

NOTE TO READERS: This is a *draft* of the Kennebunk Comprehensive Plan. The Comprehensive Plan provides us with a description of the town today in a range of categories, and identifies issues and recommendations for the future. The final version will include an introduction, be professionally formatted and contain multiple photographs. As a town resident, you are encouraged to look at this draft in this early format. **We are now looking for comments and opinions on its contents**, especially the *Issues & Implications* and *Recommendations* sections at the end of each chapter.

The Town will make changes to this draft based on the comments and opinions received, and residents will vote whether or not to accept the final Plan in June 2019.

Chapter A: Population

Summary

Kennebunk's major demographic characteristics include that the Town:

1. is predominantly "white" (98.9%) and the vast majority (85%) of its population were born in Maine or the U.S. Northeast.
2. is somewhat older than the State and the County (the median age in 2016 was 49.5) and has a significant population deficit in the 20-40 age range versus the County and the State. This 20-40 segment of the population has declined over time.
3. has a higher proportion of citizens with a bachelor's degree than the State and the County.
4. is employed in a higher proportion of white collar (versus blue collar) jobs than the State and the County. The 2016 unemployment rate was 5.2% versus 6% for the State. 9.7% of the workforce worked from home (5.5% for the State) and 6% of the workforce were self-employed (8.5% for the State).
5. has a significantly higher median income than the State and the County for the 20-64 age range. But for the 65 and older population, median income falls sharply to a level more in line with the State and the County.
6. has a significantly lower poverty rate than the State and the County. In 2015, 2.1% of families lived below the poverty level versus 9.3% for the State and 6.3% for the County.

7. has disability statistics in line with the State – 14% of the population versus 16% for the State. But among Kennebunk’s disabled population, 60% are 65 or older versus 39% for the State.
8. has an increasing share of single occupant households – 31% of all households in 2010 versus 24% in 1990. The average household size has decreased from 3.07 persons in 1970 to 2.22 in 2016.
9. is significantly affected by seasonal population shifts. The summer population is estimated by Southern Maine Planning and Development Commission (SMPDC) to increase by 50% over the year-round population. Based on U.S. Census data, the percent of seasonal housing to the total housing stock has increased significantly over the past twenty-five years from 12% to 20%.

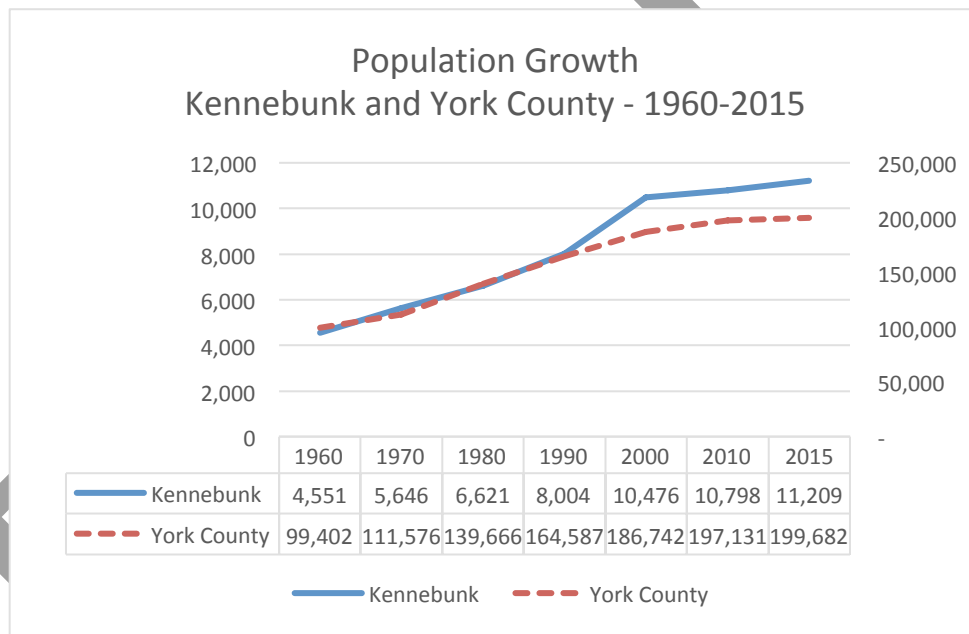
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Population Growth 1970 - 2015

The population growth rates of Kennebunk and York County slowed considerably in the fifteen years following the turn of the century. The primary source of population growth between 2010 and 2015 was in-migration rather than the net of births and deaths.

Population Change 1970-2015, Kennebunk and York County

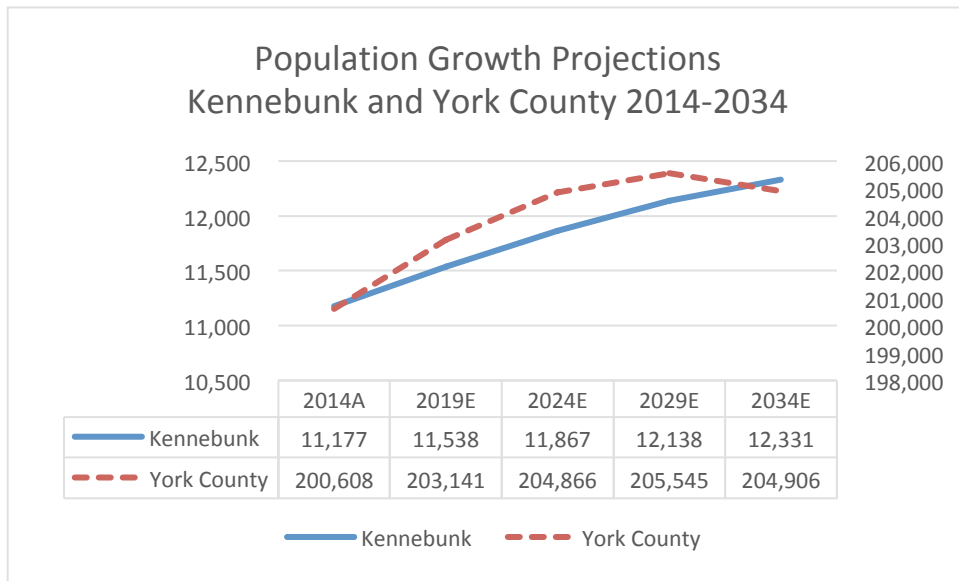
Year	Town Population	Avg. Annual % Change	York County Population	Avg. Annual % Change	Town as % of County
1970	5,646		111,576		
1980	6,621	1.61	139,666	2.27	4.7%
1990	8,004	2.09	164,587	1.78	4.9%
2000	10,476	3.09	186,742	1.35	5.6%
2010	10,798	.30	197,131	.54	5.4%
2015	11,209	.75	199,682	.41	5.6%



Source: US Census Bureau, American Fact Finder Table B1003

Population Growth Projections

The State of Maine forecasts population growth using cohort methodology, which examines patterns of in-migration, out-migration and birth and death rates. Based on this methodology, Kennebunk's population is projected to grow at a 0.5% annual rate from 2014 to 2034 versus a 0.2% annual rate for York County and a slightly negative annual rate (-.1%) for the State of Maine.



Source: State of Maine DECD

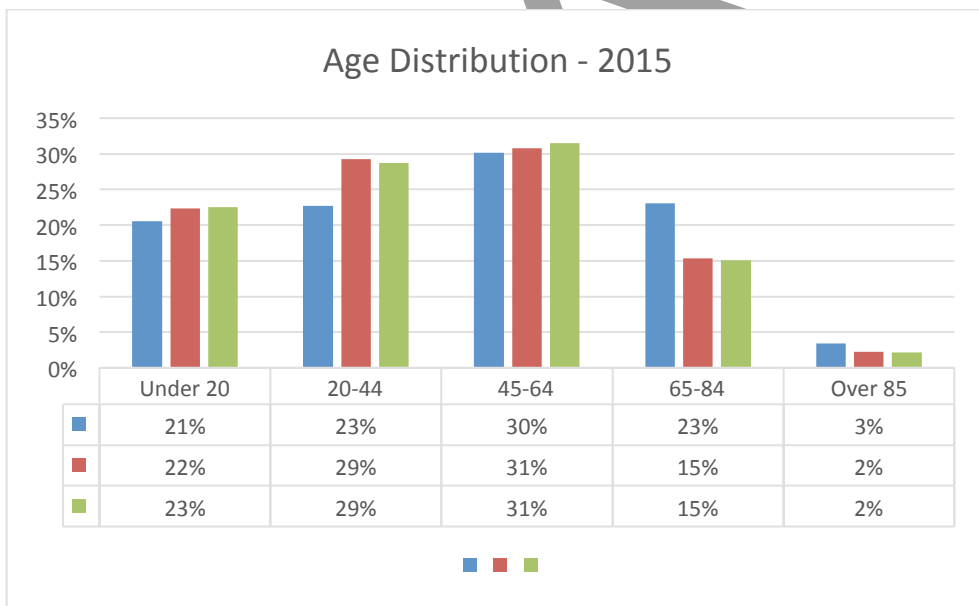
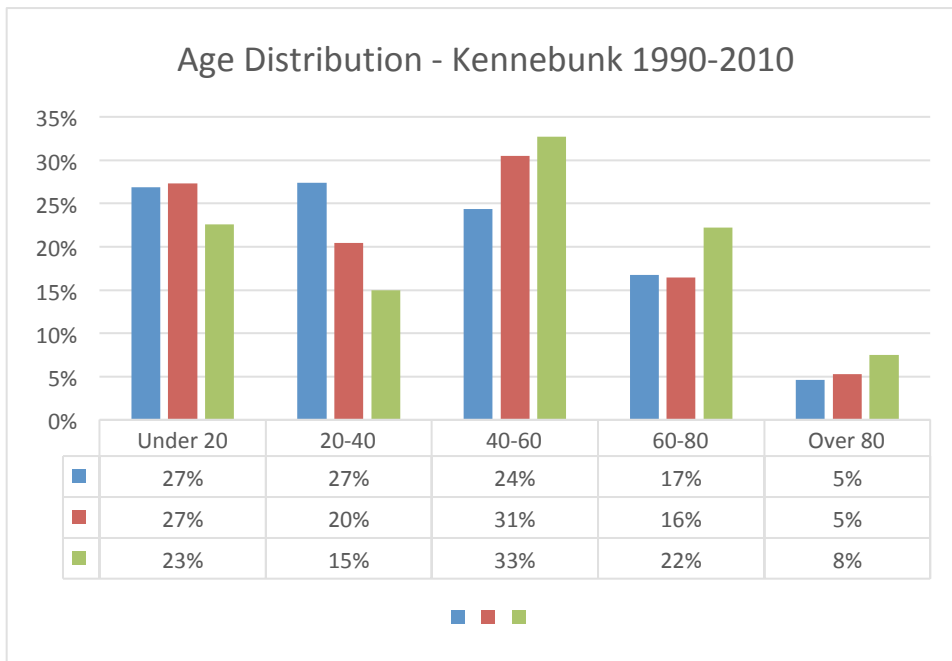
It should be noted that the 2003 Comprehensive Plan update included growth projections that extrapolated the high growth rates of the seventies, eighties and nineties (annual averages of 1.6%, 2.1% and 3.1% respectively). The 2015 population projection made at that time was 15,000 +/- versus the actual 2015 population of 11,209. It may be that the current projections are too conservative – extrapolating the low growth rates that followed the severe economic contraction of the 2008-2010 period. Many factors will determine the accuracy of the projections. Among these are:

- the housing industry is very cyclical and fluctuates with economic conditions and interest rates
- land use controls adopted by the Town will determine the extent of new construction
- the type of development (single family homes versus multi-family) will have an impact on population density
- fiscal policies adopted by the State and Town (tax rates) may encourage or discourage in-migration
- the levels and types of jobs that are created in Kennebunk and surrounding communities.

Age Characteristics of the Kennebunk Population

The two charts below show the age distribution of Kennebunk’s population compared to the County and the State and the changing age distribution of Kennebunk’s population over time. Kennebunk has a significantly lower share of its population in the 20-40-year-old range and a higher percentage in the over 60 ranges. This tendency increased from 1990 to 2010, when the percent of population in the 20-40-range almost halved. The same trend is underscored by the rising median age of the Kennebunk population: 37.5 in 1990, 41.3 in 2000, 48.2 in 2010 and 49.5 in 2016. There are two primary reasons for this demographic trend. 1) Over the past thirty

years, Kennebunk has seen the construction of several residential developments restricted to occupancy by seniors and 2) high real estate values limit the amount of affordable housing for young adults.



Source: US Census Bureau, American Fact Finder Table S0101

Household Size

The average number of people per household in Kennebunk has decreased from 3.07 in 1970 to 2.22 in 2016.

Kennebunk Household Characteristics

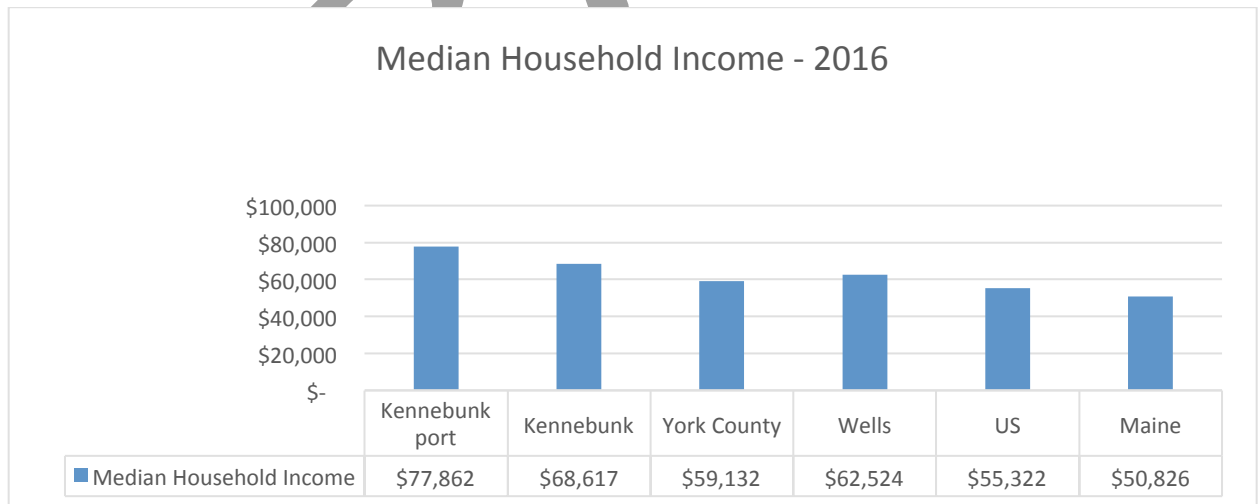
Year	Households	Av. Annual % Change	Avg. HH Size
1980	2,506	3.2%	2.60
1990	3,118	2.2%	2.61
2000	4,229	3.1%	2.44
2010	4,689	1.0%	2.27
2016	4,954	4.1%	2.22

Source: US Census Bureau, Table DP02 American Community Survey

Besides smaller family units, much of this change is explained by the increase in individuals living alone. As of 2010, 31% of all households in Kennebunk were individuals living alone versus 27% in 2000 and 24% in 1990. Of those living alone, the percentage of 65 or older was 52% and 53% respectively in 2000 and 2010. The trend to more single occupant households reflects changing marriage and divorce norms, increased longevity, the availability of more small housing units and specifically, congregate housing for the elderly.

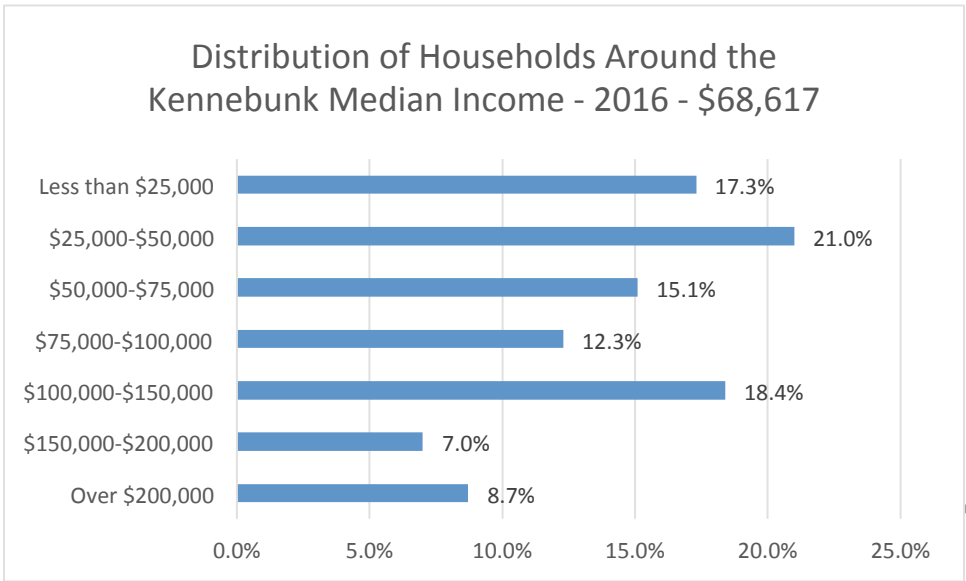
Income Characteristics

Median household income for Kennebunk is above that of the State, the County and surrounding communities.



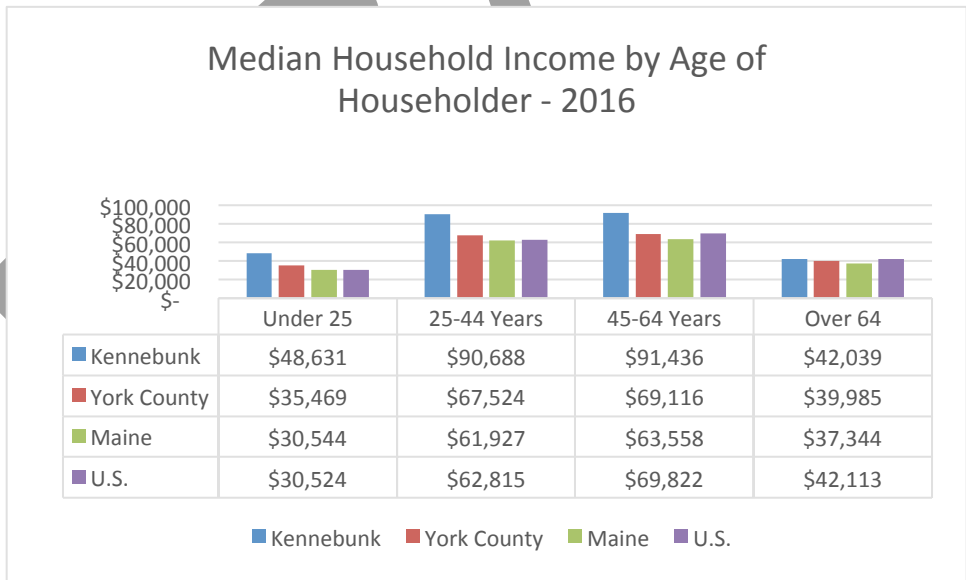
Source: US Census Bureau, American Community Survey Table DP03

The chart below shows the distribution of incomes by percent of the population. It illustrates that the distribution is not “normal”, i.e. that there is a skew such that a large number of households falls to the low end of the range. Mean income (weighted by very high incomes for 15-20% of the population) was \$97,161, 42% above the median.



Source: US Census Bureau, American Community Survey Table DP03

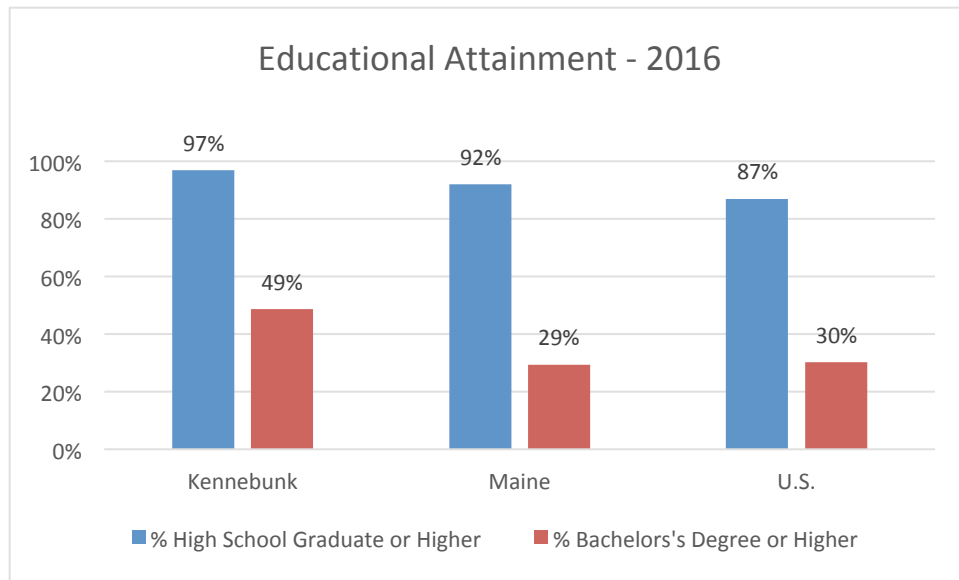
The chart below shows median income distribution of household income according to age groups. Kennebunk has significantly higher household income than National and State medians during the “earning years,” but for the population aged 65 and over, Kennebunk’s median falls sharply to a level more or less in line with the National median.



Source: US Census Bureau, American Community Survey Table B19049

Educational Attainment

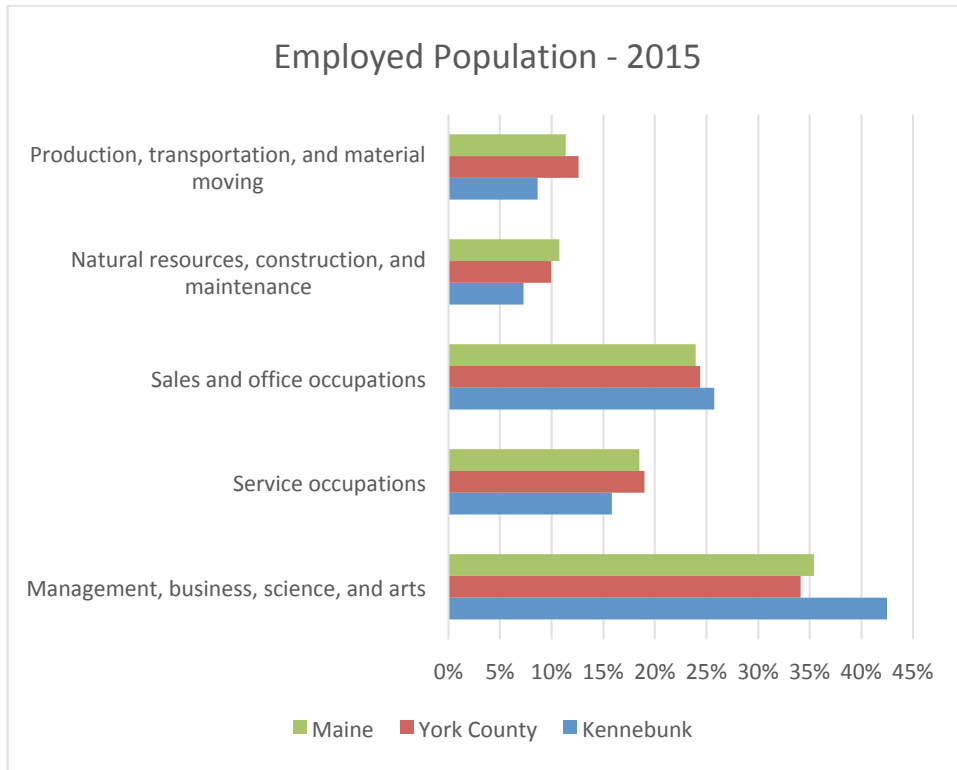
The educational attainment of Kennebunk's population is higher than that of Maine, York County and the US as a whole.



Source: US Census Bureau, American Community Survey Table DP02

Employment Characteristics

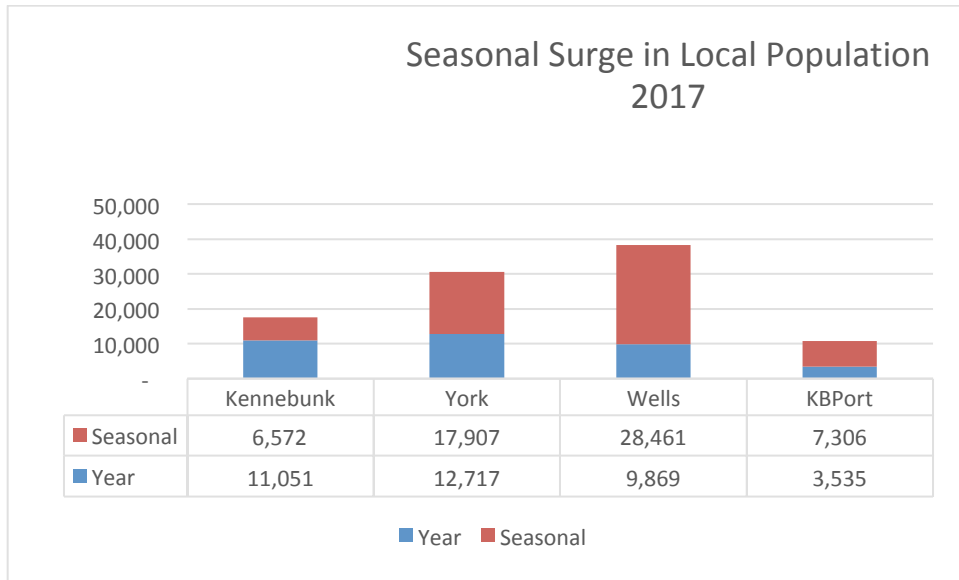
Employment statistics indicate that Kennebunk has a higher percent of its employed population in “white collar” fields than do York County and the State of Maine. White-collar work is work performed in an office or other administrative setting.



Source: US Census Bureau, American Community Survey Table S2406

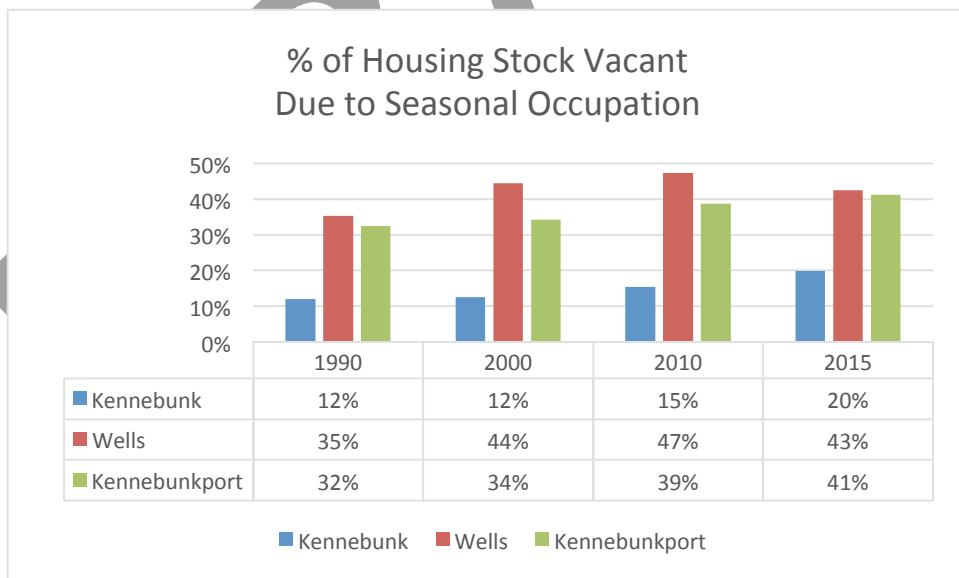
Population Seasonality

Kennebunk has a high seasonal population. This is due to the summer attraction of its coastal area and rivers as well as its generally harsh winters and a state tax rate that may favor out-of-state residence. This creates a challenging business environment in terms of demand for goods and services. The chart below compares an estimate of Kennebunk’s seasonal population increase to that of its neighbors. Although not as extreme as its neighbors, Kennebunk’s summer population is estimated to increase by 50% when seasonal homes, hotels, motels, B&Bs and camps are taken into consideration. By comparison, Kennebunkport’s population triples in the summer and Wells’ population almost quadruples.



Source: Southern Maine Planning and Development Commission

The chart below depicts the trend over time in Kennebunk’s seasonal housing as a percent of its housing stock relative to its neighbors. Although Kennebunk’s seasonal share of the housing stock is considerably lower than its neighbors, the percentage nearly doubled from 1990 to 2015 from 12% to 20%.



Source: US Census Bureau, American Community Survey Table B25004

Note: There are two very useful websites for any Mainer researching demographic statistics. The first is at the State level - State of Maine Office of Policy & Management, State Economist, Build Your Own Data Sheet: <http://econ.maine.gov/index/comprehensive>
The second is at the national level - American Fact Finder, Community Facts: https://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml

Issues & Implications

1. At the time of this report, the RSU 21 school system population was in flux. The High School may be poised for growth due to the programming in place and improvement in the physical infrastructure. It could entice younger families to move into the town or region. This change may counter declining younger student population trends presently being experienced. This also underlines the need to increase the supply of housing that is affordable to younger families who want to live in a town with a quality school system.
2. Recent growth in Kennebunk has resulted in a higher proportion of elderly and fewer younger adults than the County and State. Coupled with the general aging of the “baby boomer generation,” there are implications for increased demand for municipal and social services.
3. Kennebunk is seeing increasing percentages of one and two-person households, with a related increase in housing growth that exceeds the population growth.
4. The importance of tourism to the area’s economy means the town is likely to continue to see a substantial seasonal fluctuation in the population with the associated seasonal spikes in demands on public services.
5. Historical population growth projections have not aligned with actual growth—making long-term planning very challenging.
6. The seasonal population fuels businesses, does not add students to our schools and puts less demand on public safety and public services since seasonal residents, by definition, do not require services twelve months of the year. It also has downsides in that it pushes housing costs up, causes seasonal traffic congestion, and results in a sparse winter community that contributes to lower community volunteerism and fewer amenities.

Recommendations

1. The increasing proportion of one-person households should guide zoning to accommodate smaller units at higher density closer to services.
2. In order to increase the population diversity to a better balance in terms of age and income, more lower-cost housing is needed. Specific recommendations, including the need to engage the public in this discussion of balance, are covered in the housing chapter.