



ECONOMIC DEVELOPMENT ACTION PLAN - TOWN OF KENNEBUNK, ME

RKG
ASSOCIATES INC

Prepared by

RKG Associates, Inc.
76 Canal Street, Suite 402
Boston, MA 02114
617.847.8912

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1. EXECUTIVE SUMMARY OF KEY FINDINGS

INTRODUCTION AND PURPOSE

The Town of Kennebunk, Maine, through the Department of Economic Vitality, retained RKG Associates, Inc. (RKG) to assist in preparing a Kennebunk Economic Development Action Plan (KEDAP). Prior research has been prepared (by others) for the Town of Kennebunk, and this current KEDAP is offered in consideration of the recent and foreseeable economic and market opportunities that may present themselves to the Town of Kennebunk.

This current analysis is intended to serve as a guideline of goals and actionable implementation items that the Town of Kennebunk may undertake to ensure its continued economic growth and vitality, and business diversification, while continuing to foster a high quality of life for the Town's residents, business community and seasonal economy.

Throughout this KEDAP, RKG offers a summary of trends and market indicators (typically from 2012-to-2022) as provided by the Town of Kennebunk, referencing State of Maine sources, and near-term projections (2028) as provided by ESRI/STDB. Other data analytics are footnoted and referenced where applicable. Supplementing the quantitative analysis is a qualitative analysis as part of the KEDAP, including in-field visits/interviews, inventories, and street-walks as well as other outreach to area stakeholders. The qualitative analysis provides the appropriate context to the quantitative analysis.

This KEDAP first presents an executive overview summary of key findings, initial recommendations, and an implementation action plan for the Town's consideration. The remainder of this KEDAP then presents the various chapters (demographic, economic, real estate conditions, and land use/tax base metric, etc.) which provide the baseline inputs, assumptions, analysis, metrics, and findings that are the basis of the key findings.

EXECUTIVE SUMMARY OF KEY FINDINGS

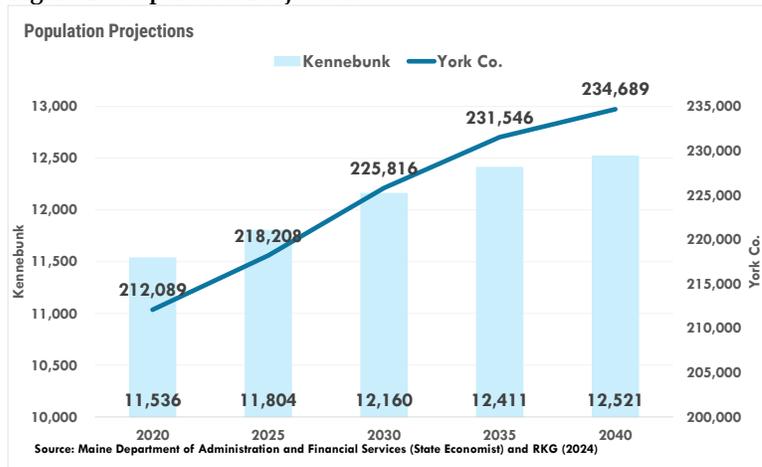
This section presents an executive summary of the key findings from this KEDAP analysis. The research and findings on which these are based are presented in greater detail throughout other sections of this report.

DEMOGRAPHIC OVERVIEW

Population Trends

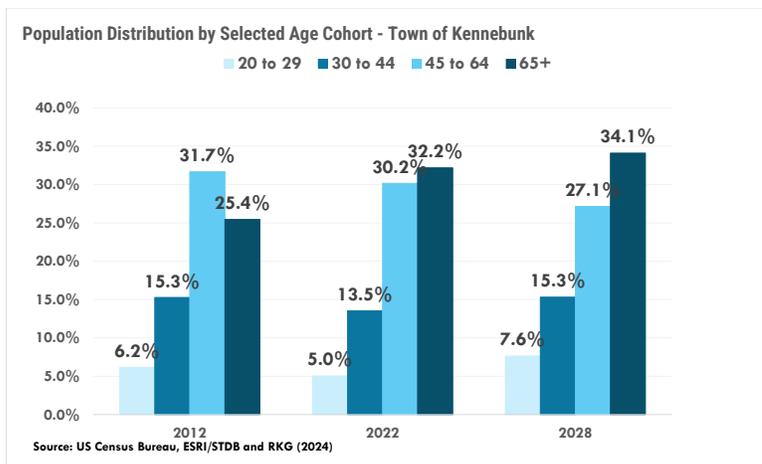
The projected population change for Kennebunk and York County exhibit a similar trend in the rate of change (Figure 1), with the Town of Kennebunk accounting for 5.4% of the countywide population (2020-to-2035) and then declining to a 5.3% representation in 2040. The State of Maine does not offer projections of population, by age, below the county level.¹

Figure 1 – Population Projections



However, in the near-term (Figure 2), the population of the Town of Kennebunk continues to age. The percentage of the population aged 65 and older is estimated to account for more than 34.0% of the Town population in 2028. The population aged 20-to-29 years is estimated to increase marginally. For both age-cohorts there is an implication of a need for additional housing options, such as either first-time renters or a downsizing of the residential footprint (SF) for the elderly.

Figure 2 – Population Distribution by Age-Cohort



¹ Information on the Town of Kennebunk website notes that seasonal housing is approximately 13.8% of Townwide housing and that the summer population may increase by 50.0%±.

Housing Tenure and Values

For both the Town of Kennebunk and York County, housing is predominantly owner-occupied, at 75.0% or greater, well above the national average of around 65.0%, further suggesting a lack of renter-occupied housing in the overall mix.

Although the disparity between the Town and the county, in terms of owner-housing values is estimated to lessen, the values in Kennebunk nonetheless continue to exceed those countywide (Figure 3). In addition to a limited inventory of renter-occupied housing options throughout Kennebunk, the values of owner-housing are relatively high when compared to York County – pointing to a local lack of affordable options for those in their first household formation years.

Figure 3 – Comparative Owner Housing Median Values

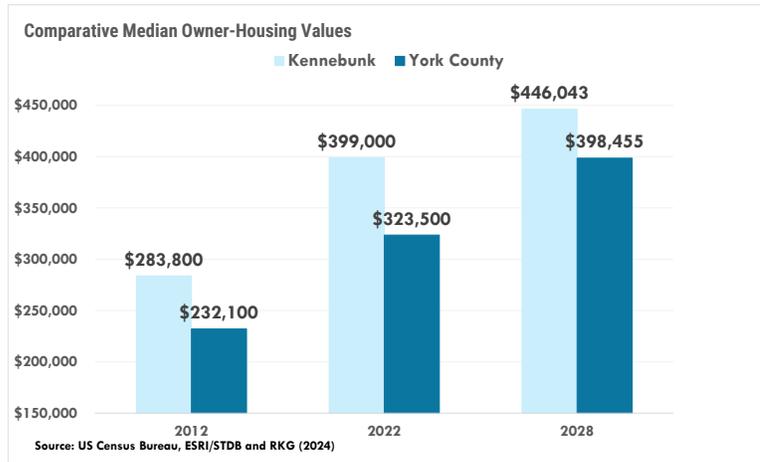


Table 1 offers a comparison of owner housing median values for selected communities in York County. Over the 2012-to-2022 time-period, the median values for owner housing increased at a rate above the estimated inflation of 29.7%. For the county, and of the selected communities, valuations in 2012 and 2022 were greatest for Kennebunk. Kennebunk also has the highest residential property tax rate for the selected communities.

Table 1 – Comparative Owner Values – Selected York County Communities

Comparative Owner Housing Median Values	Change in Valuations				FY 2023 Tax Rate
	2012	2022	\$ Δ	% Δ	
York County	\$232,100	\$323,500	\$91,400	39.4%	na
Kennebunk	\$283,800	\$399,000	\$115,200	40.6%	\$16.05
Biddeford	\$224,200	\$321,900	\$97,700	43.6%	\$13.12
Saco	\$236,000	\$345,200	\$109,200	46.3%	\$14.75
Sanford	\$175,500	\$238,000	\$62,500	35.6%	\$14.84
Wells	\$280,600	\$385,200	\$104,600	37.3%	\$5.96

Source: ACS Survey, Local Assessor Departments and RKG (2024)

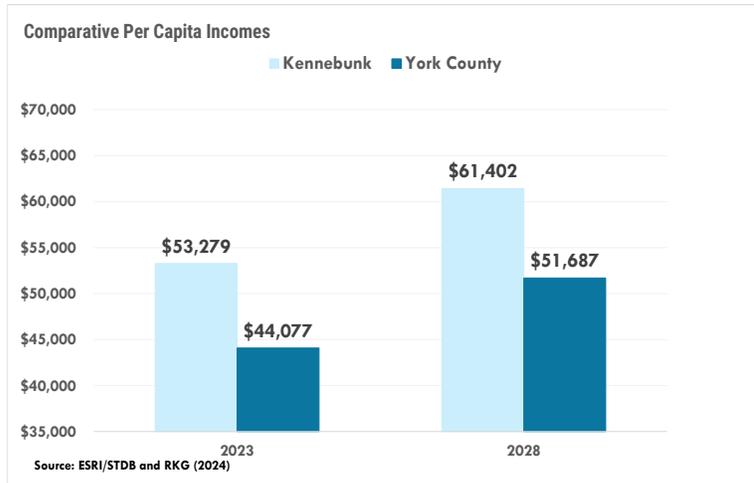
Note - estimated CPI inflation 2012 to 2022

29.27%

Per Capita Income

For 2023 and as estimated for 2028, the per capita income for the Town of Kennebunk exceeds that countywide by approximately \$10,000 (Figure 4) indicating the potential for a greater level of discretionary income in the Town of Kennebunk which could support higher levels of spending for entertainment, retail and other services.

Figure 4 – Comparative Per Capita Incomes

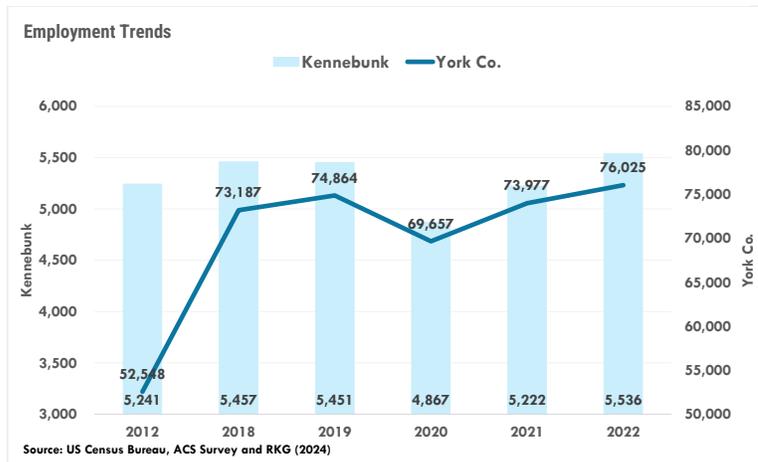


ECONOMIC OVERVIEW

Employment Trends

As indicated in Figure 5, over the 2018-to-2022 time-period, net employment in Kennebunk increased by 79 positions (or by 1.4%). This contrasts to the 3.9% growth in York County (2,838 positions). Both areas experienced a loss of employment in 2020 (with the COVID pandemic) since that time, both have increased to levels exceeding 2018. In 2018 the Town represented 7.5% of the countywide employment and declined to a 7.3% representation for 2022.

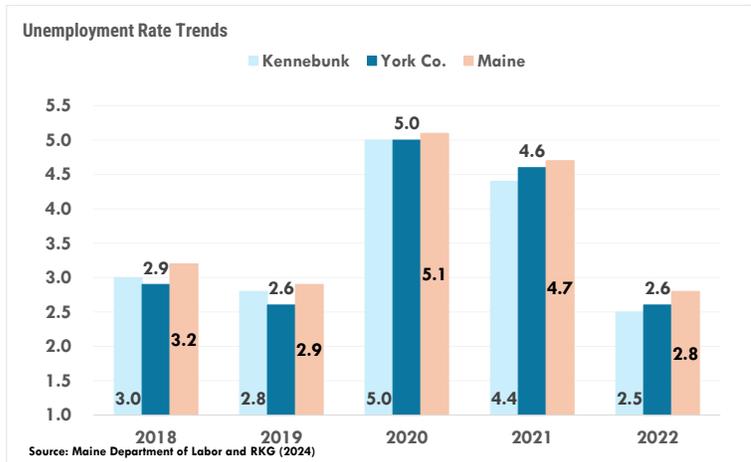
Figure 5 – Trends in Employment



Unemployment

Even during the 2020 COVID period, the unemployment rates for the Town, county and state were within a range typically considered as full employment (Figure 6). As a matter of note, in 2022 the unemployment rate for each area had returned to levels below those for 2018.

Figure 6 – Trends in the Unemployment Rate

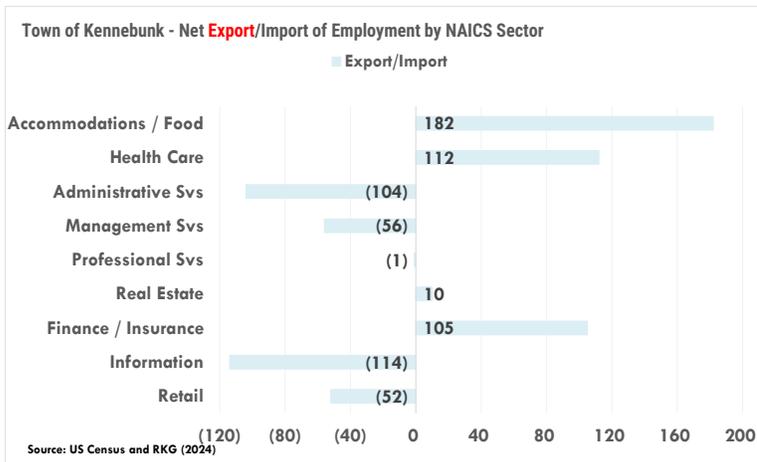


Commuting

The Town of Kennebunk is a net importer in terms of employment² noting that 4,091 workers commuted into the Town as their place of employment, as contrasted to 3,925 Kennebunk residents that commute outside of the Town to their place of employment. Of the 5,107 people in the Kennebunk resident workforce, almost 1,100, or 21.0%, both lived and worked in Kennebunk.

Commuter Inflow – Top inflow communities include Sanford, Biddeford, Saco, Portland, and Old Orchard Beach. Inflow industry sectors include, but are not limited to, manufacturing, finance, health, and accommodations/food. Limitations of the data do not allow for an analysis of place of residence for the inflow communities and industry sectors.

Figure 7 – Selected NAICS for Inflow/Outflow Employment



Commuter Outflow – Top outflow communities include Portland, Biddeford, South Portland, Sanford, and Saco. Outflow industry sectors

include, but are not limited to, management services, administrative services, education, and transportation/warehousing. Limitations of the data do not allow for an analysis of place of employment for the outflow communities/industry sectors.

² Reflecting 2021 commuting patterns, for all workers, as provided by the US Census Bureau and the On-the-Map tool.

Implications

In terms of the NAICS sectors that are net exporters, this may indicate a lack of local employment opportunities in that industry sector and/or more competitive positions and wages elsewhere outside of Kennebunk. For net importing NAICS sectors, the implications may include a lack of local housing for typically lower wage positions such as accommodations/food, and/or an increased demand for this sector given tourism and seasonality influences. Any potential increase in the local employment base also offers the potential for increased consumer activity as many studies indicate average annual spending of \$1,500 among employees throughout the course of their workdays.

PROJECTED EMPLOYMENT GROWTH & BUILDING SQUARE FOOTAGE DEMAND

RKG referenced EMSI/Lightcast, a private analytics firm specializing in employment metrics and proprietary modeling, for the 2024-to-2034 employment projections for York County (Table 2).³ RKG applied industry standards, for the average building square feet (SF) per employee, to develop potential space demands.

Please note that RKG offers a separate discussion of the industrial, manufacturing, wholesale and transportation/warehousing sectors elsewhere in this report, under **Employment Indicators** and **Projected Employment and Space (SF) Needs**.

Table 2 – Projected York County Employment Growth and SF Space Demands

Selected NAICS Employment - York County, ME	2012	2022	% Δ 2012-2022	2024	2034	% Δ 2024-2034	Projected SF Demand (2)	% of Total SF
Construction	2,641	4,117	55.9%	4,178	4,259	1.9%	20,700	7.4%
Retail (1)	7,259	7,459	2.8%	7,533	7,293	-3.2%	19,800	7.1%
Information	534	587	9.9%	602	607	0.8%	3,450	1.2%
Finance/Insurance	1,613	1,671	3.6%	1,676	1,686	0.6%	15,400	5.5%
Real Estate	655	698	6.6%	690	692	0.3%	4,200	1.5%
Professional Svs	1,942	2,785	43.4%	2,918	3,316	13.6%	77,610	27.8%
Management Svs	401	662	65.1%	717	911	27.1%	38,800	13.9%
Administrative Svs	1,993	2,692	35.1%	2,601	2,706	4.0%	25,800	9.3%
Health	9,071	9,171	1.1%	9,379	9,316	-0.7%	58,800	21.1%
Arts/Entertainment	1,219	1,305	7.1%	1,341	1,365	1.8%	3,600	1.3%
Accommodations	2,483	2,600	4.7%	2,621	2,516	-4.0%	0	0.0%
Dine/Drink	7,046	7,775	10.3%	7,924	7,796	-1.6%	0	0.0%
Personal Svs	1,768	1,948	10.2%	1,974	1,998	1.2%	10,600	3.8%
Total these Sectors	38,625	43,470	12.5%	44,154	44,461	0.7%	278,760	100.0%

Source: US Census Bureau, EMSI/Lightcast and RKG (2024)

(1) - excludes motor vehicle dealers and gasoline

(2) - reflects **positive demand only** - meaning sectors with 2034 projected employment growth

Table 35, as presented elsewhere in this report, offers a more definitive measure of the projected employment change (2024-to-2034) at 3-digit NAICS sectors, thereby highlighting specific growth and declining sectors and employment.

³ Reflecting 2021 commuting patterns, for all workers, as provided by the US Census Bureau and the On-the-Map tool.

Implications

For the selected NAICS, countywide employment growth was 0.7% over the ten-year period (2024-to-2034). Not all sectors are projected to realize employment growth, as there is a projected decline in the retail, health, accommodations, and dining/drinking sectors.

The projected employment change in these sectors is noteworthy, as the State of Maine data indicates they comprised nearly 39.0% of the countywide employment in 2022 and nearly 42.0% of the 2022 employment in the Town of Kennebunk. Further, in 2022 the Town accounted for nearly 8.0% of the countywide employment in these sectors.

In terms of a potential demand (SF) for space, all sectors represent (over the ten-year period) a demand for 278,760 SF of space countywide (*positive-demand only*).⁴ The greatest concentration is among office use sectors such as professional and management services, and the medical uses as represented by the health sector.

Not all this potential demand (SF) for space necessarily equates to newly built space, as reductions in vacancies and/or a re-positioning of existing uses would likely absorb some level of the demand. The challenge for the Town of Kennebunk to expand its development opportunities across these sectors is two-fold. First, capture a larger share of the projected countywide employment growth, and second, have an existing inventory of land and/or older building stock to be redeveloped.

REAL ESTATE MARKET INDICATORS

Summary observations are presented with respect to the residential real estate market sector including short-term rentals (STR). This is then followed by a summary overview of sales, performance, and a discussion of development potential within the retail market sector.

According to information developed from Maine MLS records (Figure 8) over the last seven (7) years the average monthly sales of single-family residential units, in the Town of Kennebunk, have remained consistent. However, the actual selling prices have increased dramatically, by \$467,800 or by 124.0%.

Although a limited (year-over-year) comparison, Table 3 reflects that the median selling prices in Kennebunk, for the last few years, are well above those statewide.

Figure 8 – Selected Trends in Residential Activity



⁴ *Positive demand only* refers to those industry sectors with employment growth and hence SF demand.

Table 3 – Comparison of Median Price Points

Average Selling Price Comparisons	State of Maine	Town of Kennebunk	Town as % State
May 2021 - April 2022	\$311,063	\$614,255	197.5%
May 2022 - April 2023	\$340,000	\$627,353	184.5%
May 2023 - April 2024	\$369,075	\$845,500	229.1%

Source: Maine MLS data, mainehomeconnection and RKG (2024)

According to information compiled by redfin, there is nearly \$49.55M in residential listings, dominated by single-family residential at \$45.10M (Table 4). For all single-family residential listings, the average asking price is \$1.61M or about \$525/SF. Slightly more than 64.0% of the current listings are priced at \$1.0M or more.

Table 4 – Active and Current Single-Family Residential Listings – Town of Kennebunk, ME

Single-Family Residential	Listings	Total Asking \$	Average Asking \$	% of Listings
Under \$800,000	5	\$2,580,250	\$516,050	17.9%
\$800,000 to \$1.0M	5	\$4,514,205	\$902,841	17.9%
\$1.0M to \$2.0M	11	\$18,408,000	\$1,673,455	39.3%
\$2.0M and over	7	\$19,600,000	\$2,800,000	25.0%
Total	28	\$45,102,455	\$1,610,802	100.0%

Source: Redfin and RKG Associates, Inc., 2024

Implications

Year-over-year residential listings have declined on a monthly basis, while the number of actual monthly sales has remained consistent. That stated, asking prices and actual sales prices have increased dramatically – indicating a diminishing inventory that is more expensive. As noted from active and current listings (May 2024) of single-family units, more than 64.0% are priced at \$1.0M or more. A review of building permit data for the Town of Kennebunk, June of 2023 through May of 2024, indicated 38 single-family residential permits/applications averaging \$1.24M per permit.⁵

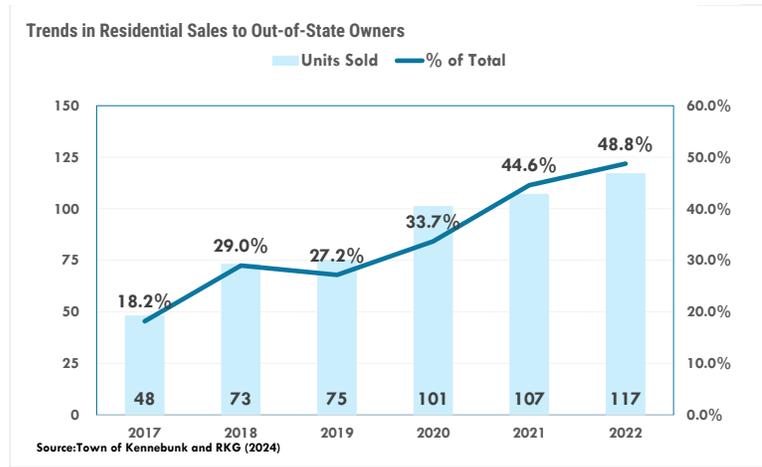
⁵ The ability to purchase a home is also impacted by the prevailing mortgage rates. According to information from Freddie Mac, mortgage rates were hovering around 6.0% (and declining) since 2008. In July of 2020, mortgage rates were reported to average about 3.1% but have since risen to 7.1% as of April 2024.

Out-of-State Residential Buyers

RKG culled the Town of Kennebunk residential sales (excluding mobile homes) over the 2017-to-2022 time-period to identify the number of out-of-state owners (Figure 9). Over the period, sales averaged 87 units annually but increased sharply in 2020 (to over 100 per year). Total sales to out-of-state owners in this period were 521 units.

Over the same time-period RKG estimates a total of 1,572 units in the Town of Kennebunk sold averaging 262 annually.

Figure 9 – Trends in Residential Sales to Out-of-State Owners



As a result, the estimated percentage of residential sales to out-of-state owners increased from 18.2% in 2017 to 48.9% in 2022. The annual average was 33.78% but it has increased sharply in the last two (2) years. This data, while not definitive, speaks to the assertion made by local leaders that the Town experienced an in-migration of out-of-state property owners during the pandemic period (March 2020 to December 2022). The acquisition of residential property does not signify that the new owners have become year-round residents of Kennebunk, the data does indicate the number of new homes purchased by out-of-state owners did spike starting in 2020.

The data does not allow a distinction to be made as to whether the out-of-state buyers are purchasing homes for their personal use (either seasonally or as a retirement home) and/or, as possible short-term-rentals and as investment properties, the trendline reflects an increase in purchases by out-of-state-entities.

As indicated in Table 5, since 2015 nearly 75.0% of the out-of-state buyers originated from a handful of states, with Massachusetts representing 43.0% of the residential sales to out-of-state buyers. Sales to Massachusetts buyers also saw a sharp spike in 2020 and 2021, at nearly 20 units above the seven-year average number of sales (34-units). Over the 7-year period there were 634 sales to out-of-state buyers with 233 attributed to Massachusetts residents (37.0%). Of these 233 sales, roughly 10.0%± were to non-Boston area residents, including such places as Leominster, Worcester, and Cape Cod.

Table 5 – Comparative Distribution of Buyers from Out-of-State

Residential Sales to Out-of-State Owners - Kennebunk, ME	2015	2016	2017	2018	2019	2020	2021	2022	Annual Average
Count of Sales	48	65	48	73	75	101	107	117	79
Connecticut	5	2	3	3	1	3	3	3	3
Florida	3	4	5	8	7	4	10	12	7
Massachusetts	24	27	15	30	31	51	55	39	34
New Hampshire	1	5	4	2	9	10	7	9	6
New York	3	5	4	4	5	8	3	8	5
Pennsylvania	0	7	4	3	2	3	0	5	3
Texas	1	2	1	2	1	1	1	7	2
Subtotal of These	37	52	36	52	56	80	79	83	59
As a % of Total	77.1%	80.0%	75.0%	71.2%	74.7%	79.2%	73.8%	70.9%	74.9%
All Other Locations	11	13	12	21	19	21	28	34	20
As a % of Total	22.9%	20.0%	25.0%	28.8%	25.3%	20.8%	26.2%	29.1%	25.1%

Source: Town of Kennebunk, ME and RKG (2024)

Implications

An increasing number of residential sales are attributable to out-of-state buyers, both in absolute units sold and as a percentage of total units sold, notably within the last two (2) years. This trend, if continued, and coupled with limited new residential development in the Town of Kennebunk, at affordable prices, could reduce home-ownership possibilities for the year-round resident population, notably among some age-cohorts.

SHORT TERM RENTALS (STR)

Considering the tourism and seasonal components of the Kennebunk economy, RKG reviewed three (3) year trends in selected metrics for the short-term rental (STR) market sector (Figure 10).

Over the period the average number of listings (properties for rent) has increased from 175 to 197. During the same period, average occupancy rates have declined from 63.1% to 52.8%.

Figure 10 – AirDNA Metrics for the STR Market

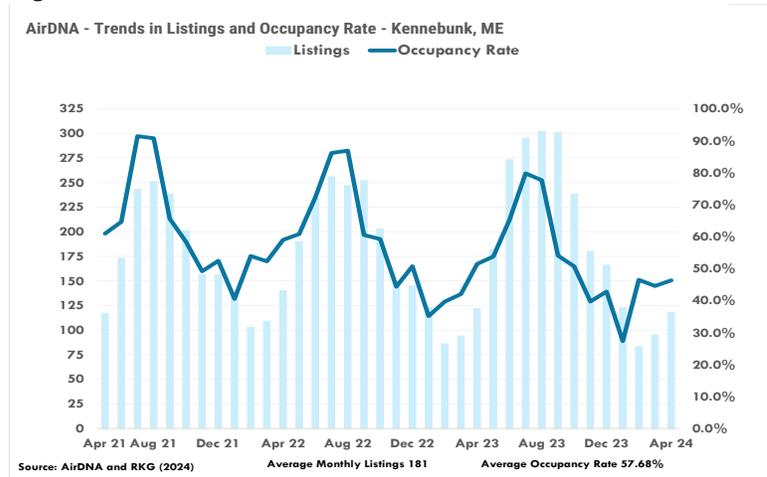


Table 6 offers three (3)-year trends in selected STR metrics for the Town of Kennebunk. The “peak” months are June through August and metrics are presented for the 2021 through-2023 time-period. Occupancy rates have declined from 86.7% to 74.2%, representing a decline of 14.4%. During the same time, the ADR (or average asking

daily rate) has increased by 7.3%, rising from approximately \$511/day to \$548/day, or by \$37/day. However, noting the declining occupancy rate, the RevPAR (revenues from occupied rooms) declined by \$35/day or by 7.9%, from \$443/day to \$408/day.

Table 6 – Trends in STR Metrics for “Peak” Months – Averages

STR Trends - "Peak" Months (1)	Three-Month Average			% Δ
	2021	2022	2023	
Occupancy Rate	86.7%	81.8%	74.2%	-14.4%
Average Daily Rate (ADR)	\$511.14	\$534.30	\$548.24	7.3%
RevPAR	\$443.26	\$438.61	\$408.28	-7.9%

Source: AirDNA and RKG (2024)

(1) - June through August

It is important to note that metrics compiled by AirDNA are not refined enough to allow for distinctions to be made regarding the “home” location of those booking an STR rental property

Implications

The changes in these AirDNA metrics may suggest an over-supply of short-term rentals relative to demand. These changes may also be indicative of changes in the levels of tourism activity.

As a matter of note, the State of Maine Department of Tourism reports total statewide visitors were 16.5 million in 2019 and declined to 12.1 million in 2020. In 2021 this increased to 15.6 million and was measured at 15.4 million in 2022, continuing to increase but still below 2019 levels. However, tourism spending totaled \$6.5 billion in 2019, declined to \$4.8 billion in 2020 and increased to \$7.9 billion in 2021 and then to \$8.6 billion in 2022, well above pre-COVID levels.

As a result, in 2019 the average expenditure per visitor was nearly \$396 and by 2022 it increased to nearly \$563. Visitors are down by 6.8% but per visitor spending is up by 32.4%. The estimated CPI inflation from 2019-to-2022 was 15.5%, indicating that there was real growth in the average visitor spending – fewer visitors, but spending more.

HOSPITALITY MARKET SECTOR

RKG also reviewed trends (April 2018 through April 2024) in the hospitality sector (hotels/motels) for Kennebunk. Over this period the key count (number of rooms) has been stable at around 450, spread across 13 properties. The ADR (average daily rate) is approximately \$129, with an average occupancy of nearly 56.0%, resulting in an average RevPAR (revenues per occupied rooms) of \$72. However, the occupancy rate increased from 39.3% (April 2021) to 58.2% (April 2024). As a result RevPAR increased from \$39.75 to \$93.91. There are clearly monthly and seasonal variations in the occupancy rate, overall, the rate for the hospitality sector and the AirDNA sector were similar. That stated, for the AirDNA sector, the average ADR was \$452 with an average RevPAR of \$266 - both above the hospitality sector.

RETAIL MARKET SECTOR

The Town is a net exporter of retail sales, meaning sales leakage (local demand not met by local merchants) exists and is estimated to total nearly \$13.6M, but there are sectors where the Town is a net importer (Figure 11) or a destination location for such sales - grocery, health/Rx, specialty retailers and dining/drinking, the latter two likely reflecting tourism/seasonal spending.⁶

Assuming a conservative re-capture rate of 25.0% of the sales leakage, an opportunity exists to support an additional 23,500 SF of selected retail (Figure 12) in the Town. This may not necessarily equate to demand for newly built SF, as existing merchants could expand, or alter their merchandise lines, marketing outreach or other operational factors.

With respect to the core downtown commercial district of Kennebunk, in-field observations indicated numerous professional and personal service establishments, several dining/drinking establishments, and a limited number of what may be considered as retail shopping goods.

Considering the overall spending power in the community, as well as seasonal influences, RKG considers that additional dining/drinking establishments, a cluster of vintage clothing stores, an arts/antiques component with an opportunity for local artisan and gallery space may be contributory store elements to the existing mix and could offer an increased potential for multi-destination shopping.

Figure 11 – Local Sales as a % of Local Demand

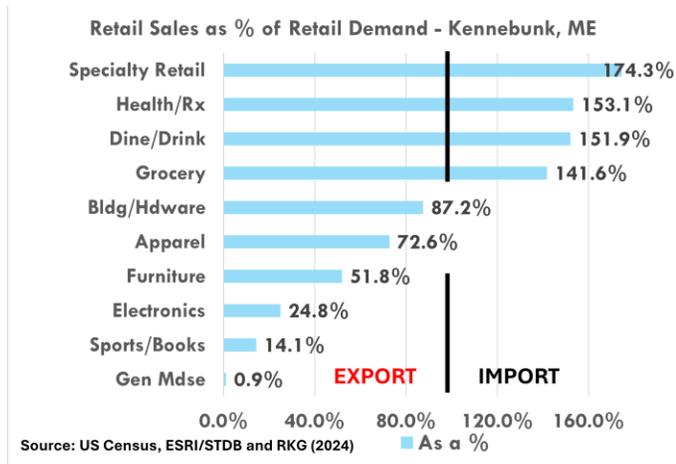
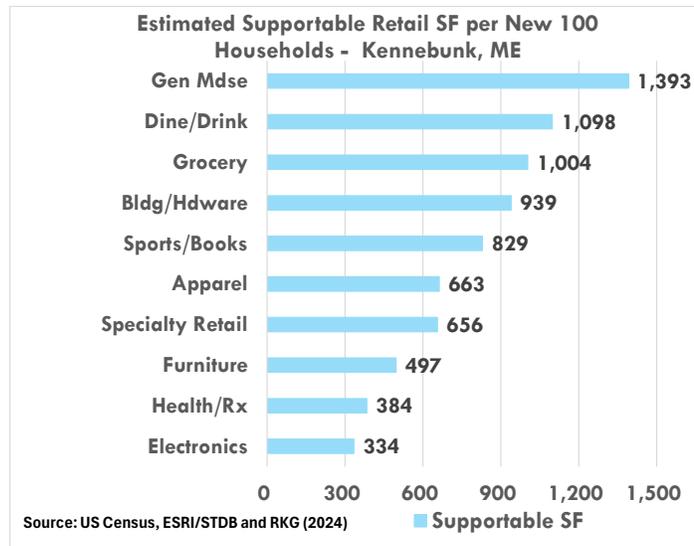


Figure 12 – Estimated Supportable SF - 100/Households



⁶ In a 2021 Community Opinion Survey, published in March of 2022 by Pan Atlantic Research, one question asked of surveyed respondents was "how important are the following amenities to your experience of Kennebunk?" For resident respondents (n=1,593), non-resident respondents (n=312) and business owner respondents (n=104), all rated the availability of dining options in their top five amenities. Both non-residents and business owners indicated that it was considered as their second most important amenity.

Implications

Sales at dining/drinking places and specialty retailing, in the Town, well exceed local demand and the addition of such stores/venues downtown could further enhance consumer activity. That being stated, in-field observations also noted an attractive and well-built downtown environment, suggesting that new development may require some re-positioning of the existing mix and/or the capacity to offer parcels to accommodate such development.

PLACER.AI METRICS

RKG used data obtained from Placer.ai, a company specializing in proprietary software modeling of place-based shopping visitations by consumers. The data gives insights into selected visitor/shopper metrics within the Town of Kennebunk’s four (4) commercial shopping districts (Table 7). A broader and more detailed analysis of the Placer.ai metrics are presented later in this analysis.

RKG identified the geographic scope (or area coverage) for each of the commercial districts by defining a generally central location in each district and/or by identifying the arterial boundaries defining the district, each comprising an approximate one-half mile radius from the center point or line.

Table 7 – Selected Summary and Comparative Metrics by Study Area

Selected Placer.ai Summary Metrics by Study Area	Downtown Kennebunk	Lower Village	Route 1 North	Route 1 South
# of Visitors (last 12 mos.)	692,600	965,272	1,105,291	348,584
Percent Δ over Prior Year	1.4%	-6.3%	2.4%	-17.1%
Estimated Visit Frequency	4.82	2.55	5.83	4.14
Average Dwell Time (minutes)	139	145	80	157
Out-of-State Visitors (last 12 mos.)	140,600	551,011	150,918	76,071
As a % of Total	20.3%	57.1%	13.7%	21.8%
% Starting from Home	62.1%	41.2%	65.8%	56.3%
% Returning Home after Initial Visit	61.9%	41.0%	65.0%	53.4%
Average Hourly Visits > 5 PM	120,443	176,557	80,300	45,871

Source: Placer.ai and RKG (2024)

KEDAP IMPLEMENTATION PLAN MATRIX

Complete implementation recommendations are discussed in greater detail and also summarized in a separate Implementation Matrix document at the end of this report.

However, as generally summarized and in a broader context, the Kennebunk Economic Development Action Plan (KEDAP) consists of the following five (5) elements, under which there are seven (7) goals and forty-one (41) actions. A statement of need for each plan element is provided next to provide strategic context to the reader.

HOUSING INITIATIVES IN SUPPORT OF ECONOMIC DEVELOPMENT



Statement of Need

The success of the Town's economic development action plan is in part based on its ability to attract diverse new residents at different stages of life and economic backgrounds. Building a housing supply that meets these needs, will provide options for individuals, seniors, young families and local workers to live in Kennebunk.

GOAL: To increase and diversify the local housing stock, particularly in the areas of workforce and affordable housing, and to attract younger homebuyers and renters to the Town of Kennebunk.

RETAIL/SERVICE/TOURISM SECTOR INITIATIVES



Statement of Need

The Town needs to build its commercial base to remain competitive within its region and meet the needs of local residents, tourists and second homeowners. The Town's commercial districts should create a unique sense of place through a branded image and marketing, but complement one another.

GOAL: To enhance the vibrancy and attraction of Kennebunk's established commercial districts (e.g., Downtown, Lower Village, Route 1 North and Route 1 South).

GOAL: Enhance development opportunities for non-retail uses, such as personal and professional services, as market forces evolve and demand for new space emerges

INDUSTRIAL/BUSINESS PARK INITIATIVES

3



Statement of Need

The community's ability to create new primary jobs will be based on how it utilizes its limited development assets and land. The Town enjoys certain locational advantages and may be able to capitalize on emerging trends but should consider strategic public/private partnerships and investments to achieve its goals.

GOAL: To further foster the feasibility of development opportunities for a small scale industrial or business park, targeting specific industry sectors identified in the KEDAP target industry analysis.

REGULATORY INITIATIVES

4



Statement of Need

The Town needs to set the proper regulatory environment to protect its historic and environmental resources, and improve its business climate by adopting new regulatory approaches that will ensure the Town meets future population and economic development goals.

GOAL: To improve the Town's ability to respond to the needs of local businesses in a timely and predictable manner that is supportive of existing businesses and encourages new job creation and investment in Kennebunk.

PLANNING AND COMMUNITY DEVELOPMENT INITIATIVES

5



Statement of Need

The Town should adopt, amend, and enforce those policies that improve economic development conditions and encourage private investment in areas that are best suited for job creation and expansion of the Town's tax base.

GOAL: To consider the benefits of adopting a form-based code to meet the Town's zoning and development review needs in a more context-based approach than Euclidean Zoning allows.

2. DEMOGRAPHIC & ECONOMIC CONDITIONS

INTRODUCTION AND PURPOSE

The purpose of this study is to offer a current update to the Town’s Strategic Economic Development Action Plan (KEDAP), considering changing market, demographic and economic conditions over the last several years and into the near future.

DEMOGRAPHIC PROFILE

Selected trends and projections in population, educational attainment, housing/households, and income are presented for the Town of Kennebunk and York County, Maine, and for the Portland, ME MSA⁷ (where applicable).

POPULATION

Over the 2012-to-2022 period, the population (Table 8) of Kennebunk increased by 6.4% (slightly below York County at 7.5%). The only age-cohort reflecting growth was among those aged 65 and older (at 34.5%). This is less than the county (46.2%), the population in this cohort accounted for 32.2% of the Kennebunk population in 2022, as contrasted to 21.2% for the county. This disparity is further reflected in the 2022 median age for each, at 54.9 years and 45.2 years, respectively. Kennebunk has one of the highest median ages in the State of Maine.

RKG referenced ESRI/STDB for estimates of the 2028 population, noting a 4.8% growth since 2022. There continues to be a decline in persons under 19 years of age, growth is projected in the 20-to-29 cohort and the 30-to-44 cohort. The continued growth among those aged 65 and older indicates that in 2028 this cohort will account for 34.1% of the Town of Kennebunk population.

Table 8 – Population and Age Metrics

Selected Population Metrics	Kennebunk, ME					
	2012	2022	# Δ	% Δ	2028	% Δ
Total Population	10,869	11,566	697	6.4%	12,126	4.8%
19 and under	2,333	2,208	(125)	-5.4%	1,919	-13.1%
20 to 29	670	583	(87)	-13.0%	925	58.7%
30 to 44	1,659	1,565	(94)	-5.7%	1,856	18.6%
45 to 64	3,441	3,489	48	1.4%	3,290	-5.7%
65 and older	2,766	3,721	955	34.5%	4,136	11.2%
Median Age	49.6	54.9	5.3	10.7%	54.8	-0.2%

Source: Maine Department of Administration and Financial Services (State Economist), ESRI/STDB and RKG (2024)

⁷ The Portland ME MSA consists of Cumberland County, Sagadahoc County and York County.

The State of Maine offers population projections to 2040 (Table 9), at the county level and estimates a 53.7% growth (2020-to-2024) for York County for those aged 65 and older. As a result, the projected countywide population in this age-cohort is projected to account for 29.4% of the 2040 countywide population. This representation is below, the reported 2022 Kennebunk population in this age cohort at 32.2%. Population projections for York County, and the overall MSA, reflect a continued decline in population in the age-cohort among those aged 20-to-29 years as well as those aged 45-to-64 years. These trends indicate a continued decline in younger workers, potentially entering the labor force, as well as workers typically in their prime earning and spending years.

Table 9 – Population Projections by Age Cohort

Selected Population Metrics	York County, ME				Portland, ME MSA			
	2020	2040	# Δ	% Δ	2020	2040	# Δ	% Δ
Total Population	212,089	234,688	22,599	10.7%	552,089	579,740	27,651	5.0%
19 and under	43,558	42,549	(1,009)	-2.3%	114,723	102,079	(12,644)	-11.0%
20 to 29	23,384	22,619	(765)	-3.3%	65,148	56,968	(8,180)	-12.6%
30 to 44	38,497	42,828	4,331	11.3%	105,325	106,278	953	0.9%
45 to 64	61,763	57,706	(4,057)	-6.6%	155,737	144,153	(11,584)	-7.4%
65 and older	44,887	68,986	24,099	53.7%	111,156	170,262	59,106	53.2%

Source: Maine Department of Administration and Financial Services (State Economist), ESRI/STDB and RKG (2024)

Implications

For the Town of Kennebunk, the existing concentration of an elderly population, and an estimated near-term continuation, suggests potential demands for smaller (SF) residential footprints for this age-cohort. This will likely be coupled with some demand for assisted care and/or other lifestyle amenities as targeted to this age-cohort. Further, the increased population in this age-cohort will likely have implications for both public and private resources as may be required by an aging population. In terms of consumer spending demand, typically elderly households may shift a higher percentage of their household spending to healthcare sector related consumption and less to other sectors, such as retail and entertainment purchases.

The near-term (2028) population growth in the 20-to-29 age-cohort and the 30-to-44 age-cohort may offer opportunities for new residential development, particularly as may be targeted to first time renters or homeowners, implying affordability considerations.

EDUCATIONAL ATTAINMENT

Employers often consider the level of educational attainment as a measure of the availability of an educated, skilled, and trained workforce. In 2022, 52.9% of the Kennebunk population (aged 25 and older) had a college-level degree, compares well against the 44.6% for York County (Table 10).

Table 10 – Educational Attainment Comparisons

Selected Education Attainment Metrics	Kennebunk, ME		York County, ME		
	2022	% Δ (2012)	2022	# Δ	% Δ (2012)
Population 25+ years	9,142	12.8%	158,210	158,210	12.5%
High School Grad	1,997	23.8%	47,765	47,765	3.5%
Some College	2,064	80.1%	31,482	31,482	10.4%
Associate Degree	496	-25.9%	18,090	18,090	34.2%
Undergrad Degree	2,238	-10.8%	33,566	33,566	26.1%
Post Graduate	2,102	12.8%	18,943	18,943	39.9%
% w/ High School+	97.3%	<i>na</i>	94.7%	<i>na</i>	<i>na</i>

Source: US Census Bureau, American Community Survey (ACS) and RKG (2024)

Implications

Despite a well-educated population, the previously noted high concentration of an elderly population in Kennebunk, coupled with some loss of population (2012-to-2022) among those aged 20-to-44 years, suggests a diminishing availability of local workers for potential businesses and establishments.

HOUSING AND HOUSEHOLDS

Over the 2012-to-2022 time-period, both Kennebunk and York County exhibited overall growth in the number of housing units, at 1.3% and 6.4% respectively (Table 11). The growth in households (occupied housing units) was more robust at 11.2% for Kennebunk and 10.5% countywide. Both the Town of Kennebunk and York County are predominantly comprised of owner-occupied households.

However, it is worth noting that the increase in renter-occupied households in Kennebunk, at 38.2%, exceeded the countywide growth of 2.1%. As a result, in 2012, renter-occupied households in Kennebunk accounted for 4.1% of the countywide renter households, and in 2022, represented 5.5% of the countywide renter households.

The number of vacant housing units, for both, declined between 2012 and 2022. Vacant units classified as seasonal housing declined sharply in Kennebunk and increased moderately countywide. As a result, as a percentage of all housing units, vacant seasonal units in Kennebunk declined from a 17.5% representation to a 10.8% representation, while countywide the decline was nominal at one (1) percent.

For 2028 projections, RKG referenced ESRI/STDB information, noting an 11.8% growth in housing units and a 5.1% growth in households for Kennebunk (2022-to-2028). This compares well with York County, with growth rates of 5.7% and 6.5%, respectively. For both areas, the estimated 2028 growth in renter-households exceeds that for owner-households, possibly indicating an increase in housing options for first-time household formations, among younger cohorts and as options for retirees.

Despite an indicated decline in vacant housing for Kennebunk, over the 2012-to-2022 period, estimates for 2028 indicate a return to 2012 levels. As a result, while vacant housing in Kennebunk declined to a 3.6% representation of countywide vacant housing in 2022, it is estimated to represent 5.3% in 2028.

Table 11 – Comparative Housing/Household Metrics

Selected Household Metrics	Kennebunk, ME						York County, ME					
	2012	2022	# Δ	% Δ	2028	% Δ	2012	2022	# Δ	# Δ	2028	% Δ
Total Housing Units	5,901	5,979	78	1.3%	6,671	11.6%	105,850	112,660	6,810	6.4%	119,102	5.7%
Total Households	4,620	5,136	516	11.2%	5,400	5.1%	80,908	89,404	8,496	10.5%	95,190	6.5%
Owner-Occupied	3,732	3,909	177	4.7%	4,012	2.6%	59,114	67,158	8,044	13.6%	69,659	3.7%
Renter-Occupied	888	1,227	339	38.2%	1,388	13.1%	21,794	22,246	452	2.1%	25,531	14.8%
Tenure												
Owner-Occupied	80.8%	76.1%	na	na	74.3%	na	73.1%	75.1%	na	na	73.2%	na
Renter-Occupied	19.2%	23.9%	na	na	25.7%	na	26.9%	24.9%	na	na	26.8%	na
Vacant Housing	1,281	843	(438)	-34.2%	1,271	50.8%	24,942	23,256	(1,686)	-6.8%	23,912	2.8%
Seasonal Housing	1,034	644	(390)	-37.7%	na	na	18,331	18,402	71	0.4%	na	na
% of Total Housing	17.5%	10.8%	na	na	na	na	17.3%	16.3%	na	na	na	na

Source: US Census Bureau, ACS Survey, ESRI/STDB and RKG (2024)

Implications

Despite an increase in renter-occupied units in Kennebunk, the percentage of renter-occupied units, at 23.9% in 2022, and at 25.7% for 2028, is well below the national average of approximately 35.0%. The same disparity is observed for the county. In both instances, this may suggest limited residential opportunities for persons in younger age-cohorts, perhaps entering the workforce, and typically seeking rental housing. Additionally, the observed concentration and growth in the age-cohort of those 65 and older, often seeking to downsize their residential footprint, may also have limited opportunities locally, despite increases from 2022-to-2028.

INCOME METRICS

As shown in Table 12, measures of income, such as household income and per capita income, are estimated to increase in the near-term for Kennebunk and the county. Although the rate of growth between 2023 and 2028 for York County exceeds that for the Town of Kennebunk, by all measures the actual dollar values for the Town are greater. In terms of household earnings, the Town and the county are expected to experience a decline in the number of households earning less than \$50,000 and an increase in those earnings more than \$100,000. These higher income households are estimated to account for 48.0% and 45.0%, respectively, of all households.

Table 12 – Selected Income Comparisons

Selected Income Metrics	Kennebunk, ME				York County, Maine			
	2023	2028	# Δ	% Δ	2023	2028	# Δ	% Δ
Income Metrics								
Median Household Income	\$87,137	\$96,471	\$9,334	10.7%	\$78,243	\$89,373	\$11,130	14.2%
Average Household Income	\$118,661	\$135,207	\$16,546	13.9%	\$103,700	\$119,624	\$15,924	15.4%
Per Capita Income	\$53,279	\$61,402	\$8,123	15.2%	\$44,077	\$51,687	\$7,610	17.3%
Total Households	5,207	5,400	193	3.7%	92,073	95,190	3,117	3.4%
earning < \$50,000	1,303	1,087	(216)	-16.6%	27,417	23,065	(4,352)	-15.9%
earning \$50,000 - \$100,000	1,710	1,721	11	0.6%	29,637	29,546	(91)	-0.3%
earning > \$100,000	2,194	2,592	398	18.1%	35,019	42,579	7,560	21.6%

Source: ESRI/STDB and RKG (2024)

Table 13 presents a comparison of household incomes by age of householder for 2023 and 2028, for the Town of Kennebunk and York County, noting:

- Both areas experience a decline in the number of households with householders aged 45-to-54 years and those aged 55-to-64 years.
- Across the board, for Kennebunk and York County, there was a decline in the number of households, irrespective of householder age, earning less than \$50,000.
- Across the board, for Kennebunk and York County, there was an increase in the number of households, irrespective of householder age, earning more than \$150,000.
- Of note for Kennebunk and York County, is the increase among householders earning more than \$100,000 who are 65 and older. The 2023-to-2028 increase for each was more than 40.0% of the households in that age bracket.

Table 13 – Selected Household Incomes by Age of Householder

Income Profiles by Age Cohort	Town of Kennebunk, ME 2023 Metrics					York County, ME 2023 Matrices				
	< 34	35 to 44	45 to 54	55 to 64	65*	< 34	35 to 44	45 to 54	55 to 64	65*
less than \$25,000	32	21	34	109	385	1,559	1,033	1,142	2,432	5,870
\$25,000 to \$50,000	66	56	81	140	379	2,395	1,603	1,629	2,688	7,066
\$50,000 to \$100,000	189	172	238	373	738	4,705	4,173	4,933	6,514	9,312
\$100,000 to \$150,000	116	180	222	278	356	2,614	3,701	4,240	4,549	3,956
more than \$150,000	75	175	238	280	274	1,718	3,202	3,625	4,002	3,412
Total Households	478	604	813	1,180	2,132	12,991	13,712	15,569	20,185	29,616

Income Profiles by Age Cohort	Town of Kennebunk, ME 2028 Metrics					York County, ME 2028 Matrices				
	< 34	35 to 44	45 to 54	55 to 64	65*	< 34	35 to 44	45 to 54	55 to 64	65*
less than \$25,000	28	16	19	68	365	1,264	820	866	1,649	5,584
\$25,000 to \$50,000	52	41	47	88	363	1,872	1,284	1,161	1,791	6,774
\$50,000 to \$100,000	196	157	190	319	859	4,466	4,061	4,414	5,601	11,004
\$100,000 to \$150,000	143	186	205	276	455	2,854	4,163	4,428	4,586	5,430
more than \$150,000	104	207	262	320	434	2,087	4,274	4,406	4,756	5,595
Total Households	523	607	723	1,071	2,476	12,543	14,602	15,275	18,383	34,387

Income Profiles by Age Cohort	Town of Kennebunk, ME % Δ					York County, ME % Δ				
	< 34	35 to 44	45 to 54	55 to 64	65*	< 34	35 to 44	45 to 54	55 to 64	65*
less than \$25,000	-12.5%	-23.8%	-44.1%	-37.6%	-5.2%	-18.9%	-20.6%	-24.2%	-32.2%	-4.9%
\$25,000 to \$50,000	-21.2%	-26.8%	-42.0%	-37.1%	-4.2%	-21.8%	-19.9%	-28.7%	-33.4%	-4.1%
\$50,000 to \$100,000	3.7%	-8.7%	-20.2%	-14.5%	16.4%	-5.1%	-2.7%	-10.5%	-14.0%	18.2%
\$100,000 to \$150,000	23.3%	3.3%	-7.7%	-0.7%	27.8%	9.2%	12.5%	4.4%	0.8%	37.3%
more than \$150,000	38.7%	18.3%	10.1%	14.3%	58.4%	21.5%	33.5%	21.5%	18.8%	64.0%
Total Households	9.4%	0.5%	-11.1%	-9.2%	16.1%	-3.4%	6.5%	-1.9%	-8.9%	16.1%

Source: ESRI/STB and RKG (2024)

Implications

Increasing household wealth, for the Town of Kennebunk and York County, represents an increasing level of income that may be spent on entertainment, dining out and other discretionary expenditures. Household aged 65 and over may have an increased household need and expenditure for health-care related services, they also represent an increase in potential discretionary income.

ECONOMIC CONDITIONS

This section presents a discussion of selected economic indicators, comparing the Town of Kennebunk to York County, and/or the Portland ME MSA (where applicable). An analysis of comparative location quotients (LQ) is also presented for the Town of Kennebunk relative to the Portland MSA.

EMPLOYMENT INDICATORS

Over the 2018-to-2022 time-period, overall employment increased in the Town of Kennebunk by a net 79 positions (Table 14 and Figure 13). The net change, by industry sector varied, noting that the three (3) sectors comprising much of the Town’s employment declined from a 45.8% representation in 2018 to a 41.7% representation in 2022. These include retail trade, health care and the accommodations/food sectors. Employment levels have increased in such industry sectors as professional, management and administrative services, typically industry sectors utilizing office space.

Figure 13 – Comparative Trends in Employment

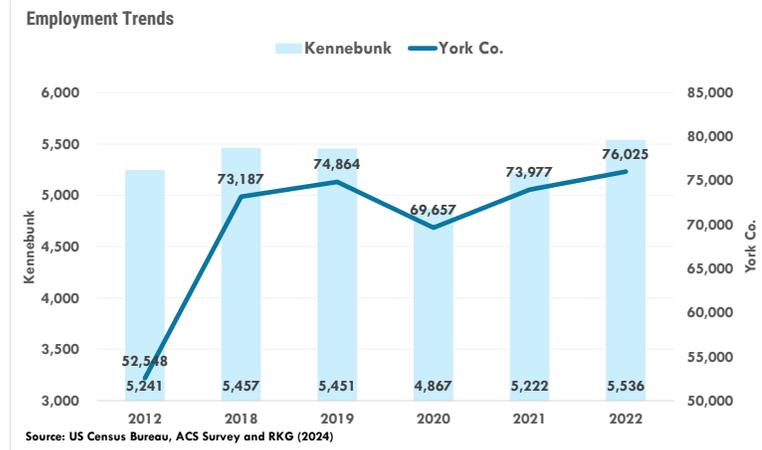


Table 14 – Employment Trends for the Town of Kennebunk

Employment Trends for Selected 2-digit NAICS Sectors		Base 2012	Kennebunk , ME					Δ 2018 - 2022	
			2018	2019	2020	2021	2022	#	%
NAICS	Total Employment	5,241	5,457	5,451	4,867	5,222	5,536	79	1.4%
22	Utilities	69	67	66	66	66	25	(42)	-62.7%
23	Construction	171	250	247	233	251	235	(15)	-6.0%
31/33	Manufacturing	795	626	566	564	625	737	111	17.7%
42	Wholesale Trade	146	115	128	107	106	107	(8)	-7.0%
44/45	Retail Trade	548	549	532	469	493	530	(19)	-3.5%
51	Information	120	104	91	91	104	98	(6)	-5.8%
52	Finance	313	341	347	329	321	334	(7)	-2.1%
53	Real Estate	44	52	55	49	63	68	16	30.8%
54	Professional Svs	243	318	305	293	348	374	56	17.6%
55	Management Svs	8	40	83	80	94	102	62	155.0%
56	Administrative Svs	106	95	108	113	118	145	50	52.6%
62	Health Care	1,025	1,040	996	954	956	925	(115)	-11.1%
71	Arts, Entertainment	106	164	165	116	129	144	(20)	-12.2%
72	Accom / Food	773	909	921	638	739	852	(57)	-6.3%
81	Other Svs	183	205	220	177	191	220	15	7.3%

Source: US Census Bureau, ACS Survey and RKG (2024)

Note - includes private and public sector employment

Like Kennebunk, there was a net gain of employment in York Couty from 2018-to-2022, at 2,838 positions (Table 15). Countywide this represented an increase of 3.9%, exceeding the 1.4% increase in the Town of Kennebunk. Like the Town, countywide employment in the retail, health care

accommodations/food sectors declined from a 41.8% representation to a 38.8% representation. Employment in the office using sectors increased by nearly 1,235 positions.

Table 15 – Employment Trends for York County, ME

Employment Trends for Selected 2-digit NAICS Sectors		Base 2012	York County, ME					Δ 2018 - 2022	
			2018	2019	2020	2021	2022	#	%
NAICS	Total Employment	52,548	73,187	74,864	69,657	73,977	76,025	2,838	3.9%
22	Utilities	200	344	349	358	364	319	(25)	-7.3%
23	Construction	2,645	3,690	3,843	4,048	4,420	4,373	683	18.5%
31/33	Manufacturing	7,473	14,166	14,797	14,780	14,869	15,203	1,037	7.3%
42	Wholesale Trade	501	1,441	1,545	1,384	1,481	1,500	59	4.1%
44/45	Retail Trade	9,352	9,717	9,670	8,986	9,573	9,607	(110)	-1.1%
51	Information	542	665	657	540	576	623	(42)	-6.3%
52	Finance	1,613	1,589	1,650	1,636	1,619	1,672	83	5.2%
53	Real Estate	657	713	718	646	713	732	19	2.7%
54	Professional Svs	1,943	2,544	2,653	2,637	2,815	3,070	526	20.7%
55	Management Svs	400	383	503	533	585	663	280	73.1%
56	Administrative Svs	1,992	2,317	2,273	2,266	2,545	2,745	428	18.5%
62	Health Care	9,071	10,007	10,057	9,361	9,574	9,507	(500)	-5.0%
71	Arts, Entertainment	1,221	1,567	1,627	1,123	1,435	1,558	(9)	-0.6%
72	Accom / Food	9,528	10,693	10,869	8,195	9,785	10,380	(313)	-2.9%
81	Other Svs	1,775	1,985	2,019	1,750	1,853	1,955	(30)	-1.5%

Source: US Census Bureau, ACS Survey and RKG (2024)

Note - includes private and public sector employment

Implications

Relatively low unemployment rates over the 2018-to-2022 time-period with rates in 2022 below those for 2018, coupled with some net employment growth reflects the general strength and resiliency of the Town and county economies. That stated, the declining representation of employment in such key sectors as retail, health care and accommodations/food should continue to be monitored.

BUSINESS ESTABLISHMENTS

Over the 2018-to-2022-time frame (with 2012 as a base year), there was a net increase of 85 establishments in Kennebunk (Figure 14) as contrasted to a net increase of 1,125 establishments countywide. Over this time-period, the Town continued to represent slightly more than eight (8) percent of all countywide establishments.

Double-digit growth Townwide is noted for professional services (45 firms) and management services (34 firms). Countywide growth in the same sectors was much more pronounced at 518 firms and 232 firms, respectively. As a matter of note, nearly two-thirds of the net countywide growth in the number of firms was comprised of the professional service and management sectors.

By comparison, over the 2012-to-2022 time period, the number of business establishments in Kennebunk increased by 29.6%, as contrasted to a 33.8% increase for York County.

Figure 14 – Comparative Trends in Establishments

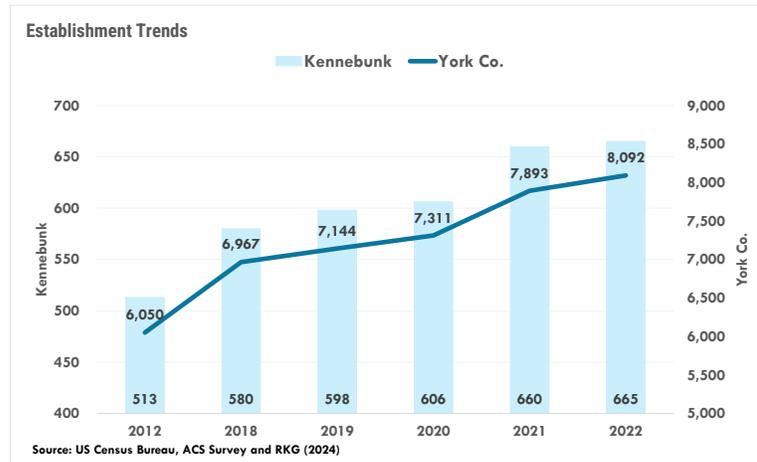


Table 16 – Establishment Trends for the Town of Kennebunk

Establishment Trends for Selected 2-digit NAICS Sectors		Base 2012	Kennebunk, ME					Δ 2018 - 2022	
			2018	2019	2020	2021	2022	#	%
NAICS	Total Establishments	513	580	598	606	660	665	85	14.7%
22	Utilities	3	3	3	3	3	3	0	0.0%
23	Construction	42	48	48	47	47	45	(3)	-6.3%
31/33	Manufacturing	16	16	16	18	19	17	1	6.3%
42	Wholesale Trade	49	41	43	40	39	42	1	2.4%
44/45	Retail Trade	54	54	56	52	53	56	2	3.7%
51	Information	11	14	12	12	16	14	0	0.0%
52	Finance	31	39	39	38	38	35	(4)	-10.3%
53	Real Estate	16	19	18	18	21	22	3	15.8%
54	Professional Svs	76	96	101	109	132	141	45	46.9%
55	Management Svs	4	11	19	28	43	45	34	309.1%
56	Administrative Svs	22	28	29	26	27	27	(1)	-3.6%
62	Health Care	65	79	78	78	78	75	(4)	-5.1%
71	Arts, Entertainment	13	14	14	16	18	17	3	21.4%
72	Accom / Food	47	53	14	57	58	58	5	9.4%
81	Other Svs	40	42	39	41	41	40	(2)	-4.8%

Source: US Census Bureau, ACS Survey and RKG (2024)

Note - includes private and public sector employment

Table 17 - Establishment Trends for York County, ME

Establishment Trends for Selected 2-digit NAICS Sectors		Base 2012	York County, ME					Δ 2018 - 2022	
			2018	2019	2020	2021	2022	#	%
NAICS	Total Establishments	6,050	6,967	7,144	7,311	7,893	8,092	1,125	16.1%
22	Utilities	11	31	31	32	32	32	1	3.2%
23	Construction	845	898	936	949	999	995	97	10.8%
31/33	Manufacturing	252	291	298	306	308	306	15	5.2%
42	Wholesale Trade	271	462	465	457	456	455	(7)	-1.5%
44/45	Retail Trade	857	842	850	833	845	837	(5)	-0.6%
51	Information	78	121	117	117	142	156	35	28.9%
52	Finance	233	259	264	261	279	279	20	7.7%
53	Real Estate	199	236	241	243	258	258	22	9.3%
54	Professional Svs	612	760	790	872	1,147	1,278	518	68.2%
55	Management Svs	42	115	159	222	302	347	232	201.7%
56	Administrative Svs	405	450	449	440	465	482	32	7.1%
62	Health Care	551	632	635	635	646	646	14	2.2%
71	Arts, Entertainment	105	133	137	141	152	150	17	12.8%
72	Accom / Food	766	792	806	814	823	814	22	2.8%
81	Other Svs	466	469	466	474	488	488	19	4.1%

Source: US Census Bureau, ACS Survey and RKG (2024)

Note - includes private and public sector employment

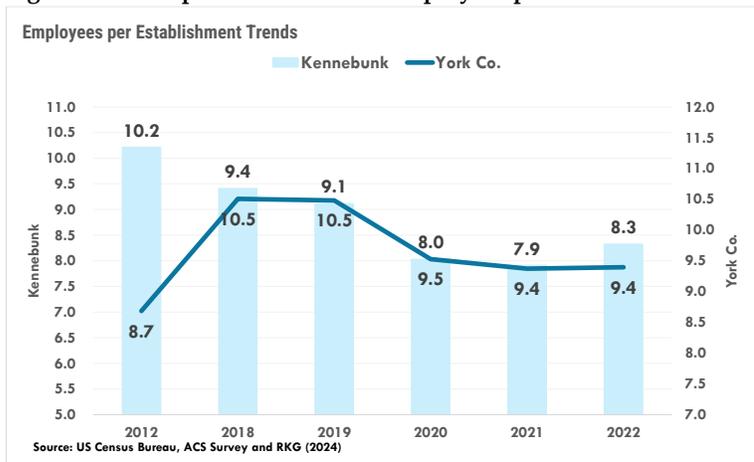
Implications

In terms of the type of businesses, both the Town of Kennebunk and York County have experienced a stronger increase in the service sector establishments of the economy relative to other sectors of the economy.

EMPLOYEES PER ESTABLISHMENT

In terms of the average number of employees per establishment, as shown in Figure 15, the Town of Kennebunk averaged 10.5 employees per establishment in 2018 and declined to 8.3 in 2022, just recovering from the 2020 COVID pandemic period. The county declined 9.4 employees per establishment to 8.3 employees per establishment, marginally more than in 2020.

Figure 15 – Comparative Trends in Employees per Establishment



By comparison, over the 2012-to-2022 time period, the average number of employees per establishment increased by 8.0%, as compared with a decline of 18.6% in York County.

ESTABLISHMENT DIVERSIFICATION

The Town of Kennebunk provided RKG with a listing of area businesses, by NAICS code, as summarized in Table 18. From this listing, slightly more than 30.0% of the area businesses are in the health care sector, followed by 11.0% (±) each for professional services and the retail trade sectors. As combined, accommodations and dine/drink are slightly more than 5.0% of the businesses listed. Those sectors which would typically utilize office-type space (excluding the health sector as medical office) equate to just over 37.0% of the listed establishments.

RKG also received a copy of the member listing from the Kennebunk-Kennebunkport-Arundel Chamber of Commerce (CoC) indicating 810 establishments as members, and RKG estimates approximately 96 members are in the retail and restaurant sectors, as presented in Table 19. The CoC members are highlighted by location,⁸ noting the following:

- The majority of CoC members are located Downtown, with membership from the Lower Village and Route 1 North areas close behind.
- A similar comparison is made with retail and restaurant businesses although the Lower Village area well exceeds other locations.

Table 18 – Kennebunk Business Diversification

Town of Kennebunk, ME - Business Count by Selected NAICS	NAICS Code	Count of Firms	as % of this Total
Construction	23	40	5.9%
Manufacturing	31/33	30	4.4%
Wholesale Trade	42	10	1.5%
Retail Trade	44/45	75	11.1%
Information	51	15	2.2%
Finance/Insurance	52	36	5.3%
Real Estate	53	45	6.6%
Professional Svs	54	78	11.5%
Management Svs	55	1	0.1%
Administrative Svs	56	19	2.8%
Health Care	62	204	30.1%
Arts/Entertainment	71	30	4.4%
Accommodations	721	14	2.1%
Dine/Drink	722	21	3.1%
Personal Svs	81	59	8.7%
Total these Sectors	<i>na</i>	677	100.0%

Source: Town of Kennebunk, ME and RKG (2024)

Note - does *not include* all NAICS sectors and *includes* only those firms where a NAICS code was provided.

⁸ Note – The locations are as provided by the CoC. While there is most likely some overlap with the four (4) study areas, as identified by RKG for the Placer.ai analysis, the respective geographies should not necessarily be assumed as identical.

Table 19 – Business Distribution by Area – CoC Members

Business Count by Location (1)		
Location	Count	% of Total
Downtown	216	26.7%
Lower Village	176	21.7%
Route 1 North	203	25.1%
Route 1 South	42	5.2%
Rural West Kennebunk	59	7.3%
Summer Street and Landing	21	2.6%
Kennebunk Beach	13	1.6%
West Kennebunk Village	80	9.9%
Total	810	100.0%

Approximate Retail/Restaurant (2)		
Location	Count	% of Total
Downtown	26	27.1%
Lower Village	37	38.5%
Route 1 North	12	12.5%
Route 1 South	9	9.4%
Rural West Kennebunk	5	5.2%
Summer Street and Landing	0	0.0%
Kennebunk Beach	4	4.2%
West Kennebunk Village	3	3.1%
Total	96	100.0%

Retail/Restaurant as % of ALL	11.9%
--------------------------------------	--------------

Source: Kennebunk - Kennebunkport - Arundel Chamber of Commerce (CoC) and RKG (2024)

(1) - from member listing as provided by CoC

(2) - RKG culling of NAICS codes (44/45 and 722)

AVERAGE WAGES

The estimated CPI inflation rate over the 2018-to-2022 time--period was 18.1%. The change in total annual wage for Kennebunk was 31.4% and for York County 25.0%, indicating real wage growth for each area for all industry sectors as a whole. For both areas, the wage increase in the manufacturing sector did not keep pace with inflation. For the retail sector in the Town, the wage increases just kept pace with inflation.

Table 20 – Weekly Wage Trends for the Town of Kennebunk

Weekly Wage Trends for Selected 2-digit NAICS Sectors		Base 2012	Kennebunk, ME					Δ 2018 - 2022	
			2018	2019	2020	2021	2022	#	%
NAICS	Average Wage	\$696	\$846	\$874	\$968	\$1,053	\$1,112	\$266	31.4%
22	Utilities	\$1,068	\$1,371	\$1,416	\$1,435	\$1,498	\$1,513	\$142	10.4%
23	Construction	\$700	\$924	\$917	\$1,020	\$1,053	\$1,086	\$162	17.5%
31/33	Manufacturing	\$898	\$1,123	\$1,110	\$1,161	\$1,255	\$1,310	\$187	16.7%
42	Wholesale Trade	\$1,115	\$1,446	\$1,511	\$1,578	\$1,743	\$1,911	\$465	32.2%
44/45	Retail Trade	\$503	\$615	\$615	\$667	\$688	\$730	\$115	18.7%
51	Information	\$1,058	\$1,276	\$1,248	\$1,277	\$2,121	\$1,312	\$36	2.8%
52	Finance	\$970	\$1,195	\$1,278	\$1,443	\$1,496	\$1,676	\$481	40.3%
53	Real Estate	\$808	\$792	\$834	\$920	\$1,021	\$1,115	\$323	40.8%
54	Professional Svs	\$1,091	\$1,224	\$1,316	\$1,392	\$1,549	\$1,657	\$433	35.4%
55	Management Svs	\$1,678	\$1,516	\$1,848	\$2,085	\$2,713	\$2,906	\$1,390	91.7%
56	Administrative Svs	\$531	\$838	\$784	\$805	\$812	\$1,008	\$170	20.3%
62	Health Care	\$645	\$789	\$829	\$901	\$950	\$1,094	\$305	38.7%
71	Arts, Entertainment	\$370	\$405	\$422	\$475	\$517	\$511	\$106	26.2%
72	Accom / Food	\$367	\$491	\$505	\$552	\$629	\$687	\$196	39.9%
81	Other Svs	\$553	\$744	\$755	\$840	\$878	\$902	\$158	21.2%

Source: US Census Bureau, ACS Survey and RKG (2024) CPI inflation 2018 - 2022 18.1% % Δ < inflation

Note - includes private and public sector employment

Table 21 - Weekly Wage Trends for York County, ME

Weekly Wage Trends for Selected 2-digit NAICS Sectors		Base 2012	York County, ME					Δ 2018 - 2022	
			2018	2019	2020	2021	2022	#	%
NAICS	Average Wage	\$661	\$872	\$901	\$996	\$1,033	\$1,090	\$218	25.0%
22	Utilities	\$1,280	\$1,314	\$1,372	\$1,496	\$1,486	\$1,631	\$317	24.1%
23	Construction	\$754	\$937	\$973	\$1,063	\$1,112	\$1,161	\$224	23.9%
31/33	Manufacturing	\$964	\$1,304	\$1,321	\$1,387	\$1,400	\$1,464	\$160	12.3%
42	Wholesale Trade	\$951	\$1,220	\$1,250	\$1,333	\$1,382	\$1,513	\$293	24.0%
44/45	Retail Trade	\$472	\$566	\$580	\$659	\$696	\$732	\$166	29.3%
51	Information	\$754	\$895	\$881	\$1,079	\$1,340	\$1,214	\$319	35.6%
52	Finance	\$940	\$1,200	\$1,225	\$1,404	\$1,474	\$1,568	\$368	30.7%
53	Real Estate	\$637	\$804	\$795	\$889	\$926	\$980	\$176	21.9%
54	Professional Svs	\$1,088	\$1,412	\$1,437	\$1,502	\$1,651	\$1,748	\$336	23.8%
55	Management Svs	\$1,002	\$1,484	\$1,664	\$1,898	\$2,627	\$2,724	\$1,240	83.6%
56	Administrative Svs	\$539	\$672	\$684	\$736	\$802	\$950	\$278	41.4%
62	Health Care	\$754	\$858	\$894	\$974	\$1,024	\$1,114	\$256	29.8%
71	Arts, Entertainment	\$363	\$451	\$468	\$540	\$546	\$586	\$135	29.9%
72	Accom / Food	\$351	\$462	\$483	\$516	\$594	\$628	\$166	35.9%
81	Other Svs	\$479	\$607	\$629	\$705	\$742	\$775	\$168	27.7%

Source: US Census Bureau, ACS Survey and RKG (2024) CPI inflation 2018 - 2022 18.1% % Δ < inflation

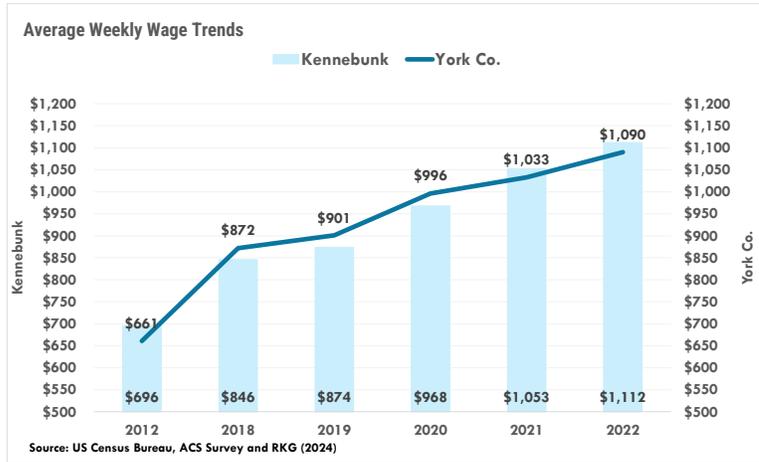
Note - includes private and public sector employment

Figure 16 presents the average weekly wage (all industry sectors) for the Town of Kennebunk and York County, with the Town wage slightly less (97.0%) that of the county wage until 2021 and 2022 when it was 102.0% of the countywide wage.

Implications

Despite an overall wage increase for the Town of Kennebunk (2018-to-2022), the increases in such sectors as retail and accommodations/food are well below the average at 66.0% and 46.0%, respectively – further indicating an affordability gap in wages relative to potential housing options for those locally employed in these sectors.

Figure 16 – Comparative Trends in Average Weekly Wages



LOCATION QUOTIENTS

Location quotients (LQ) compare employment by industry sector in two or more geographic areas. The LQ is a ratio of the percentage of an industry sector’s employment in one geography as contrasted to that of a larger geography, such as the Town of Kennebunk to the Portland, ME MSA, or metropolitan statistical area, (Table 22). If this LQ ratio falls between 0.80 and 1.20 (as presented on the *x-axis*), then the proportion of jobs is very similar in both geographies. If this ratio is less than 0.80, then the identified industry sector is thought to be under-represented in the local economy. Conversely, a ratio greater than 1.20 can show a speciality within the local economy (an over-performing sector) as compared to the larger geography

Over-performing sectors of the Kennebunk economy have consistently been in information, finance, arts/entertainment, and accommodations/food. Interestingly, the retail sector just underperforms relative to that for the MSA, suggesting opportunities for additional storing and hence employment.

Table 22 – Comparison of Trends in LQ Ratios for the Town of Kennebunk vs the Portland, ME MSA

Kennebunk vs Portland, ME MSA	LQ Ratios				Δ 2012-2022		Δ 2024-2034	
	2012	2022	2024	2034	#	%	#	%
Const	0.521	0.680	0.670	0.674	0.159	30.6%	0.004	0.5%
Retail	0.734	0.737	0.742	0.754	0.003	0.4%	0.012	1.6%
Information	1.927	1.754	1.775	1.728	(0.173)	-9.0%	(0.047)	-2.6%
Fin/Ins	1.243	1.540	1.619	1.749	0.298	24.0%	0.130	8.0%
Real Estate	0.775	0.952	0.889	0.861	0.177	22.8%	(0.028)	-3.2%
Prof Svs	1.014	1.099	1.111	1.156	0.085	8.4%	0.045	4.0%
Mgmt Svs	0.000	0.558	0.632	0.735	0.558	<i>na</i>	0.103	16.3%
Admin Svs	0.403	0.450	0.444	0.469	0.047	11.6%	0.026	5.8%
Health	1.092	1.100	1.084	1.031	0.008	0.7%	(0.053)	-4.9%
Arts/Ent	1.714	2.062	1.984	1.857	0.349	20.3%	(0.126)	-6.4%
Accom/Food	1.508	1.836	1.776	1.726	0.328	21.7%	(0.051)	-2.9%

Source: EMSI/Lightcast and RKG (2024)

MSA = Cumberland, York and Sagadahoc Counties

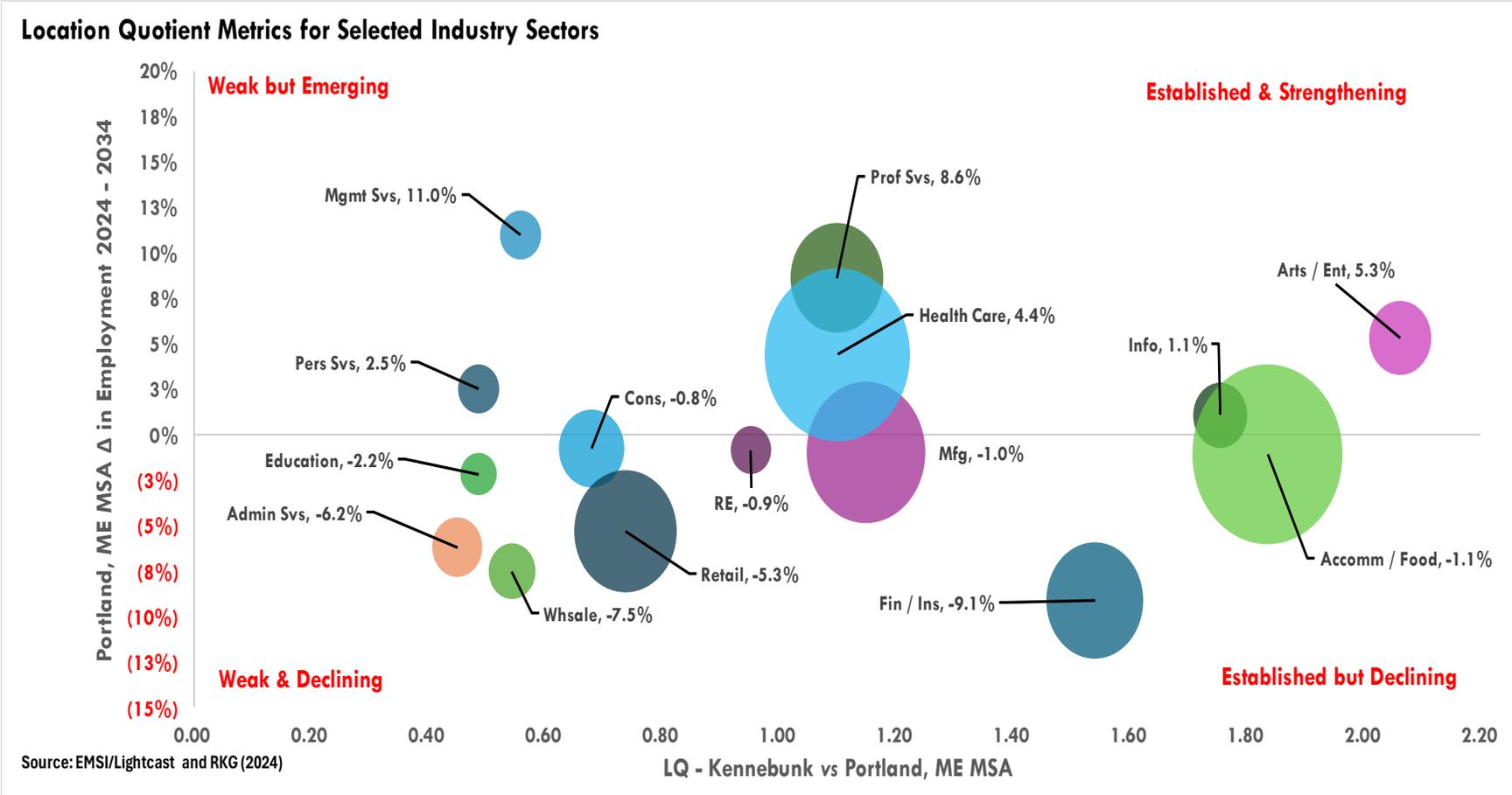
The LQ ratio can be useful in pointing out opportunities for certain industry sectors to gain a larger share of the employment base or to indicate when a community may be heavily reliant on one or two industry sectors. In some cases, a high LQ may indicate a specialty area in the local economy.

As shown in Figure 17, the *y-axis* presents the projected percentage employment growth in the MSA over the 2024 to 2034 period. This ranges from a projected MSA employment decline in finance (at 9.1%) and wholesale trade (at 7.5%) to a high of 11.0% in management services. Also of note is the projected employment declines in retail (5.3%) and in accommodations/food (1.1%).

The size of the bubble for each industry sector is also indicative of its relative strength (or concentration) in the local economy.

Lastly, the quadrant location of the industry sector bubble is also worth noting. Despite an under-performing LQ, several Kennebunk industries are located in the weak and declining quadrant, including retail. Accommodations/food is in the established but declining quadrant. As noted elsewhere, these two (2) industries sectors comprise a significant portion of the Kennebunk employment base.

Figure 17 – LQ and Employment Metrics for the Town of Kennebunk vs the Portland, ME MSA



COMMUTING PATTERNS

Data from the US Census for 2021, indicates that the Town of Kennebunk is a net importer in terms of employment with 4,091 workers commuting into Town as their place of employment (Figure 18).

This contrasts with the 3,925 Kennebunk residents that commute outside of the Town to their place of employment. Of the 5,107 Kennebunk resident workforce, almost 1,100 or 21.0% both live and work in Kennebunk.

Figure 18 – Commuter Inflow/Outflow – Town of Kennebunk, ME

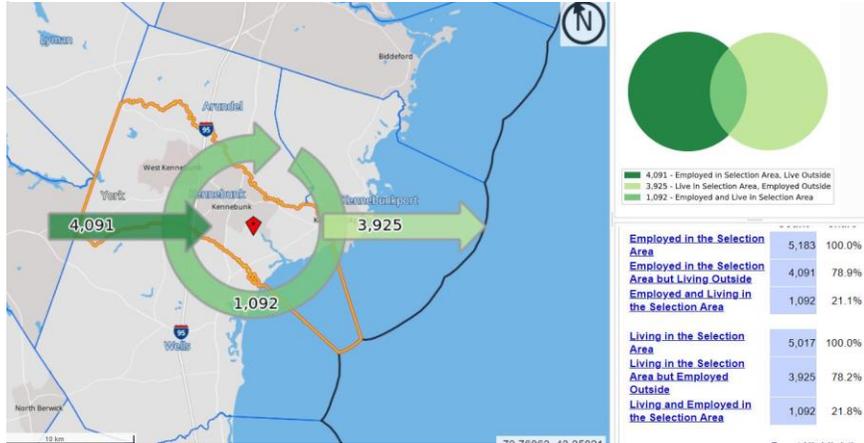


Table 23 presents a broader comparison of inflow and outflow (or import/export) metrics for York County and the Town of Kennebunk, by NAICS industry.⁹ For all industry sectors, countywide, there is a net outflow (32,816 positions), indicating York County residents *not working* in York County:

- **Health sector** = 6,487 positions (19.8% of the total)
- **Retail sector** = 3,550 positions (10.8% of the total)
- **Professional services** = 3,129 positions (9.5% of the total)
- **Finance sector** = 3,070 positions (9.4% of the total)

Table 23 also presents a comparison of inflow and outflow metrics for the Town of Kennebunk (also referenced in Figure 7) noting that Kennebunk is a net importer (inflow) of 166 positions. The industry sectors where the Town of Kennebunk is a net importer total 749 positions, as led by manufacturing (218 positions), accommodations/food (182 positions), the health sector (112 positions) and finance (105 positions).

The NAICS sectors where the Town of Kennebunk is a net exporter (outflow) total 583 positions. These sectors are led by education (129 positions), transportation/warehousing (114 positions) and administrative services (104 positions).

⁹ The data source does not offer similar inflow and outflow metrics by specific occupations.

Table 23 – Comparative Labor Force Inflow / Outflow Analysis by NAICS Sector

Labor Force by Place of Residence (2021)	Count	% of Total	Employment by NAICS Industry Sector																			Total these Sectors	% of TOTAL	
			Agri	Mining	Util	Const	Mfg	Whole	Retail	Trans/Whs	Info	Finance	RE	Prof	Mgmt	Admin	Edu	Health	Arts	Accom/Food	Other			Public
York County, Maine	96,887	100.0%	660	76	498	5,842	10,406	3,615	12,558	2,778	1,430	4,770	1,235	5,869	2,132	4,422	8,865	16,039	1,527	8,371	2,838	2,956	96,887	100.0%
Sector as % of Total			0.7%	0.1%	0.5%	6.0%	10.7%	3.7%	13.0%	2.9%	1.5%	4.9%	1.3%	6.1%	2.2%	4.6%	9.1%	16.6%	1.6%	8.6%	2.9%	3.1%	100.0%	na
Town of Kennebunk, ME	5,017	100.0%	19	1	41	230	438	164	520	115	93	283	55	362	125	214	599	811	102	519	172	154	5,017	100.0%
Sector as % of Total			0.4%	0.0%	0.8%	4.6%	8.7%	3.3%	10.4%	2.3%	1.9%	5.6%	1.1%	7.2%	2.5%	4.3%	11.9%	16.2%	2.0%	10.3%	3.4%	3.1%	100.0%	na
Kennebunk as % of York County	5.2%	na	2.9%	1.3%	8.2%	3.9%	4.2%	4.5%	4.1%	4.1%	6.5%	5.9%	4.5%	6.2%	5.9%	4.8%	6.8%	5.1%	6.7%	6.2%	6.1%	5.2%	na	na
Labor Force by Place of Work (2021)	Count	% of Total	Employment by NAICS Industry Sector																			Total these Sectors	% of TOTAL	
			Agri	Mining	Util	Const	Mfg	Whole	Retail	Trans/Whs	Info	Finance	RE	Prof	Mgmt	Admin	Edu	Health	Arts	Accom/Food	Other			Public
York County, Maine	64,071	100.0%	641	70	342	4,680	8,336	1,588	9,008	1,393	540	1,700	687	2,740	630	2,768	7,087	9,552	1,083	7,348	1,871	2,007	64,071	100.0%
Sector as % of Total			1.0%	0.1%	0.5%	7.3%	13.0%	2.5%	14.1%	2.2%	0.8%	2.7%	1.1%	4.3%	1.0%	4.3%	11.1%	14.9%	1.7%	11.5%	2.9%	3.1%	100.0%	na
Town of Kennebunk, ME	5,183	100.0%	15	0	68	266	656	112	468	1	113	388	65	361	69	110	470	923	129	701	184	84	5,183	100.0%
Sector as % of Total			0.3%	0.0%	1.3%	5.1%	12.7%	2.2%	9.0%	0.0%	2.2%	7.5%	1.3%	7.0%	1.3%	2.1%	9.1%	17.8%	2.5%	13.5%	3.6%	1.6%	na	na
Kennebunk as % of York County	8.1%	na	2.3%	0.0%	19.9%	5.7%	7.9%	7.1%	5.2%	0.1%	20.9%	22.8%	9.5%	13.2%	11.0%	4.0%	6.6%	9.7%	11.9%	9.5%	9.8%	4.2%	na	na
Labor Force Commuting Patterns (2021) Inflow/Outflow	Count	% of Total	Employment by NAICS Industry Sector																			Total these Sectors	% of TOTAL	
			Agri	Mining	Util	Const	Mfg	Whole	Retail	Trans/Whs	Info	Finance	RE	Prof	Mgmt	Admin	Edu	Health	Arts	Accom/Food	Other			Public
York County, Maine	(32,816)	na	(19)	(6)	(156)	(1,162)	(2,070)	(2,027)	(3,550)	(1,385)	(890)	(3,070)	(548)	(3,129)	(1,502)	(1,654)	(1,778)	(6,487)	(444)	(1,023)	(967)	(949)	(32,816)	na
Town of Kennebunk, ME	166	na	(4)	(1)	27	36	218	(52)	(52)	(114)	20	105	10	(1)	(56)	(104)	(129)	112	27	182	12	(70)	166	na

Source: US Census Bureau, On-the-Map and RKG (2024)

na - not applicable

RKG also reviewed the comparative employment inflow/outflow metrics by age-cohorts (Table 24). For York County, there was an observed outflow across all age-cohorts, led by nearly 17,600 for those aged 30-to-54 years, typically peak employment and earning years. This age-cohort represents 50.0% of the resident labor force in York County.

For the Town of Kennebunk, the cohort aged under 29 years and the cohort aged 30-to-54 years are both net inflows of employment. Combined, these two (2) age-cohorts account for two-thirds of the resident labor force in Kennebunk. The former may reflect a tourism and seasonal component and the latter may be influenced by employment at Southern Maine Health Care and Corning Life Sciences, as examples.

Table 24 - Comparative Labor Force Inflow / Outflow Analysis by Age Cohorts

Labor Force Commuting Patterns (2021) by Age Cohort	By Place of Residence				By Place of Work				Inflow or Outflow			
	29 >	30 - 54	55+	Total	29 >	30 - 54	55+	Total	29 >	30 - 54	55+	Total
York County, Maine	20,839	48,477	27,571	96,887	15,273	30,890	17,908	64,071	(5,566)	(17,587)	(9,663)	(32,816)
Cohort as % of Total	21.5%	50.0%	28.5%	100.0%	23.8%	48.2%	28.0%	100.0%	na	na	na	na
Town of Kennebunk, ME	958	2,412	1,647	5,017	1,153	2,536	1,494	5,183	195	124	(153)	166
Cohort as % of Total	19.1%	48.1%	32.8%	100.0%	22.2%	48.9%	28.8%	100.0%	na	na	na	na
Kennebunk as % of York County	4.6%	5.0%	6.0%	5.2%	7.5%	8.2%	8.3%	8.1%	na	na	na	na

Source: US Census Bureau, On-the-Map and RKG (2024)

na - not applicable

Top destinations for employment of the Town of Kennebunk resident labor force include Kennebunk, Portland, Biddeford, South Biddeford, and Sanford. Employment in the Town of Kennebunk is comprised (top locations) of residents from Kennebunk, Sanford, Biddeford, Saco, and Portland.

OCCUPATION INDICATORS

Table 25 offers a comparison of the occupational mix for Kennebunk and the MSA over a multi-year period. The data is presented in terms of standard 2-digit SOC (standard occupational codes) codes. On average, and across all occupational sectors, the Town of Kennebunk accounts for a little less than 2.0% of the MSA occupations, for each of the four (4) years presented – with marginal increases or declines (as measured by the change in basis points).

However, there are several specific occupational sectors (as highlighted) where the Town concentration, relative to the MSA, exceeds the overall Town concentration. These notably include healthcare practitioners, food preparation, building/grounds, and personal care/services. All these occupational sectors are projected to realize a net positive increase Townwide and across the MSA (2012 -to-2034).

The percentage of production occupations in Kennebunk, for each year measured, also exceeds the Townwide average. However, jobs from 2012-to-2024 are projected to decline Townwide as compared to an increase in the MSA.

Table 25 – Comparative Occupational Mix Trends – Town of Kennebunk, ME relative to Portland ME MSA

Town of Kennebunk, ME Occupational Mix vs Portland, ME MSA	Kennebunk as % of Portland MSA					Town Employment Δ 2012-2034	MSA Employment Δ 2012-2034	Town as % of MSA
	2012 Jobs	2022 Jobs	2024 Jobs	2034 Jobs	Basis Points Δ			
Management Occupations	1.6%	1.6%	1.7%	1.7%	0.0015	136	6,602	2.1%
Business and Financial Operations Occupations	1.5%	1.6%	1.6%	1.7%	0.0025	123	5,469	2.3%
Computer and Mathematical Occupations	1.5%	1.8%	1.9%	2.2%	0.0074	110	3,088	3.6%
Architecture and Engineering Occupations	1.0%	1.1%	1.2%	1.3%	0.0029	32	1,331	2.4%
Life, Physical, and Social Science Occupations	1.1%	1.0%	1.0%	1.1%	(0.0004)	10	1,045	1.0%
Community and Social Service Occupations	1.1%	1.4%	1.4%	1.3%	0.0019	23	1,172	1.9%
Legal Occupations	1.9%	1.9%	1.8%	1.6%	0.0000	0	229	0.0%
Educational Instruction and Library Occupations	1.7%	1.6%	1.6%	1.6%	(0.0007)	4	850	0.5%
Arts, Design, Entertainment, Sports, and Media Occupations	1.5%	1.4%	1.4%	1.4%	(0.0009)	(2)	32	-6.3%
Healthcare Practitioners and Technical Occupations	2.3%	2.2%	2.2%	2.2%	(0.0005)	38	2,124	1.8%
Healthcare Support Occupations	2.1%	1.9%	1.8%	1.7%	(0.0039)	9	3,505	0.3%
Protective Service Occupations	1.2%	1.2%	1.2%	1.3%	0.0012	6	38	16.0%
Food Preparation and Serving Related Occupations	2.3%	2.3%	2.3%	2.3%	0.0000	42	1,836	2.3%
Building and Grounds Cleaning and Maintenance Occupations	2.4%	2.7%	2.6%	2.5%	0.0009	29	793	3.6%
Personal Care and Service Occupations	2.2%	2.0%	2.1%	1.9%	(0.0028)	6	1,126	0.6%
Sales and Related Occupations	1.5%	1.5%	1.5%	1.6%	0.0010	17	(412)	-4.2%
Office and Administrative Support Occupations	1.9%	2.1%	2.1%	2.2%	0.0024	(40)	(6,006)	0.7%
Farming, Fishing, and Forestry Occupations	na	0.7%	0.7%	0.7%	na	na	1,850	na
Construction and Extraction Occupations	0.9%	1.1%	1.1%	1.1%	0.0019	52	2,813	1.9%
Installation, Maintenance, and Repair Occupations	1.4%	1.3%	1.3%	1.3%	(0.0009)	4	1,044	0.4%
Production Occupations	3.6%	2.3%	2.4%	2.4%	(0.0115)	(168)	572	-29.3%
Transportation and Material Moving Occupations	1.5%	1.1%	1.1%	1.1%	(0.0038)	(47)	1,559	-3.0%
Total of these Occupations	1.9%	1.8%	1.8%	1.8%	(0.0006)	401	30,659	1.3%

Source: EMSI / Lightcast and RKG (2024)

Note - exceeds annual average for all occupations

AVERAGE HOURLY WAGE COMPARISONS

Table 26 presents a comparison of average hourly wage, by occupation, for the Town of Kennebunk and the Portland MSA. Wage data provided by EMSI/Lightcast reflects 2024 only. As indicated, across nearly all occupational sectors the average hourly wage Townwide is comparable to that for the MSA, at 90.0% or more, excluding legal occupations (at 88.3%). Average hourly wages in Kennebunk marginally exceed 100.0% of the MSA for computer/mathematics occupations, healthcare practitioners, healthcare support occupations, sales positions, and farming/fishing/forestry occupations.

Table 26 – Comparison of Average Hourly Wage by Occupation

Town of Kennebunk, ME Occupational Mix vs Portland, ME MSA - Average Hourly Wage	Town 2024	MSA 2024	Town as % MSA
Management Occupations	\$55.21	\$57.21	96.5%
Business and Financial Operations Occupations	\$39.84	\$41.11	96.9%
Computer and Mathematical Occupations	\$47.12	\$45.94	102.6%
Architecture and Engineering Occupations	\$44.45	\$45.40	97.9%
Life, Physical, and Social Science Occupations	\$36.35	\$37.75	96.3%
Community and Social Service Occupations	\$25.72	\$27.39	93.9%
Legal Occupations	\$41.84	\$47.37	88.3%
Educational Instruction and Library Occupations	\$27.83	\$30.09	92.5%
Arts, Design, Entertainment, Sports, and Media Occupations	\$28.03	\$29.80	94.1%
Healthcare Practitioners and Technical Occupations	\$53.31	\$51.89	102.7%
Healthcare Support Occupations	\$21.37	\$20.55	104.0%
Protective Service Occupations	\$25.81	\$26.42	97.7%
Food Preparation and Serving Related Occupations	\$20.48	\$20.53	99.8%
Building and Grounds Cleaning and Maintenance Occupations	\$20.35	\$20.65	98.5%
Personal Care and Service Occupations	\$18.72	\$19.45	96.3%
Sales and Related Occupations	\$26.05	\$25.18	103.5%
Office and Administrative Support Occupations	\$22.17	\$23.77	93.2%
Farming, Fishing, and Forestry Occupations	\$18.06	\$18.01	100.3%
Construction and Extraction Occupations	\$27.36	\$28.53	95.9%
Installation, Maintenance, and Repair Occupations	\$28.14	\$28.98	97.1%
Production Occupations	\$23.16	\$24.37	95.0%
Transportation and Material Moving Occupations	\$21.18	\$22.01	96.2%
Average of these Occupations	\$29.64	\$30.65	96.7%

Source: EMSI / Lightcast and RKG (2024)

Note - exceeds MSA average

Implications

The training and skill set of Townwide occupations are generally in-sync with the MSA, particular attention should be given to further garnering high MSA growth sectors (2012-to-2034) exceeding 2,000 positions, as they may represent a local employment/occupation growth opportunity and then result in an increased SF development demand. The average hourly wages are generally compatible with the MSA with some occupational sectors having an average hourly wage marginally greater than the MSA. If investment in skills and job training in these latter occupational sectors were enhanced Townwide, there could be positive implications for additional local employment in these occupations.

RETAIL SALES

The estimated household spending demand of Kennebunk households is \$31,000 annually across a variety of selected retail merchandise lines (Table 27) and totals \$164.9M. Estimated sales in the Town, at \$151.3M, indicate a net sales leakage of \$13.6M. However, several retail sectors are net importers of

retail sales, meaning that they are drawing sales from households outside of the Town and/or may be influenced by tourism/seasonal influences, notably including miscellaneous specialty stores and dining/drinking places. The observation that Kennebunk is a net importer of retail sales across several sectors is further reinforced when considering local household spending demand relative to total household spending demand, for example:

- Grocery sales exceed demand, while the average local spending demand in this category accounts for 22.8% of the total household demand of \$31,000 annually.
- Health/Rx sales exceed demand, while the average local spending demand in this category accounts for 8.1% of the total household demand of \$31,000 annually.
- Specialty retail sales exceed demand, while the average local spending demand in this category accounts for 5.4% of the total household demand of \$31,000 annually.
- Dining/drinking sales exceed demand, while the average local spending demand in this category accounts for 13.6% of the total household demand of \$31,000 annually.

Although not an exact measure, using the industry average sales per SF across a variety of retail store types, suggests nearly 355,000 SF of retail in the Town (Figure 19).

As noted previously (and as further detailed in Table 27), RKG conservatively estimates that a 25.0% re-capture of the observed sales leakage across some retail sectors may support an additional 23,500 SF of retail, or approximately a 6.6% increase to the estimated existing inventory.

Figure 19 – Existing Retail SF by Store Type

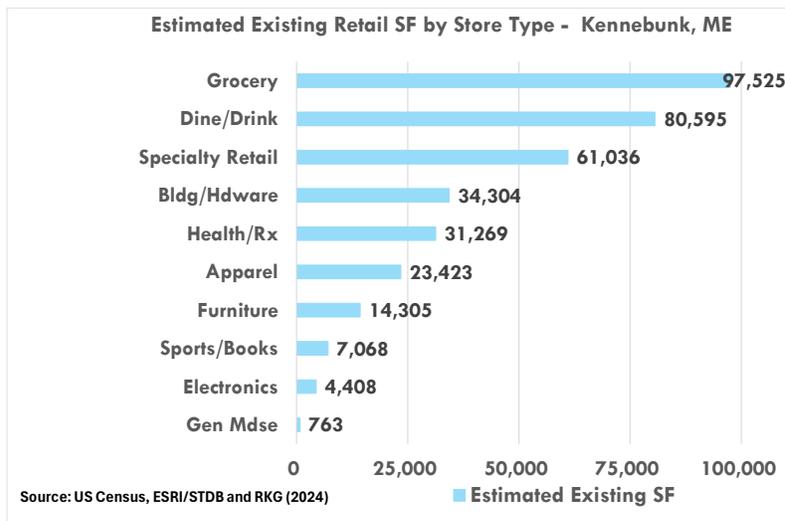


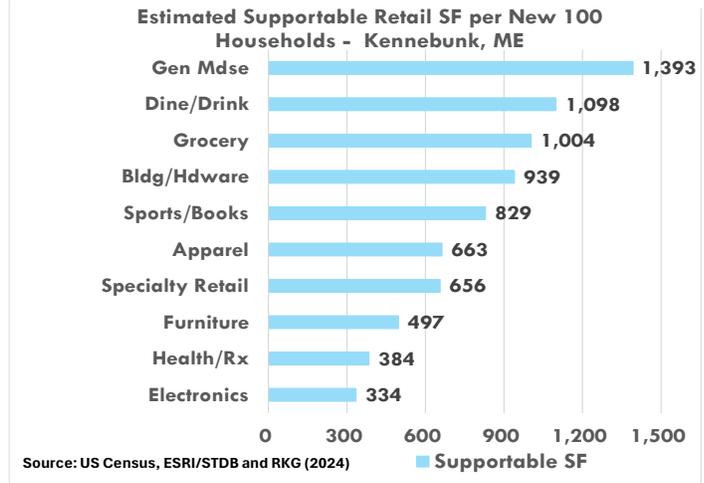
Table 27 – Selected Retail Demand and Sales Metrics – Town of Kennebunk

Estimated Retail Sales - Kennebunk, ME	NAICS Code	Retail Analytics - Kennebunk, ME				Supportable SF at 25.0% Re-Capture
		Demand per HH	Retail Demand	Retail Sales	Net Import or Export	
		\$31,001	\$164,927,545	\$151,276,604	(\$13,650,941)	23,521
Furniture & Home Furnishings Stores	442	\$1,229	\$6,539,125	\$3,385,160	(\$3,153,965)	3,073
Furniture Stores	4421	\$727	\$3,865,140	\$1,701,950	(\$2,163,190)	1,803
Home Furnishings Stores	4422	\$503	\$2,673,985	\$1,683,210	(\$990,775)	1,270
Electronics & Appliance Stores	443	\$1,170	\$6,226,753	\$1,542,665	(\$4,684,088)	3,346
Bldg Materials, Garden Equip. & Supply Stores	444	\$2,865	\$15,244,093	\$13,298,861	(\$1,945,232)	1,569
Bldg Material & Supplies Dealers	4441	\$2,660	\$14,152,137	\$12,831,730	(\$1,320,407)	825
Lawn & Garden Equip & Supply Stores	4442	\$205	\$1,091,956	\$467,131	(\$624,825)	744
Food & Beverage Stores	445	\$7,076	\$37,643,825	\$53,305,669	\$15,661,844	
Grocery Stores	4451	\$6,484	\$34,494,432	\$40,658,310	\$6,163,878	
Specialty Food Stores	4452	\$475	\$2,525,911	\$11,254,947	\$8,729,036	
Beer, Wine & Liquor Stores	4453	\$117	\$623,482	\$1,392,412	\$768,930	
Health & Personal Care Stores	446,4461	\$2,496	\$13,277,809	\$20,325,151	\$7,047,342	
Clothing & Clothing Accessories Stores	448	\$2,005	\$10,665,836	\$7,747,519	(\$954,184)	489
Clothing Stores	4481	\$1,197	\$6,368,620	\$5,977,868	(\$390,752)	355
Shoe Stores	4482	\$369	\$1,964,133	Insf. Data	Insf. Data	
Jewelry, Luggage & Leather Goods Stores	4483	\$439	\$2,333,083	\$1,769,651	(\$563,432)	134
Sporting Goods, Hobby, Book & Music Stores	451	\$2,156	\$11,471,804	\$1,618,162	(\$9,853,642)	10,774
Sporting Goods/Hobby/Musical Instr Stores	4511	\$2,010	\$10,693,369	\$1,500,646	(\$9,192,723)	10,214
Book, Periodical & Music Stores	4512	\$146	\$778,435	\$117,516	(\$660,919)	560
General Merchandise Stores	452	\$6,094	\$32,417,628	\$282,429	(\$5,577,305)	3,768
Department Stores Excluding Leased Depts.	4521	\$4,992	\$26,557,894	Insf. Data	Insf. Data	
Other General Merchandise Stores	4529	\$1,101	\$5,859,734	\$282,429	(\$5,577,305)	3,768
Miscellaneous Store Retailers	453	\$1,681	\$8,944,156	\$15,592,696	\$6,648,540	423
Florists	4531	\$91	\$486,122	\$2,986,692	\$2,500,570	
Office Supplies, Stationery & Gift Stores	4532	\$444	\$2,363,488	\$2,485,272	\$121,784	
Used Merchandise Stores	4533	\$308	\$1,639,074	\$6,070,952	\$4,431,878	
Other Miscellaneous Store Retailers	4539	\$837	\$4,455,472	\$4,049,780	(\$405,692)	423
Food Services & Drinking Places	722	\$4,229	\$22,496,516	\$34,178,292	\$11,681,776	78
Restaurants	7221	\$4,058	\$21,586,781	\$31,548,536	\$9,961,755	
Special Food Services	7223	\$103	\$546,656	\$2,391,779	\$1,845,123	
Drinking Places - Alcoholic Beverages	7224	\$68	\$363,079	\$237,977	(\$125,102)	78

Source: ESRI/STDB and RKG (2024)

RKG estimated the supportable retail SF demand by every 100 new households in the Town of Kennebunk (Figure 20). This totals nearly 8,000 SF ranging from 335 SF for electronics to nearly 1,400 SF for general merchandise. Although the retail spending demand for every 100 new households may not necessarily equate to a demand for newly built retail SF, it nonetheless represents potential consumer activity for existing merchants throughout Kennebunk.

Figure 20 – Estimated SF per 100/Households



PLACER.AI METRICS

RKG worked with data provided by Placer.ai, a private data vendor of proprietary software modeling, to gain insights into the visitor and consumer activity across four (4) specific areas of Kennebunk (Figure 21). The Placer.ai data offers analytics as to the number of visits, visitors, frequency, how long a consumer “dwells” (or stays in an area), as well as selected demographic profiles and a measure of where a consumer “goes next.” Unfortunately, the Placer.ai data *does not offer estimates of dollar expenditures*.

- **Downtown Kennebunk** – The actual number of visits exceeds only the Route 1 South corridor. However, the change in the number of visits has been very positive, but for the preceding year with a change of 1.4%.¹⁰ On average, visitors spend 139 minutes in Downtown Kennebunk with 36.8% staying more than 90 minutes. Approximately 61.9% of the visitors return home after their initial visit. The estimated hourly visits, after 5 PM (120,443 visits), are higher than either the Route 1 North or Route 1 South corridors, suggesting a broader diversification of venues and destinations for evening activities. Slightly more than 44.0% of the visitor frequency occurs over the Friday to Sunday time-period.
- **Lower Village** – The actual number of visits is just under 1.0M, the second highest relative to the Route 1 North corridor (which contains multiple venues and destinations for the “local” consumer). The average time spent in the Lower Village, at 145 minutes (with 39.2% staying more than 90 minutes) is slightly greater than Downtown Kennebunk. However, the average hourly visits after 5 PM at nearly 176,600 well exceeded that for Downtown Kennebunk at approximately 120,400. This suggests an even broader mix of venues in the Lower Village and/or potentially venues with longer evening hours.¹¹ However, the Year-over-Year change in the number of visits has declined over the last two years as compared with increases observed in Downtown Kennebunk. These recent Year-over-Year declines may reflect a higher tourism/seasonality component of the Lower Village activity, also noting that more than 55.0% of the visits are over the weekend period.

¹⁰ This would be consistent with RKG’s interviews with a sampling of downtown business, who indicated that the start of the current year has been slow and late compared with prior years.

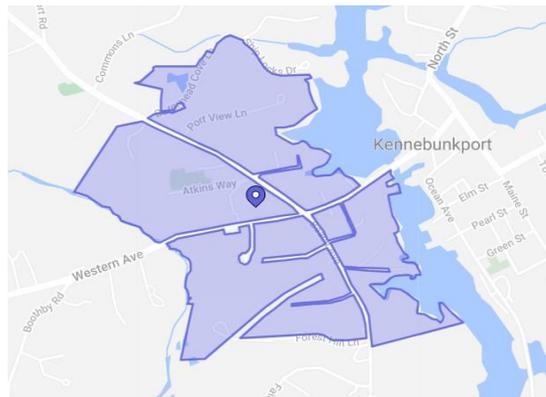
¹¹ This would be consistent with RKG’s in-field observations noting the many dining and drinking venues in the Lower Village.

Figure 21 – Placer.ai Study Area for the Town of Kennebunk, ME

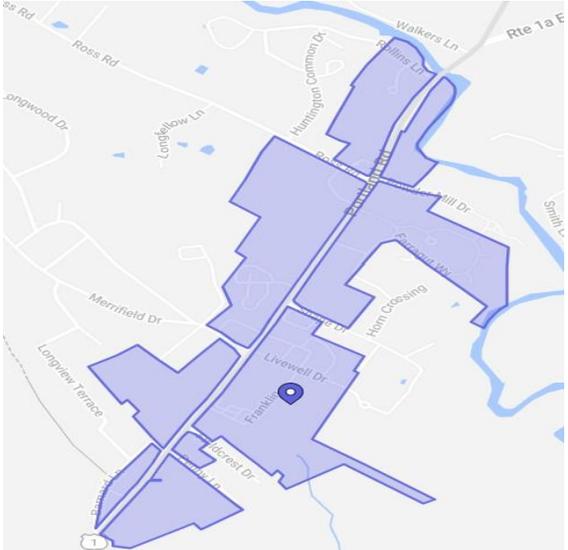
Downtown Kennebunk, ME



Lower Village, ME



Route 1 North Corridor



Route 1 South Corridor



Table 28 presents a comparative measure of selected metrics for each of the four (4) study areas, over the July 2023 to June 2024 time-period, noting the following:

- Route 1 North Corridor** – The number of annual visits to the Route 1 North corridor totals 1.1M, which is likely reflective of the numerous local shopping centers with a diversity of retail venues which would be frequented by a “local” consumer base, noting that more than 86.0% of the visits are from in-state. Year-over-Year visitor change has been positive, notably in the last period. However, the average dwell time, at 80 minutes, suggests “in-and-out” shopping activity, which is further reinforced in that two-thirds of the visitors are in the Route 1 North corridor for an hour or less with 65.0% returning home after their initial visit.
- Route 1 South Corridor** – There were nearly 349,000 visits in the last year, with almost 80.0% from in-state, but the number of visits represents a decline from the prior two (2) years.

Approximately 53.4% return home after their initial visit and the average hourly visits after 5 PM is the lowest at 45,871.

Table 28 – Comparative Placer.ai Metrics for Town of Kennebunk, ME Selected Study Areas

Selected Placer.ai Metrics - Town of Kennebunk, ME	Downtown Kennebunk	Lower Village	Route 1 North	Route 1 South
# of Visits (last 12 mos.)	692,600	965,272	1,105,291	348,584
% from Out-of-State	20.3%	57.1%	13.7%	21.8%
Δ Y-o-Y	1.4%	-6.3%	2.4%	-17.1%
Δ Y-o-2Y	16.9%	-7.2%	4.5%	-13.6%
Δ Y-o-3Y	74.1%	8.8%	24.9%	9.8%
# of Visitors (last 12 mos.)	143,800	378,400	189,800	84,200
Estimated Visit Frequency	4.82	2.55	5.83	4.14
Average Dwell Time (minutes)	139	145	80	157
less than 30 minutes	20.6%	16.1%	40.5%	26.7%
30 minutes to 60 minutes	23.4%	23.7%	25.8%	24.5%
60 minutes to 90 minutes	19.2%	21.1%	15.7%	15.5%
90 minutes to 150 minutes	14.8%	17.7%	9.6%	12.5%
more then 150 minutes	22.0%	21.5%	8.4%	20.9%
% returning Home after Initial Visit	61.9%	41.0%	65.0%	53.4%
Average Hourly Visits > 5 PM	120,443	176,557	80,300	45,871
Weekend Visits (last 12 mos.)				
Friday	108,400	167,000	184,400	55,200
Saturday	125,000	217,900	147,800	63,900
Sunday	71,900	149,600	115,500	34,100
subtotal	305,300	534,500	447,700	153,200
as a % of ALL Visits	44.1%	55.4%	40.5%	43.9%

Source: Placer.ai and RKG (2024)

Regarding the Year-over-Year change in visitors, and the state of origin of those visitors, both the Lower Village and the Route 1 South corridor experienced a decline in the last time period (Table 29). For the Lower Village, there was a general decline from many places of origin, as led by Massachusetts and Maine. Declines in the Route 1 South corridor were primarily from Maine.

Table 29 – Change in Place of Origin of Visitors – by Selected Study Areas

Selected Placer.ai Metrics - Town of Kennebunk, ME	Downtown Kennebunk	Lower Village	Route 1 North	Route 1 South
Visitor Place of Origin				
This Year	692,600	965,272	1,105,291	348,584
Maine	552,000	414,261	954,373	272,513
Massachusetts	43,560	174,258	47,743	27,485
New Hampshire	25,122	58,644	32,127	10,001
Connecticut	9,112	35,729	8,714	4,591
New Jersey	3,896	22,557	4,054	2,738
New York	8,070	48,040	9,523	6,637
Florida	6,090	21,004	6,764	2,847
ALL Other	44,750	190,779	41,993	21,772
Change from Last Year	9,696	(60,843)	26,003	(59,483)
Maine	16,696	(23,768)	50,150	(48,302)
Massachusetts	(1,144)	(33,508)	(14,067)	(710)
New Hampshire	(7,808)	(1,924)	1,171	(2,005)
Connecticut	1,342	(4,664)	914	80
New Jersey	(525)	(711)	(618)	858
New York	(937)	(10,097)	(1,787)	(4,382)
Florida	(638)	(3,404)	(5,513)	(1,093)
ALL Other	2,710	17,233	(4,247)	(3,929)
Percent Δ from Last Year	1.4%	-6.3%	2.4%	-17.1%
Maine	3.0%	-5.7%	5.3%	-17.7%
Massachusetts	-2.6%	-19.2%	-29.5%	-2.6%
New Hampshire	-31.1%	-3.3%	3.6%	-20.0%
Connecticut	14.7%	-13.1%	10.5%	1.7%
New Jersey	-13.5%	-3.2%	-15.2%	31.3%
New York	-11.6%	-21.0%	-18.8%	-66.0%
Florida	-10.5%	-16.2%	-81.5%	-38.4%
ALL Other	6.1%	9.0%	-10.1%	-18.0%

Source: Placer.ai and RKG (2024)

Implications

The Downtown Village has a high percentage of visits from in-state, a relative strong “dwell” time and more than 120,000 visits per hour, on average, after 5 PM, surpassed only by the Lower Village at slightly more than 176,500. This suggests the capacity for an increased diversification of Downtown Kennebunk as attractive to an evening consumer base. Further, a broader diversification of uses (options) in the Downtown Kennebunk, akin to the Lower Village, may serve to increase the percentage of out-of-state visitors, as well as possibly increasing the average length of stay.

For both the Route 1 corridors, in-state visitors account for more than 80.0% of all visitors, also not surprising given the mix of retail and other local serving uses such as a grocery, pharmacy and uses as may be considered as a part of neighborhood and/or convenience shopping centers. The increase of in-state visitors to the Route 1 North corridor increased by 5.3% Year-over-Year, for the Route 1 South corridor, it declined by 17.7%. Possibly indicating, for the latter, that in-state visitors are meeting their shopping needs elsewhere and possibly outside of Kennebunk all together.

RKG next reviewed the top ten Kennebunk destinations of all visitors for each study area, after their initial visit to that study area (Table 30). These post-visit destinations, irrespective of study area origin, include a commonality across several destinations such as Hannaford, CVS Pharmacy, dining/drinking venues and service venues. Although it is difficult to extract specific visitor reasoning for each of these post-visit destinations, it is notable that these common destinations represent a core of desirable or favored locations.

Table 29 – Top 10 Post (Initial) Visit Destinations in Kennebunk, ME

Top 10 Post Visit - Kennebunk Destinations	
<p>Downtown Kennebunk</p> <p>Hannaford McDonald's CVS Pharmacy Dunkin' Donuts Mother's Beach Sebago Brewing Company Morning in Paris Main Street Barber Shop Industry Framing Gooch's Beach</p>	<p>Lower Village</p> <p>Hannaford White Barn Inn The Clam Shack Mother's Beach The Nonantum Resort Gooch's Beach The Grand Hotel CVS Pharmacy Ryan's Corner Irish Pub Mornings in Paris</p>
<p>Route 1 North Corridor</p> <p>Hannaford Quest Fitness Mother's Beach Parsons Field Dairy Queen Shoppers Village Garden Street Bowl CrossFit Shell Gas Main Street Barber Shop</p>	<p>Route 1 South Corridor</p> <p>Hannaford Outa The Box New Morning Natural Food Best Nails McDonald's Dunkin' Donuts Shell Gas Garden Street Bowl CVS Pharmacy Squaretoes</p>

Source: Placer.ai and RKG (2024)

Note - some post-destinations may be in the designated study area. If so, this is a reporting limitation of the data as provided..

PEDESTRIAN FLOW “HEAT MAPS”

Placer.ai offers a “heat map” distribution of the pedestrian flow activity throughout each of the four (4) study areas. These “heat maps” depict where pedestrian activity is most concentrated to where it is less concentrated.

Figure 22 – Pedestrian Activity “Heat Map” for the Downtown Kennebunk Study Area

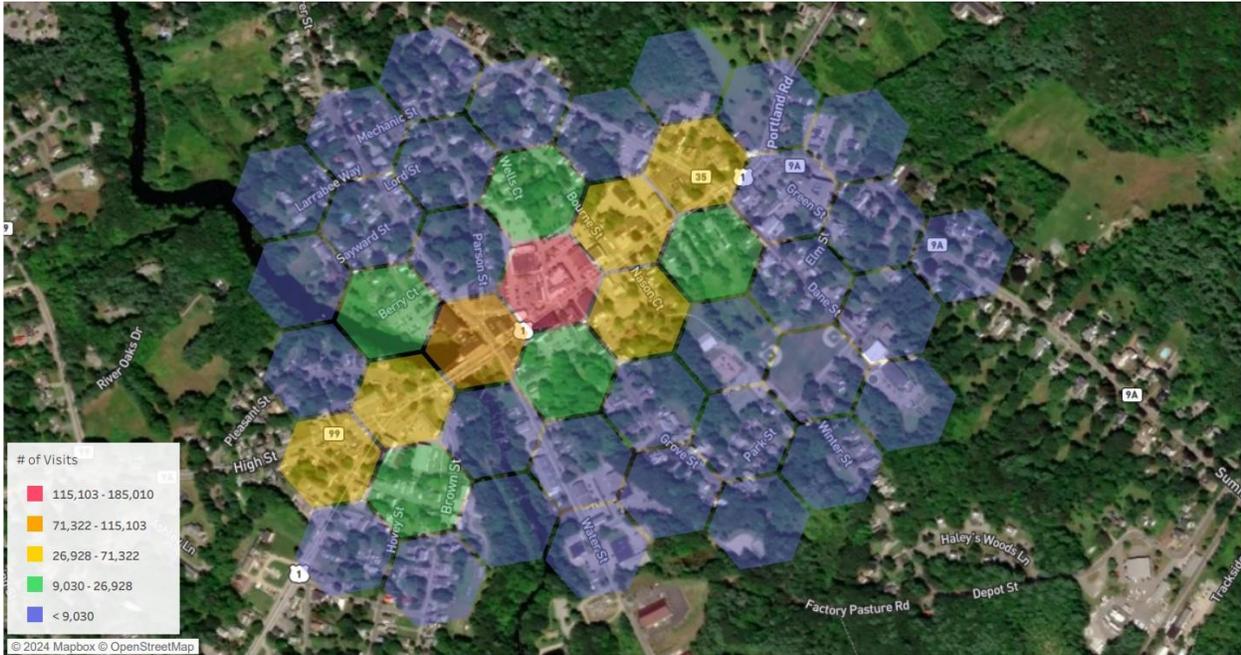


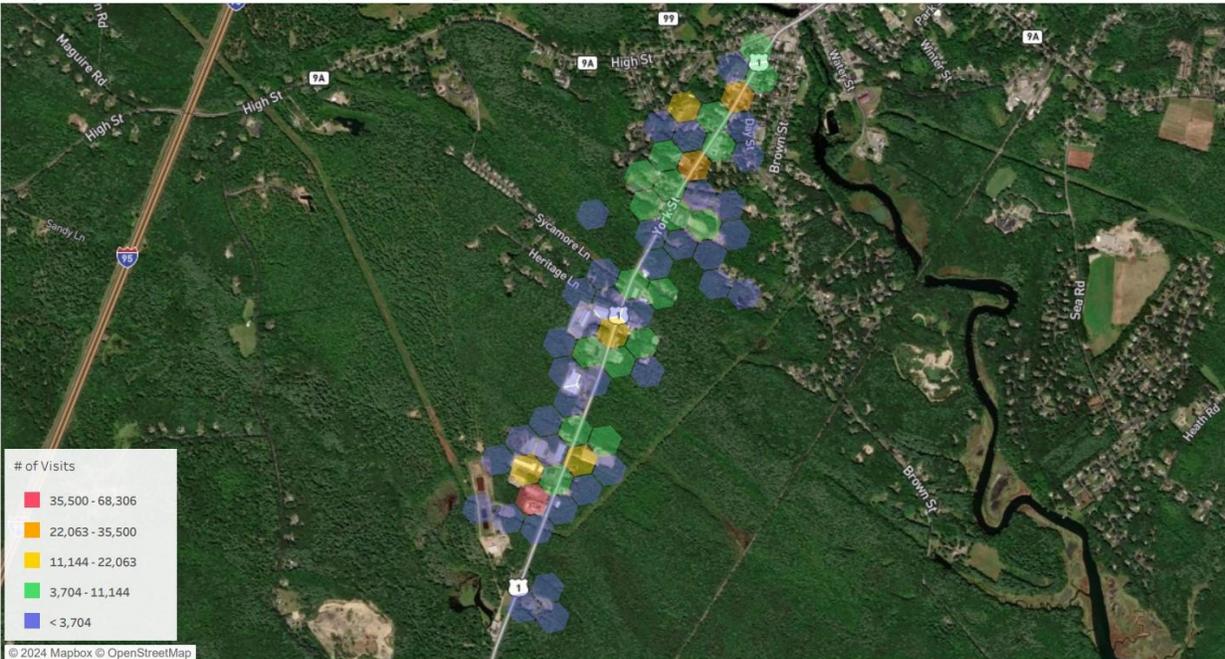
Figure 23 – Pedestrian Activity “Heat Map” for the Lower Village Study Area



Figure 24 – Pedestrian Activity “Heat Map” for the Route 1 North Study Area



Figure 25 – Pedestrian Activity “Heat Map” for the Route 1 South Study Area



FREQUENTED RESTAURANTS

Placer.ai offers a summary of frequented restaurants, by each of the four (4) study areas as displayed in Table 30. Over the last 12 months, those who visited each of the four (4) study areas also visited assorted restaurants, both in Kennebunk and in neighboring communities. For the Lower Village, approximately 47.1% of all visitors were from out-of-state. Their most frequent restaurant visits included a mix of eateries more central to Kennebunk. For Downtown Kennebunk, 20.3% of all visitors were from out-of-state, considering the more local (Maine) visitor base, their frequented restaurants included several chain establishments in neighboring towns. The same holds true for both the Route 1 North corridor and the Route 1 South corridor, where out-of-state visitors were 10.2% and 18.2%, respectively.

Table 30 – Frequented Restaurant Visit Activity by Study Area – Town of Kennebunk, ME

Frequented Restaurant Visitors - Town of Kennebunk, ME	Downtown Kennebunk	Lower Village	Route 1 North	Route 1 South
The Clam Shack		6,400		
Mornings in Paris		3,200		
Pedro's Mexican Restaurant		2,600		
Mabels Lobster Claw		2,200		
Arundel Wharf		1,600		
Federal Jack's		6,200		
Kobe Japanese Grill	20,900		17,100	6,400
Applebee's	36,700		20,500	12,900
Longhorn Steakhouse	16,600		15,700	7,100
Texas Roadhouse	15,900			
Dunkin' Donuts			21,500	
McDonald's			15,700	
Panera Bread				6,000
Total these Restaurants	90,100	22,200	90,500	32,400

Source: Placer.ai and RKG (2024)

Implications

RKG is not necessarily advocating chain restaurants in the Town of Kennebunk, but there is a propensity among area visitors to frequent such establishments. This may suggest some preference for the cuisine offered at these restaurants and/or their price points. To the extent that there is any desire to capture these customers, at a Kennebunk venue, some consideration may be given to a chain restaurant option/facility in the community, such as along either Route 1 corridor, somewhat removed from the core Downtown Kennebunk and Lower Village areas.

3. REAL ESTATE CONDITIONS

INTRODUCTION AND PURPOSE

This section discusses summary trends in the residential real estate market, including short-term rentals, in the Town of Kennebunk. Additionally, summaries of discussions with area real estate professionals, active in and knowledgeable of the Kennebunk market, are offered. This is then followed by an analysis of projected countywide employment change (2024-to-2034) by selected NAICS sectors which are then utilized to develop estimates of projected SF demand for those sectors.

This SF demand analysis then becomes a baseline of potential development demands, by type of use, for the Town of Kennebunk provided it can garner a larger share of projected countywide employment growth and have the physical capacities (available land parcels and/or a re-positioning of existing uses) to accommodate such demand.

RESIDENTIAL

This section presents an overview of residential sales throughout the Town of Kennebunk (last 3-years), current and active residential listings (as of May 2024) and a summary of RKG's outreach to professional real estate brokers, active in and knowledgeable of the Town of Kennebunk market.

TRENDS IN SALES

According to information provided via Maine MLS listings (Table 31), the average monthly listings in the May 2017/April 2018 time period was 90 declining to 27 in the May 2023/April 2024 time period. Sales declined from 22 per month to 19 per month but remained steady throughout the overall period, with monthly sales averaging 37.4% of monthly listings.

Over the same time-period, the average asking list price was \$756,256 but increased by more than \$387,300 (a 68.9% increase) and was just under \$950,000 (May 2023/April 2024).

The average asking list price of units sold was \$551,494 over the entire time-period with an average actual sales price of \$546,936 or 99.3% of the asking price. The selling price exceeded the asking price in two (2) of the time periods. More noteworthy is over the period, the average asking price for units sold increased by nearly \$460,700 and the average sales price of units sold increased by nearly \$467,800.

Implications

On a monthly basis, active listings declined by 70.1% while actual sales declined by 15.2% but remained steady in the low to mid-20 range. The average asking prices for all listings, the average asking list price for units sold and the average actual sales price for units sold well exceed the estimated CPI inflation, of 28.1%, over the period measured. Increases were dramatic for the latter two (2) in the May2023/April 2024 time-period, at more than \$200,000 for each, possibly indicating affordability constraints for new homebuyers moving forward.

Table 31 – Comparative Residential Sales in the Town of Kennebunk, ME

Average Monthly Residential Activity - Kennebunk, ME	Avg Listings	Avg Sales	as % of Listings	Avg List \$	Avg Sold List \$	Avg Sold \$	as % of List \$
May 2017 - April 2018	90	22	24.5%	\$562,389	\$387,636	\$377,743	97.4%
May 2018 - April 2019	101	21	21.0%	\$540,132	\$387,939	\$378,735	97.6%
May 2019 - April 2020	79	23	29.2%	\$676,331	\$491,299	\$475,228	96.7%
May 2020 - April 2021	50	25	49.8%	\$827,157	\$513,300	\$509,739	99.3%
May 2021 - April 2022	35	25	73.1%	\$777,979	\$612,157	\$614,255	100.3%
May 2022 - April 2023	35	20	58.5%	\$960,100	\$619,809	\$627,353	101.2%
May 2023 - April 2024	27	19	69.5%	\$949,705	\$848,319	\$845,500	99.7%
Annual Monthly Average	59	22	37.3%	\$756,256	\$551,494	\$546,936	99.2%
% Δ from Year 1	-70.1%	-15.2%	<i>na</i>	68.9%	118.8%	123.8%	<i>na</i>

Source: Maine MLS Data and RKG (2024)

Note - CPI inflation May 2017 to April 2024 28.1%

OUT-OF-STATE RESIDENTIAL SALES TRENDS

RKG collected information from the Assessor database, as provided by the Town of Kennebunk, for trends (2015-to-2020) in residential sales to out-of-state owners (Table 32). Over this period there were 634 sales to out-of-state owners, averaging 79 sales on an annual basis.

However, annual sales increased sharply from 2020, exceeding 100 units. The average size of the units sold was 2,119 SF, but this declined by 12.8% over the period, from 2,248 SF in 2015 to 1,960 SF in 2022. This may reflect a preference for purchasing residential condominiums, as the time-period progressed.

Despite this move to smaller (SF) units, the estimated average selling price increased by 49.3% (*not inflation-adjusted*) from \$551,033 in 2015 to \$822,686 in 2022)¹², and averaging \$666,155 over the time-period with sharp increases observed since 2020, averaging \$792,268 per unit in the latter three (3) years.

¹² This price point is generally consistent with the current market average as reported to RKG from discussions with area real estate professionals.

Table 32 – Trends in Residential Sales to Out-of-State Owners

Residential Sales to Out-of-State Owners - Kennebunk, ME	2015	2016	2017	2018	2019	2020	2021	2022	Annual Average
Count of Sales	48	65	48	73	75	101	107	117	79
Total Acreage	52.6	75.6	45.2	69.6	60.7	110.0	95.2	116.7	78.2
Total Parcel Valuation	\$33,392,300	\$48,507,600	\$32,903,300	\$42,533,700	\$45,619,500	\$62,380,900	\$59,381,700	\$57,044,200	\$47,720,400
Average Valuation/Unit	\$695,673	\$746,271	\$685,485	\$582,653	\$608,260	\$617,633	\$554,969	\$487,557	\$622,313
Building Gross SF	203,465	288,560	194,330	272,114	305,437	394,963	406,190	448,425	314,186
Valuation per Gross SF	\$164.12	\$168.10	\$169.32	\$156.31	\$149.36	\$157.94	\$146.19	\$127.21	\$151.89
Living Area SF	107,912	177,173	98,676	143,236	155,360	197,676	210,804	229,308	165,018
Valuation per Living Area SF	\$309.44	\$273.79	\$333.45	\$296.95	\$293.64	\$315.57	\$281.69	\$248.77	\$289.18
Average/Unit Living Area SF	2,248	2,726	2,056	1,962	2,071	1,957	1,970	1,960	2,119
Estimated Average Sale \$	\$551,033	\$665,072	\$567,236	\$557,345	\$611,753	\$708,434	\$845,684	\$822,686	\$666,155

Source: Town of Kennebunk, ME and RKG (2024)

Note - excludes mobile homes

RKG compared trends for the 2017 through 2022 time-period (Figure 26), comparing the estimated per unit selling price for homes purchased by out-of-state buyers against all buyers in the Town of Kennebunk. In 2017, the purchase price for out-of-state buyers exceeded all buyers by approximately 50.0%.

Although this declined to 31.0% in 2022, the actual dollar differential remains at slightly more than \$195,000 in 2022 and averaged a little more than \$188,000 over the time-period.

Figure 26 – Trends in Purchase Price for Out-of-State vs All Buyers



In RKG’s opinion, this differential may partially reflect the purchase of newer units from out-of-state buyers but is likely just as influenced by locational attributes for the units purchased by out-of-state buyers.

ACTIVE LISTINGS

RKG referenced redfin for a review of current and active residential listings in the Town of Kennebunk (as of May 2024, which are summarized in Table 33), noting the following:

- There are currently 39 residential listings¹³ in the Town, predominantly for single-family residential (71.8% of the listings).
- The aggregate asking price for these listings is nearly \$49.55M, led by an average asking price per single-family residential at \$1.61M or approximately \$525/SF.
- For all residential listings, the average days-on-market (DOM) is 53 days, although heavily influenced by one (1) townhome property. Excluding this property the average DOM is approximately 24 days, with single-family residential averaging 37 days.

Table 33 – Active Residential Listings in the Town of Kennebunk, ME

Town of Kennebunk, ME - Active Residential Listings	Count	Total Asking Price	Avg SF	Avg Asking \$/SF	Avg Acreage	Avg BR	Avg Baths	Avg DOM
Single Family Residential	28	\$45,102,500	3,067	\$525.20	1.46	4.1	3.3	37
Townhomes	1	\$564,950	1,203	\$469.62	1.00	3.0	2.0	170
Condominiums	5	\$2,996,000	510	\$1,174.90	0.85	2.2	2.0	18
Multi-Family (2-4 units)	1	\$649,900	3,602	\$180.43	0.51	na	na	27
Mobile Homes	4	\$232,800	608	\$95.72	na	1.2	1.1	12
TOTAL	39	\$49,546,150	2,453	\$517.92	0.95	2.6	2.1	53

Source: redfin and RKG (2024)

Note - listings current as of May 2024

Note - there are four (4) residential land parcels, averaging 3.7-acres, with an average asking price of \$92,075/acre

BROKER OUTREACH

The following summarizes RKG’s discussions with area real estate professionals, active in and knowledgeable of the Town of Kennebunk real estate market(s).

RESIDENTIAL OUTRACH

Andrews/Milligan - The representative indicated that the inventory of listings has been low since January of 2024, while the average is 100 listings, as of the date of this interview it was reported to be 41 listings. Of the 41 listings, 30 are current and 11 are under contract. The 30 current listings include 25 single-family residential units, four (4) condominiums and one (1) mobile home.

The lowest priced condominium is \$422,000 for a two (2) bedroom, two (2) bath unit of 925 SF (or approximately \$456/SF). The mobile home asking price is \$48,000. Single-family residential units range from \$799,000 to as much as \$3.9M, all depending on size (SF) and location. Recent trends indicate that bids are coming in above the asking price.

There is a limited inventory of rental apartments and apartments are generally configured at 10 units or less, as opposed to what may be considered as an apartment complex. The inventory of affordable housing was also reported to be low.

¹³ This excludes four (4) residential land parcels.

Smith and Company Realty – The market had been slow, but it is now “regular-to-busy,” as are the historic trends come the Spring and Summer months. The representative indicated eight (8) listings with some active and others under contract. Selling prices vary from a unit priced at \$600,000 to a beach house at \$2.4M. Properties priced to sell move rather quickly and it is difficult to estimate any average days-on-market (DOM). Bids often come in above the asking price, also noting a limited inventory of new to the market housing. The availability of year-round rentals and affordable housing is nominal. The representative stated that the current buyers tend to be slightly weighted to the out-of-state owner looking for seasonal opportunities.

Wildwood at Terrace Green – This is an under-construction development of 39 single-family units, with lots ranging from 0.27-acres to 0.39-acres. Reportedly two (2) units are under construction with an anticipated target date of late 2024 for completion. Units will have a standard interior floor plan, offering perhaps six (6) variations for appearance. The units are to range in size from 1,600 SF to 2,000 SF and anticipated pricing starts in the \$850,000 range, inclusive of the land acquisition. Buyers may opt for upgrades and add-ons. According to the representative there is no target demographic for this development.

Millstone Farms – This is an eight (8) lot residential subdivision near Kennebunk Elementary School. The representative indicated that all the lots have sold and two (2) are developed. Single-family development in this subdivision is build-to-suit and the timing of full build-out is a matter of the owner’s timetable. Pricing varies, but a typical range for a lot and residence is in the range of \$900,000 to \$1.3M. All lots are on private septic.

COMMERCIAL OUTREACH

Investcomm Commercial Group – The representative stated that typical retail leases, including the downtown district, may average \$14/SF to \$16/SF as a triple net (NNN). Vacancies are negligible downtown, and that stated, consumer and shoppers goods retail is a difficult position for the downtown, considering the nature of the built environment. Destination specialty retail and dining/drinking establishments represent the general retail component in the downtown area and if sites were available and/or could be expanded. Nonetheless, the downtown environment is primarily an office and professional services composition. The representative noted that additional such uses in the downtown while not necessarily driving consumer activity could further strengthen the overall composition and represent some level of spending capacity through their employment base and clientele.

Porta and Company – The representative indicated that commercial vacancies were nominal overall, inclusive of the core downtown properties. As vacancies occur downtown, they are quickly re-tenanted, with many operators being owner end-users. Opportunities for new retail development downtown are hampered by a lack of buildable space and/or parcels. New retail development opportunities outside of downtown were also considered somewhat problematic.

Downing Real Estate Agency – Vacancies in the industrial and manufacturing sectors tend to re-lease quicker than in the retail and office sectors, which may reflect the overall comparative inventories for each, i.e., limited choices equate to a quicker re-leasing. The representative indicated that for properties they represent, lease terms are generally more reflective of a monthly fee, as varies by size

and amenities, and as opposed to a more traditional triple net (NNN) lease for commercial space. These monthly rates vary from \$500/month to as much as \$1,500/month. Tenants are typically in-town or in-area residents, followed by tenants from elsewhere in Maine. Downtown Kennebunk, with its Main Street appeal and development pattern, is somewhat unique in the region. Perhaps 30 years ago there was a good clustering of consumer retail venues (including an IGA grocery), but over time the residential components converted to small office and professional uses, as retail developed around and outside of the downtown. As a result, the downtown core is much more focused on service operations, some boutique shopping and dining/drinking establishments.

SHORT TERM RENTALS

In consideration of the tourism and seasonal component of the Town of Kennebunk economy, RKG reference AirDNA, a private sector vendor of short-term rental markets, offering such information as listings, occupancy rates, and associated measures. For this analysis, the period reviewed ran from April 2021 to April 2024. A location map of AirDNA listings, comprising the following summary metrics, is depicted in Figure 28.

Listing and Occupancy – As presented in Figure 28, over the 36-month period, Kennebunk averaged 181 listings per month. The number of listings typically peaked in the June through October period and typically bottomed out in the February/March period, both coincidental with average occupancy rates. For the first two years¹⁴, listings averaged 175± per month, but in the most recent year they averaged 197 per month. Average monthly occupancy rates declined from 63.1% to 58.1% to 52.8%.

Figure 28 – AirDNA Listings Map

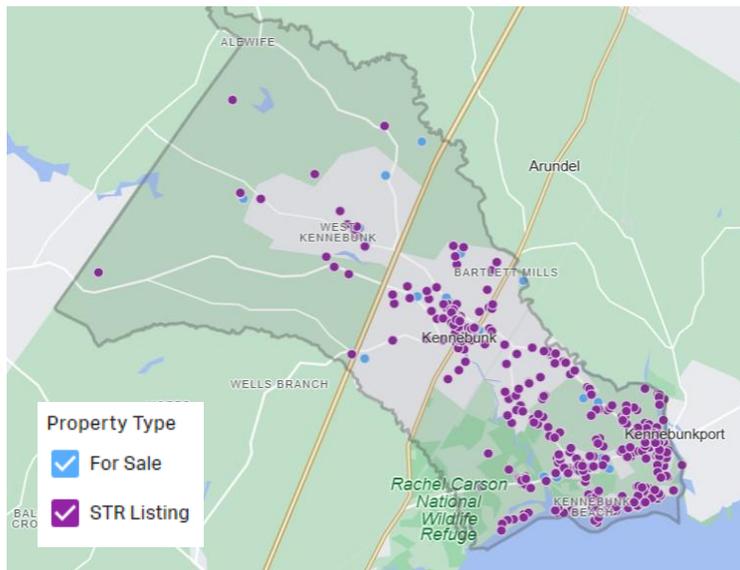
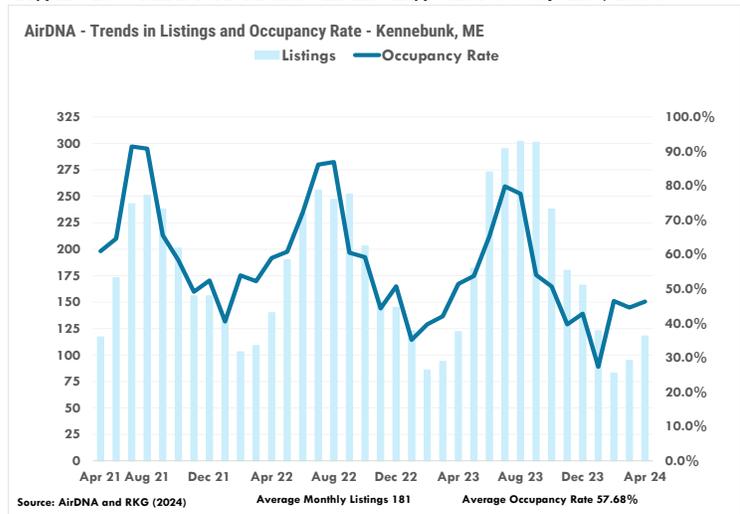


Figure 28 – AirDNA Trends in Listings and Occupancy Rates



¹⁴ In this analysis a year is measured as the April through March time period.

The June through August time-period represents peak occupancy for the STR market, however this has declined from 86.9% in the 2021 time-period to 74.2% in the 2023 time-period.

Monthly Revenue – Average monthly revenues varied throughout the course of a year, typically exceeding \$10,000 in July/August (Figure 29). Year-over-Year comparisons went from \$6,189 to \$6,449 to \$5,954, and overall averaged \$6,308. The decline in the last year partially reflects the declining occupancy rate.

Daily Rate and RevPAR– Over the 36-month period the average daily rate (the asking rate per listing night) was \$451.16 and the average RevPAR (revenues from occupancy) was \$266.48 (Figure 30).

Year-over-Year comparisons for the average daily rate went from \$402 to \$454 to \$463, and for RevPAR from \$282 to \$270 to \$252.

Implications

In the most recent 12-month period, the average monthly listings have increased, the average monthly occupancy has declined, and the average monthly revenues have declined, the average daily rate has increased, and the average RevPAR has declined.

This suggests that the increased availability of short-term rentals may have outpaced demand, as reflected by lower revenue, occupancy rates and resulting RevPAR, despite an increase in average asking daily rates.

Figure 29 – AirDNA Trends in Monthly Revenue and Occupancy Rates

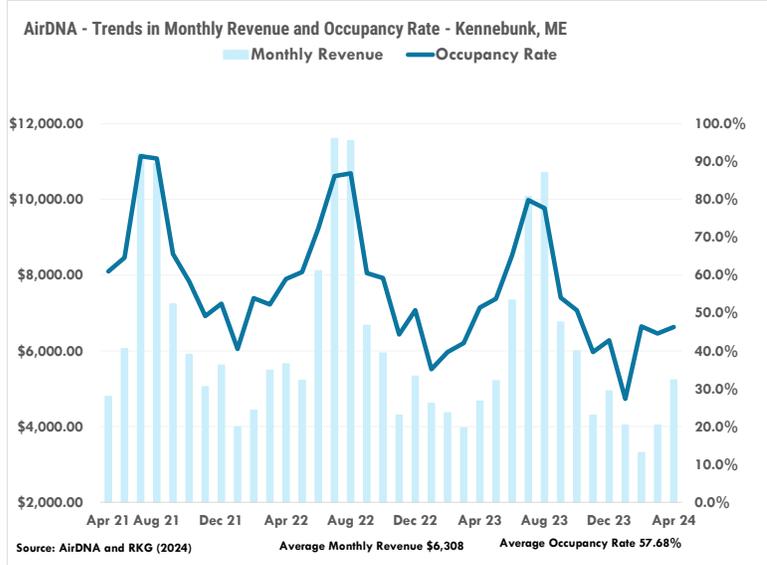
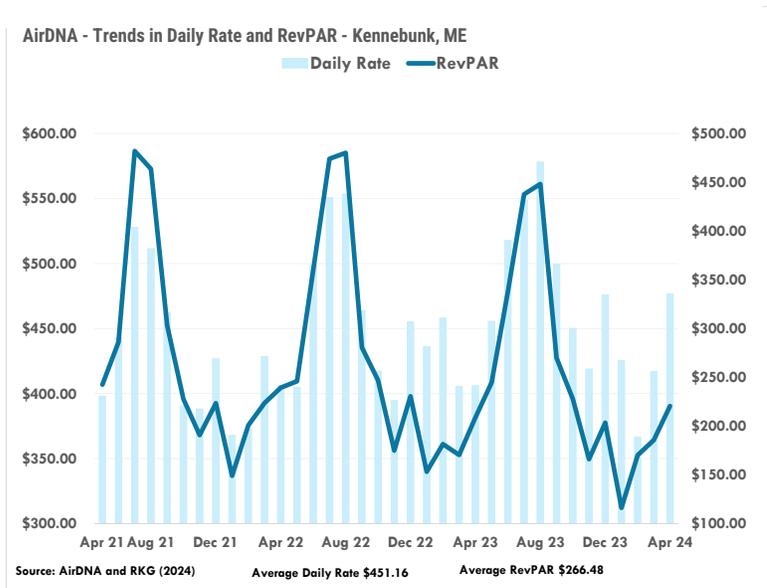


Figure 30 – AirDNA Trends in Daily Rate and RevPAR



HOSPITALITY SECTOR

Further considering the tourism and seasonality component to the Kennebunk economy, RKG reviewed selected summary metrics, as offered by CoStar, specifically for the hospitality sector (hotel/motel) as presented in Table 34, noting the following:

- Both the inventory of hospitality properties and the number of keys (hotel rooms) has been mostly stable from May 2018 through April 2024. This also applies to the average number of keys per property.
- Over the six-year period, the average daily asking rate (ADR) was approximately \$129/room night, peaking at \$162/room night in the most recent period (May 2023 to April 2024).
- The ADR low point, at \$103/room night, was in May 2020 to April 2021, when the occupancy rate was also at its low point of 42.4%.
- The six-year average occupancy is estimated at 55.8%, which is well below the typical industry standard of 65.0%, which is considered as indicative of the market’s capacity for additional inventory.
- Considering the ADR and the occupancy rates, at no point in the six-year period did actual RevPAR (revenue from occupied rooms) exceed \$100/room night, although the trend for the latter two (2) years exceeds \$90/room night.

Table 34 – Selected Hospitality Sector Trends

Kennebunk, ME - Hospitality Sector Trends	Avg Key Count	Avg # Properties	Avg Keys/Property	Avg ADR	Avg Occupancy	Avg RevPAR
May 2018 - April 2019	450	13	35	\$113.66	56.3%	\$63.95
May 2019 - April 2020	451	13	35	\$116.42	55.0%	\$63.97
May 2020 - April 2021	451	13	35	\$103.42	42.4%	\$43.82
May 2021 - April 2022	451	13	35	\$127.16	55.5%	\$70.58
May 2022 - April 2023	465	14	34	\$154.34	62.4%	\$96.26
May 2023 - April 2024	467	14	33	\$161.51	58.6%	\$94.66
Six-Year Averages	456	13	34	\$129.42	55.8%	\$72.21

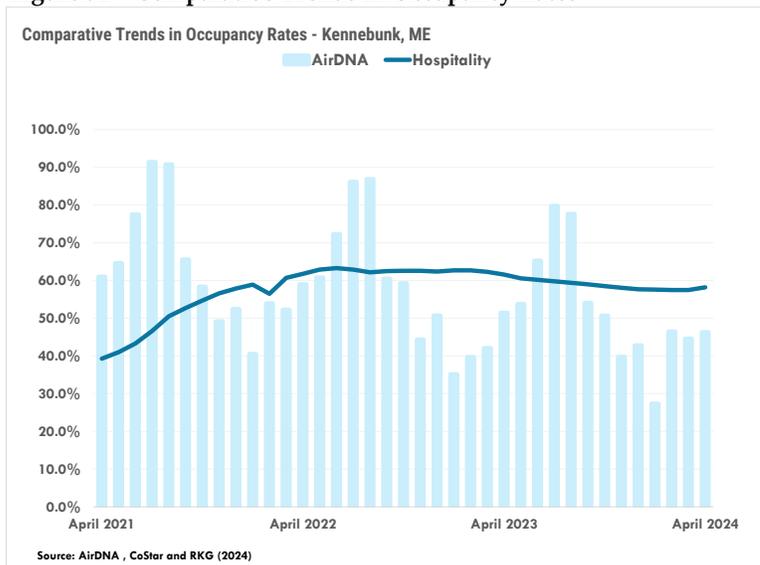
Source: CoStar and RKG (2024)

As presented in Figure 31, over the April 2021 through April 2024 time-period, the average monthly occupancy rates for AirDNA offerings well exceed those for the more traditional hospitality sector throughout most of 2021.

The AirDNA occupancy rate fell somewhat below the hospitality sector in the February 2022 to April 2022 time-period, and again from September of 2022 through May of 2022, and consistently since September of 2023.

Overall occupancy, although fluctuating monthly for the

Figure 31 – Comparative Trends in Occupancy Rates

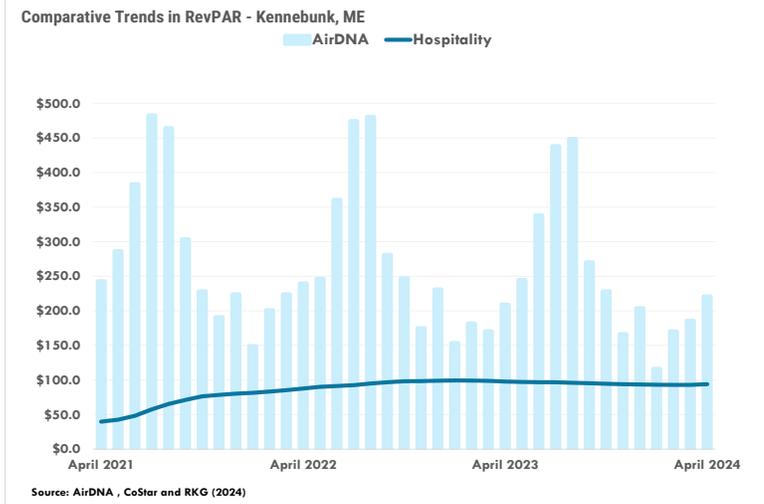


hospitality sector, was typically at a steady rate. The monthly seasonality for AirDNA occupancy rates were much more pronounced. That stated, for the entire period the overall occupancy rates were very similar.

Despite the variations in monthly occupancy rates, the typical monthly RevPAR was much greater for the AirDNA sector relative to the more traditional hospitality sector (refer to Figure 32).

At no point over the time-period measured did the hospitality sector RevPAR exceed \$100/room night. Conversely, the AirDNA RevPAR rarely fell below \$150/room night. Over the entire period the average AirDNA RevPAR was \$266, well exceeding the average for the hospitality sector at \$72.

Figure 32 – Comparative Trends in RevPAR



PROJECTED EMPLOYMENT AND SPACE (SF) NEEDS

RKG reviewed employment projections, for York County, for the 2024-to-2034 time-period. This analysis was conducted for the 3-digit NAICS sector, allowing for a more refined distinction of growth (or loss) within a broader 2-digit sector. Table 35 presents this analysis for all selected 3-digit NAICS sectors (which have been previously summarized in Table 2).

As shown in Table 35, the net employment growth for the selected sectors is 303 positions, resulting in an estimated net demand for 10,260 SF. However, if just those growth sectors are considered, employment growth is projected at 1,527 positions with a resulting demand of 278,760 SF. In terms of the distribution of the estimated SF demand, the following are offered:

- **Office Use** – Includes such sectors as insurance, realtors, professional services, management services and administrative services = **165,260 SF** and **59.3%** of the demand.
- **Medical Use** – Includes ambulatory care services = **58,800 SF** and **21.1%** of the demand.
- **Construction and Contractor Use** – Includes heavy construction and specialty trade contractors = **20,700 SF** and **7.4%** of the demand.
- **Retail Use** – Includes general merchandise, specialty retailers, health/Rx, and building/hardware = **19,800 SF** and **7.1%** of the demand.¹⁵

¹⁵ **Note** – as previously presented in **Table 27**, RKG estimates the slightly higher potential of 23,521 SF from a re-capture of sales leakage.

- **Personal Services** – Includes personal and laundry services and a variety of civic services = 10,600 SF and 3.8% of the demand.
- **Arts and Entertainment** - Includes performing arts, museum, and amusements = 3,600 SF and 1.3% of the demand.

Industrial Use Sectors – In terms of the manufacturing, wholesale trade and transportation/warehousing sectors, RKG notes that at the 2-digit NAICS level, and for the Portland MSA, all three (3) industrial use sectors are projected to realize a decline in employment over the 2024-to-2034 time-period.

- Nonetheless, particularly in the manufacturing sector, the LQ ratios for the Town relative to the MSA are generally strong, at 2.10 in 2012 and declining to 1.18 in 2024.
- As previously depicted (Figure 17), the manufacturing sector is a strong component of the Town economy. Considering this, and the overall LQ ratio(s), development opportunities for this sector, given land/parcel availability, should be considered as they may arise in RKG's opinion.
- As also shown (Figure 17), the wholesale trade sector is in the weak and declining quadrant of the LQ metrics. The 2012 and 2024 LQ ratios are stable at 0.50± and as a result development opportunities further considering employment decline) may be of a lesser impact.
- Townwide employment in the transportation/warehousing sector is (and is projected) to be nominal. Similarly, countywide employment in this sector is projected to decline over the 2024-to-2034 time-period. Considering these factors, and the likely requirements of large land assemblages for such development, opportunities in this sector may also have a lesser impact.

However, that stated, RKG considers that what opportunities may exist for additional industrial-use type space exist, should be further explored. Part of the reasoning for this is that the Town of Kennebunk is well served by transportation and access to major arterials. This is an important factor in the location decision process for such uses. For example, as in RKG's scoring matrix for potential land use development (refer to Table 41), where access to Interstate 95. For the industrial scoring, this receives the highest ranking of five (5). RKG also notes the access to Interstate 95 further serves the Town of Kennebunk well by providing easy access to the community for existing employees, residents and the seasonal/tourism population.

Table 35 – Projected York County Employment (2024-2034) and SF Space Demands – Selected 3-digit NAICS Sectors

York County, ME - Private Sector Employment Trends by NAICS Sectors		Projections				Avg SF / EMP	Δ EMP 2024 2034	SF DEMAND
		2024	2034	#Δ	%Δ		Total Δ 303	Total Δ 10,260
							Positive Δ 1,527	Positive Δ 278,760
NAICS	Industry Sectors	77,442	78,914	1,472	1.9%			
	TOTAL							
236	Construction of Buildings	1,078	1,021	-57	-5.3%	150	-57	(8,550)
237	Heavy and Civil Engineering Construction	395	448	53	13.4%	150	53	7,950
238	Specialty Trade Contractors	2,705	2,790	85	3.1%	150	85	12,750
444	Building Material and Garden Equipment and Supplies Dealers	985	994	9	0.9%	200	9	1,800
445	Food and Beverage Stores	2,738	2,542	-196	-7.2%	200	-196	(39,200)
449	Furniture, Home Furnishings, Electronics, and Appliance Retailers	243	193	-51	-21.0%	200	-51	(10,200)
455	General Merchandise Retailers	1,296	1,309	13	1.0%	200	13	2,600
456	Health and Personal Care Retailers	442	485	43	9.7%	200	43	8,600
458	Clothing, Clothing Accessories, Shoe, and Jewelry Retailers	662	568	-94	-14.2%	200	-94	(18,800)
459	Sporting Goods, Hobby, Musical Instrument, Book, and Miscellaneous Retailers	1,167	1,202	34	2.9%	200	34	6,800
512	Motion Picture and Sound Recording Industries	123	119	-4	-3.3%	150	-4	(600)
513	Publishing Industries	151	147	-4	-2.6%	150	-4	(600)
516	Broadcasting and Content Providers	<10	<10	Insf. Data	Insf. Data	150	Insf. Data	Insf. Data
517	Telecommunications	140	158	19	13.6%	150	19	2,850
518	Data Processing, Hosting, and Related Services	60	64	4	6.7%	150	4	600
519	Web Search Portals, Libraries, Archives, and Other Information Services	128	119	-10	-7.8%	150	-10	(1,500)
521	Monetary Authorities-Central Bank	0	0	0	0%	275	0	0
522	Credit Intermediation and Related Activities	1,102	1,056	-46	-4.2%	275	-46	(12,650)
523	Securities, Commodity Contracts, and Other Financial Investments and Related Activities	89	97	8	9.0%	275	8	2,200
524	Insurance Carriers and Related Activities	485	533	48	9.9%	275	48	13,200
525	Funds, Trusts, and Other Financial Vehicles	<10	<10	Insf. Data	Insf. Data	275	Insf. Data	Insf. Data
531	Real Estate	584	606	21	3.6%	200	21	4,200
532	Rental and Leasing Services	106	86	-20	-18.9%	200	-20	(4,000)
533	Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	0	0	0	0%	200	0	0
541	Professional, Scientific, and Technical Services	2,918	3,316	398	13.6%	195	398	77,610
551	Management of Companies and Enterprises	717	911	194	27.1%	200	194	38,800
561	Administrative and Support Services	2,471	2,600	129	5.2%	200	129	25,800
562	Waste Management and Remediation Services	130	106	-24	-18.5%	200	-24	(4,800)
621	Ambulatory Health Care Services	3,656	4,048	392	10.7%	150	392	58,800
622	Hospitals	1,920	1,772	-148	-7.7%	150	-148	(22,200)
623	Nursing and Residential Care Facilities	1,928	1,648	-281	-14.6%	150	-281	(42,150)
624	Social Assistance	1,875	1,848	-27	-1.4%	150	-27	(4,050)
711	Performing Arts, Spectator Sports, and Related Industries	162	169	7	4.3%	150	7	1,050
712	Museums, Historical Sites, and Similar Institutions	80	83	3	3.8%	150	3	450
713	Amusement, Gambling, and Recreation Industries	1,099	1,113	14	1.3%	150	14	2,100
721	Accommodation	2,621	2,516	-106	-4.0%	400	-106	(42,400)
722	Food Services and Drinking Places	7,924	7,796	-128	-1.6%	400	-128	(51,200)
811	Repair and Maintenance	750	738	-12	-1.6%	200	-12	(2,400)
812	Personal and Laundry Services	588	629	41	7.0%	200	41	8,200
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	571	583	12	2.1%	200	12	2,400
814	Private Households	65	48	-16	-24.6%	200	-16	(3,200)

Source: US Census Bureau, EMSI/Lightcast and RKG (2024)

Implications

As noted previously, the Town of Kennebunk is a net importer of specialty retail sales and dining/drinking sales. Although employment growth the latter does not indicate a future demand for additional development, both should be considered as desirable additions to the downtown environment. In this manner, they would capitalize on an existing strength as well further diversify the downtown retail and dining experiences and options.

The Town of Kennebunk, and as noted in the downtown, is well represented by a variety of service establishments including banking, professional services and insurance and realtors as examples. The estimated countywide growth in these employment sectors could represent opportunities for downtown mixed-use development with commercial uses on the ground level and residential on upper floor(s).

The same would apply to health care uses, as ground floor components of a mixed-use project, noting both the aging of the resident population and the diversity of health and wellness spas and other similar establishments downtown.

Although artisan gallery and display space are not a specific NAICS category, they could fall under arts and entertainment. RKG's in-field observations did not indicate such a year-round use in the downtown, which could otherwise add to the diversity of the downtown and appeal to the resident and tourism/seasonal population alike.

In addition to garnering a greater capture of the projected countywide employment growth in these industry sectors, the Town of Kennebunk is further challenged with having an inventory of land parcels and/or a possible re-positioning of the existing building stock to accommodate such growth. This may be further complicated by regulatory and zoning issues as well as the overall development preferences of the residents.

TARGET INDUSTRY SUMMARY

Previously discussed metrics for the potential for new SF development, in the Town of Kennebunk, are summarized in Table 36 and are presented at a more refined NAICS code level.

- **Office Sectors** - By far the greatest development opportunities are distributed across those sectors utilizing office type space. Additionally, average wages across these sectors are generally very strong (especially with respect to the cluster average), with the exceptions of realtors and administrative services.
- Of additional note for these office use sectors is that the location quotients (LQ) of the Town of Kennebunk relative to York County are extremely strong, but for administrative services. The LQ ratios indicate that these sectors are significant employment and economic contributors to the local economy. The possibility of additional Townwide employment in these sectors would further strengthen their position relative to York County, as well as present development SF opportunities.

Development of a small-scale business park may serve to attract future office users and employment. Such a business park could be Town owned, if practical, or developed in partnership with the private sector. If Town owned, the Town could consider such development incentives as offering attractive land pricing and/or desired development/design configurations. RKG recommends these options be further explored.

- **Medical Sector** –Although the only subsector projected to realize employment growth over the 2024-to-2034 time-period is ambulatory health care services, the employment growth, SF demand, average wage and LQ are strong. Considering the aging population of the Kennebunk and the fact that the health care industry sector is a primary employer, comprising nearly 17.0% of the 2022 Townwide employment, efforts to continue to grow this sector would likely have a positive impact.

As with a small-scale business park, the Town may consider a mixed-use medical park, which could present development opportunities for new businesses or practitioners in this sector, or as an expansion (second site) for existing businesses and practitioners. A centralized clustering of medical practitioners could also benefit patients and clientele. RKG recommends the Town consider this option which may, if possible, be developed in partnership with area hospitals.

- **Construction Sector** – The ten-year projected employment growth and SF demand in this sector may be nominal, but any increase in development and employment could serve to strengthen the current LQ ratios which are under-performing relative to York County.

Development opportunities could include contactor yards or shops for such professions as painters, plumbers, electrician, drywall, and others. Although these opportunities may be small in scale, and not of immediate concern to the Town, RKG nonetheless suggests they be considered as an option in the mid- and long-term.

- **Retail Sector** - Both estimated employment growth and RKG's analysis of supportable retail SF through a re-capture of sales leakage indicate new development opportunities for selected retail sectors. The average wage in these sectors is generally low compared to the all-clusters average (of \$95,254) but more notable is the subpar LQ ratios (all less than the lower limit of "on-par" at 0.80).

Considering the relatively low wage for those employed in these sectors, part of the challenge in the attraction of new SF development may be tied in with available and affordable housing options, which RKG has suggested throughout this report is an overall Townwide issue. Further, while the estimated SF demand indicators may not necessarily attract newly built space, the presence of sales leakage, at a minimum, offers an opportunity to existing merchants to fine tune their store layout, price points and merchandise mix. RKG recommends that the sales leakage analysis developed in this report be shared with the local mercantile business community. Elsewhere in this analysis RKG identified that the retail sector accounts for approximately 10.0% of the Townwide employment in 2022.

Additionally, while this analysis did not indicate an opportunity for additional dining and drinking establishments, these are clearly a strength in the local economy, noting that local sales exceed local demand by nearly 52.0%. Additional development of dining/drinking would further solidify this measurement, and new establishments would attract residents and seasonal patrons. To the extent that some portion of new dining/drinking venues were situated in the downtown this would also enhance the “draw” of the downtown. Elsewhere in this analysis RKG identified that the dining/drinking sector accounts for slightly more than 15.0% of the Townwide employment in 2022.

- **Service Sector** – As with the construction sectors, employment growth and SF demand may be nominal (over ten years) but nonetheless represent development potential. Moreover, any increase in employment in these sectors could have a positive impact on the marginally subpar LQ ratios.

RKG acknowledges that while this sector may be of a limited return and of lower urgency for the Town of Kennebunk, possible incorporation as a tenant of a small-scale business park or mixed-use medical park is worth consideration.

- **Other Sectors** – These primarily include arts and entertainment uses, where the employment growth and SF demand would likely not support newly built space but may otherwise represent an add-on or expansion of such existing space. The relatively high LQ ratios suggest that arts/entertainment are over-performing contributors to the local economy with possible potential for further strengthening.

A primary challenge to any additional SF development throughout the Town of Kennebunk is the availability of land, or the assemblage of land parcels, to accommodate such development. Further, in the downtown core, new development may require a re-use or re-positioning of existing parcels, as well as some level of zoning and regulatory review and updates.

Table 36 – Target Industry Cluster Summary Metrics

Target Industry Cluster Summaries - Town of Kennebunk, ME	2024 - 2034 Employment Δ	Estimated SF Demand	Average Wage (2024)	Town to County LQ (2024)
Office Sectors	821	165,260	\$113,677	<i>na</i>
Securities/Financial Investments	8	2,200	\$143,036	6.20
Insurance Brokers	48	13,200	\$102,814	5.66
Realtors	21	4,200	\$63,231	1.65
Professional Services	398	77,610	\$108,604	1.91
Management Services	194	38,800	\$169,986	1.65
Administrative Services	129	25,800	\$55,433	0.60
Data Processing	4	600	\$132,777	<i>na</i>
Telecommunications	19	2,850	\$107,251	4.73
Medical Sectors	392	58,800	\$83,077	<i>na</i>
Ambulatory Health Care Services	392	58,800	\$83,077	2.81
Construction Sectors	138	20,700	\$84,901	<i>na</i>
Heavy and Civil Engineering Construction	53	7,950	\$106,783	0.76
Specialty Trade Contractors	85	12,750	\$71,258	0.65
Retail Sectors	99	19,800	\$46,224	<i>na</i>
General Merchandise	13	2,600	\$36,033	0.30
Health and Rx	43	8,600	\$56,094	0.61
Specialty Niche	34	6,800	\$35,774	0.34
Building/Hardware	9	1,800	\$53,265	0.27
Personal Service Sectors	53	10,600	\$40,081	<i>na</i>
Personal and Laundry Services	41	8,200	\$40,481	0.75
Civic, Religious and Other Professional	12	2,400	\$38,714	0.72
Other	24	3,600	\$47,548	<i>na</i>
Performing Arts	7	1,050	\$78,112	1.36
Museums	3	450	\$39,461	2.37
Amusements	14	2,100	\$33,998	1.88
Total for these Sectors	1,527	278,760	\$95,254	<i>na</i>

Source: EMSI/Lightcast and RKG (2024)

na - data suppressed or otherwise not applicable

QUALITY OF LIFE ASSETS AND CONSTRAINTS

Communities often focus their target industry assessment on issues such as asset availability, existing/past business trends, and regional/statewide targeting. However, business location, relocation and expansion decisions are not made solely on economic and market-based issues. Quality of life metrics and the general business climate also play a role in site selection decision-making. This

is particularly true for smaller companies where the corporate leadership oftentimes relocate with the business and is looking for other amenities that meet their family needs.

PUBLIC SCHOOLS

The quality of the local school system is often one of the other amenities under consideration in a site selection process. To offer an assessment of the quality of the public schools in the Kennebunk area, RKG referenced the website Niche.com. Niche provides a ranking using the academic and student life data from the U.S. Department of Education along with test scores, college data, and ratings collected from Niche users.

Factors considered by Niche.com include academics, culture and diversity, overall experience, teachers, clubs and activities, health and safety, resources and facilities, and sports. Niche.com assigned different multipliers or weights to these factors based on their importance to calculate the overall Niche rating for each school.¹⁶

Table 37 presents a perspective of the relative performance of the area public schools, noting the following:

- Three (3) of the schools have an overall rating of A, with relatively high student proficiency scores for math and reading. However, the schools, with an overall rating of A, represent education/instruction levels for students at the middle school (or less) level.
- Both the Kennebunk Middle Scholl and the Kennebunk High School have a respectable overall rating of B+, further noting that the student math and reading proficiency rating are generally strong, none exceed 90.0%.
- The Kennebunk Elementary School has an overall rating of C+ which while “passing” is average at best, which is further reflected in the “middle-of-the-road” student proficiency scores for math and reading skills.

Table 37 – Public Schools – Kennebunk, ME – Selected Niche Ranking Metrics

Kennebunk, ME Area Schools	Overall Rating	Grades	Proficiencies		Enrollment
			Math	Reading	
Mildred L. Day School	A	K - 5	87.0%	92.0%	210
Middle School of the Kennebunks	A	6 to 8	93.0%	95.0%	479
Sea Road School	A	3 to 5	92.0%	93.0%	324
Kennebunk High School	B+	9 to 12	87.0%	82.0%	256
Kennebunk Middle School	B+	K to 5	82.0%	87.0%	174
Kennebunk Elementary School	C+	PK - 2	72.0%	72.0%	358

Source: Niche.com and RKG (2024)

¹⁶ **Note** – this rating system is not meant to be definite nor exhaustive and the results are limited to the available data collected and utilized by Niche.

Implications

The Kennebunk area schools exhibit a generally acceptable overall rating, with respectable proficiency scores, however the comparatively under-performing Kennebunk Elementary School, could represent a disincentive to any possible influx of new workers and/or business, particularly for families with school age children in this target enrollment/grade cohort.

GENERAL QUALITY OF LIFE METRICS

RKG referenced ProsperityNow (<https://scorecardprosperitynow.org/>) for a comparative measure of selected quality of life metrics which may influence the decision process on where to live, open or expand a business. RKG contrasted York County to Maine, which in turn is contrasted to Massachusetts and New Hampshire (as assumed “competitor” states) and then all are compared against the United States average, as appears in Table 38.

Table 38 – Comparative Quality of Life Metrics

Comparative Assets & Opportunities Scorecard	York County, ME	ME	MA	NH	US
Financial Assets & Income					
Income Poverty Rate	7.7%	11.5%	10.4%	7.2%	12.8%
Asset Poverty Rate	12.0%	18.0%	19.0%	15.0%	19.0%
Liquid Poverty Rate	20.0%	29.0%	22.0%	13.0%	27.0%
Income Inequality (1)	4.1	4.6	5.7	4.1	5.2
Unbanked Households	2.0%	1.0%	4.0%	1.0%	5.0%
Underbanked Households	9.0%	11.0%	10.0%	11.0%	14.0%
Home Ownership & Health					
Home Ownership Rate	75.0%	74.8%	63.1%	72.5%	65.4%
Affordability of Homes (2)	3.8	3.9	5.4	3.9	4.1
Health Care Uninsured Rate	5.3%	5.7%	2.5%	5.1%	8.6%
Education					
Early Childhood Enrollment	48.8%	35.0%	48.7%	40.1%	40.2%
High School Graduation	94.4%	94.5%	98.1%	94.4%	89.4%
Four Year College Degree	32.8%	36.0%	46.6%	40.2%	35.0%

Source: ProsperityNow and RKG (2024)

(1) - the greater the metric the less equal the income distribution

(2) - how much higher the home value is relative to the median income

Financial Assets & Income – York County generally compares favorably to the State of Maine, but with a marginally higher percentage of unbanked households. The comparisons are mixed for Maine *versus* Massachusetts, noting a higher income poverty rate and a higher liquid poverty rate. However, unbanked households compare favorably. For Maine *versus* New Hampshire, the income poverty rate, the asset poverty rate, and the liquid poverty rate are all less in New Hampshire relative to Maine.

Home Ownership & Health – Home ownership rates are strong in York County and Maine, notably as contrasted to Massachusetts and the US average. The housing affordability metrics are the lowest in York County and then followed by Maine. That stated, as noted elsewhere in this analysis, the overall home price points in York County are high and may “price-out” many prospective first-time owners. Although the percentage of households without health care insurance is highest in the US, Massachusetts has a much lower uninsured rate relative to York County or Maine. All measurements are relatively similar with respect to Maine *versus* New Hampshire.

Education – York County generally scores well to Maine across all education metrics, however, Massachusetts scores better than both with respect to attainment of a four (4) college degree. For comparisons to New Hampshire, York County scores higher for early childhood enrolment, but somewhat less for four-year college degrees.

Implications

The selected quality of life metrics for York County presents an attractive environment, especially with a low-income poverty rate. Although the availability of, and enrollment, early childhood education may serve as an attraction for potential new families/business, the metrics for the Kennebunk Elementary School may be less attractive.

LOCAL BUSINESS CLIMATE

The following section provides a summary of observations from interviews conducted by RKG Associates, Inc. on May 15, 2024, in the Kennebunk Town Hall. The purpose of the interviews was to obtain feedback from a group of business owners/operators, real estate brokers, Town officials, developers, and other key stakeholders relative to the broader issue of economic development and various related topics. Although these statements represent a limited set of opinions and observations about the Town of Kennebunk and its economic development efforts, the consultants have given some weight to those opinions that could be corroborated or were held by multiple individuals.

As presented below, the statements have been organized by subject matter into several different categories from economic development to town governance.

1. Economic Development and Workforce Issues

Downtown Main Street

- Downtown Main Street has struggled to create a robust retail destination.
- Downtown has experienced a lot of business turnover over the years. There is very limited foot traffic. The district needs to draw more attention and lacks a strong identity.
- A lot of people who own downtown properties are locally based, but they have owned their properties for a long time.
- The going rate for ground floor retail space downtown is \$14/SF. Some property owners are starting to do triple net (NNN) leases where the tenant pays all costs. Lower rents are achieved on the upper floors.

- Most downtown buildings are classified as older Class C+ in terms of condition and desirability. Not modern inside and may require further tenant improvements to attract new tenants.
- Downtown tends to attract small retailers and small service businesses and cafés. Most people are experienced operators.
- Love walkable nature of downtown Kennebunk. It seems to achieve the right aesthetic but is still searching for an identity. \$14/SF has remained the prevailing rate for a while. Most businesses downtown feel comfortable at that rent level. Landlords would consider making tenant improvements for the right tenant willing to sign a 3–5-year lease. The length of the lease allows them sufficient time to amortize the improvement costs and re-coop the investment through monthly rental charges.

Industrial Development

- The Colgate lot is not large enough for typical larger industrial development. You would only yield about 30,000 SF of building space for every 5-acres of industrial land.
- Near the turnpike, you would need something closer to 100-acres of undeveloped land with water and sewer service to create an impactful development.
- The people in this community want jobs in primary employment sectors and not just service-related employment.
- This person has worked with IDC in Sanford to construct new industrial- building space. They seem motivated to bring in new industrial jobs and work closely with developers.

Workforce Needs

- This person’s observation is that most businesses in Town have persistent hiring challenges.
- Business owners and their spouses tend to want to live in Kennebunk, but their employees may not have the same access to local housing options because of price and own *vs.* rent opportunities.
- Access to labor is a problem to a significant degree.

Existing Business Needs

- The Chamber’s Membership manager has been good at reaching out to the business community to try to represent their interests and meet their business needs.
- Special events are not paying for themselves as they once did. Chamber organizes a five-day maritime festival that has struggled to find traction.
- The community used to sponsor a restaurant week but have since had to pull back.
- The Chamber does after-hour business networking and other events.
- The Chamber’s business outreach has been consistent. Mostly use e-mail to members and the “open rate” is quite high. They used to offer a newsletter but no longer use this communication approach.
- This business operator will not open another business in the state of Maine. The State of Maine does not have a workforce, and federal H2B visa regulations are restricting international workers from coming to the U.S. for seasonal work. Eastern European students have long been a valuable source of summer-time labor for hospitality and restaurant businesses.

2. Tourism Development Efforts and Current Needs

Tourism Destination Marketing Needs

- The Town's tourism destination marketing efforts in the Chamber have diminished over time. Individual businesses were doing that at one time. The Chamber does not appear focused on destination marketing and does more B2B networking and provides support to nonprofits.
- We have not done as much external tourism-marketing since COVID-19. Most of the current marketing is social media driven. Kennebunk is part of one of the 8 tourist regions that comprise Maine. The State's tourism promoters go to shows along the east coast.
- Massachusetts has always been Kennebunk's number one market for tourism and second homebuying. This has since expanded to the mid-Atlantic region down to Washington, DC. New York is a big market as well. The Maine Office of Tourism does destination marketing for the state's tourism industry.
- There has been no local discussion about creating a Kennebunk Tourism and Visitors Bureau to lead tourism development and promotion/marketing efforts.

Ice-Skating Rink (Waterman Center) as an Events Center

- Pavilion Ice skating is a new attraction for skating and pickleball. Farmer's and Artisan's markets bring in people downtown. May Day and Christmas Prelude are annual events. Need money to pay staff to coordinate these events.
- Concerned about people coming to the destination in the future because we are not hitting markets that we once did. Our target market is from New England down to Washington, DC but Massachusetts has historically been the strongest market to promote Kennebunk.
- We once had destination marketing campaign called "Paint the Town Red." It was a fantastic marketing campaign that increased hospitality business revenues by 25.0%.
- Is there an opportunity to serve special event needs at the ice-skating rink (Waterhouse Center)

Kennebunk Special Events

- "Prelude" is an annual Christmas celebration that is very popular, but the large crowds are difficult to manage. Large crowds are drawn to Kennebunk over a 10-to-12-day period in December.
- Farmer's market on Saturday attracts a good number of people. Rotary Park is a staging area for events that draw people to Town.
- Donna Johnson plans events in the community. Kennebunkport has a big Christmas event and must provide shuttle transportation to manage the people and traffic.
- The Town does not have a place for live music performances year-round.
- The Town's tree lighting celebration was not as successful last year. Businesses used to participate in the ceremony but there was not large downtown business support last year. COVID may have shifted people's interests.
- Biddeford has a poker night where you sponsor an item at a restaurant and people come in to get a poker chip. The promotion lasts for about a month and has proven to be popular.
- Maybe businesses could sponsor a movie at the ice rink during the peak season to attract people and provide a fun activity for residents and visitors.

- Music on Main was a former program to highlight the Portland Orchestra, but this is no longer being done. Could attract different bands or the high school band. Is there a reason we cannot promote live music there during the summer months?
- Lafayette has a summer concert series. Could that happen at the ice-skating rink under cover?
- Art Walk will have 10-12 artists during June, July, August, and September. Need people to sponsor artists that can show their wares.

Miscellaneous

- Tim Harrington (developer) came to Town to build high-end resorts in the community. This effort was successful at bringing in higher-income visitors and buyers.
- Airbnb is playing a bigger role in the hospitality industry. They are competing with local hotels/motels.
- Some interest in small group meetings and conferences. The Colony can accommodate 200 attendees for events and Nonantum can accommodate 125 attendees. Not as much business-travel to Kennebunk as one would need to be successful, but it could be explored.
- Duffy's and the bowling alley are open at night, but not too many other establishments are open.

3. Zoning and Development Approval Process

Current Business Climate

- People go to Kennebunkport *vs.* Kennebunk in terms of starting a new business, but this person was not sure that Kennebunkport is more friendly or accommodating to business.
- Biddeford has brought in real businesses and would not characterize Kennebunk as a place to do business.
- Kennebunk was once known to be more business friendly but that is less true now in their opinion. Business and development interests would like the Town to be more receptive and supportive of new business and be open to having that conversation.
- Biddeford is easier to work with. More supportive of their business needs. Bar Harbor is next-level difficult to work with so not the model we want to adopt. There should be a reasonable middle ground that protects the community while permitting quality growth to occur.
- Biddeford has seen a lot of private investments and is very supportive.
- Mike Livingston (town engineer/planner) in Wells is very helpful and shepherds developers through the permitting process.
- There's a perception of Kennebunk being unfriendly to business. Getting permits in a timely and predictable fashion would be helpful.
- There was a local survey conducted a few years ago targeting local businesses, and the business community did not have a favorable opinion about the Town's support for business and development needs.

Opinions about Zoning Ordinance and Process

- In my opinion, the Town's zoning is not conducive to doing short term rental properties. Zoning seems antiquated.
- Kennebunk's zoning ordinance is over 50 years old and needs updating to remain current and more responsive to modern development needs.

- Need to hire a consultant to update the zoning
- Zoning changes and building permits are not administered in a timely manner. It takes 4 to 6 weeks to “pull” a permit and 6 months to get through the planning process.
- Land use regulations slow things down.
- Project review is thorough but time consuming and costs the developer time and money.
- Code enforcement is a big challenge. How do we get to the end game in a fair and predictable manner?
- Downtown has been super restrictive with historic preservation, signage, parking, and other requirements.

4. Potential New Development Opportunities

- The downtown area stretching from the Kennebunk House of Pizza to Aroma Joe’s (Ross Road). That 1-mile area presents some opportunities for redevelopment.
- The need for small office space is something that pops up from time to time.
- The market needs industrial sites close to the turnpike that are affordably priced.
- The area behind McDonalds or the Colgate property may lend themselves to multi-family residential development and maybe affordably priced housing. Developers could build small homes 900-1,000 SF for \$250,000 plus the lot at \$130,000 would be priced under \$400,000.
- The Pythian Building was a good opportunity for revitalization. However, local efforts were not sustained and people eventually moved on.

5. Local Housing Needs

Housing Affordability Needs

- Housing development is a big issue and there are working families that are being displaced from Airbnb properties that were once conventional rental properties.
- A starter home in Kennebunk is now priced at \$500,000.
- Housing prices are going up in value and rental pricing is an increasing problem.
- Townhomes seem better suited for young families and first homebuyers because of the reduced land costs and smaller home size (1,200 to 1,800 SF) make them more affordable.
- The property bought by Kennebunk Savings will result in new housing development. They need water and sewer service.

Employee Housing Challenges

- There is the belief that most local service employees chose to live in places more inland so they can pay \$1,800 to 2,500/month in rent for 3-bedroom homes. Places like Alfred and Lyman have become accessible housing markets close to Kennebunk.
- The Town needs to promote and make it possible for people to enter the Kennebunk housing market as owners and renters. There needs to be a steady infusion of younger households in Kennebunk.
- The area behind McDonalds or the Colgate property may lend themselves to multi-family residential development and maybe affordably priced housing. Developers could build small homes 900-1,000 SF home for \$250,000 plus the lot at \$130,000 would be priced under \$400,000.
- Biddeford was a “tired” community, but it has come back as a location for young people. Cheaper business space and housing costs.

- Staff housing – The Colony and Whitebarn owner Steve Kingston owns several businesses and tried to create a shuttle service to Sanford for employees but has struggled to make it successful.
- The majority of this employer’s staff live close to or within the Town of Kennebunk, but they are paid higher than average wages, which makes that possible. Most average wage earners typically are forced to seek housing alternatives outside the Town of Kennebunk.

Regulatory Requirements

- The Town has adopted 3-, 5- and 10-acre minimum lot sizes for residential development. This is not practical if the objective is to create more affordably priced housing. The land itself makes the cost of development inordinately high and is exclusionary.

6. Community Impacts due to COVID-19

- During COVID, people from out of town saw the opportunity to move to Kennebunkport and Kennebunk, which met two different market needs. Families seemed to be attracted to Kennebunk, while higher income buyers seem attracted to the higher profile Kennebunkport.
- I noticed many people moving to Kennebunk from other locations. Most people are working remotely or making the commute to nearby states. Some work from home 3-4 days and go into the Boston area to work occasionally.
- New relocatees are investing in residential properties. Not sure if they will invest in new businesses startups in the future.
- The level of affluence in Kennebunk is 60.0% newer money and 40.0% older money.
- Much more new money was coming into the community during COVID.
- I have seen a shift in the business community bringing new ideas for business.
- People increased their year-round occupancy of their Kennebunk homes during COVID because they could work remotely. People are now starting new businesses. A glut of fitness/wellness businesses have occurred. School enrollments have started to rise.

7. Town Infrastructure Needs

- The Town’s major infrastructure needs are for municipal water and sewer. The demand for Town services has risen as have tax revenues.
- The Town’s sewer treatment plant was expanded to allow for new housing development.
- The lack of wireless communication services is a known issue in many parts of town.
- Local residents are very sensitive to tax increases. TIFs (tax increment financing) have been effective in the past at financing public infrastructure improvements to support development. This has proven to be a valuable financing technique.

8. Growth and Development Issues

- Kennebunk’s population is older and more affluent than most other Maine communities.
- Older folks and new transplants do not want growth to change the community.
- There is the belief that growth has been very positive, but the local community may be resistant to change.

- York, Wells, Biddeford, Falmouth, and Cumberland are peer communities, and none have an advantage over Kennebunk, other than perhaps housing affordability

9. Short-Term Rentals

- The Town is not looking to bother businesses and has chosen not to regulate short-term rentals up to this point, but perhaps that may need to be explored depending on the impacts.
- Not looking to shut businesses down.
- Airbnb properties are starting to play a bigger role and are starting to compete against local hospitality establishments.

10. Town Governance

- We had to professionalize the Town staff to meet its growing needs. Look at school enrollments.
- Need to have a City Council to be able to run the government and make important decisions on a regular/monthly basis.
- The lack of select board meetings makes it difficult to resolve matters and move forward in an effective manner.
- A charter commission is looking at changes in the school district. There was a recall petition.
- Some people feel it is time for Kennebunk to move away from the selectboard form of government and into a City Council-form of government.
- The customer service aspect of Town government is not there. It takes too long to respond to requests. This could be due to poor staff follow-thru or a lack of staff resources to process requests.

11. Miscellaneous Observations

Parking Needs

- Parking is very important, and the Town has never gone vertical with a parking garage.
- There is a need for parking in certain areas such as downtown.
- Public parking locations are not obvious. Need better wayfinding signs to locate it.

Signage Regulations

- Signage requirements seem too restrictive and difficult.

What Characteristics Define Kennebunk?

- People are older in this community. Aging population is aging in place
- People are very committed to preserving the character of the Town

4. TAX BASE and LAND USE

INTRODUCTION AND PURPOSE

This section reviews selected zoning and land use characteristics in the Town of Kennebunk, offering estimates of the fiscal contributory value(s) for each zoning district. This is followed by an analysis of land uses throughout Kennebunk and the potential or opportunity they represent for additional or alternative development. As noted throughout this KEDAP analysis, one of the challenges to realizing additional development is the availability of sites or “locations” to accommodate such development. RKG developed a land use and scoring analytic to offer a thematic presentation of potential development “locations” for multi-family, retail and other commercial, as well as industrial uses.

ZONING DISTRICTS

The following Table 39 offers a review of the Town of Kennebunk zoning districts, highlighting selected allowable uses as well as selected lot metrics. This is followed by Figure 33, a map of the Town of Kennebunk Zoning Districts. With respect to the comparative fiscal contributions per zoning district, noting:

- Townwide acreage is concentrated in the Rural Conservation (RC) at 31.1%, followed by Rural Residential (RR) at 21.9% and then Village Residential (VR) at 3.5%. Combined, these account for nearly 14,570-acres or 66.4% across the Town.
- Townwide valuations are concentrated in Village Residential (VR), followed by Coastal Residential (CR) and the Suburban Residential. Combined, these account for nearly \$1.91M and represent 63.3% of the total tax valuation.
- Total valuation on a per acre basis is greatest in Upper Square (US) at nearly \$1.31M.
- The Downtown Business (DB) district represents 0.4% of the acreage and 1.6% of the valuation for an average per acre of \$601,584.
- The Suburban Commercial (SC) district represents 1.5% of the acreage and 3.6% of the valuation for an average per acre of \$326,607 or a little more than one-half that of Downtown Business (DB).
- The greatest fiscal returns (valuation per acre) are from the Upper Square (US), Coastal Residential (CR), Downtown Business (DB) and Portland Road Mixed Use (PRMU).
- Townwide acreage is nearly 21,930-acres with an average valuation of \$137,511 per acre.

Table 40 provides a comparison of the gross building SF, for each zoning district, delivered over selected periods. Since 2000, 34.6% of the development has occurred in the VR district, (2.50M SF) followed by 1.2% for the WKVR district (0.81M SF). RKG estimates that since 2000, approximately 555,100 SF has been delivered which *is not residential* in nature, or 7.7% of the total (7.21M SF).

Table 39 – Zoning Districts with Selected Metrics and Comparative Fiscal Contributions

Selected Overview of Zoning - Town of Kennebunk, ME	District Code	Allowable Uses				Minimum Lot Area (SF)	Maximum Height (ft)	Maximum Lot Coverage	Acreage	as % of Town Total
		Multi-Family Residential	Institutional Use	Industrial	Commercial					
		Resource Protection	RP	No	SP					
Branch Brook Aquifer Protection	BBA/BBB	No	No	SP	Yes	130,680	35	15%	1,927.6	8.8%
Rural Conservation	RC	No	SP	No	SP	130,680	35	15%	6,815.1	31.1%
Rural Residential	RR	No	Yes	No	SP	130,680	35	15%	4,803.9	21.9%
Coastal Residential	CR	Yes	Yes	No	SP	20,000	35	25%	897.9	4.1%
Suburban Residential	SR	Yes	SP	No	No	40,000	35	25%	1,690.3	7.7%
Village Residential	VR	Yes	Yes	No	No	10,000	35	25%	2,949.7	13.5%
West Kennebunk Village Residential	WKVR	Yes	Yes	No	No	10,000	35	25%	1,040.2	4.7%
Downtown Business	DB	Yes	Yes	SP	Yes	2,500	40	none	81.2	0.4%
Upper Square	US	Yes	Yes	No	Yes	2,500	40	none	21.4	0.1%
York Street Mixed Res/Comm	MRCU	Yes	Yes	No	Yes	10,000	35	25%	259.3	1.2%
Lower Village Business	LVB	Yes	Yes	Yes	Yes	10,000	35	30%	204.6	0.9%
West Kennebunk Village Mixed Use	WKV	No	Yes	Yes	Yes	20,000	35	25%	35.9	0.2%
Suburban Commercial	SC	No	No	Yes	Yes	40,000	35	25%	329.1	1.5%
Business Park	BP	No	No	Yes	Yes	40,000	40	33%	338.5	1.5%
Industrial District	I	No	No	Yes	Yes	40,000	40	75%	339.8	1.5%
Portland Road Mixed Use	PRMU	Yes	Yes	No	Yes	10,000	35	25%	4.7	0.0%
Contract Zones	CZ	na	na	na	na	na	na	na	188.7	0.9%
TOTALS	na	na	na	na	na	na	na	na	21,927.9	100.0%

Source: Town of Kennebunk, ME and RKG (2024)

Permitted

Not Permitted

Special Permit

SP - special permit

Note - a broader discussion of zoning district regulations may be found in the Town Zoning Ordinance

Figure 33 – Town of Kennebunk, ME – Zoning Districts

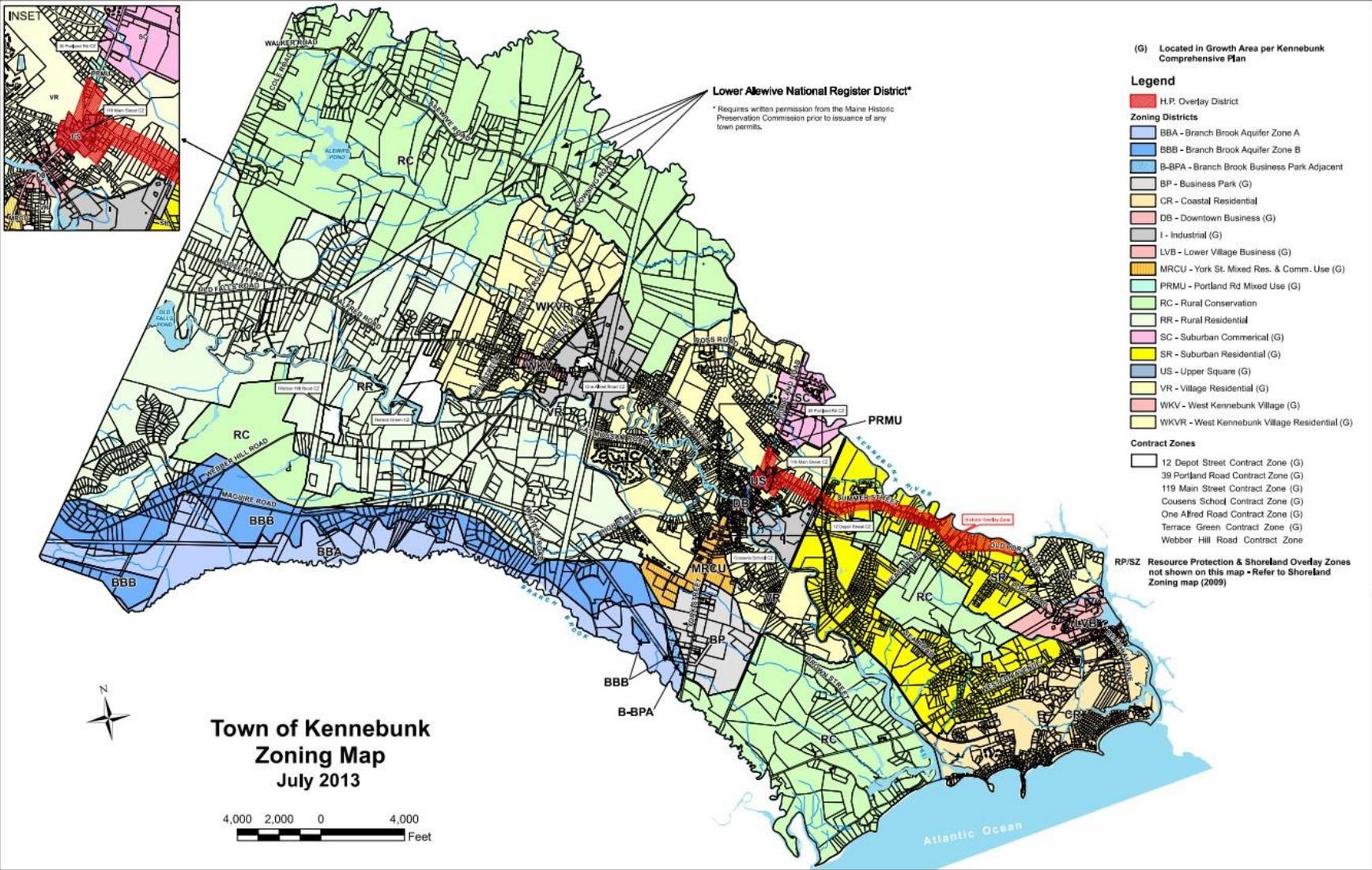


Table 40 – Comparison of Development (SF delivered) by Zoning District for Selected Timeframes – Town of Kennebunk

Selected Overview of Zoning - Town of Kennebunk, ME	District Code	Building Area Gross SF by Average Year Built (1)				as a % of Total SF per Timeframe				Summary since 2000	
		2000 /2010	2011/2015	2016/2020	2021/2022	2000 /2010	2011/2015	2016/2020	2021/2022	Total SF	as %
Resource Protection	RP	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0	0.0%
Branch Brook Aquifer Protection	BBA/BBB	97,151	37,422	52,506	11,322	2.3%	4.1%	3.5%	2.3%	198,401	2.8%
Rural Conservation	RC	179,315	132,829	118,506	65,979	4.2%	14.7%	7.8%	13.3%	496,629	6.9%
Rural Residential	RR	417,391	57,760	147,851	42,153	9.7%	6.4%	9.8%	8.5%	665,155	9.2%
Coastal Residential	CR	425,789	136,594	144,809	49,257	9.9%	15.1%	9.6%	9.9%	756,449	10.5%
Suburban Residential	SR	431,832	85,897	107,253	38,241	10.1%	9.5%	7.1%	7.7%	663,223	9.2%
Village Residential	VR	1,660,897	174,414	491,823	168,029	38.7%	19.3%	32.5%	33.8%	2,495,163	34.6%
West Kennebunk Village Residential	WKVR	583,583	54,525	141,109	30,104	13.6%	6.0%	9.3%	6.1%	809,321	11.2%
Downtown Business	DB	30,185	2,970	8,206	0	0.7%	0.3%	0.5%	0.0%	41,361	0.6%
Upper Square	US	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0	0.0%
York Street Mixed Res/Comm	MRCU	60,236	101,796	121,300	43,156	1.4%	11.3%	8.0%	8.7%	326,488	4.5%
Lower Village Business	LVB	27,968	76,621	64,331	4,480	0.7%	8.5%	4.3%	0.9%	173,400	2.4%
West Kennebunk Village Mixed Use	WKV	2,041	0	7,056	0	0.0%	0.0%	0.5%	0.0%	9,097	0.1%
Suburban Commercial	SC	249,551	8,128	1,068	0	5.8%	0.9%	0.1%	0.0%	258,747	3.6%
Business Park	BP	3,111	34,180	49,144	10,440	0.1%	3.8%	3.2%	2.1%	96,875	1.3%
Industrial District	I	74,590	0	34,314	0	1.7%	0.0%	2.3%	0.0%	108,904	1.5%
Portland Road Mixed Use	PRMU	0	0	0	0	0.0%	0.0%	0.0%	0.0%	0	0.0%
Contract Zones	CZ	50,030	0	23,728	34,158	1.2%	0.0%	1.6%	6.9%	107,916	1.5%
TOTALS	<i>na</i>	4,293,670	903,136	1,513,004	497,319	100.0%	100.0%	100.0%	100.0%	7,207,129	100.0%

Source: Town of Kennebunk, ME and RKG (2024)

(1) - from Town Assessor data reflecting average year built

LAND USE ANALYSIS AND SCORING METHODOLOGY

DATA SOURCES

The primary data source for the land use parcel scoring analysis was the Town’s GIS shapefiles acquired from the Kennebunk Open Data Portal. These shapefiles were imported into either GIS software or RStudio for data extraction and analysis, which was then used to score the parcels.

The base source of all the data used for this analysis came from the Town of Kennebunk’s 2024 Property Assessment records at the parcel level and linked to parcel-based files for geographic analysis. RStudio is an integrated development environment (IDE) that is used for data analysis, visualization, and management. RStudio is used to import, access, transform, explore, plot, and model data and has great capabilities for data visualization and graphics.

In GIS software, the shapefiles were used to visualize parcel location and assess spatial relationships and extract relevant geographic features falling under each criterion for the three land uses. Similarly, RStudio facilitated data analysis and statistical evaluation such as calculation of FAR (floor-area-ratio) etc., allowing for the manipulation and scoring parcels based on the criteria presented Table 41.

DESCRIPTION OF PARCEL SCORING CRITERIA

This section describes the criterion, and the method used to score parcels for each of the land use categories evaluated in this analysis. The evaluation of parcels for each land use – Industrial, Commercial, Multi Family was performed using a detailed scoring system based on several different criteria; many of them common to all three but some uniquely applied.

Each parcel was analyzed based on its ability to meet the selected criterion for each major land use. Those parcels that did not meet the scoring criterion, were given a low score and those that could were given a high score. The parcels with the highest score were considered “Excellent” candidates for future development and lowest scoring parcels were consider “Fair” candidates for a given land use.

For example, parcels within the flood plain had the same score for all the three land uses because there are federal, state, and local regulations restricting development in those sensitive areas. However, some parcels with proximity to major transportation arterials such as Interstate 95 and US Route 1 were given high scores if they were zoned for industrial uses, given the importance of transportation in serving such uses. Likewise, parcels located near grocery stores and schools and zoned for multi-family were given higher scores if they were located near amenities that people would want locations within or near their neighborhoods.

Existing land use designation was another key factor for scoring but was a common criterion among all the three land uses, with vacant or undeveloped parcels scoring the highest for potential future development. However, parcels currently designated as parking lots, cemeteries, recreation facilities,

protected lands, conservation lands, wetlands, floodplains, were excluded from scoring due to their development restrictions. In addition, publicly owned lands (federal, state, and local government) were classified as undevelopable. This was due to RKG's inability to identify the current use of the land. For example, a vacant parcel next to a high school might be ballfield or a future school expansion area, but in both cases would not be suitable for future commercial or residential development and it was left out of the analysis. Undoubtedly there are other publicly owned parcels that may be considered "surplus" and could be good candidates for future development. However, RKG could not include them without some additional local review as to their current use and future development potential.

The parcel zoning criteria was interpreted to differentiate between permitted uses, those allowed by special permit and uses that were not permitted according to the district's zoning regulation. This ensured that each parcel's suitability for industrial, commercial, or multi-family use was based on local zoning regulations. Parcels, under each use falling within the allowable permitted use were scored higher than the ones falling under not permitted use.

INTERPRETATION

The scores for each criterion were summed to produce a total score for each parcel under the three major land use categories. This score reflected the parcel's overall potential and alignment with the intended land use scoring criterion. The numerical value obtained from this scoring system allowed for a comparative analysis of all the parcels in Kennebunk. Higher scores indicated parcels that best match the criteria for a particular land use category, making them favorable for future development. Conversely, low scores identified parcels that were unsuitable or considered as less suitable for development of that land use.

Note: It should be noted that this is not considered to be an exhaustive analysis as there are literally dozens of factors that developers consider in determining parcel suitability for specific types of development. However, the results of the analysis should give town planners and developers/builders a sense of where land might be best suited for future commercial, industrial, and multi-family development. This analysis does not predict the availability of these land parcels for development or the town's willingness to approve their development in the future. Future development proposals will be judged on their own merits and based on their compliance with town and state development regulations and their potential impacts

RKG further notes that in some instances, properties (parcels) had environmental (and/or regulatory) constraints where development could not occur (i.e., protected land, conservation land, parks, etc.). In these instances, RKG "scored" them with zeros for development capacity/suitability (in total), but left their other criteria ratings, some parcels may have scored relatively strong on the other rating criterion, despite not being developable. In those cases, RKG gave them a rating score of zero to eliminate that from happening.

The parcel scores were then categorized into the following levels to provide a clear assessment for the different land uses designations (e.g., commercial, industrial, and multi-family).

- Excellent Development Suitability - Parcels holding the highest score, indicating high suitability for the intended land use were deemed "Excellent." These parcels produced the highest rating scores and were most suitable for future development.

- Very Good Development Suitability - Parcels falling under the “Very Good” category had high scores but did not meet as many requirements as the “Excellent” rated parcels. They were still highly suitable for future development, with strong performance in several key areas but some minor shortcomings.
- Good Development Suitability - Parcels in the “Good” Category had moderate scores reflecting some suitability to the land use with more noticeable limitations compared to the “Very Good” and “Excellent” categories. These parcels were generally suitable but may have less attributes when compared.
- Fair Development Suitability - Parcels with the lowest scores with very limited suitability were assigned “Fair” rating and judged to be poor candidates for future development. It is important to note that a given parcel located within a certain part of town could support a multitude of uses that span all three land use categories. For example, some commercial zones may permit many commercial uses “by-right,” but some industrial or multi-family uses might be allowable under a special use permit. Under such circumstances, a single parcel may produce a land use suitability score for each use. Although probably not that common, it is possible under this analysis methodology.

Table 41 – Land Use Suitability Analysis Criterion and Rating Matrix – Town of Kennebunk, MA (2024)

Criteria	Method	Measurement	Industrial Score	Commercial Score	Multifamily Score
Access to Primary Arterial (1 mile or less)	Overlapping Parcels with Important arterials	Interstate 95	5		
		US Route 1	3		
		US Route 9A	1		
Sufficient Acreage for Development	Calculating parcels by acreage and categorised and score	More than 10-acres	3		
		5- to 9.99-acres	2		
		Less than 5-acres	1		
Allowable Use per Zoning	Scoring parcels on the basis of allowable use in each Zoning District	stru	3		
		Allowable by Special Permit	2		
		Not Allowed	0		
Proximity to Ocean/Beaches	Scoring Parcels falling within a certain radius from the Beach/Ocean	3 Mile Radius	5		
		1 to 2.99 Mile Radius	3		
		Less than 1 mile Radius	1		
Proximity to Heavy Residential Use(s)	Scoring parcels(residential clusters) falling within a radius from Industrial zones of the town	1+ Mile Buffer	5		
		.5 to .99 Mile Buffer	3		
		Less than .5 Mile Buffer	1		
Current FAR of Parcel	Calculating Far of Parcels and Score	.0 FAR	5		
		.0 to .15 FAR	3		
		.16 + FAR	1		
Existing Use of Parcel	Grouping the existing land use of Parcels identified to the categories created for scoring (that includes Undeveloped, Industrial, Commercial, Any Residential, Publicly Owned, Open Space/Protected/Water/Other	Undeveloped	5	5	
		Industrial	3	4	
		Any Commercial	2	2	
		Any Residential	1	1	
		Publicly Owned	1	1	
		Open Space/Protected/Water/Other	0	0	
Assessed Value of Structure	Obtaining the building value per sq footage for each of the existing use category and Setting the percentage categories to in turn score the values.	No structure	5	3	
		Less than 25% of median ass'd val.	4	1	
		25% to <50% of median ass'd val.	3	5	
		50% to <75% of median ass'd val.	2	4	
		75% to <100% of median ass'd val.	1	3	
		100% + of median ass'd val.	0	2	
Parcel within the Floodplain	Identifying parcels overlapping or intersecting the flood plains	No	3	1	3
		Yes	1	0	0
Zoning District	Scoring parcels on the basis of allowable use in each Zoning District	Downtown Business (DB)		5	
		Lower Village Business (LVB)		5	
		Suburban Commercial (SC)		3	
		All Other		1	
Maximum Height Allowance (considering potential for mixed-use development)	Scoring parcels on the basis of allowable height under allowable use in each Zoning District	More than 35 feet		3	
		Less than 35 feet		1	
Proximity to Ocean/Beaches	Scoring Parcels falling within a certain radius from the Beach/Ocean	1/4 Mile Buffer		5	
		1/2 Mile Buffer		3	
		1 Mile Buffer		1	
Proximity to Existing Retail District	Scoring parcels falling within a radius from the Retail district of the town	Within Existing Retail District		5	
		Within 1/4 Mile Radius of Existing		4	
		Within 1/2 Mile Radius of Existing		3	
		Within 1 Mile Radius of Existing		1	
Current FAR of Parcel	Calculating Far of Parcels and Score	.0 FAR		5	
		.0 to .30 FAR		3	
		.31 + FAR		1	
Distance to Downtown or Lower Village Centroid	Scoring parcels falling within a radius from downtown or lower village centroid.	1/4 Mile Radius			4
		1/2 Mile Radius			3
		1 Mile Radius			2
Distance to a Public School	Scoring parcels falling within a radius from schools.	1/4 Mile Radius			3
		1/2 Mile Radius			2
		1 Mile Radius			1
Distance to Grocery Store	Scoring parcels falling within a radius from Grocery Stores	1/4 Mile Radius			3
		1/2 Mile Radius			2
		1 Mile Radius			1
Parcel is within Zoning District that Allows MF	Scoring parcels on the basis of Zoning Districts allowing Multi-family	Yes			3
		No			0
Existing Use of Parcel	Grouping the existing land use of Parcels identified to the categories created for scoring (that includes Undeveloped, Industrial, Commercial, Any Residential, Publicly Owned, Open Space/Protected/Water/Other	Vacant Undeveloped			4
		Existing Multifamily			2
		Industrial			2
		Commercial/Retail/Office			2
		1-3 Family			1
		Publicly Owned			1
		Open Space/Protected/Water/Other			0
Presence of Excluded Land	Scoring based on identifying Parcels overlapping with conserved land and open spaces	0-25% of Parcel			3
		25% plus			0

Source: RKG Associates, Inc. (2024)

MULTI-FAMILY RESIDENTIAL RESULTS

The following summary of findings pertains to the multi-family land use analysis as presented in Table 42 and as in Figure 34.

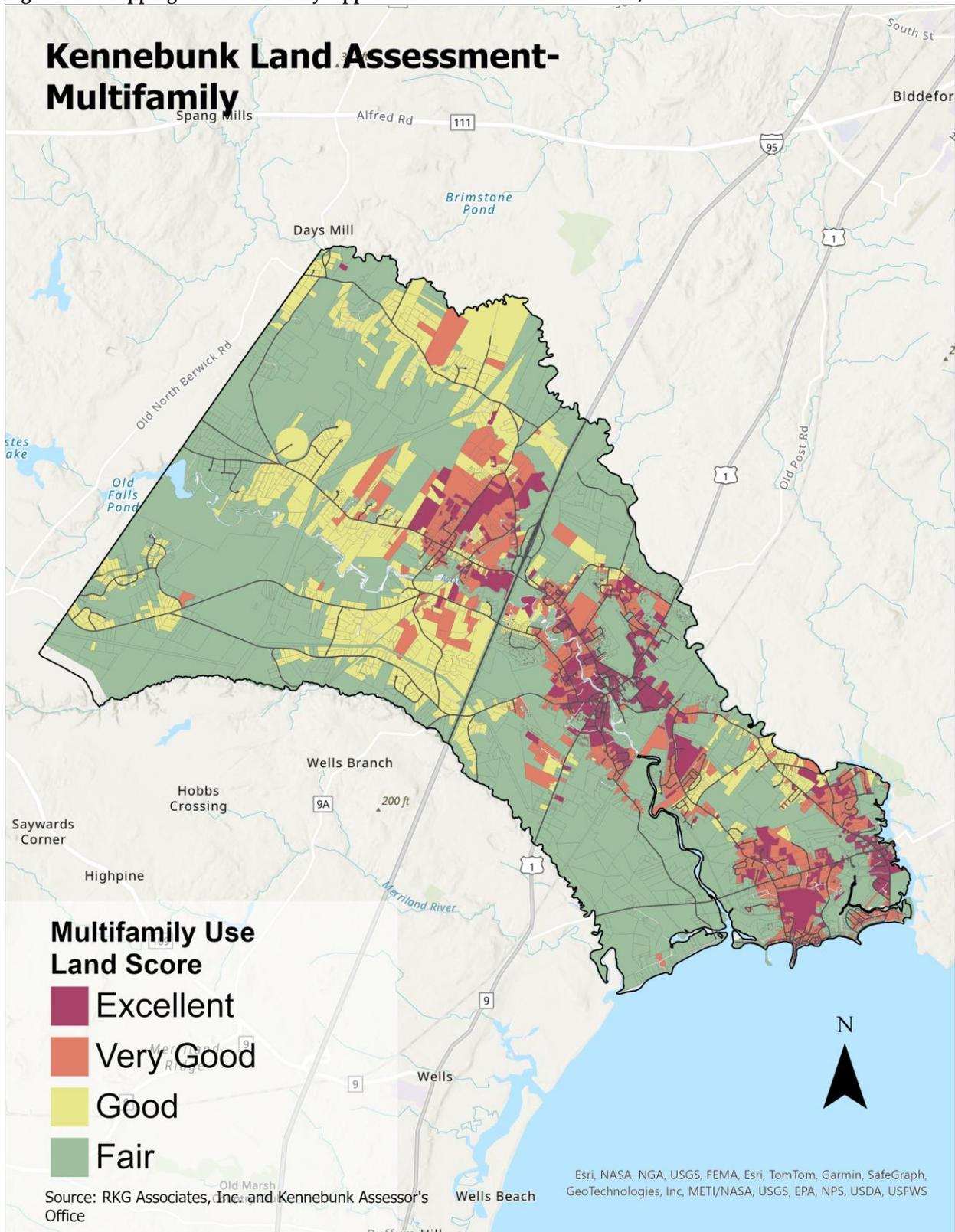
Table 42 – Findings for Multi-Family Use – Town of Kennebunk, ME

Total Area in Acres by Rating Score for Multi-Family Use Kennebunk, Maine (2024)				
Zone	Excellent	Very Good	Good	Fair
Coastal Residential	297.3	256.7	0.0	527.3
Downtown Business	68.0	1.6	0.1	11.3
Lower Village Business	88.3	39.9	0.3	104.1
Portland Road Mixed Use	4.6	0.0	0.0	0.0
Suburban Residential	221.1	486.8	315.0	808.6
Upper Square	10.1	0.0	0.0	12.1
Village Residential	810.3	1,270.6	504.4	1,981.4
York Street Mixed Use	67.0	104.4	0.0	121.9
Total Acreage	1,566.6	2,159.9	819.8	3,566.6
as a % of Total	19.3%	26.6%	10.1%	44.0%

Source: RKG Associates, Inc. and Kennebunk Assessor's Office

- Roughly 19.3% (1,566.6 acres) of the Town's land acres that permit multi-family development, either by right or by special exception, were rated as excellent for future multi-family development, and produced the highest rating scores. Another 26.6% of land acreage (2,159.9 acres) was rated as very good, which means that these sites scored high on most rating criterion, but not as high as the excellent land parcels.
- The Village Residential zoning district includes over 810-acres of land rated as Excellent, followed by the Coastal Residential zone (297.3-acres). These two districts offer the best land development opportunities for new multi-family or apartment uses.
- The Village Residential district has an average assessed value per acre of \$274,468 (which includes land and structures), which is 199.6% of the Town average of \$137,511 (Table 39). Although this may make affordable housing development difficult, the Coastal Village district's average assessed value equals \$784,304 per acre. The most affordable area that allows multi-family development is in the York Street Mixed Use district with an average assessed value of \$218,436 per acre (Table 39). Approximately 171.4 land acres were rated as excellent or very good for multi-family development in this district (Table 42).
- The Rural Residential district has over 4,803-acres of land and has the lowest assessed value per acre at \$48,915 per acre (including land and buildings). The Town should consider allowing multi-family development by special exception in certain designated areas in this zone to allow affordable housing development at apartment densities (Figure 34).
- The largest clusters of Excellent and Very Good land acreage for Multi-family are in West Kennebunk, Downtown and in the Lower Village and near Kennebunk Beach (Figure 34).

Figure 34 – Mapping for Multi-Family Opportunities – Town of Kennebunk, ME



RETAIL AND OTHER COMMERCIAL SECTOR FINDINGS

The following summary of findings pertains to the Commercial land use analysis as presented in Table 43 and Figure 35.

Table 43 – Findings for Commercial Use – Town of Kennebunk, ME

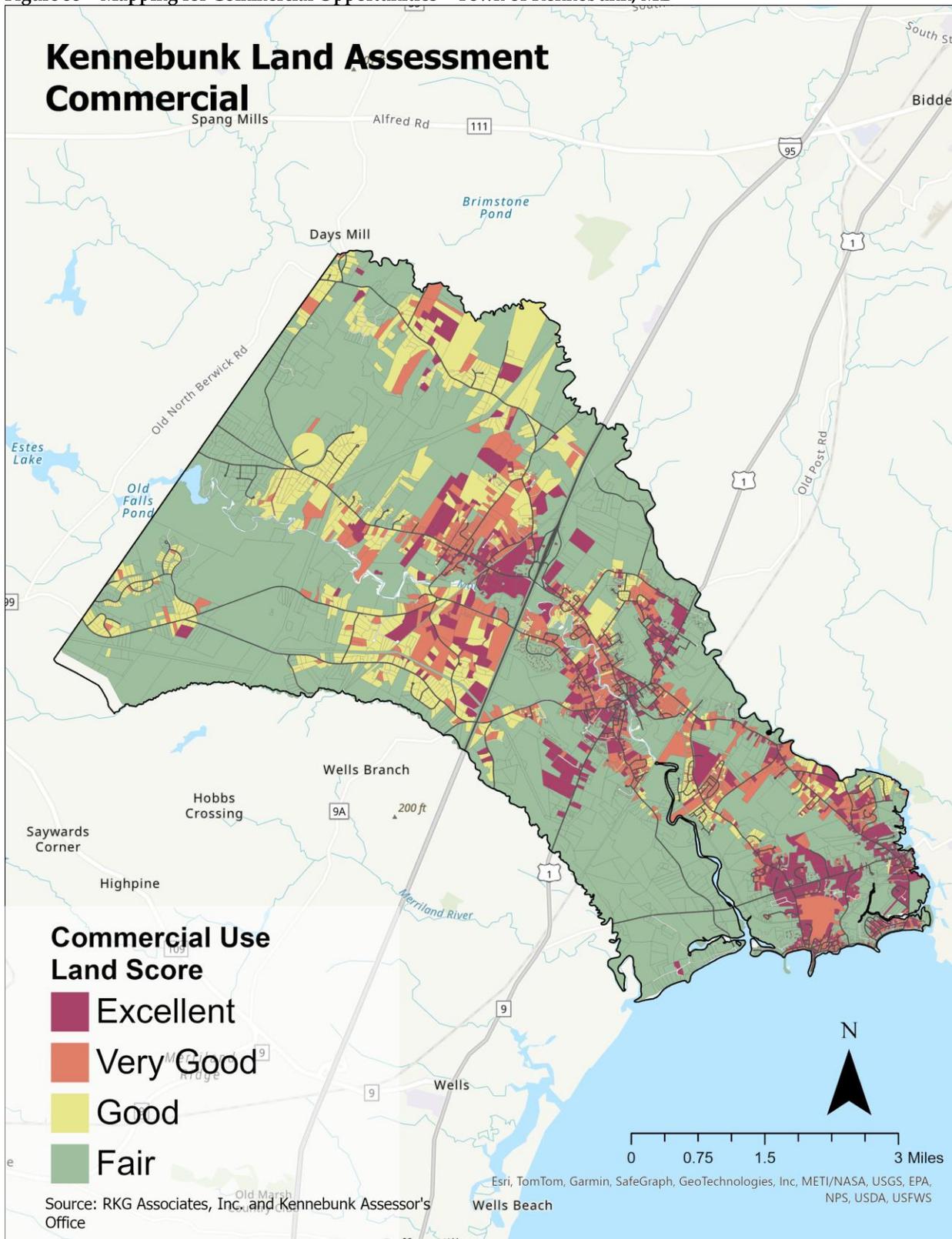
Total Area in Acres by Rating Score for Commercial Use Kennebunk, Maine (2024)				
Zone	Excellent	Very Good	Good	Fair
Branch Brook A	12.5	0.0	35.3	967.2
Branch Brook B	8.1	39.4	227.7	1,388.2
Business Park	79.9	0.0	0.0	425.4
Coastal Residential	249.3	181.8	7.4	643.4
Downtown Business	69.7	0.0	0.0	11.3
Industrial	128.7	1.8	0.0	353.0
Lower Village Business	128.0	0.0	0.0	104.7
Portland Road Mixed Use	4.6	0.0	0.0	0.0
Rural Conservation	177.8	206.2	1,018.7	5,829.7
Rural Residential	266.9	577.7	1,358.1	6,113.7
Suburban Commercial	37.6	0.0	0.0	291.4
Upper Square	8.3	1.9	0.0	12.1
West Kennebunk Village Mixed Use	25.8	0.0	0.0	18.2
York Street Mixed Use	104.6	66.5	0.2	121.9
Total Acreage	1,301.6	1,075.2	2,647.3	16,280.1
as a % of Total	6.1%	5.0%	12.4%	76.4%

Source: RKG Associates, Inc. and Kennebunk Assessor's Office

- Roughly 6.1% (1,301.6-acres) of the Town's land acres that permit commercial development, either by right or by special exception, were rated as excellent for future commercial development, and produced the highest rating scores. Commercial land uses in this context include such things as: retail shops, restaurants, office buildings, service businesses, marinas, and other private commercial operations (Table 43).
- Another 5% or 1,075.2-acres of land were rated as very good, which means they scored well on most criterion used for this analysis. Commercial properties typically desire high visibility locations along major arterial roadways and located near concentrations of population.
- Roughly 88.8% of land acres that permit commercial uses, either by right or by special exception, were rated good or fair, which means they met some of the rating criterion but did not score on many categories.

- The Rural Residential (266.- acres) and the Coastal Residential (249.3-acres) produced the largest supply of land acres that were rated as excellent for commercial land uses. More traditional zoning districts such as Lower Village (128-acres), Downtown Business (69.7-acres) and Suburban Commercial (37.6-acres) yielded considerably fewer acres of top-tier commercial land area.
- Although the Rural Conservation district yielded 177.8-acres of excellent rated commercial land, it was just 2.0% of the total acreage in this district, mostly along major roadway frontage Alewife Road in the northern part of the Town and Middle and Alfred Roads in the western side of Town.
- The best locations for future Commercial are clustered along US Route 1 running through the Downtown and in the Lower Village district. Other clusters of commercial land exist in West Kennebunk near the Maine Turnpike and near Kennebunk Beach (Figure 35).

Figure 35 – Mapping for Commercial Opportunities – Town of Kennebunk, ME



INDUSTRIAL SECTOR FINDINGS

The following summary of findings pertains to the Industrial (I) land use analysis as presented in Table 44 and Figure 36.

Table 44 – Findings for Industrial Use – Town of Kennebunk, ME

Total Area in Acres by Rating Score for Industrial Use Kennebunk, Maine (2024)				
Zone	Excellent	Very Good	Good	Fair
Branch Brook A	40.0	7.8	0.0	967.2
Branch Brook B	222.5	52.8	0.0	1,388.2
Business Park	16.7	61.1	0.0	427.5
Downtown Business	0.0	12.6	56.3	12.1
Industrial District	98.0	32.5	0.0	353.0
Lower Village Business	0.3	10.1	47.1	175.2
Suburban Commercial	22.0	15.6	0.0	291.4
West Kennebunk Village Mixed Use	24.7	5.2	0.0	18.2
Total Acreage	424.1	197.6	103.3	3,632.8
as a % of Total	9.7%	4.5%	2.4%	83.4%

Source: RKG Associates, Inc. and Kennebunk Assessor's Office

- Only 9.7% (424.1-acres) of all land acres that permit Industrial uses were rated as Excellent. Approximately 52.5% (222.5 acres) of all land acreage (424.1 acres) rated as “Excellent” is in the Branch Brook B district, which only allows Industrial uses by special permit (Table 39). The district scores well due to the number of large parcels located between Webber Hill Road (Route 99) and Maguire Road on the western side of Town (Figure 36).
- Since 2000, only 200,000 SF of new building space has been constructed in this area, which lends itself to smaller industrial shops rather than large industrial production facilities (Table 40).
- Another 197.6-acres (4.5%) of land was rated as Very Good and should be able to support future development. The lack of large industrial properties greater than 50-acres will restrict larger scale industrial development in Kennebunk unless additional land is rezoned for such purposes. There are approximately 16.7-acres located in the Business Park district rated as Excellent and 98 -acres located in the Industrial district.

5. GOALS & IMPLEMENTATION ACTIONS

INTRODUCTION AND PURPOSE

The attached Implementation Matrix is a document that summarizes a series of goals and actions under the umbrella economic development elements presented above. Each action is placed on a timeline over the next 10-years. The lead entities responsible for each action's implementation are listed in the matrix and appear in a key at the bottom of the table. The implementation organizations are categorized as public sector, private sector and are considered major implementation partners. RKG Associates has also provided "order of magnitude" cost estimates for each action and whether the costs would be incurred as a one-time expense or on a reoccurring annual basis.

The Kennebunk Economic Development Action Plan implementation strategy is a series of actions taken by the town and its implementation partners, to accomplish certain economic development goals. The goals presented in the matrix are in no particular order, but the timing of each action ranges from 2025-to-2034. Those that are in earlier years should be considered actions that could be achieved earlier or are considered plan priorities that should be accomplished before other actions are taken. Some implementation actions phased in out years are either less urgent or they are more complex or more expensive and will take time to budget. The budget estimates are considered "order of magnitude" cost estimates and are intended to give the Town a rough budgetary range to plan for in future years.

Again, please refer to the attached Implementation Matrix, for a more detailed description of the KEDAP and all of its components and recommendations.