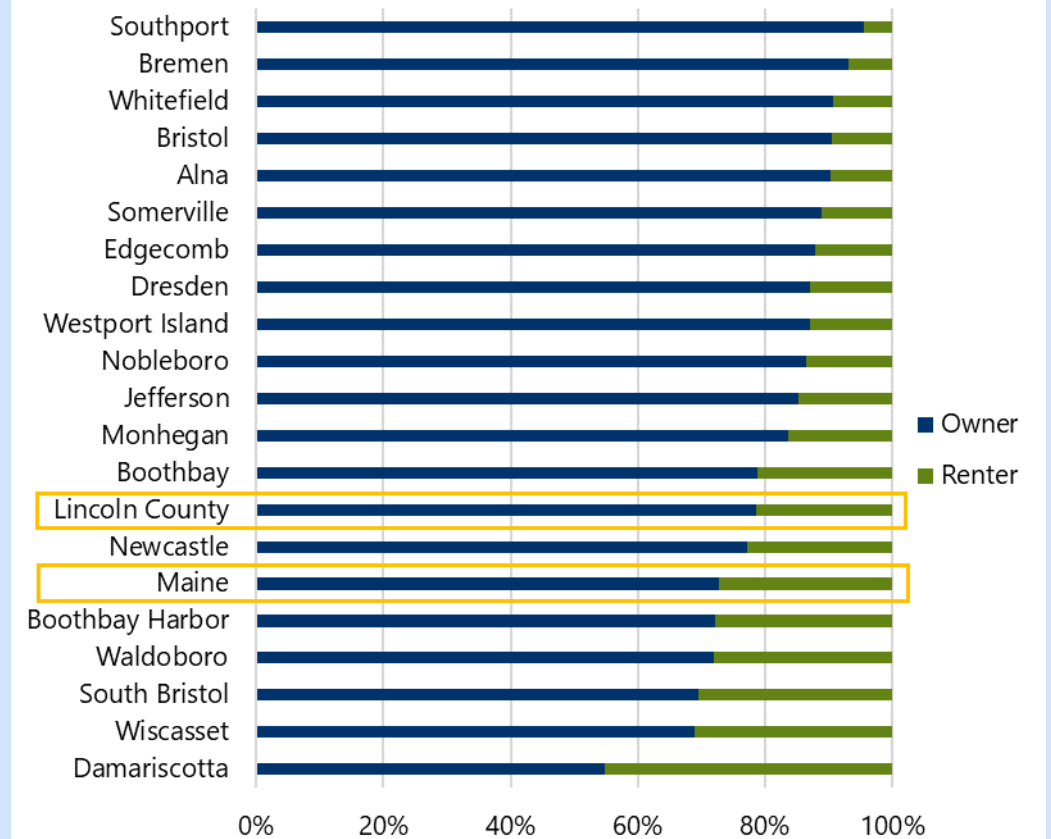
- Seasonally occupied units make up 3 out of every 10 housing units
- 29% in Lincoln County vs 17% in Maine



#7: Limited availability of year-round rental housing

- 79% owner-occupied vs 21% renter-occupied
- Lower renter share than Maine (27%)

Owner vs Renter Occupied Housing Units, 2020



Source: ACS 2020 5-year estimates

#8: Short-term rentals impact availability of year-round rental units

- 1,000+ active short-term rentals (Airbnb, VRBO, etc.)
- 4% of county housing stock
- Typical monthly revenue generated: \$3,500
- Monthly rent potential significantly higher than a year-round rental unit

Short-Term Rentals as a Share of Total Housing Units

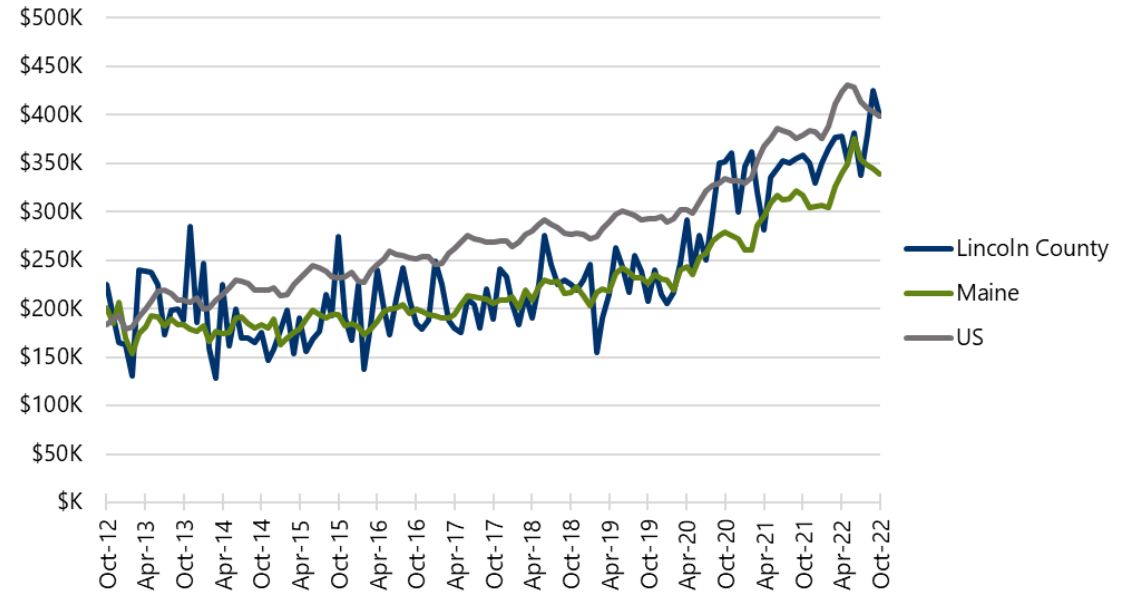
Geography	Active Short-Term Rentals	Percent Entire-Home Rentals	Entire-Home STRs	Total Housing Units	Share Entire-Home STRs
Alna	N/A	N/A	N/A	359	N/A
Boothbay	162	97%	157	2,207	7.1%
Boothbay Harbor	247	92%	228	2,448	9.3%
Bremen	26	92%	24	648	3.7%
Bristol	177	77%	136	2,549	5.3%
Damariscotta	52	90%	47	1,338	3.5%
Dresden	13	100%	13	835	1.6%
Edgecomb	70	94%	66	794	8.3%
Jefferson/Somerville	37	83%	31	1,911	1.6%
Monhegan	10	50%	5	160	3.1%
Newcastle	28	89%	25	1,008	2.5%
Nobleboro	20	95%	19	1,139	1.7%
South Bristol	43	95%	41	1,045	3.9%
Southport	40	94%	38	1,026	3.7%
Waldoboro	48	97%	47	2,646	1.8%
Whitefield	6	100%	6	1,086	0.6%
Wiscasset/Westport Island	59	94%	55	2,369	2.3%
Lincoln County	1,038	90%	937	23,608	4.0%

Source: AirDNA; 2020 Decennial Census

#9: Home price growth far outpaced income growth

- Home sale prices have more than doubled over the last 5 years
 - October 2017: \$189K
 - October 2022: \$399K
- Home price growth rate (annualized): 16%
- Income growth rate (annualized): 2.5%
- Prices now moderating but remain high
- **Median home price is 45% higher than what can be afforded by the median-income family**

Median Home Sale Price, Oct. 2012–Oct. 2022



Source: Redfin

Home Prices and Incomes - Affordable and Actual Median Priced

	Annual Income	Monthly Payment	Home Price
Affordable with 100% AMI	\$80,700	\$2,018	\$276,000
Median Priced Home	\$116,680	\$2,917	\$399,000

Note: Monthly payment and price assume a 10% downpayment, current market mortgage rates, and taxes plus insurance totaling 25% of monthly payments

Source: HUD/RealtyRates.com/Redfin/Camoin Associates

#10: One in 4 households are cost burdened

- “Cost burdened” = 30%+ of household income spent on housing costs
- 4,115 county households are cost-burdened (26%)
- Disproportionally renter households

Cost-Burdened Households by Income Level, 2020
(Households with Housing Costs at 30% or More of Household Income)

Household Income Level	Lincoln County			Maine		
	All Occupied	Owner-Occupied	Renter-Occupied	All Occupied	Owner-Occupied	Renter-Occupied
Less than \$20,000:	1,403	817	586	58,778	27,575	31,203
\$20,000 to \$34,999:	955	633	322	43,314	22,646	20,668
\$35,000 to \$49,999:	1,087	903	184	24,522	16,542	7,980
\$50,000 to \$74,999:	332	306	26	16,981	13,387	3,594
\$75,000 or more:	338	333	5	9,282	8,548	734
Total	4,115	2,992	1,123	152,877	88,698	64,179
Total < \$50,000	3,445	2,353	1,092	126,614	66,763	59,851

Source: ACS 2020 5 -year Estimates

Share of Households by Income Level that are Cost-Burdened, 2020

Household Income Level	Lincoln County			Maine		
	All Occupied	Owner-Occupied	Renter-Occupied	All Occupied	Owner-Occupied	Renter-Occupied
Less than \$20,000:	74%	88%	60%	77%	76%	78%
\$20,000 to \$34,999:	51%	47%	68%	55%	47%	69%
\$35,000 to \$49,999:	45%	33%	43%	34%	33%	36%
\$50,000 to \$74,999:	11%	17%	5%	16%	17%	15%
\$75,000 or more:	6%	4%	1%	4%	4%	3%
Total	26%	24%	34%	27%	21%	42%
Total < \$50,000	56%	54%	58%	56%	49%	65%

Source: ACS 2020 5 -year Estimates

LINCOLN COUNTY BY 2032

- +400 new year-round households
- +450 new jobs
- 2,470 retirements (19% of workforce)
- Retirement-age households expand from 40% to 45%
- Working age-households decline
- Need to replace older housing

Minimum of 1,000 new year-round housing units needed to maintain current affordability levels

AFFORDABLE UNIT NEED

- Higher-end units will be provided by the market
- **900 affordable-rate units** needed over next 10 years to accommodate working families and older residents of limited means
 - 250 owner-occupied workforce units
 - 250 renter-occupied workforce units
 - 400 affordable older-adult rentals

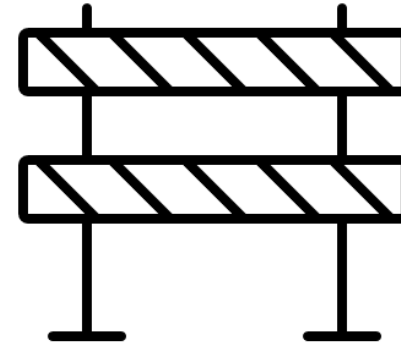
Workforce units critical for Lincoln County to compete for labor
Older-adult units ease cost burden and open up existing units for worker households

WHY CREATE AFFORDABLE HOUSING?

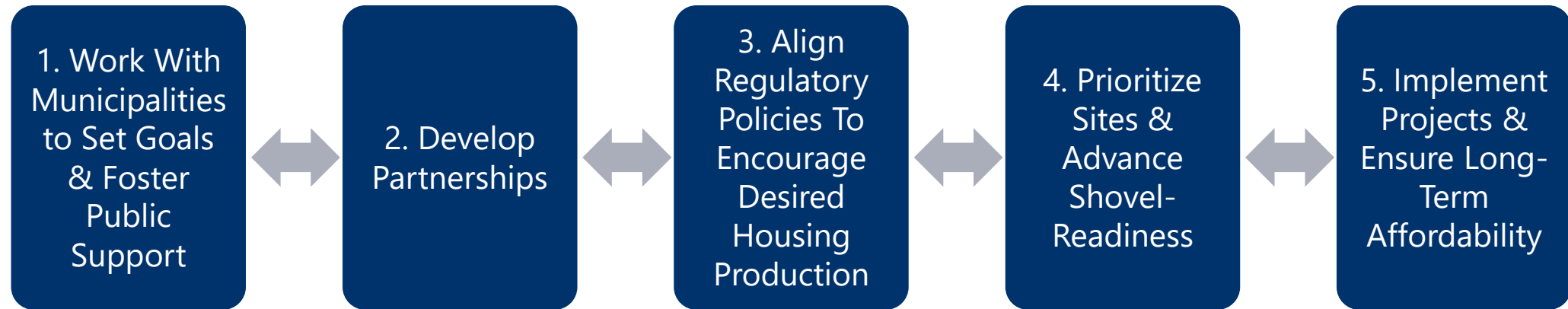
- Ensure a **sufficient labor pool** to sustain the county's economic future
- Allow in-commuters to **live where they work**
- **Support existing residents** who are cost burdened
- Enable older adults to **"age in place"**
- **Attract younger residents** and families to "put down roots"
- Support **social cohesion** and volunteerism
- Stem **school enrollment** declines
- Prevent affordability crisis from worsening

BARRIERS TO AFFORDABILITY

- Low availability of housing
- Lack of housing production
- Seasonal/second home demand
- High development costs
- High inflation
- High interest rates
- Infrastructure/site limitations
- Regulatory constraints

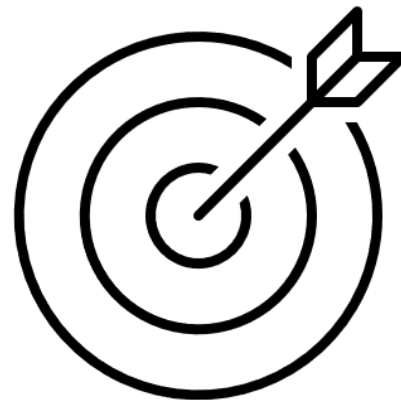


STRATEGY FRAMEWORK



1. Work with Municipalities to Set Goals & Foster Public Support

Action Item	Impact on Housing	Level of Administrative Effort	Timeframe
1A Set County-wide goals for affordable housing creation	High	Low	0-1 years
1B Convene municipal decisionmakers to set local housing production goals	High	Medium	0-1 years
1C Lead on educating the public	Medium	High	0-1 years, ongoing
1D Build internal capacity to address affordable housing needs	High	Medium	0-1 years



2. Develop Partnerships

	Action Item	Impact on Housing	Level of Administrative Effort	Timeframe
2A	Engage existing or establish additional local/regional housing non-profits	High	Medium	1-3 years, ongoing
2B	Engage local and other Maine-based affordable housing developers	Medium	Medium	1-3 years, ongoing
2C	Enlist large employers to assist with housing creation	High	Medium	1-3 years, ongoing



3. Align Regulatory Policies to Encourage Desired Housing Production

Action Item	Impact on Housing	Level of Administrative Effort	Timeframe
3A Expand local growth areas through strategic rezoning	High	Medium	3-5 years
3B Up-zone growth areas to allow for higher density housing development	High	Medium	3-5 years
3C Reduce or remove planning, permitting, and/or impact fees for affordable housing	Low	Low	1-3 years
3D Streamline the approvals process	Medium	Medium	1-3 years
3E Develop criteria for TIF	Medium	Medium	1-3 years
3F Encourage accessory dwelling units	Medium	Medium	1-3 years
3G Reduce parking minimums	Low	Low	1-3 years
3H Implement short-term rental regulations and periodically evaluate effectiveness	Medium	Medium	3-5 years

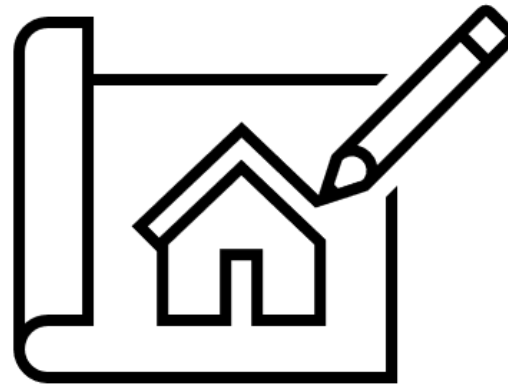
4. Prioritize Sites & Advance Shovel-Readiness

Action Item	Impact on Housing	Level of Administrative Effort	Timeframe
4A Compile a prioritized inventory of potential housing development sites	High	High	0-1 years
4B Remove regulatory barriers on sites	High	Medium	1-3 years
4C Address infrastructure gaps for key development sites	High	High	1-3 years
4D Acquire sites with housing development potential	High	High	3-5 years



5. Implement Projects & Ensure Long-Term Affordability

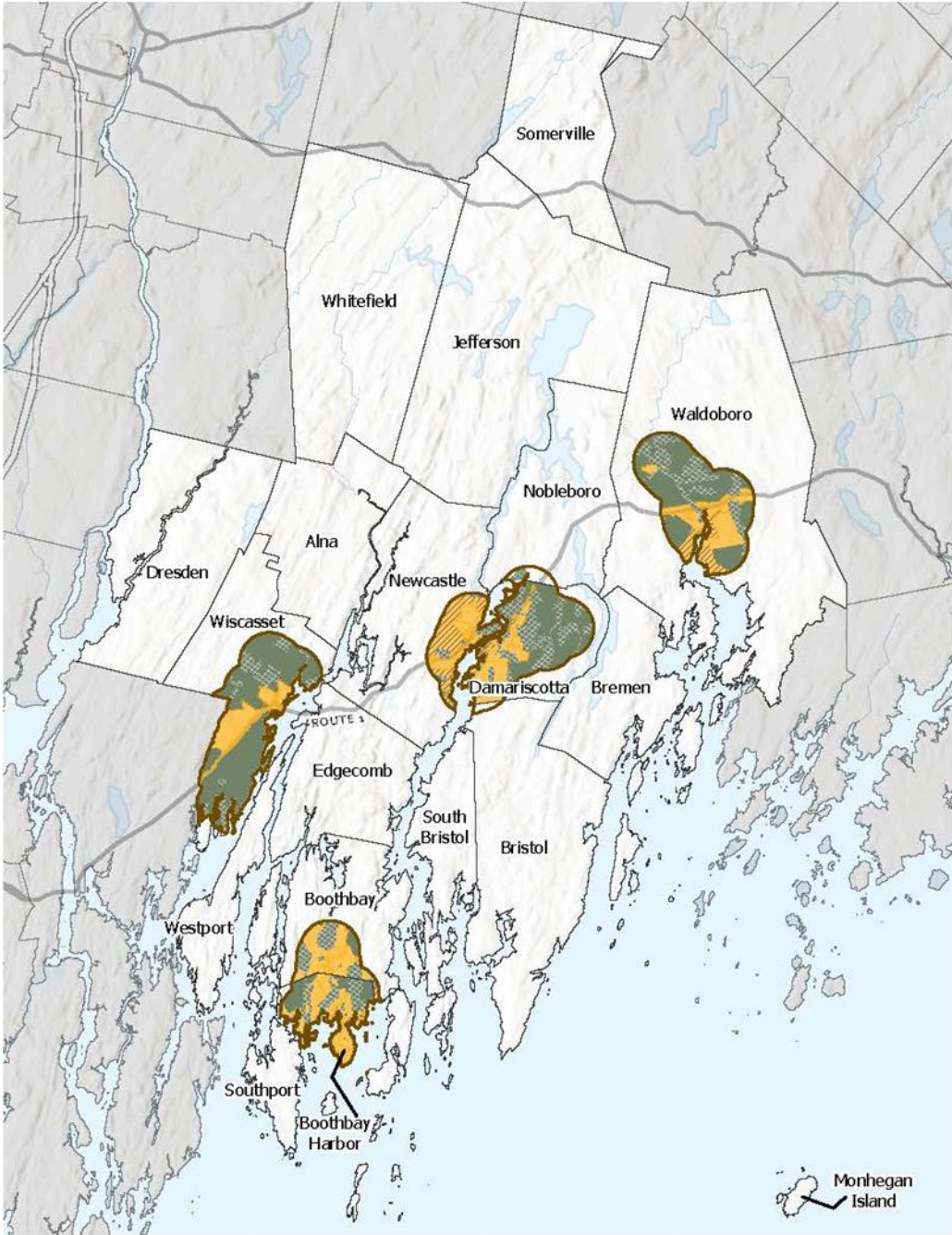
	Action Item	Impact on Housing	Level of Administrative Effort	Timeframe
5A	Implement affordable housing projects through public-private partnerships with developers.	High	Medium	3-5 years
5B	Ensure ongoing affordability of housing units created.	High	Medium	1-3 years, ongoing



GROWTH OPPORTUNITIES

Potential Distribution of Affordable Units by Community

Alna	13
Boothbay Harbor	73
Boothbay	95
Bremen	15
Bristol	55
Damariscotta	83
Dresden	29
Edgecomb	22
Jefferson	45
Monhegan Plantation	2
Newcastle	56
Nobleboro	32
Somerville	10
South Bristol	19
Southport	13
Waldoboro	153
Westport Island	14
Whitefield	40
Wiscasset	110
County Total	879



FUTURE GROWTH OPPORTUNITIES LINCOLN COUNTY, ME

- Comprehensive Plan Districts**
- Growth
 - Limited Growth
 - Rural
 - Shoreland Zoning, Conservation, and Preservation
 - Existing Public Utilities - One Mile Buffer

Growth: Growth areas are determined by towns in their comprehensive plan per the Growth Management Law. These are areas that are suitable for added growth as determined by each municipality.

Limited Growth: Limited Growth areas are defined further in individual comprehensive plans. These areas do not define unrestricted growth.

Rural: Rural areas are meant to preserve town character and do not include growth.

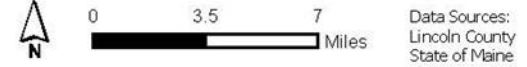
Shoreland Zoning, Conservation, and Preservation: These three districts are combined only in this map. They represent areas that cannot contain any growth and are to be protected.

Existing Public Utilities - One Mile Buffer: This area was determined by the proximity to existing public water and sewer utilities. The areas within one mile of the utilities were examined by looking at the Town's most recent Comprehensive Plan Future Land Use designated districts.

Please refer to each town's Comprehensive Plans for exact designated district areas. Comprehensive Plan Districts definitions are defined further individually by municipalities.

- Towns with designated Future Growth Areas that are not within one mile of public water and sewer include:
- Edgecomb
 - Nobleboro
 - Somerville

Town's Utility District and Latest Comprehensive Plan			
Town Name	Water District	Sewer District	Comprehensive Plan Date
Boothbay	Boothbay Regia Water District	Boothbay Harbor Sewer District	August, 2016
Boothbay Harbor	Boothbay Regia Water District	Boothbay Harbor Sewer District	July, 2015
Damariscotta	Great Salt Bay Sanitary District	Great Salt Bay Sanitary District	October, 2014
Newcastle	Great Salt Bay Sanitary District	Great Salt Bay Sanitary District	March, 2022*
Waldoboro	Waldoboro Utility District	Waldoboro Utility District	February, 2019
Wiscasset	Wiscasset Water District	Wiscasset Water Sewer Treatment Plant	January, 2009



Produced by Lincoln County Regional Planning Commission
Information Current as of March 2023
THIS MAP IS FOR PLANNING PURPOSES ONLY

FINAL TAKEAWAYS

- Workforce housing shortage is an existential threat to the county's economy
- No action means:
 - Affordability worsens
 - Fewer year-round housing units
 - Labor pool shrinks
 - Population ages more rapidly
- Lincoln County is not unique in this challenge
- Sizable development projects are needed to "move the needle"
- All municipalities have a role to play
- Partnerships will be critical for implementation

Q&A

