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**To:** Ogunquit Planning Board  
**From:** Lee Jay Feldman, Director of Planning  
**Date:** April 18, 2018  
**Re:** **Senior/Affordable Multi-Family Housing Assessment**

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## **I. Introduction**

The Planning Board held a workshop on March 26 to have discussion with the local Senior Housing group regarding the need for year-round senior living opportunities for people who do not have the ability to or desire to stay in their homes.

During the workshop, the committee spoke to the board about options for housing and keyed-in on zoning as being the major obstacle to this type of development occurring and that some sort of an Overlay zone should be created to assist this style of housing taking place on smaller lots in town, which are closer to the Downtown for ease of access to local business without the need to drive a vehicle.

As part of my analysis, it should be understood that I did not separate the issue of High Density style development with that of Senior Housing (+62) or Affordable (workforce) housing. In the realm of planning, it is not the age or affordability that is the major issue, but the allowable densities that a project could achieve in this particular issue.

In order for this analysis to be brought to a point for further discussion of zoning and how the community might put zoning in place to allow multi-family densities for housing, you first need to review the current town Comprehensive Plan to see what Policy statements regarding high-density development and Multi-Family development exists.

## **II. The 2004 Comp Plan**

In analyzing the current comprehensive plan, I have included a number of statements found throughout the plan which goes to the support of providing a variety of housing opportunities throughout the community, and which target Seniors as well as families in need of Affordable housing<sup>1</sup>. I have included those statements below which can be found throughout the plan. I have also included the pages within the plan where the statements can be found. The most important sections can also be found in *italics*, which will help the reader quickly identify the statements

### **CHAPTER 3. SUMMARY OF THE UPDATED INVENTORIES**

- ***P. 3-1*** *The median age of Ogunquit residents increased from 47.5 years in 1990 to 55.2 years in 2000, one of the highest median age levels in the State.*

***P.3-1*** *The number of people 60-74 years of age increased by 84% between 1990 and 2000 in Ogunquit. People 18-44 decreased by 20%.*

- ***P.3-1*** *The State Planning Office projects a 23% increase in the year-round population of Ogunquit for the year 2010. This would be around 1,507 people, with most new residents being retiree in-migrants. Childbearing age people are projected to decrease from 21% of the population in 2000 to 14% in 2010. Children age 1 to 17 are projected to decrease from 10% to 8% of the population.*

- ***P. 3-9*** *The Maine State Housing Authority identifies Ogunquit as the least affordable community in York County but this is skewed by the large number of seasonal homes.*

- ***P.3-9*** *Based upon a "housing gap" analysis, Ogunquit's present affordable housing shortage is estimated to be 35 units.*

### **CHAPTER 4 IMPLICATIONS FOR THE FUTURE OF OGUNQUIT**

#### A. Demographic Trends

***P.4-1*** *It has been the influx of higher income retirees, in particular, that distinguishes Ogunquit's recent population trend. The Town's median age increased from 47.5 to 55.2 years over the 1990s, showing that most of the newcomers were retirees. Ogunquit's median age is one the highest in the State. It is reasonable to assume that many of these retirees converted their Ogunquit summerhouses into year-round homes. Being*

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<sup>1</sup> Affordable housing is when the rate meets the median income for housing in the community with a formula developed by Maine State Housing.

closer to major East Coast metropolitan areas, Ogunquit is likely to fill up with baby boom retirees before resort towns farther up the coast. Because housing is considerably more expensive the closer to the coast it is located, the retirees able to afford new (or winterized summer) homes in Ogunquit will continue to be higher income people.

*There appears to be nothing on the horizon that would change these trends from continuing into the first decades of the 21<sup>st</sup> Century — an increasingly elderly population. The State Planning Office projected in 2002 a 23% increase for Ogunquit's population from 2000 to 2010. Childbearing adults are projected to decrease from 21% of the Town in 2000 to 15% in 2010.*

#### M. Land Use Trend

**P. 4-17 to 4-18** *The aging median age of Ogunquit residents suggests that a significant portion of the additional people in Town during the 90s were retiree who had made their erstwhile seasonal homes into their primary residences.*

Whether the retiree seasonal home converters actually live in their new primary home in Ogunquit year-round or only part of the year, the effect is still the same. These new members of the year-round Ogunquit community did not need to build a new house to become primary-home residents of Ogunquit.

The strip between Route One and the Turnpike continues to be in transition from rural to urban and is where the most land use activity may be expected. With the continued availability of public water and sewer, this area is certain to continue to receive development pressure for residential subdivisions and for multi-family site plans. From high income housing, such as in the Windward Subdivision (1999), to more modestly-priced housing, as in the Riverbrook Manufactured Home Park (1990), a range of housing prices responding to the market may be expected. *Interestingly, the moderate price of the initial manufactured houses in Riverbrook Park are reportedly considerably higher at resale reflecting the continued strong demand for retirement housing in Town. The market will continue to attract retirees, from moderate to high incomes, seeking retirement condominiums, as well as higher income families seeking second homes.*

#### N. Affordable Housing

**P. 4-19** *Ogunquit's attractiveness to affluent homebuyers from outside of Maine makes it one of the least affordable communities in the entire state on paper, when a pure comparison of median household income to median home prices is done. However, there are a number of mitigating factors that make Ogunquit's affordable housing situation somewhat less dire. These include:*

- Many lower-income residents are long-time residents who have paid off mortgages. This group is challenged, though, by rising property taxes due to soaring valuations.

- The large stock of seasonal units provides a substantial supply of off-season affordable housing for the workforce in the region.
- A large manufactured housing development was recently built in Ogunquit that substantially increased the Town's supply of affordable housing. Adding together the current gap of affordable units and the expected future need, Ogunquit would need to add an estimated 58 affordable units by 2015. This translates to an average of about four units per year.

#### I. Housing

1. **P.6-30 to 6-31 POLICY:** *The cost of housing in Ogunquit has increased significantly making it difficult for moderate and lower income households to live in town. In addition, there are limited housing choices available for the Town's older residents who cannot or do not want to continue to live in their single-family home. To address these issues, it is recommended that the Town adopt the following policy with respect to housing:*

*It is the policy of the Town of Ogunquit to work to assure that opportunities exist for the creation of a range of affordable housing to meet the needs of residents of the community by assuring that fifteen percent of all new housing units are "affordable."*

2. **GROWTH MANAGEMENT ACTIONS:** To implement this policy, it is recommended that the Town of Ogunquit:

*a. Create a permanent "Housing Committee" that is charged with exploring ways to expand the amount of affordable housing in Ogunquit and to work to bring this about.*

*b. Revise the Town's land use regulations to provide significant density bonuses for new housing developments that are served by public water and public sewerage in which at least twenty-five percent of the units will be affordable to moderate income households as defined by state or federal housing programs or agencies.*

*c. Revise the Town's land use regulation to require that 15% of the units in any new residential development or subdivision with ten or more units be affordable to moderate income households as defined by state or federal housing programs or agencies and that mechanisms be created to maintain the affordability of those units for at least ten years.*

d. Review and revise the Town's provisions dealing with accessory apartments to allow the creation of such units in newer single-family housing if it maintains the character of the neighborhood, has adequate provision for water supply and sewage disposal, and is environmentally appropriate.

e. *Work with local and regional non-profit housing groups to expand the supply of housing in the community that is affordable for "very low income households" especially elderly households that reside in the community.*

f. Consider the use of alternative financing including Tax Increment Financing (TIF) Districts for the development of affordable housing in which a portion of the property tax revenue from the development could be used to help pay for the infrastructure (sewage disposal, water supply, roads, etc.) necessary for the project and to pay for the education costs associated with the development.

**P. 7-1** The Town of Ogunquit's Future Land Use Plan reflects the following guiding principles with respect to the general pattern of development:

1. *Downtown Ogunquit should continue to be a vibrant, densely-developed, pedestrian-oriented, mixed-use community center that meets the needs of both residents and visitors. Within this area, the use of a personal automobile should be unnecessary and should be discouraged as should auto-dependent or auto-oriented uses.*
  
5. *The area west of Route One extending to the turnpike should continue to develop as good quality, moderate-density, residential neighborhoods that are served by public water and sewerage where feasible. Within this area, substantial amounts of open space should be permanently preserved as development occurs.*

B. The Future Land Use Plan

**P.7-2** The Future Land Use Plan embodies the concept that the Town should identify and designate "**rural areas**" or areas in which intensive development will be discouraged and "**growth areas**" or areas in which the anticipated nonresidential and residential growth will be accommodated (See Map 1). "Rural areas" typically include areas with significant natural resource constraints to development or use, areas with large amounts of agriculture or commercial forestry, areas which lack public utilities, and areas that are distant from public services. "Growth areas" typically include those areas that are or can be conveniently served by public facilities and services, are physically suited for development, and promote a compact rather than sprawling pattern of development. In addition, the Plan includes a category of "other areas" that includes the Town's Shoreland Protection District. This is included as an "other area" since this district allows development in some locations as long as performance standards are met.

## 2. Growth Areas

**P.7-3** The Future Land Use Plan contains a number of designations that fall under the concept of "**growth areas**" as set forth above (See Map 2). This includes residential and commercial designations. The following sections describe these growth designations:

### **Residential Designations**

**Suburban Residential** - This designation is intended to accommodate "suburban style" residential development at a density of up to one and a half units per acre with public sewerage and water and two-thirds of a unit per acre with on-site utilities. The designation applies to areas between Route One and the Maine Turnpike that are on the fringe of the utility service area and that are currently zoned Rural Residential 1 and Rural Residential 2. Extension of utilities in this area is possible but is limited by the costs involved with excavating in shallow to bedrock conditions. Therefore, it is likely that some development will occur on private, on-site water and sewer unless the development is large or located close to the existing utility system. *Allowed uses should continue to include single-family and two-family homes and manufactured housing as well as multifamily housing (with case by case review),* community and public facilities, agricultural uses, B&Bs, home occupations, and low impact uses. Commercial uses should continue to be restricted. The Town should maintain the current lot size with public water and sewerage of 30,000 square feet but provide some flexibility for increased density for projects that provide a specific community benefit such as providing affordable housing or preserving significant open space. To this end, cluster or open space development should be encouraged. The basic lot size should continue to be 60,000 square feet for homes that utilize on-site sewage disposal or on site water supply. In general, this designation is similar to the current Rural Residential zoning districts.

**Village Residential** - This designation is intended to accommodate "village style" residential development at a density of up to four units per acre with public water and sewerage and one and a half units per acre with on-site utilities. The designation applies to areas on both sides of Route One that are currently zoned Residential and are serviced with public sewerage and water or where facilities may be reasonably extended. Allowed uses should continue to include *single-family and two-family homes as well as multifamily housing (with case by case review),* community and public facilities, B&Bs, home occupations, and similar low impact uses. Commercial uses should continue to be restricted in these areas. The basic minimum lot size should continue to be 10,000 square feet with public water and sewerage and 30,000 square feet for homes that utilize on-site sewage disposal or water supply. In general,

this designation mirrors the current Residential District in the Town's zoning.

CHAPTER 8 IMPLEMENTATION STRATEGY

Short-Term Implementation Strategies

The Town should undertake the following activities on an ongoing basis or within two years of the adoption of the updated Comprehensive Plan.

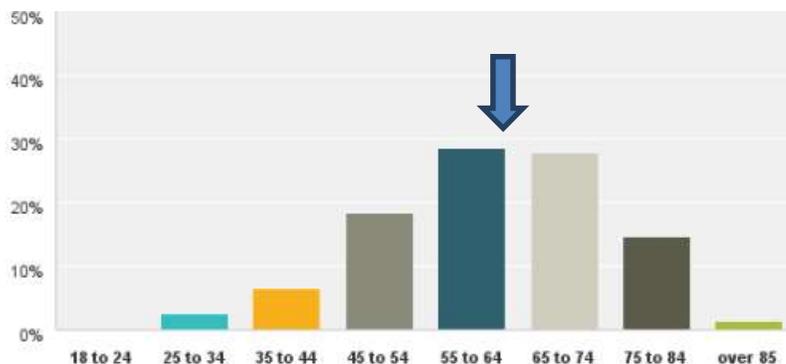
**P. 8-7**

A.2.e. and I.2.e.	<i>Working with a non-profit housing group to expand the supply of affordable housing for "very low income" elderly households</i>		Housing Committee
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**III. Recent Survey Results**

In 2017 as part of the town's Comprehensive Plan update a community wide survey was conducted on a number of issues in order to help formulate the Goals Policies and Strategies for the community going forward. The survey was conducted between January and March of 2017.

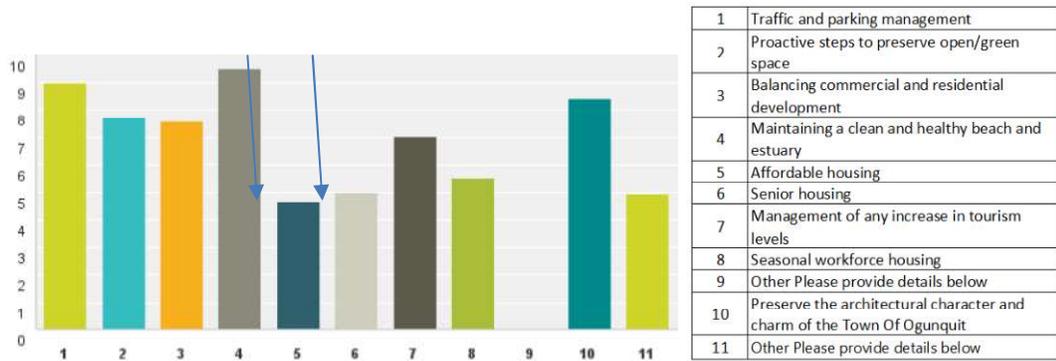
Of those taking the survey a majority were between 55-74 years of age.



But when asked to rank the following issues:

**Q48: Rank the following issues facing the Town of Ogunquit over the next 5 years (with #1 being the highest priority):**

Answered: 572 Skipped: 138

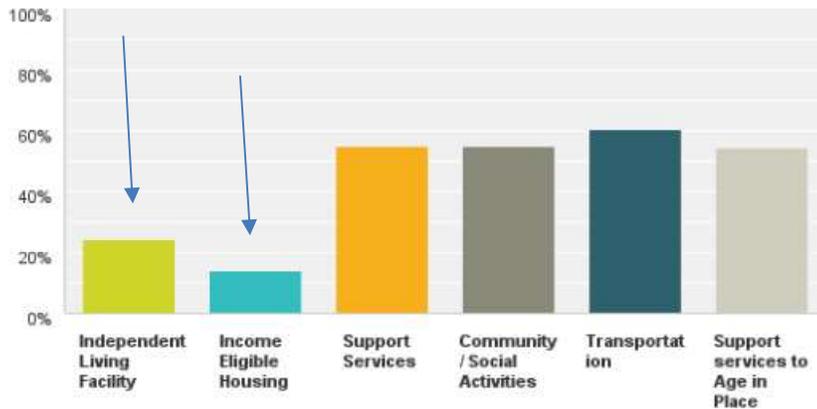


Affordable housing and senior housing were among the lowest ranked issue people felt were confronting the community.

Another question asked:

**Q52: What do you anticipate that you will need to live independently in Ogunquit (select all that apply).**

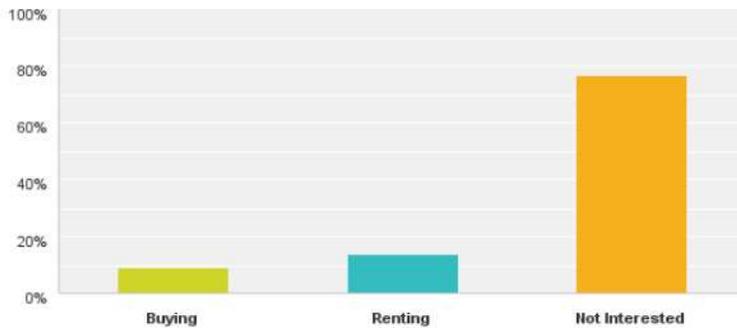
Both independent living facility and Income eligible housing also ranked very low amongst the priority



**Q53: For income eligible housing, would you be interested in:**

Answered: 502 Skipped: 208

Only 10% were interested in buying and 15% were interested in renting income eligible housing



## V. The York Experience

During the workshop with the planning board, the Ogunquit Housing representatives talked about the successful senior housing development in the town of York within the **YORK VILLAGE AFFORDABLE ELDERLY HOUSING OVERLAY DISTRICT**. Being an Overlay zone means that this type of development can only occur in areas where the overlay zone has been designated, unless an area has been designated that is favorable to that type of development, then the overlay zone will not work. Below is that section of the York Ordinance which allows for Senior Housing to occur. In this zone, the density is set out at 3,000 square feet per unit, whereas the Ogunquit ordinance establishes 12,500 square feet prior to eliminating the net residential density calculation.

### Town of York Zoning Ordinance Revised through November 7, 2017 180 ARTICLE TEN-C YORK VILLAGE AFFORDABLE ELDERLY HOUSING OVERLAY DISTRICT

10-C.1 Purpose in York there is a great social and economic need for more affordable elderly housing. Consistent with the growth management laws of the State, the Town seeks to provide this housing within its designated growth area, in close proximity to York Village's amenities, York Hospital, and emergency services facilities. To help accomplish this goal, increased density and larger building sizes are permitted within this Overlay District consistent with this Article.

10-C.2 Standards to facilitate the economic provision of affordable elderly housing, the following shall be permitted:

- A. The maximum number of elderly housing units per building shall not exceed 40 units.
- B. Elderly housing shall require 3,000 square feet of suitable land per unit.
- C. The development of the site shall not be approved unless the design includes enhanced stormwater management controls to protect water quality. At post-development, there shall be no reduction in the quality of stormwater runoff compared to the pre-development condition. Standard requirements pertaining to stormwater quantity shall remain in effect.
- D. Eligibility for occupancy of units shall be based on income. Only households which meet the criteria of low or moderate income are eligible for occupancy, and the rent charged shall be such that the unit constitutes affordable housing, as defined in Article Two, for the household. - AMENDED 11/03/2009

10-C.3. Conflict Where specific provisions of this Article supersede other requirements of this Ordinance, this section shall prevail as allowed in §21.2. This shall include, but not be limited to, the Schedule of Dimensional

Regulations for elderly housing in §7.8.1, and residential density limits of the Shoreland Overlay District in §5.2.3.

#### **IV. Zoning Ordinance Analysis**

As part of the overall analysis being done, it is important to look at the current zoning regulations to determine what type of zones Multi-Family housing developments should be located in. Currently, Multi-Family developments are allowed in numerous zones, Residential District, Rural Residential District(s) 1&2 General Business District(s) 1&2, Farm District and the Shoreland Limited Commercial District. In allowing this style of development in these zones, Multi-family developments are required to meet the net residential density requirements called out for developments subject to "subdivision review" found at the end of this memo along with meeting a series of standards in Article 9 STANDARDS FOR SPECIFIC LAND USES Section 9.12, which may also be found at the end of the memo.

Generally speaking, the R zone and the GB1 zone are the most liberal for density, which allows Multi-Family development to occur at 12,500 square feet per unit when on public sewer and water, before calculating the net residential density. Article 9 Section 9.20 provides for density bonus up to 25% when a project sets aside 10% of the units to meet the Affordable Housing standards as defined in 9.20. The project must meet that of a Planned Unit Development or Cluster Development design at this time.

Currently, the ordinance does not have any overlay zoning in the community that would allow any type of special uses such as the York Ordinance.

Ogunquit does have a form of Contract zoning and Conditional zoning in Article 1 Section 1.9, but at this time is only to allow the following:

##### *F. Contract or Conditional Zoning<sup>2</sup>*

###### *1. Authority and Purpose*

*Pursuant to 30-A M.R.S.A, §4352, contract or conditional zoning is hereby authorized solely in the Farm District and only for Light Industry where, due to the unusual nature or unique location of the development proposed, the Town finds it necessary or appropriate to allow both flexibility for the development of the land and to be able to impose, by agreement with the property owner or otherwise, conditions or restrictions that will assure consistency with the Comprehensive Plan and that are not generally applicable to other properties similarly*

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<sup>2</sup> Additional requirements may be found within the ordinance. This section only establishes how and where Contract zoning can be used.

*zoned. All rezoning under this Article shall be consistent with and complementary to existing and permitted uses within the Farm District. Use of the provisions of this Article shall be limited to requests by owners of the property to be rezoned or by applicants with a legal interest in the property. Nothing in this Article shall authorize an agreement for rezoning that is inconsistent with the Comprehensive Plan.*

## **VI. RECOMMENDATION**

Upon review of this information, I would offer the following assessment and recommendation regarding the analysis:

It is clear from the information included in this analysis that the current comprehensive plan embraces the need for Multi-Family housing in town regardless of the type, i.e. Affordable, Senior or Workforce. This analysis did not get into who would live in these units, it is more about what densities should be allowed and where.

As to where these units should be located it seems to point to that portion of the town between Route 1 and west to the Maine Turnpike to an area the plan called Village Residential, currently located on both sides of Route 1 and is zoned Residential. Both of these areas are considered to be "growth" areas of the community and it is recommended that the density be between 10,000 square feet per unit and 12,500 square feet per unit, provided the site is serviced with utilities. The current zoning allows these densities and there are incentives to add additional units through the Affordable Housing set aside, but may not allow high enough densities to allow Multi-Unit structures or units under one roof.

The idea of an Overlay zone for this specific use does not make sense in Ogunquit since they have no other overlay zones in the community.

The town's zoning ordinance does have a valuable tool that should be considered as a way to allow these developments to be considered in the future, that tool is Contract Zoning. Currently the Contract Zoning wording in the ordinance is very specific to allowing Light Industrial uses in the Farm District. This tool should be expanded to allow for Contracts to be negotiated for Multi-Family housing developments in town. By using this tool, the town can negotiate a number of concessions with a developer that they may not otherwise get, and the developer would be allowed to pursue the project that they would be doing. It can be a win for both parties. The Comprehensive Plan in a couple of locations also states that

Multi-Family housing should be considered ***with case-by-case review***. Contract zoning gives the town that flexibility to do just that.

If the Planning Board chooses to continue the discussion you may want to consider focusing on ordinance amendments that will allow Contract zoning to be used for Multi-Family/Senior housing in town and not just Light Industrial Uses in the Farm District.