

HOUSING
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HOUSING

The housing chapter provides an overview of housing conditions in Kittery which includes owner-occupied and rental units. This chapter also provides points of comparison to nearby municipalities including York, Eliot, Newington, and Portsmouth to help give context to data points around housing. Included below is information on housing type, tenure, vacancy, age, development trends, and affordability.

Summary of Key Points

- Kittery has a number of different housing options that are spread across town. The variety of options provides housing for people at different income levels.
- Sixty-five percent of Kittery's housing stock is owner-occupied. This is lower than many surrounding towns with the exception of Portsmouth.
- The residential vacancy rate for both owner-occupied and renter-occupied housing increased from 2010 to 2014, but is still very low.
- Kittery has a relatively young housing stock, with 74 percent of residential structures built after 1940.
- Kittery has averaged around twenty single-family home building permits per year. The number per year has gone down slightly from 2012 to 2015.
- Median owner-occupied home values in Kittery are lower than the surrounding communities, making Kittery a bit more affordable. On the other hand, Kittery has higher rental prices than the surrounding communities.

OVERVIEW

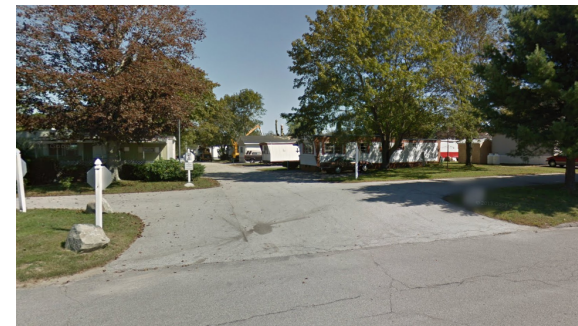
Kittery has a number of distinct housing types, but a majority of the housing in town – about 66 percent - consists of detached single-family homes.¹ They are spread across Kittery and are located in neighborhoods that vary greatly in terms of layout, density, and character.

One can travel across Kittery and come across very large stately homes in locations like Gerrish Island or along the coast on Kittery Point. Homes on Gerrish Island are set within the natural geography of the land on large lots, where some of Kittery’s largest single-family homes are found. Along the coast line in Kittery Point, older more historical homes are set on smaller lots much closer together, overlooking the water.

In contrast, Foreside has a much different residential character, with more modest homes set very close together within a close walking distance to the nearby commercial center. A majority of the homes in this section of Town were constructed prior to 1940, and most of them prior to 1900.

To the west of Route 1 the landscape and housing stock begin to change again. Here, single family homes are set back from the

Kittery’s Housing Type Examples



roadways and located on cul-de-sacs, dead end streets, or circular loops bringing you back to the main road you entered on. The homes are set on larger lots, and the area is reminiscent of a more rural suburb. Homes in this area are newer, with many having been constructed after 1970. One exception are the homes along Manson Road, where many were constructed prior to 1940.

Lastly, in the north and north central part of Kittery, many homes were constructed as part of traditional subdivisions set among the open lands and farms. Here, dead end roads and cul-de-sacs branch off main arterials like Haley Road and Bartlett Road to create small subdivisions of large homes on large lots. In this area, most homes were built after 1970, and represent the highest concentration of newer homes in Kittery. This is particularly true along roads such as Cedar Drive, Drake Lane, and Jefferson Lane. Figure 5.1 shows the age of Kittery's existing housing based on when they were constructed.

OTHER TYPES OF HOUSING

While two-thirds of the housing stock in Kittery is comprised of single-family homes, there are many other options available in Town. Twenty-four percent of the housing stock in Kittery is located in multifamily structures. Ninety-one percent of multifamily units are housed within buildings that contain nine units or lessⁱⁱ. There are several examples of traditional multifamily housing in garden style apartment and townhome developments. One example of this style of housing is Woodland Commons off Route 1. This development offers two and three

bedroom units for rent. Kittery also has multifamily housing options for military personnel and their families at Admiralty Village. These are attached two, three, and four bedroom homes within close distance to the Shipyard.

Table 5.1: Units in Structure

Census 2000, ACS 2006-2010		Town of Kittery	
HOUSING UNITS IN STRUCTURE	2000	2010 Est.	% Change 00-10
Total HHs	4,078	4,209	3.2%
1 unit - detached	2,605	2,795	7.3%
1 unit - attached	167	140	-16.2%
2 units	419	294	-29.8%
3 or 4 units	289	255	-11.8%
5 to 9 units	205	380	85.4%
10 to 19 units	35	49	40.0%
20 to 49 units	61	28	-54.1%
50 or more units	8	16	100.0%
Mobile Homes	289	252	-12.8%

In addition, Kittery offers several age-restricted housing options for residents fifty-five and over. Developments like Meetinghouse Village, Shepard's Cove, and Kittery Estates offer rental apartments, for-sale condominiums, and single-family homes. All three are located very close to Route 1 and the Kittery Community Center. The Town also has assisted living and nursing care facilities for seniors. Developments like Durgin Pines offers rehabilitation and full long-term care with a choice of private and semi-private rooms.

There are also several mobile home parks in Kittery, which offer an affordable option for both short- and long-term housing. The two Yankee Mobile Home Communities off Idlewood Lane and Cutts Road on the western side of Route 1 are two such examples.

HOUSING CHARACTERISTICS

The type of housing being built in Kittery has certainly changed over time. Prior to 1900, single-family homes were constructed along the coast east of what today is the I-95 corridor. Between 1900 and 1970, housing continued to be built in the Foreside and began expanding over the Route 1 corridor to the southwestern edge of town. Between 1970 and 2015, single-family and multifamily housing expanded north into the farms and forests. Clusters of subdivisions now dot the landscape of Kittery with housing built

primarily after 1990. Small clusters of multifamily housing were also built post-1990, which has been the most significant change to housing types in Kittery. Prior to 1990, there were not many rental or ownership opportunities in the larger-scale multifamily buildings.

According to data from the 2014 American Community Survey (ACS) estimates, 25 percent of Kittery's housing stock was constructed prior to 1940ⁱⁱⁱ. Another 48 percent of the housing stock was constructed between 1940 and 1989, followed by 26 percent built after 1990. Housing by year built is shown in Table 5.2. Figure 5.2 shows the change in the total number of housing units between 2000 and 2010 for each Census block group in Kittery.

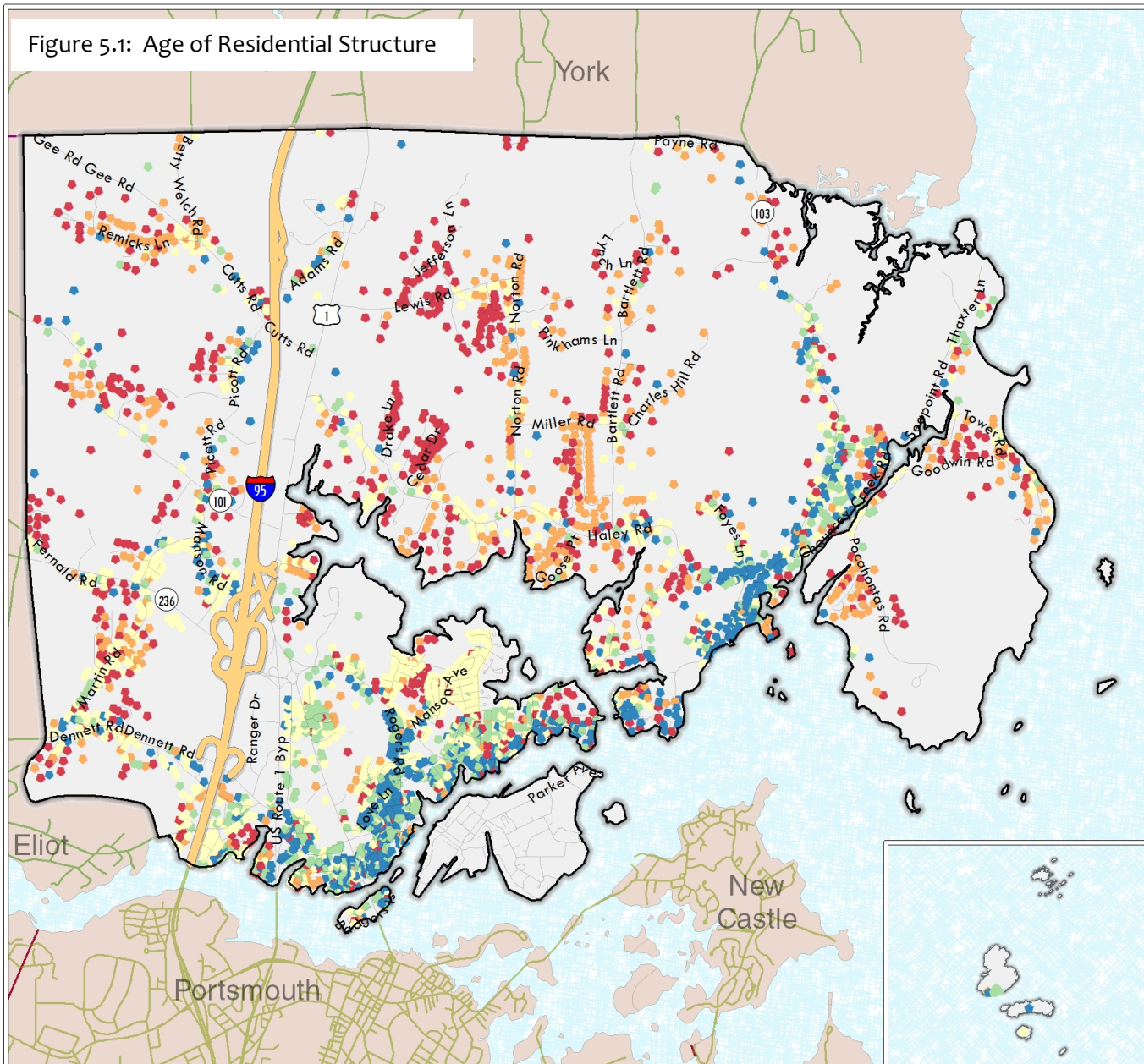
Table 5.2: Year Housing Structure was Built

ACS 2010-2014		Town of Kittery	
AGE OF STRUCTURE		2014 Est.	% of Total
Total housing units		5,144	100.0%
Built 2005 or later		92	1.8%
Built 2000 to 2004		970	18.9%
Built 1990 to 1999		315	6.1%
Built 1980 to 1989		498	9.7%
Built 1970 to 1979		464	9.0%
Built 1960 to 1969		358	7.0%
Built 1950 to 1959		586	11.4%
Built 1940 to 1949		571	11.1%
Built 1939 or earlier		1,290	25.1%

Building condition is typically closely tied to the age of the structure. Kittery's housing stock as a whole is not very old, with only 26 percent of structures constructed before 1940. The Census compiles information on building condition by reporting on the number of housing units without complete plumbing facilities, kitchen facilities, or lack of telephone service. According to ACS estimates for 2014, less than one percent of structures lacked complete plumbing, 3.6 percent lacked a complete kitchen, and 1.6 percent did not have phone service available.

KITTERY COMPREHENSIVE PLAN EXISTING CONDITIONS INVENTORY

Figure 5.1: Age of Residential Structure



Year Built

Kittery, Maine

Year Structure Built Residential Units

- Before 1900
- 1901 - 1940
- 1941 - 1970
- 1971 - 1990
- 1991 - 2015

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This map is for general planning purposes only. The data used to create the map are not adequate for making legal or zoning boundary determinations or delineating natural resource areas. Exercise caution when interpreting the information on this map.

Date: 2/4/2016
Source: MaineDOT, NHDDOT, Town of Kittery



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HOUSING TENURE

Kittery's homeownership rate (65 percent) is lower than that of many of the surrounding communities. York, Eliot, and Newington, NH have homeownership rates between 76 and 88 percent. Only Portsmouth, not surprisingly, has a lower homeownership rate than Kittery at 53 percent. To Kittery's advantage, having a mixture of housing types at a variety of price points and sizes will attract a more diverse resident population. This provides both a customer base and an employment base for local businesses, and provides Kittery with a more varied set of constituents.

As was mentioned earlier, the owner-occupied single-family homes in Kittery are spread across the town with a higher concentration in the Foreside area and along the eastern coast line. This is contrary to multifamily housing, which tends to be clustered in the areas along Route 1 and along Philbrick Avenue where Admiralty Village is located. Table 5.3 shows the breakdown of housing units by tenure, as well as the estimated change from 2010 to 2014.



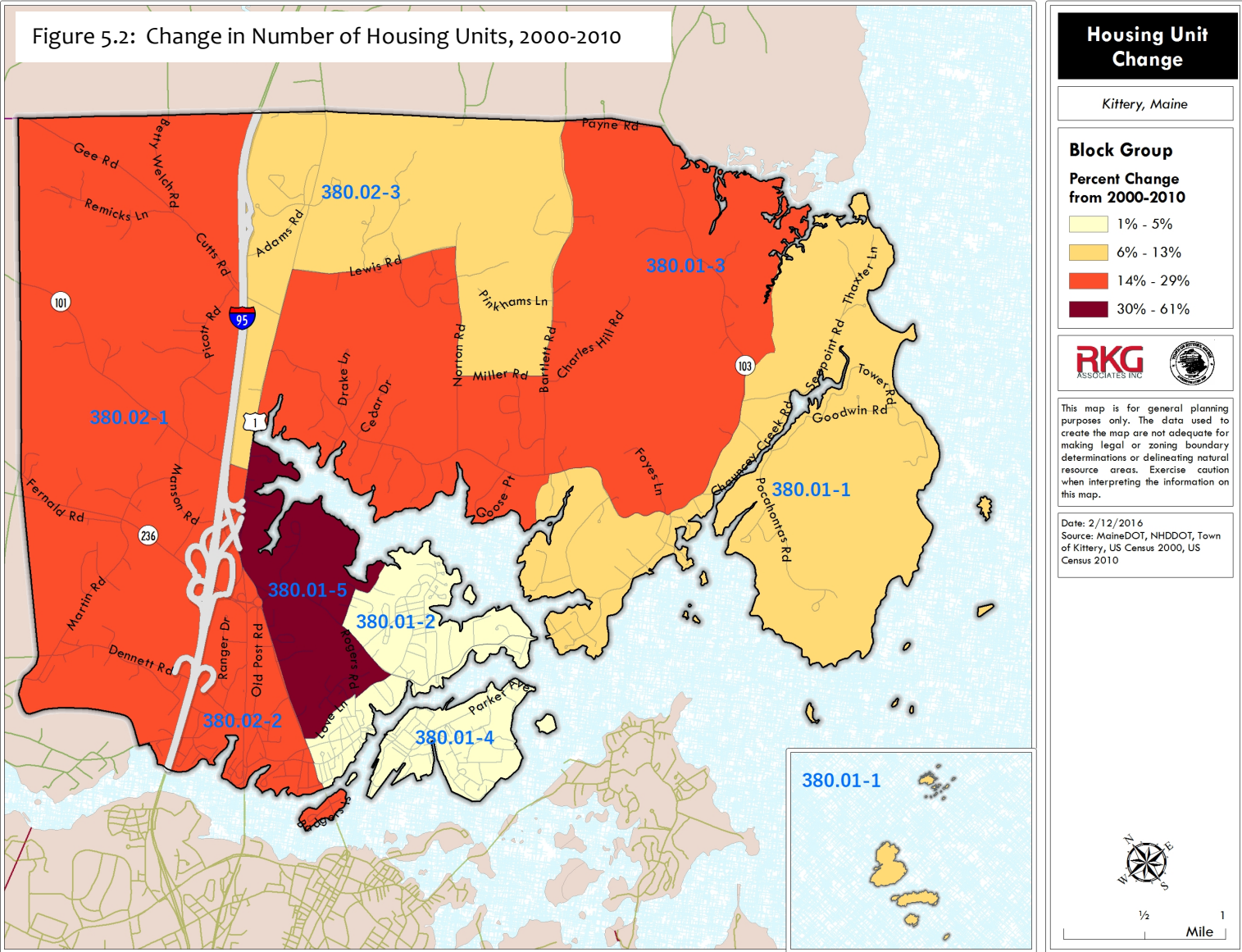
Table 5.3: Housing Tenure

ACS 2006-2010, ACS 2010-2014		Kittery	
TENURE		2010 Est.	2014 Est.
	Owner-Occupied Units	65.2%	65.1%
	Renter-Occupied Units	34.8%	34.9%

VACANCY

Between 2010 and 2014, Kittery's own occupied and renter-occupied vacancy rates

have increased slightly. As shown in Table 5-3, the overall number of vacant owner-occupied units in



Kittery increased by 1 percent, and vacant rental-occupied units increased by 0.9 percent^{iv}. Compared to surrounding towns, Kittery's vacancy rates are very similar, if not lower, than most of those towns. For 2014, Kittery's vacancy estimate for owner-occupied units is 0.2% higher than York, 1.6 percent higher than Eliot, and 2.4 percent higher than Portsmouth. York's rental vacancy percentage is nearly three times higher than Kittery. Portsmouth and Eliot both had fewer rental unit vacancies than Kittery.

Table 5.3: Residential Vacancy

ACS 2006-2010, ACS 2010-2014	Town of Kittery		
	2010	2014	% Change 10-14
HOUSING UNITS IN STRUCTURE			
Total HHs	4,700	5,144	9.4%
Owner-occupied vacancy	2.2%	3.3%	50.0%
Renter-occupied vacancy	5.8%	6.7%	15.5%

HOUSING MARKET AND TRENDS

The ACS estimates Kittery's median 2014 owner-occupied housing value at \$292,200^v. This includes both single-family homes and condominiums. Kittery's median value was higher than that of both York County and the State's median, which were \$226,700 and \$173,600, respectively. When compared to York, Eliot, Newington, and Portsmouth, Kittery's median housing sale price is a lower, making it a more affordable option for those looking to purchase a home. Kittery does have a higher percentage of

homes above \$1,000,000 than both Portsmouth and Eliot, at 3.4 percent (96 homes).

Looking at rental-occupied housing, median monthly rent in Kittery is higher than all the surrounding communities which is the opposite of the median owner-occupied figure. The median monthly rental cost in Kittery was estimated to be \$1,232 in 2014^{vi}. Kittery's median rent was also significantly higher than that of the county and state which were \$772 and \$883 per month, respectively. Since 2010, median owner-occupied sales values have increased by an estimated 4 percent, while monthly rental prices have increased by 7 percent in Kittery.

NEW HOME STARTS

According to the Town's building permit data^{vii}, there were 13 building permits pulled for the construction of new single-family homes in Kittery in 2015^{viii}. This is lower than the previous three years, which averaged about 21 permits for single-family homes per year. Between 2012 and 2015, the Town saw an average of \$4.3 Million in new single-family home construction value. Last year (2015) had the highest single-family home construction value with a total of \$5.285 Million. Even though single-family construction permits were down in 2015 from previous years, construction value remains high.

HOUSING AFFORDABILITY

Kittery has worked over the years to provide some income restricted affordable housing options to residents who qualify as

low- and moderate-income. The term “affordable housing” means a monthly housing cost that does not exceed 30 percent of a lower-income household’s monthly gross income. For homeowners, that cost includes mortgage, taxes, and insurance. For renters, that cost includes the monthly rent and basic utilities. In circumstances where a household is spending more than 30 percent of their gross income on these housing-related costs, that household is considered housing cost burdened. Table 5.4 shows the 80 percent of area median income thresholds deemed affordable by household size for the York-Kittery-South Berwick HMFA.

Table 5.4: AMI thresholds for Kittery

1 person	2 person	3 person	4 person
\$46,100	\$52,650	\$59,250	\$65,800

According to U.S. Census estimates for 2014, 46 percent of Kittery households are spending more than 30 percent of their household income on housing costs^{ix}. Not all of these households meet the definition of cost burdened because many are middle- and upper-income households that are generally considered to have more choices in the marketplace. Of Kittery’s 2,800 homeowners, approximately 24 percent are low- or moderate-income and paying more than 30 percent of their monthly income toward housing costs. Moreover, 15 percent of those households are considered severely cost burdened, spending more than 50 percent of their monthly income on housing costs^x.

On the rental side, 50 percent of Kittery’s 1,600 rental households who are low- or moderate-income pay more than 30 percent of their monthly income toward housing costs. Approximately 29

percent of those households are considered severely cost burdened. A more telling data point about the issue of housing cost burden in Kittery is that 92 percent of renter households earning less than \$35,000 per year are spending more than 30 percent of their income on housing costs^{xi}. The same can be said for homeowner households, i.e., 74 percent of households earning less than \$35,000 per year are spending more than 30 percent on housing costs.

AFFORDABILITY MISMATCH

Affordability mismatch further complicates the issue of housing affordability, which is a condition where households who can afford to live in more expensive housing are living in units priced below what they can realistically afford. This often leaves a gap in the number of units available to households who truly need housing units that are affordable at their income level. In Kittery, there are approximately 724 modest ownership units that would be considered affordable to low- and moderate-income buyers, but 39 percent are occupied by households with middle or higher incomes. Almost 83 percent of Kittery’s rental units have monthly rents that qualify as affordable under the U.S. Department of Housing and Urban Development’s (HUD) rent limits, but only 52 percent are occupied by low- to moderate-income renters. One of the biggest issues is that very low income households are living in housing affordable to moderate-income renters. This is an indicator that the community’s affordable housing units are not necessarily affordable to the owners or the renters who currently live there. Kittery’s resident population is not terribly mismatched with the housing they can afford. In fact, most of the housing units seem to align well with the incomes of

residents. On the rental side, there are some issues with the number of residents making more than 80 percent of area median income but reside in units priced for households at 50 to 80 percent of the median income. This could be resulting from the supportable rent prices in Kittery being relatively low compared to the median rental price thresholds set by HUD.

SUBSIDIZED HOUSING IN KITTERY

Kittery currently has three developments in town that house deed restricted affordable units. The Foxwell, Foxwell II, and Woodland Commons developments provide affordable rental units to those who are income eligible. Woodland Commons offers sixty-five two bedroom apartments and three bedroom townhouse units with full appliance kitchens. The units are available to any household that is income eligible.

The Foxwell development offers forty one bedroom units and ten two bedroom units, all of which are restricted to households earning less than 50 percent of the area median income. These units are assisted living units and house residents who are over the age of 62 and have a disability. The Foxwell II development is located in the same area as Foxwell, but is comprised of twelve one bedroom units and are assisted living units as well. These units are available to residents over the age of 62 with a disability and who do not earn more than 50 percent of the area median income.

IDENTIFICATION OF PRELIMINARY ISSUES, CHALLENGES AND OPPORTUNITIES

The following is a preliminary list of issues, challenges and opportunities posed by the findings of the inventory of existing conditions of Kittery's housing. Please note that these are subject to change with the preparation of goals and objectives, not yet drafted (at the time the inventory was prepared).

ISSUES AND CHALLENGES

The housing development that has occurred in Kittery over the last five to ten years has primarily been of two types: single-family subdivisions and multi-family townhomes and apartments restricted to residents over the age of fifty-five. The zoning in place across much of Kittery is rural residential and rural conservation and characterized as limited to no growth. However, these areas happen to be where a majority of the town's residential subdivision growth is happening. The zoning for these areas is more akin to suburban development with lot sizes of 40,000 to 80,000 square feet (for the Rural Conservation district). This zoning is considered by property owners as fundamentally necessary in order to ensure a reasonable return on their investment if they either build on or sell their land.

This creates a tension in Kittery between those who would like to see the land preserved or kept truly rural, and those who would like their property rights to remain in place. In these locations, the continued development of large tract subdivisions is not likely to help with the affordability issues that are present in Kittery. The homes being constructed in these zoning districts are typically

larger and more expensive than households making at or below 80 percent of area median income could afford.

There appears to be a tension in town about the development of housing in locations where large tracts of land are currently open. Some residents would rather see new housing development take place in locations that are easier to be served by utilities, transportation and town services while others believe property rights of individual land owners should take precedence.

Housing costs are increasing in Kittery year over year. This not only includes the sale cost of a unit or the monthly rent, but it also includes taxes on owner-occupied units. Increasing costs can burden those on a fixed income, lower wage earning households, and younger workers looking for an affordable housing option as they begin working. Diversifying the housing stock and maintaining levels of affordability at different income ranges will be important as the demographics in Kittery change over time.

OPPORTUNITIES

The Comprehensive Plan process is a unique opportunity for the Town to discuss its housing goals and approaches to meeting the housing needs of future residents. With an aging population, there may be a need for smaller units that are physically and financially accessible to that segment of the population. The Town may also wish to consider ways to attract and retain a younger population to help fill jobs, support local businesses, and support the town's tax base. This discussion should go hand in hand with the conversation about future land use and

development opportunity areas in town, how those should look, and how they should support the town's goals.

With the resurgence of the Foreside, Kittery has built a small economic development engine in its Downtown that is producing tax revenue per acre at a rate equal to or higher than many of the Town's more traditional "economic development centers". The Foreside is a unique example of a densely populated center where local business can be supported *in part* by the households that surround it. This is much different than the Route 1 corridor which requires a much larger local and regional draw for spending. Housing plays a factor in the economic development of the Foreside and any future commercial or mixed-use hub the Town wishes to pursue. As more regional competition emerges for commercial and retail dollars, Kittery must figure out how to best support the commercial it has today as well as what it wants to become in the future.

REFERENCES

- ⁱ U.S. Bureau of the Census, American Community Survey, 2006-2010, Table B25032.
- ⁱⁱ U.S. Bureau of the Census, American Community Survey, 2010-2014, Table DP04.
- ⁱⁱⁱ U.S. Bureau of the Census, American Community Survey, 2006-2010, Table B25032.
- ^{iv} U.S. Bureau of the Census, American Community Survey, 2006-2010, Table B25004. U.S. Bureau of the Census, American Community Survey, 2010-2014, Table B25004.
- ^v U.S. Bureau of the Census, American Community Survey, 2010-2014, Table DP04.
- ^{vi} U.S. Bureau of the Census, American Community Survey, 2010-2014, Table DP04.
- ^{vii} Data provided by Kittery's Code Enforcement Officer on February 11, 2016.
- ^{viii} Data was missing for November and December 2015.
- ^{ix} U.S. Bureau of the Census, American Community Survey, 2010-2014, Table B25106.
- ^x U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) Data, 2008-2012.
- ^{xi} U.S. Bureau of the Census, American Community Survey, 2010-2014, Table B25106.