

## Chapter X - Housing

### Introduction

A comprehensive plan should contain a thorough analysis of a town's housing trends. Critical issues include housing conditions, affordability, and estimated future housing needs. Specifically, this section aims to:

- a. describe the existing conditions present as it relates to Ogunquit's housing stock in terms of the types and number of units that exist currently and how those units are occupied, with an eye to the seasonal nature of much of the town's housing stock;
- b. discuss housing affordability; and
- c. present an estimate of future housing needs based on population projections [PENDING COMPLETION OF POPULATION SECTION OF INVENTORY]

### Community Survey Results

- Placeholder

#### Housing Overview

This section provides an overview of the current housing situation in Ogunquit and attempts to place the Town's housing issues in a regional context. In developing this housing inventory, data was drawn from the U.S. decennial Census, the US Census American Community Survey (ACS), Town records, and MaineHousing, the state housing authority.

#### Existing Housing Stock

The existing housing stock in Ogunquit consists primarily of detached single-family homes and, secondarily, condominium units located within small residential multifamily buildings. Seasonal housing makes up a substantial portion of the housing stock, including dwelling units inhabited for most of the warmer months, but whose owners may spend several winter months elsewhere. According to the Census Bureau, nearly half of Ogunquit's housing was built post-1980, see Figure 1 on the next page.

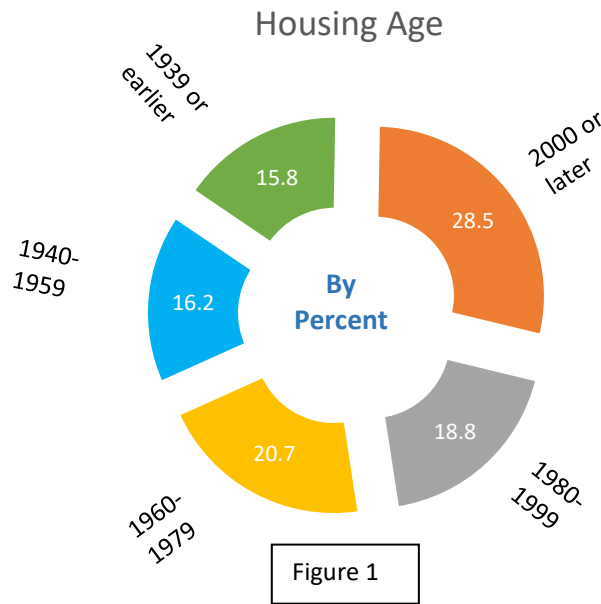


Figure 1

### Housing Vacancy & Seasonal Housing

Seasonal housing and/or second homes are frequently coded as vacant by the US Census Bureau. The Census Bureau defines vacant units as those in which a) the occupants were not home at the time of the survey, or, if they were home, b) had not been in that unit for at least two months prior to the survey or c) would not be in that unit for a least two additional months after the date of the survey. Data provided by the Town shows that 131 building addresses (several of which contain multiple dwelling units) do not have heat, which may serve as a proxy for the minimum number of seasonally-occupied properties within the community.

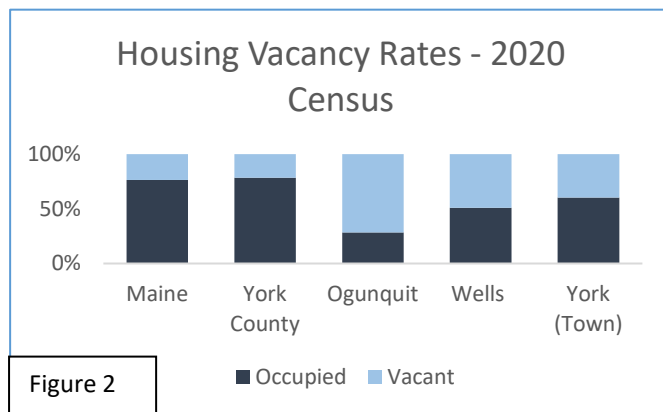


Figure 2

A second Town data source reveals that 709 of 2,089 dwelling units (33%) on the Assessor’s roll have owner addresses in which “Ogunquit, ME” is listed, which could indicate that up to 1,380 units (66%) are not occupied year-round by Ogunquit residents, as they contain non-Ogunquit mailing addresses. Additionally, ACS data for 2020 shows that 71.6% of Ogunquit’s housing stock (or 1,463 units) meets the Census definition of vacant; this contrasts with an ACS vacancy rate of 49.2% in Wells, 39.8% in York, 21.7% countywide, and 23.7% statewide. See Figure 2 above.

Occupied vs. Vacant Housing Units, 2010-2020							
Figure 3	2010			2020			2010-2020
	Total Units	Percent Occupied	Percent Vacant	Total Units	Percent Occupied	Percent Vacant	Total Units
Ogunquit	2,009	24.8%	75.2%	2,104	40.0%	60.0%	4.7%
Wells	8,557	48.1%	51.9%	9,366	53.6%	46.4%	9.5%
York (Town)	8,649	62.9%	37.1%	9,049	65.3%	34.7%	4.6%
Maine	721,830	77.2%	22.8%	739,072	78.8%	21.2%	2.4%
York County	105,773	76.6%	23.4%	112,198	79.3%	20.7%	6.1%

Source: US Decennial Census, 2010 & 2020

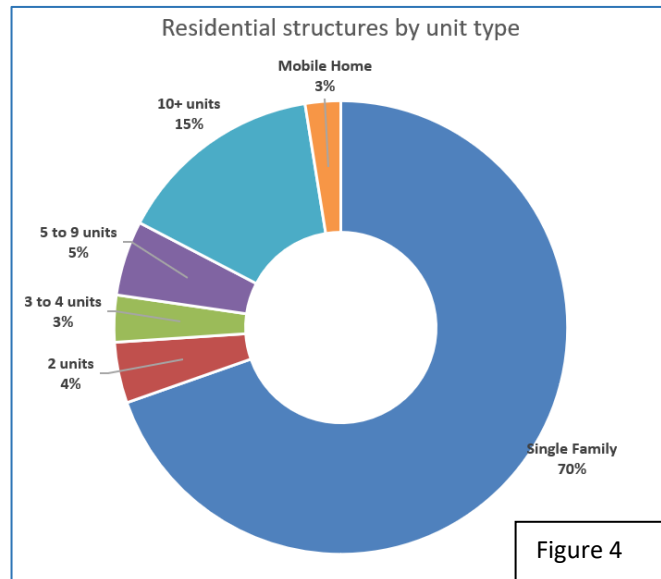
### Housing Unit Growth

Per ACS data, between 2010 and 2020, the total number of housing units in Ogunquit increased by 4.7%, from 2,009 units in 2010 to 2,104 units in 2020; this rate of housing unit growth is less than that of York County (6.1%) and of neighboring Wells (9.5%) but is more than that of the state as a whole (2.4%); it is comparable to that of the neighboring Town of York (4.6%). Note that the figure of 2020 Census figure of 2,104 housing units is 15 more housing units than are shown in Assessor records; this discrepancy is common with the decennial Census and is within the margin of error. See Figure 3 on the previous page.

### Housing Unit Types

According to the 2020 ACS, 70% of all housing units in Ogunquit are single-family homes, with the second most popular unit type being units housed within multifamily structures of 10 units or more (15%); 24.1% of the housing stock is comprised of structures containing three or more units. Wells has a slightly lower percentage of its housing supply in single-family homes (65.8%), with the Town of York significantly higher (80.8%) than York County (69.1%) or the state overall (70.3%). Mobile homes are less prevalent than in abutting coastal communities, comprising 2.6% of units. See Figure 4.

According to the Town Assessor’s database, **X** new single-family homes were built in Ogunquit in 2022. **[LANGUAGE ON SINGLE FAMILY STARTS TO BE ADDED WHEN TOWN DATA HAS BEEN PROVIDED]**



### Housing by Tenure (Leased vs Owned Housing)

The 2020 ACS indicates that 84.9% of all occupied housing units in Ogunquit are owner occupied while the remaining 15.1% are renter occupied. The proportion of owner-occupied units in Ogunquit is very close to that of Wells (81%) and York (80.6%) All three communities have a higher percentage of owner occupied units than the county (74.4%) and the state (72.9%).

An analysis of housing tenure trends between communities tells a slightly different story: the number of owner-occupied units in Ogunquit is increasing, albeit slightly, while it is decreasing in the adjacent coastal towns and within the state and county. See Figure 5.

Change in Housing Tenure, 2010-2020					
Figure 5	2010		2020		% Change
	Owner-occupied	Renter-occupied	Owner-occupied	Renter-occupied	Owner - Occupied
Ogunquit	83.80%	16.20%	84.90%	15.10%	1.10%
York (Town)	83.10%	16.90%	80.60%	19.40%	-2.50%
Wells	83.70%	16.30%	81.00%	19.00%	-2.70%
Maine	73.10%	26.90%	72.90%	27.10%	-0.20%
York County	75.20%	24.80%	74.40%	25.60%	-0.80%

Source: American Community Survey 5-Year Estimates, 2010 & 2020

### Housing Costs Analysis

The ACS estimates that the median price of rental housing in Ogunquit has increased by 16% from 2010 to 2020, with a median rental unit priced at \$1,205 in 2010 versus \$1,405 in 2020; this is less than the 25.5% percent increase in median York County rents during the same period (\$814 versus \$1,022) and indicates that owner occupied single family housing may constitute a larger share of the demand for housing in Ogunquit than multifamily apartment-style units. Additionally, as this ACS data is now two years old and does not reflect the heated post-pandemic housing market, it is likely the median rents for both Ogunquit and the county at large have increased further.

In contrast to rental housing, in which cost increases have lagged surrounding areas between 2010 to 2020, the median value of owner-occupied homes has outpaced other jurisdictions; in Ogunquit, it grew from \$551,900 to \$615,400, an increase of \$63,500 and 12%. The 2020 median home value is higher than that of surrounding towns (Wells: \$310,000, York: \$429,800), York County (\$260,800), and the state (\$198,800).

<b>Comparison of Housing Costs, 2010 - 2020</b>				
Figure 6	<b>Median Value Owner Occupied Units</b>		<b>Median Gross Rent</b>	
	<b>2010</b>	<b>2020</b>	<b>2010</b>	<b>2020</b>
<b>Ogunquit</b>	\$551,900	\$615,400	\$1,205	\$1,405
<b>York (Town)</b>	\$366,300	\$429,800	\$1,053	\$1,248
<b>Wells</b>	\$276,500	\$310,000	\$798	\$930
<b>Maine</b>	\$176,200	\$198,000	\$707	\$873
<b>York County</b>	\$233,300	\$260,800	\$814	\$1,022

*Source: American Community Survey 5-Year Estimates, 2020*

### Housing Conditions

As defined by the US Census Bureau, a standard home is one that is in good condition with basic amenities such as adequate heating, complete plumbing, and kitchen facilities. A substandard house usually either requires repairs beyond normal maintenance or lacks some basic amenities. While there is no data on the number of homes that are substandard due to overall condition, there is limited data about select amenities.

According to the Town Assessor, approximately 1,676 units in the town are serviced by public water. This represents 80.2% of the total housing units in the town and assumes the other 19.8% of units rely on private onsite water sources. Data from the Ogunquit Sewer District shows [pending data from district]

A home would also be considered substandard if it is overcrowded, having an average of more than 1 person per room. The 2020 ACS shows that in Ogunquit, the average is at or below 1 per room, yielding an estimate of housing overcrowding at 0% - i.e., the survey did not identify any instances of housing

overcrowding in the Town. For comparison, numbers for Wells and York are 3.8% and 0.3%, respectively. The 2020 ACS also estimates that just eight housing units (1.4% of the total) in Ogunquit lack full plumbing and kitchen facilities.

### Housing Affordability

Affordable housing is a concern for all communities in the region. While even middle-income households are affected by the high cost of housing, it is a particular problem for low-income households.

The Affordability Index is a MaineHousing statistic that is produced annually. It is the ratio of *Median Home Price* to the *Home Price Affordable to the Median Income*. The affordable home price is one where a household making the median income could cover a 30-year mortgage, taxes, and insurance with no more than 28% of their gross income.

- An index of 1 indicates that the home price is affordable to the median income.
- An index of less than 1 indicates that the home price is generally unaffordable.
- An index of greater than 1 indicates that the home price is generally affordable.

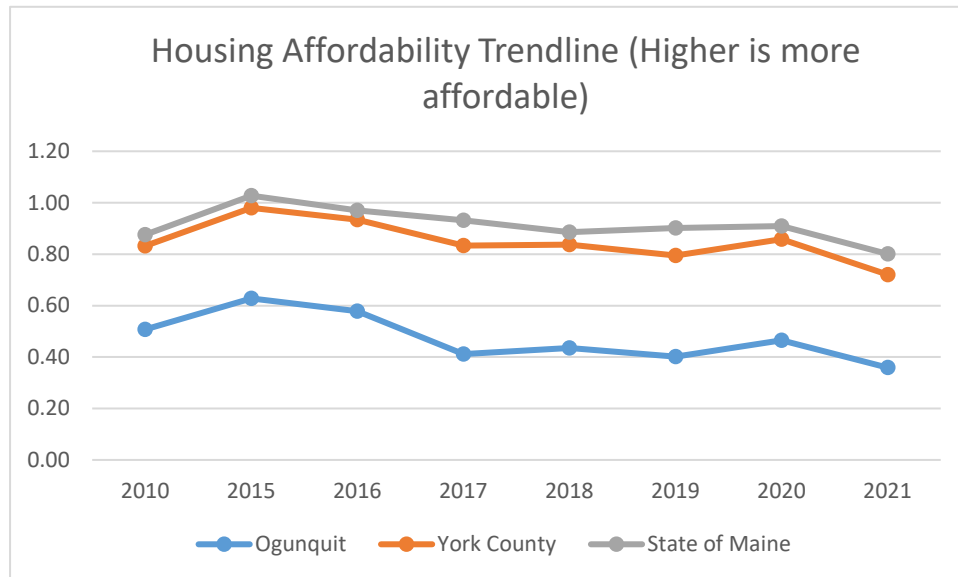


Figure 7

As shown in the chart above (Figure 7), Ogunquit has been significantly less affordable than the state and county averages throughout the period shown. With the exception of a brief drop in the median home price between 2010 and 2015, a time period that overlaps with the Great Recession, each of the last 10 years has seen an increase in the median home price, which as of 2021 stood at \$873,750.

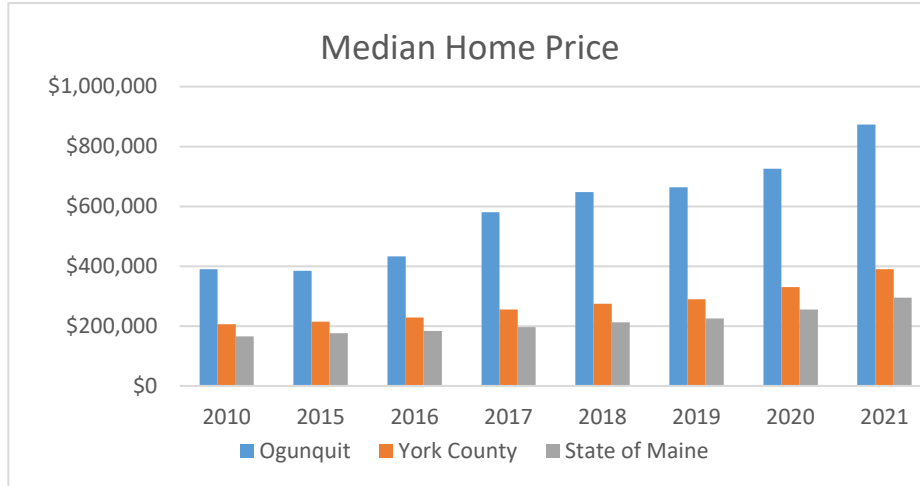


Figure 8

While the MaineHousing Affordability Index is still quite low for Ogunquit as compared to surrounding jurisdictions, the 20% year on year increase from 2020 to 2021 represents the highest change in housing price over any of the past ten years, and the home price data for 2021 to 2022 would be expected to continue this trend.

According to the affordability index, Ogunquit is significantly less affordable than most of its neighbors, the county, and the state; this was the case in both 2010 and 2020, with the trend deepening over time. The drop in affordability index of 0.11 for the Town of York was the least of the areas analyzed, but it still represented a median home price increase of nearly two-fold. See Figure 9.

<b>Comparison of Affordability, 2010 - 2021</b>				
	<b>2010</b>		<b>2021</b>	
	<b>Affordability Index</b>	<b>Median Home Price</b>	<b>Affordability Index</b>	<b>Median Home Price</b>
Ogunquit	0.51	\$390,000	0.36	\$873,750
Wells	0.75	\$242,500	0.62	\$495,000
York (Town)	0.7	\$330,000	0.59	\$625,000
Maine	0.88	\$165,000	0.8	\$295,000
York County	0.83	\$205,900	0.72	\$389,900

*Source: Maine Housing Affordability Indices*

Figure 9

The US Department of Housing and Urban Development (HUD) recommends viewing housing affordability as what would be affordable to moderate income, low income, and very low-income families in the housing market region that the community is within. These are defined below.

- **Very low-income households** are those earning less than 50% of the area median income.
- **Low-income households** are those earning between 50% and 80% of the area median income

- **Moderate income households** are those earning between 80% and 120% of the area median income.

HUD defines housing market areas based on population and relationship to services. Ogunquit is a part of the “York County HUD Metro FMR Area”, which also includes Wells and points west as well as north to the County line, but does not include York and Kittery given their proximity to the housing and labor market of Portsmouth, NH. Dividing communities in this way gives a more accurate “area” median income, since the communities are more comparable than the whole county, for example. The community can then use these metrics to consider and formulate affordable housing policy. Affordable housing is not always aimed at the lowest income groups, and in many cases, communities in Maine are lacking housing for middle incomes as well. See Figure 10 below for the AMI categories specific to the York County HUD Metro FMR Area.

<b>York County Area Median Income (AMI), 2023</b>				
<b>AMI for a 4-person household</b>	<b>20% of AMI</b>	<b>50% of AMI</b>	<b>80% of AMI</b>	<b>120% of AMI</b>
\$91,700	\$18,340	\$45,850	\$73,360	\$110,040

*Source: US Department of Housing and Urban Development, 2023*

Figure 10

Of note is that in Ogunquit, a house would need to be priced at \$313,507 to be considered affordable for the median household per the definition used by HUD and MaineHousing; the last time that the median home price reflected such a value in Ogunquit was between the years of 2000 and 2010.

### Housing Demand Projections

[Section to be drafted upon completion of the Population section of the inventory]

### LD 2003 & Housing Implications

In 2022, the State of Maine legislature passed several pieces of legislation aimed at increasing housing stock in Maine, primarily through zoning regulations. The most significant law *H.P. 1489 - L.D. 2003 “An Act to Increase Housing Affordability through Zoning and Land Use”* enacted a set of zoning requirements that require municipalities to allow higher density housing in various ways throughout the community. Higher density allowances are required in areas that are identified growth areas or are equipped with public sewer and water infrastructure. There are three major components to the law:

1. Developments in identified growth areas or areas serviced by public water or sewer must be allowed density 2 ½ times the base zone density if most of the housing units meet defined standard affordability requirements for a minimum of 30 years.
2. Anywhere housing is allowed, municipalities must allow at least 2 units per lot on vacant lots. In areas of identified growth areas or areas serviced by public water or sewer, up to 4 units must be allowed on vacant lots. On lots with an existing single-family dwelling, municipalities must allow the addition of up to two units.
3. On any lot with an existing single-family dwelling, municipalities must allow the addition of at least one accessory dwelling unit.

These requirements take effect in July 2023; as of this writing, the Town of Ogunquit has prepared an LD 2003-compliant set of ordinance amendments for imminent adoption, meeting the requirements of the state statute. The implications of LD 2003 for land uses within the Town, broadly, will be discussed in further depth within the Land Use chapter.

### Summary & Issues for Consideration

Housing development and affordability have long been issues for the southern region of the state. In recent years, primarily resulting from the COVID-19 pandemic, housing prices in Maine have increased significantly in a short period of time; Maine has seen some of the highest in-migration in the United States over the last several years, yet the state has some of the oldest housing stock in the US, local zoning requirements and growth management ordinances limit what can be built and where, and construction prices and labor availability have limited the ability of housing supply to meet demand. The data analyzed in connection with this inventory have painted a picture of an existing town housing stock of slightly over 2,000 units that is under significant market pressure; this is reflected in the year on year increases in median home value and low ranking on the state's Affordability Index. However, unlike some other communities in the immediate region, Ogunquit's housing stock tends to be newer and less subject to crowding than those of other communities, and demand for rental housing appears to be lower as well. The double digit jump in home values over each of the last several years is a trend likely to continue unless macroeconomic conditions change, potentially reducing the pressure on the housing stock, or additional housing supply is brought online via new construction or conversions of existing nonresidential properties into housing. Actions that could potentially lead to additional housing production could potentially include:

- Encouraging policies that allow affordable housing to be constructed where appropriate
- Promoting higher densities in locations where public water and sewer utilities is available
- Facilitating additional residential development in rural parts of the community in locations where the available infrastructure to support it exists