

Volume 1: Housing Data Package

Town of Cape Elizabeth, Maine
Housing Diversity Study

May 17, 2022



Prepared by





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1. INTRODUCTION

ABOUT THIS HOUSING DIVERSITY STUDY

The Town of Cape Elizabeth has commissioned a Housing Diversity Study to assess current housing conditions and provide options to create affordable housing in the community. Conducting such a study emerged as a recommendation in the Town's 2019 Comprehensive Plan:

Recommendation #83: "Undertake a Housing Diversity Study that evaluates current housing costs, needs, impacts on services and other relevant elements and recommends actions to create more affordable opportunities for seniors to downsize, and for young adults and young families to move to Cape Elizabeth. At a minimum, options to evaluate should include incentives to create permanently affordable housing and municipal purchase of land for construction of affordable housing, and coordination of regional efforts with Metro Coalition."

The scope of this Housing Diversity Study is divided into three major tasks:

1. Housing Data Package. The purpose of Task 1 is to collect, analyze, and present relevant data and information on the Town's current housing situation, including data on community demographics, housing inventory, and affordability; an evaluation of recent housing market trends; and an assessment of the regulatory environment and development opportunities and challenges. This task is intended to provide a foundation of data and information to inform goal creation and strategy recommendations.

2. Housing Creation Goals. Task 2 will put forth a range of goals for diversifying Cape Elizabeth's housing stock and increasing affordable housing options for target populations, such as young adults, young families, seniors, displaced commuters, and/or existing residents who are housing cost-burdened. These recommended goals will be developed based on foundational data from Task 1 and additional analysis of the town's housing needs. The goals are intended to generate discussion among community leadership and the general public.

3. Housing Diversification Strategy Options. Task 3 will offer a menu of strategies that the Town may undertake to achieve housing creation goals laid out in the previous task. Strategies will reflect various municipal policy options, including changes to land use regulations and other actions the Town can take to encourage affordable housing production in the community.

Three report volumes will be produced (one for each task) and presented to the Town Council in a series of public workshop meetings. Upon completion of the process, all volumes will be combined into a final report that will serve as a reference document for the Town as it proceeds with future decision-making related to housing policy.

KEY FINDINGS

Key findings from each section of Volume 1 are summarized below.

Demographic & Economic Profile

Cape Elizabeth has grown more slowly than its peers over the last two decades. From 2000 to 2020, the town grew by 4.6% and added 418 residents compared to Cumberland County's growth of 14.1%.

The town is popular with families. Cape Elizabeth has proportionally fewer one-person households and more households with four or more individuals compared to the county. Approximately 30% of all households in Cape Elizabeth are family households with children, compared to 23% in Cumberland County as a whole.

The community's youth population has declined. The town's population under the age of 18 has fallen by 355 individuals, or 14%, between 2000 and 2020. School enrollment in the Cape Elizabeth Public Schools declined by 189 students, or 11.3%, between the 2012-13 and 2021-22 school years.

Housing costs play a role in limiting the number of young families. Cape Elizabeth has an under-representation of younger adults in the 25 to 44 range as compared to the county, state, and nation. It is likely that housing affordability plays a role in delaying the age at which families with children can afford to move into the community, in many cases not until parents are in their late 40s or 50s and children are in their teenage years.

The senior population has grown. Seniors ages 60+ make up a growing a share of the local population. In 2010, this group comprised 24% of residents, compared to an estimated 34% in 2021.

Cape Elizabeth is home to an increasingly concentrated population of high-income households. Median household income grew from about \$77,000 in 2010 to about \$127,000 in 2020, a ten-year rise of 66%. The gap in median income between Cape Elizabeth and Cumberland County grew considerably over this period.

There are three times more workers living in Cape Elizabeth than there are workers employed in Cape Elizabeth. An estimated 72% of workers employed in town commute from elsewhere, while 91% of working residents work at jobs located outside of Cape Elizabeth. This is a typical pattern for a "bedroom community."

Housing Inventory & Market Trends

Cape Elizabeth's low population growth is tied to housing production. From 2010 to 2020, the town added 108 housing units on net, an increase of 2.7%. Meanwhile, several peer communities registered double-digit gains; Scarborough increased its housing stock by 20.0%, Cumberland grew by 14.2%, and Falmouth expanded by 12.7%.

The town has a low share of renter-occupied units. Only 10% of Cape Elizabeth's occupied housing units are renter-occupied, compared to 30% in Cumberland County. Low rental availability limits the types of households that can consider Cape Elizabeth as a place to live.

Growth in median home sale price has far exceeded median household income growth. The median non-oceanfront single-family home sale price in Cape Elizabeth surged by 107% between 2011 and 2021, from \$336,250 to \$695,000. This compares to median household income growth of 66% in Cape Elizabeth between 2010 and 2020, and just 37% in Cumberland County.

About 750 Cape Elizabeth households are considered housing cost-burdened, or 21% of all households in the community. When examining only households earning below \$50,000, about 454 households are cost burdened, or about 65% of all households in this income range. Seniors comprise a disproportionate share of cost-burdened households.

Development Environment

Current town zoning regulations have restrictive density requirements that are generally prohibitive for the development of workforce or affordable-level housing. While multifamily is allowable as a use, the town's zoning requirements greatly limit both the scale and feasibility of development, particularly for affordable/workforce level multifamily.

There is an extremely limited supply of potentially developable land for housing, suggesting that time is limited to create attainable housing before the Town is effectively built-out. There are few undeveloped parcels with the zoning and infrastructure required to accommodate multifamily affordable housing development.

High land costs and a competitive market for land are significant challenges to the financial feasibility of developing attainable-level housing. There is very high competition for land that does become available in the community, posing a significant challenge for the acquisition of a site or sites for affordable housing.

There is split public opinion in the community with respect to support for affordable/workforce housing. Past polling of the public has found somewhat polarized opinions with respect to affordable housing, with a slight majority in support of new affordable housing options in the community.

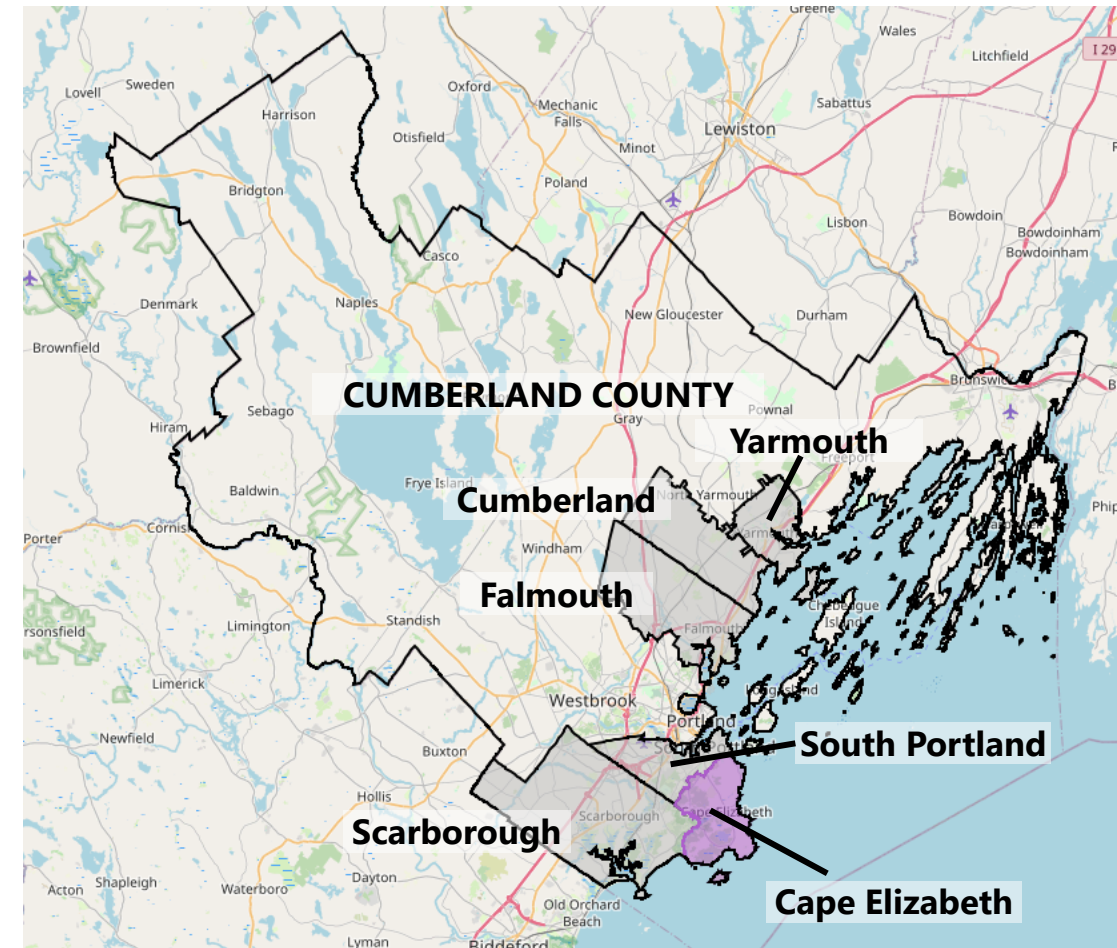
Past active opposition from community members to affordable housing is likely to deter future developer interest in building attainable housing in the Town. Despite an apparent majority of residents that are in favor of affordable housing, recent opposition to an affordable housing project in the town is likely to give future potential developers pause.

2. DEMOGRAPHIC & ECONOMIC PROFILE

The demographic and economic profile presents data on Cape Elizabeth's population and economy.

COMPARISON GEOGRAPHIES

For many data points in this study, Cape Elizabeth is compared to a set of peer communities. These communities include the town's two direct neighbors—Scarborough and South Portland—plus three other coastal communities within close commuting distance of Portland: Falmouth, Cumberland, and Yarmouth. This is the same set of communities used in the town's 2019 Comprehensive Plan. The town is also compared to Cumberland County, Maine, and the US, as appropriate, throughout this report.



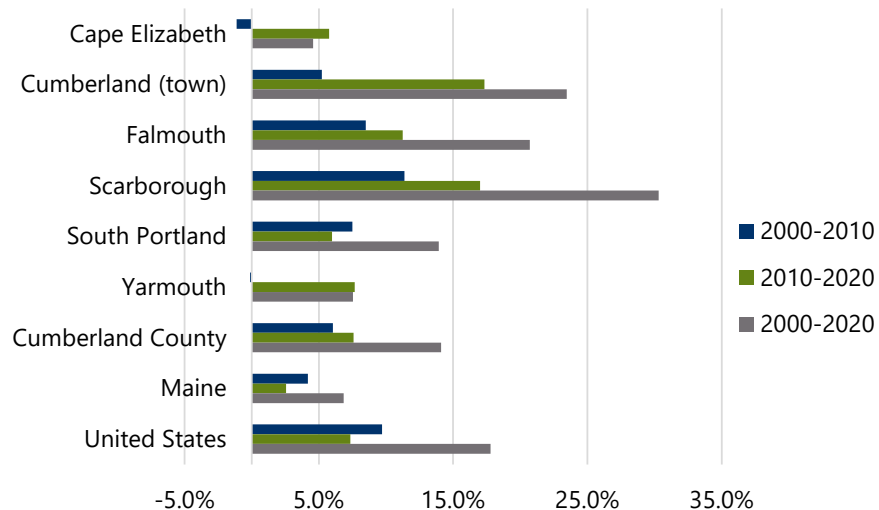
TOTAL POPULATION

According to population counts from the 2020 Decennial Census, Cape Elizabeth had a total population of 9,535 residents. From 2010 to 2020, the town added 520 residents, an increase of 5.8%. This was a reversal of the trend shown of over the prior decade (2000-2010), during which time the town lost 102 residents.

In percentage terms, Cape Elizabeth grew more slowly from 2010 to 2020 than any of the five peer communities. In fact, three of these communities—Cumberland (+17.3%), Scarborough (+17.0%), and Falmouth (+11.3%)—experienced double-digit population growth.

Cape Elizabeth was also surpassed by Cumberland County as a whole (+7.6%), and the US (+7.4%). Of the comparison geographies, only Maine grew at a slower rate (+2.6%).

Pct. Change in Total Population



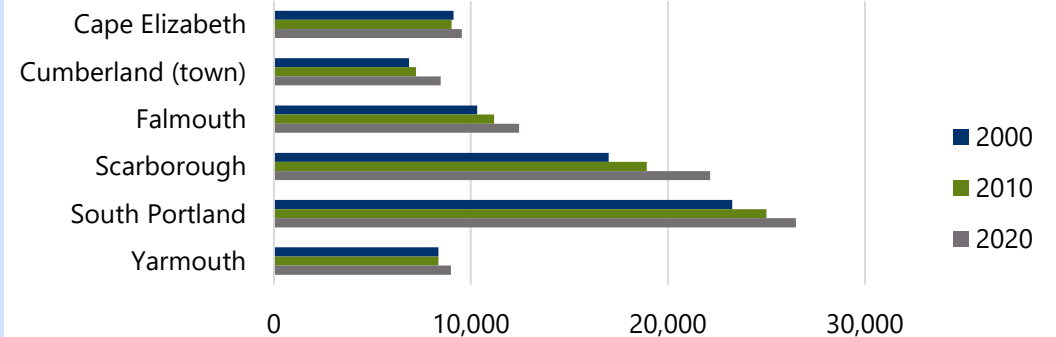
Source: Decennial Census

Total Population

Geography	Population			Percent Change		
	2000	2010	2020	2000-2010	2010-2020	2000-2020
Cape Elizabeth	9,117	9,015	9,535	-1.1%	5.8%	4.6%
Cumberland (town)	6,863	7,221	8,473	5.2%	17.3%	23.5%
Falmouth	10,310	11,185	12,444	8.5%	11.3%	20.7%
Scarborough	16,988	18,919	22,135	11.4%	17.0%	30.3%
South Portland	23,256	25,002	26,498	7.5%	6.0%	13.9%
Yarmouth	8,359	8,349	8,990	-0.1%	7.7%	7.5%
Cumberland County	265,612	281,674	303,069	6.0%	7.6%	14.1%
Maine	1,274,923	1,328,361	1,362,359	4.2%	2.6%	6.9%
United States	281,421,906	308,745,538	331,449,281	9.7%	7.4%	17.8%

Source: Decennial Census

Total Population, 2000, 2010, 2020



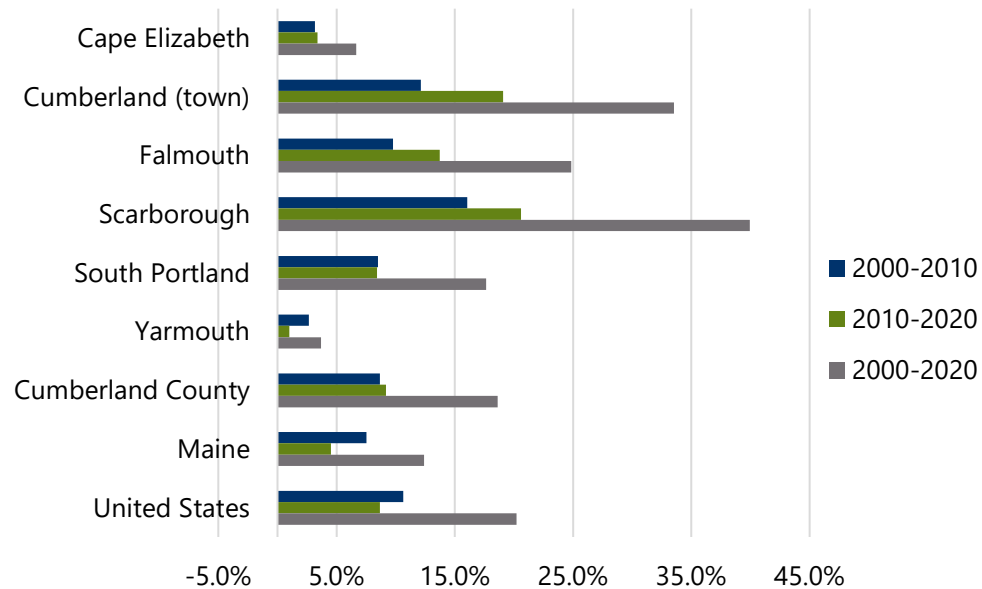
Source: Decennial Census

TOTAL HOUSEHOLDS

From 2010 to 2020, Cape Elizabeth added 122 households, bringing the total number of households to 3,226. The rate of household growth over this period (+3.4%) lagged the rate of population growth (+5.8%). This rate of household growth was similar to the rate of 3.2% registered over the prior decade (2000-2010).

Percentage growth in households in Cape Elizabeth was slower than in all comparison geographies except for Yarmouth, which experienced very low household growth of just 1.0%.

Pct. Change in Households



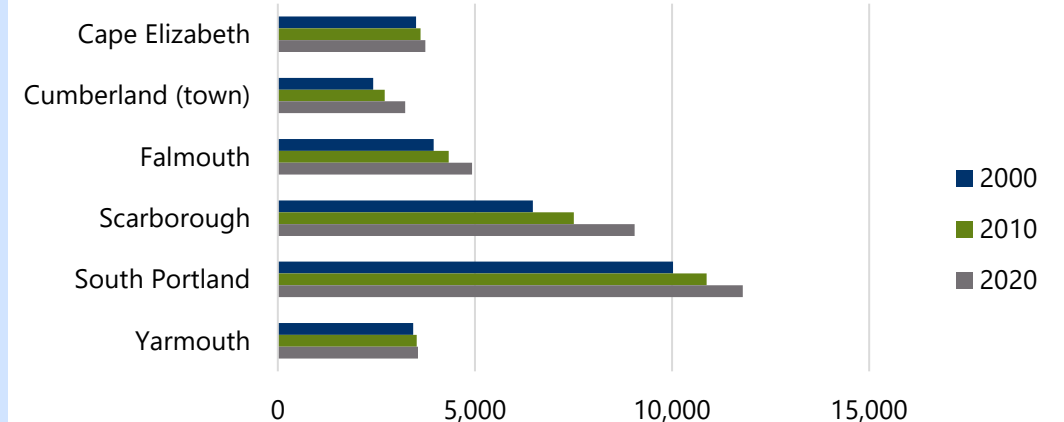
Source: Decennial Census

Total Households

Geography	Households			Percent Change		
	2000	2010	2020	2000-2010	2010-2020	2000-2020
Cape Elizabeth	3,505	3,616	3,738	3.2%	3.4%	6.6%
Cumberland (town)	2,416	2,709	3,226	12.1%	19.1%	33.5%
Falmouth	3,948	4,334	4,929	9.8%	13.7%	24.8%
Scarborough	6,468	7,506	9,052	16.0%	20.6%	40.0%
South Portland	10,024	10,877	11,793	8.5%	8.4%	17.6%
Yarmouth	3,431	3,522	3,557	2.7%	1.0%	3.7%
Cumberland County	107,989	117,339	128,100	8.7%	9.2%	18.6%
Maine	518,200	557,219	582,437	7.5%	4.5%	12.4%
United States	105,480,101	116,716,292	126,817,580	10.7%	8.7%	20.2%

Source: Decennial Census

Total Households, 2000, 2010, 2020



Source: Decennial Census

HOUSEHOLD SIZE

The difference between the rate of total population growth and the rate of household growth is explained by changes in average household size. The US, Maine, and Cumberland County have all experienced declining household size over the last two decades as the population ages. Senior households tend to have fewer members, and so it follows that an increase in senior households as a share of the overall population comes with a decline in average household size.

While the average household size in Cape Elizabeth declined from 2.57 in 2000 to 2.49 in 2010, it bucked this trend between 2010 and 2020, showing a slight increase to 2.51. Yarmouth was the only other peer community with growth in average household size.

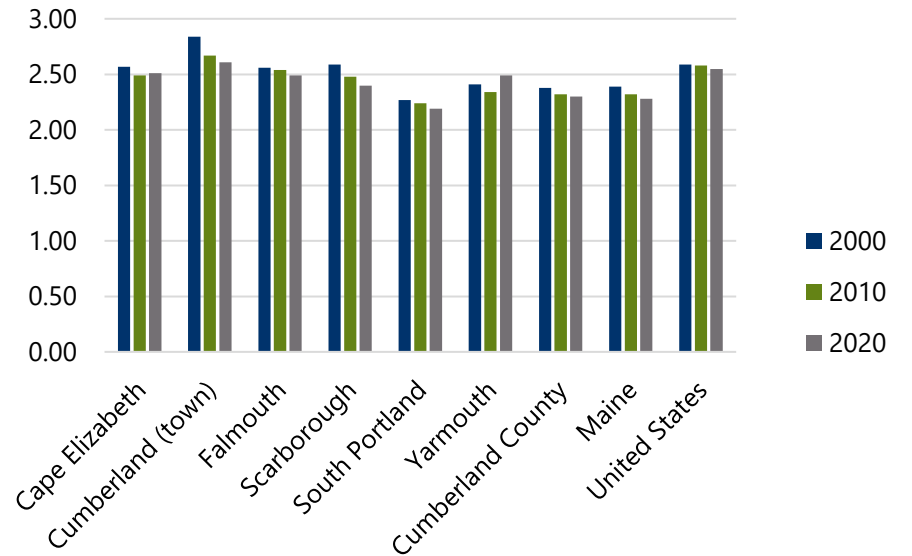
Cape Elizabeth has proportionally fewer one-person households and more households with four or more individuals. About 24% of Cape Elizabeth's households contain a single individual, compared to 30% county-wide. Meanwhile, 21% of town households have at least four persons, compared to 17% in Cumberland County.

Households by Size

	Cape Elizabeth				Cumberland County			
	2010		2020		2010		2020	
	Count	Share	Count	Share	Count	Share	Count	Share
1-person household	854	23%	884	24%	34,285	29%	37,295	30%
2-person household	1,366	38%	1,416	38%	42,332	36%	46,460	38%
3-person household	538	15%	651	17%	18,075	16%	18,116	15%
4-or-more-person household	879	24%	803	21%	21,924	19%	21,513	17%
Total Households	3,636	100%	3,754	100%	116,616	100%	123,384	100%

Source: 2010 and 2020 ACS, 5-Year Estimates

Average Household Size



Source: Decennial Census

Average Household Size

Geography	Household Size			Change		
	2000	2010	2020	2000-2010	2010-2020	2000-2020
Cape Elizabeth	2.57	2.49	2.51	-0.08	0.02	-0.06
Cumberland (town)	2.84	2.67	2.61	-0.17	-0.06	-0.23
Falmouth	2.56	2.54	2.49	-0.02	-0.05	-0.07
Scarborough	2.59	2.48	2.40	-0.11	-0.08	-0.19
South Portland	2.27	2.24	2.19	-0.03	-0.05	-0.08
Yarmouth	2.41	2.34	2.49	-0.07	0.15	0.08
Cumberland County	2.38	2.32	2.30	-0.06	-0.02	-0.08
Maine	2.39	2.32	2.28	-0.07	-0.04	-0.11
United States	2.59	2.58	2.55	-0.01	-0.03	-0.04

Source: Decennial Census

HOUSEHOLDS BY TYPE

Roughly 7 in 10 households in Cape Elizabeth are family households, while the remaining 3 in 10 are non-family households. Approximately 41% of the town’s households are family households without children under 18. This group consists, in large part, of married couples who are “empty nesters” or who never had children.

Cape Elizabeth’s larger household sizes are driven by its higher share of family households, both with children and without children. According to the 2020 ACS, 30% of all households in Cape Elizabeth are family households with children, compared to 23% in Cumberland County as a whole. The number and share of households in this category declined in both the town and the county over the last decade.

The Census divides households into “family households” and “non-family households.” Family households contain a householder and at least one other individual who is related to the householder by birth, marriage, or adoption. Non-family households are comprised of either a single individual living alone, or two or more unrelated individuals living together, such as roommates or co-habiting partners.

Every household contains exactly one householder. The householder is the person (or one of the people) in whose name the housing unit is owned or rented. The Census used to refer to this person as the “head of household.”

Households by Type

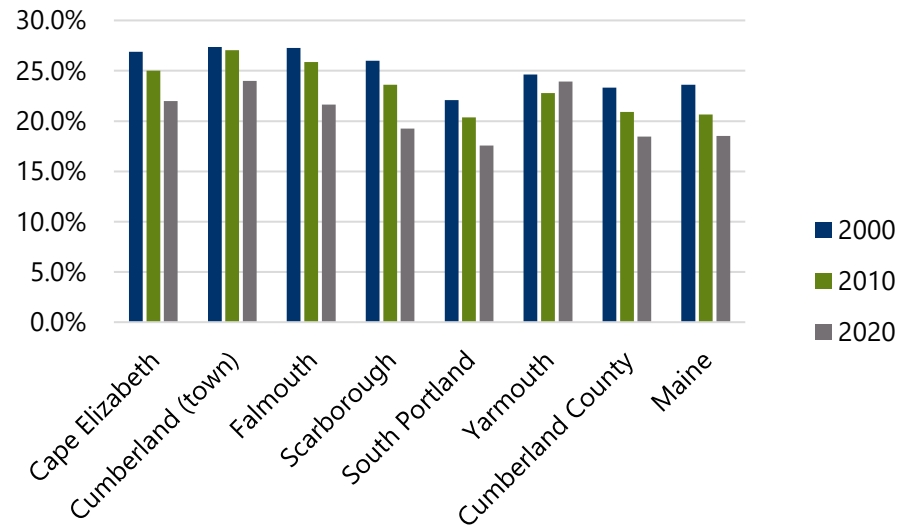
	Cape Elizabeth				Cumberland County			
	2010		2020		2010		2020	
	Count	Share	Count	Share	Count	Share	Count	Share
Total Households	3,616	100%	3,754	100%	117,339	100%	123,384	100%
Total Families	2,620	72%	2,679	71%	70,778	60%	73,543	60%
No Children under 18	1,444	40%	1,548	41%	39,743	34%	44,567	36%
HH with Children under 18	1,176	33%	1,131	30%	31,035	26%	28,976	23%
Non-Family Households	996	28%	1,075	29%	46,561	40%	49,841	40%
Living Alone	827	23%	884	24%	34,831	30%	37,295	30%
Not Living Alone	169	5%	191	5%	11,730	10%	12,546	10%

Source: Decennial Census; 2020 ACS

UNDER 18 POPULATION

According to the 2020 Decennial Census, 22.0% of Cape Elizabeth’s population is under the age of 18. The under-18 population has dropped over the last two decades, falling from 2,451 individuals in 2000; to 2,256 in 2010; and again to 2,096 in 2020. This is a 20-year decline of 355 young people, or 14%. Cumberland (town) and Yarmouth were the only peer communities to experience absolute increases in the under-18 population. All geographies saw declines in the share of the under-18 population, however.

Under 18, Share of Total Population



Source: Decennial Census

At the time of this writing, detailed age data from the 2020 Decennial Census has not yet been publicly released. The only granularity currently available are counts of the population under 18 versus the population 18 and over. Though it does not include a detailed picture of the community’s age composition, it is provided here for reference because it reflects a comprehensive count of the population and is not based on sampling as in the ACS. Age data from the ACS is presented in the following pages.

Under 18 Population

	2000	2010	2020	2000-2010 Change	2010-2020 Change	2000-2020 Change
Cape Elizabeth	2,451	2,256	2,096	-8%	-7%	-14%
Cumberland (town)	1,879	1,953	2,033	4%	4%	8%
Falmouth	2,811	2,894	2,692	3%	-7%	-4%
Scarborough	4,417	4,468	4,260	1%	-5%	-4%
South Portland	5,135	5,095	4,652	-1%	-9%	-9%
Yarmouth	2,059	1,903	2,151	-8%	13%	4%
Cumberland County	61,962	58,894	55,971	-5%	-5%	-10%
Maine	301,238	274,533	252,274	-9%	-8%	-16%

Source: Decennial Census

Under 18 Population, Share of Total Population

	2000	2010	2020	2000-2010 Change	2010-2020 Change	2010-2020 Change
Cape Elizabeth	26.9%	25.0%	22.0%	-1.9%	-3.0%	-4.9%
Cumberland (town)	27.4%	27.0%	24.0%	-0.3%	-3.1%	-3.4%
Falmouth	27.3%	25.9%	21.6%	-1.4%	-4.2%	-5.6%
Scarborough	26.0%	23.6%	19.2%	-2.4%	-4.4%	-6.8%
South Portland	22.1%	20.4%	17.6%	-1.7%	-2.8%	-4.5%
Yarmouth	24.6%	22.8%	23.9%	-1.8%	1.1%	-0.7%
Cumberland County	23.3%	20.9%	18.5%	-2.4%	-2.4%	-4.9%
Maine	23.6%	20.7%	18.5%	-3.0%	-2.1%	-5.1%

Source: Decennial Census

AGE DISTRIBUTION

According to 2020 ACS estimates, Cape Elizabeth has the highest median age of all geographies, at 47.9 years (MOE +/- 3.1). The town's median age is about 5 years older than in Cumberland County, and nearly 10 years older than the US overall.

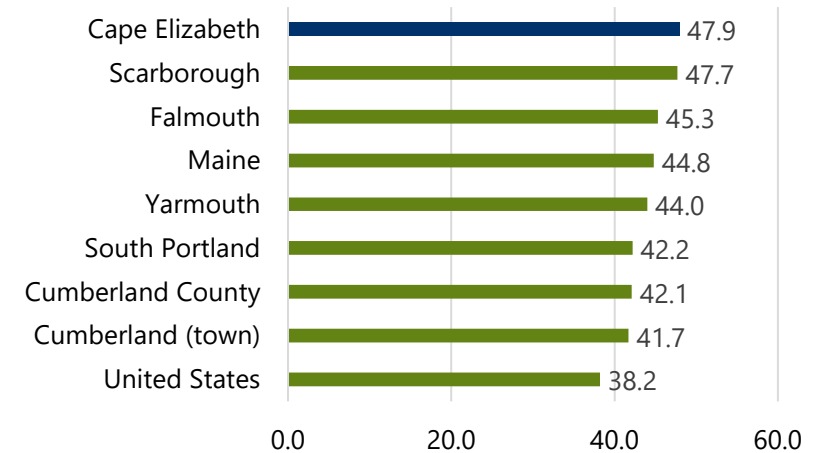
As shown in the age distribution chart at bottom right, Cape Elizabeth has a noticeable under-representation of younger adults in the 25 to 44 range as compared to the county, state, and nation. It also over-represented in the 54 to 74 age range.

Despite the relative lack of adults in age groups who are typically parents to young children, children are not significantly underrepresented in the community relative to the comparison geographies. In fact, children ages 10 to 19 comprise a greater share of the population in Cape Elizabeth than they do in the county and state.

There are several factors that may explain this pattern. It is likely that housing affordability plays a role in delaying the age at which families with children can afford to move into the community, in many cases not until parents are in their late 40s or 50s and children are in their teenage years. It may also be that while there is a lack of younger adults in Cape Elizabeth, those that do live in town may be more likely to have children than younger adults elsewhere, having moved to the community specifically for the strong school system. Young children in town may also have relatively older parents, as compared with other communities.

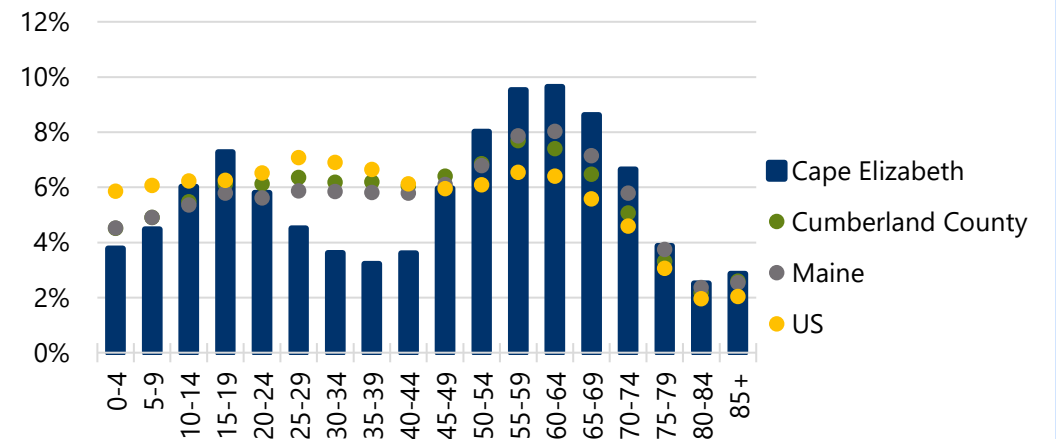
A margin of error (MOE) is provided for every ACS estimate. An MOE is a measure of the possible variation of the estimate around the true population value. At a given confidence level (90% for ACS), the estimate and the actual population value will differ by no more than the value of the MOE.

Median Age, 2020



Source: 2020 ACS 5-Year Estimates

Age Distribution, 2021



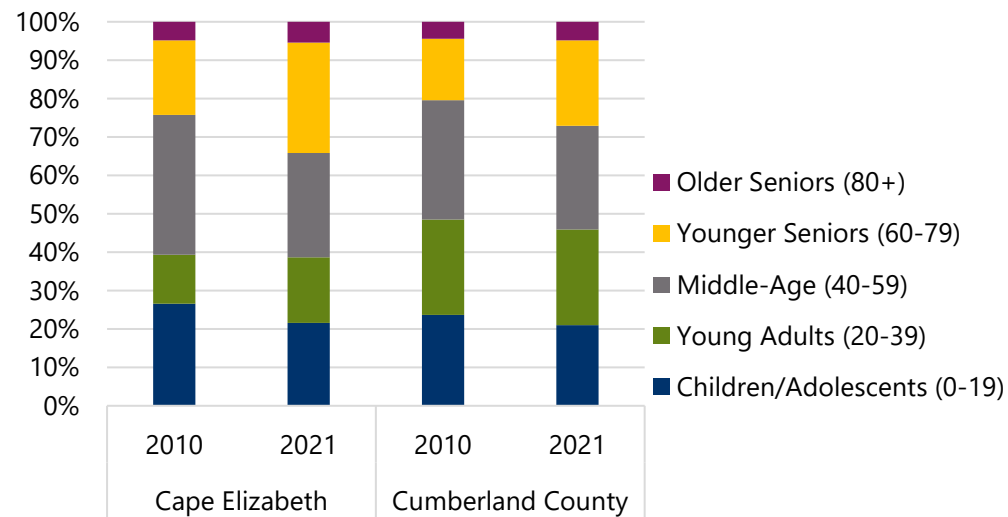
Source: Esri

AGE DISTRIBUTION

Between 2010 and 2021, the children/adolescent (0-19) and middle-age (40-59) populations decreased, while the young adult (20-39), younger senior (60-79), and older senior populations (80+) all increased. This was true both in Cape Elizabeth and Cumberland County, suggesting that structural demographic patterns have driven the town's age composition over time as has housing availability.

The senior population (60+) expanded from 24% of the town's population in 2010 to an estimated 34% in 2021. In Cumberland County, seniors grew from 20% to 27%.

Age Distribution by Cohort, 2010-2021



Source: Esri

Cape Elizabeth Population by Age, 2010-2021

Age	2010		2021		2010-2021	
	Count	Share	Count	Share	Count	Share
0-4	390	4.3%	356	3.8%	-34	-0.5%
5-9	630	7.0%	421	4.5%	-209	-2.5%
10-14	755	8.4%	566	6.0%	-189	-2.4%
15-19	621	6.9%	684	7.3%	63	0.4%
20-24	260	2.9%	545	5.8%	285	2.9%
25-29	233	2.6%	424	4.5%	191	1.9%
30-34	229	2.5%	340	3.6%	111	1.1%
35-39	433	4.8%	303	3.2%	-130	-1.6%
40-44	664	7.4%	339	3.6%	-325	-3.8%
45-49	818	9.1%	561	6.0%	-257	-3.1%
50-54	926	10.3%	754	8.0%	-172	-2.3%
55-59	871	9.7%	896	9.5%	25	-0.1%
60-64	735	8.2%	907	9.6%	172	1.5%
65-69	457	5.1%	810	8.6%	353	3.5%
70-74	291	3.2%	625	6.6%	334	3.4%
75-79	268	3.0%	364	3.9%	96	0.9%
80-84	239	2.7%	237	2.5%	-2	-0.1%
85+	195	2.2%	269	2.9%	74	0.7%
Total	9,015	100.0%	9,401	100.0%	386	

Source: Esri

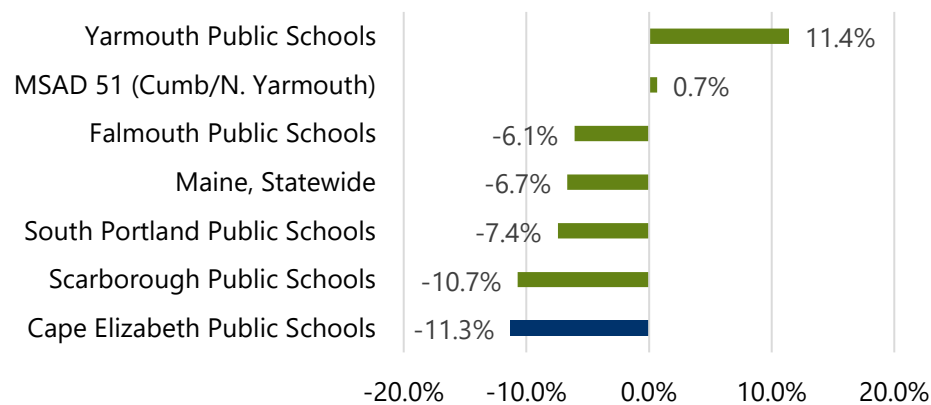
SCHOOL ENROLLMENT

School enrollment data provides another indication of the school-age population in a community. According to enrollment data from the State of Maine Department of Education, total K-12 enrollment in the Cape Elizabeth Public Schools declined from 1,674 students in school year (SY) 2012-13 to 1,485 in SY2021-22. This is a decrease of about 11.3%, compared to a 6.7% decrease in enrollment statewide and representing the highest decline of any of the peer communities.

Yarmouth Public Schools experienced a notable 11.6% increase in enrollment over this period, while MSAD 51, which serves the towns of Cumberland and North Yarmouth, also registered a slight increase (0.7%). Falmouth, South Portland, and Scarborough school districts all experienced declines.

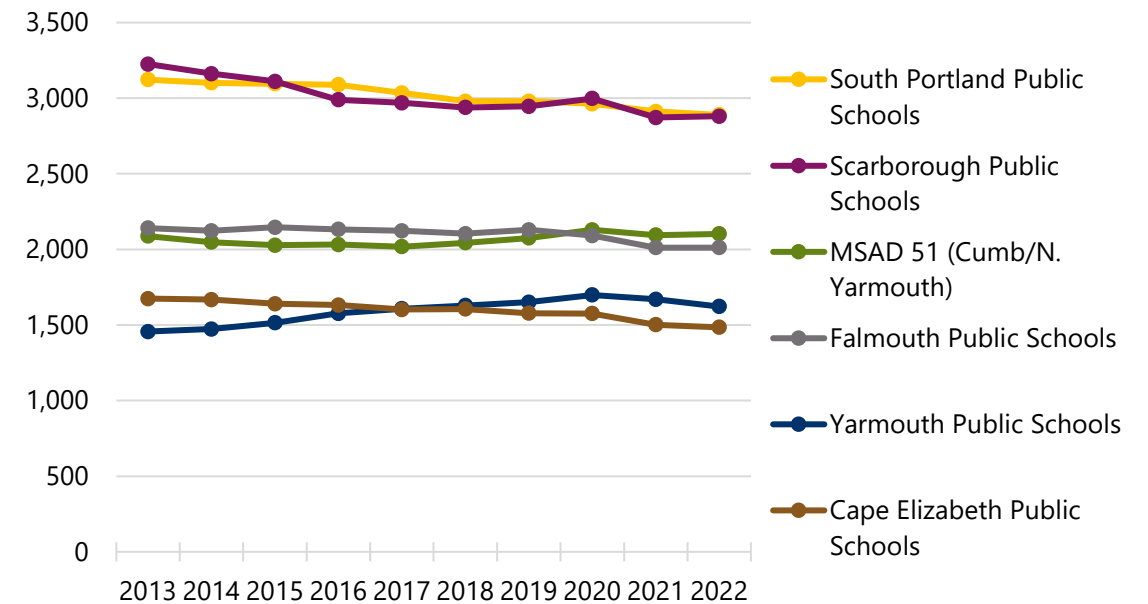
Note that public school enrollment data does not capture the school-age population enrolled in private schools.

Percent Change in Total Enrollment, 2013-2022 School Years



Source: State of Maine Dept. of Ed.

School Enrollment by District, 2013-2022



Source: State of Maine Dept. of Ed.

RACE/ETHNICITY

According to the 2020 Decennial Census, 91.9% of Cape Elizabeth residents identify as White alone, compared to 87.2% in Cumberland County, 90.8% in Maine, and 61.6% in the US. The racial/ethnic category with the next highest number of Cape Elizabeth residents is two or more races, with 4.8%.

Of the peer communities, South Portland has the most racially diverse population, with 16.1% of residents identifying as a race other than White alone.

2020 Population by Race/Ethnicity

Geography	White	Black/ African American	American Indian/ Alaska Native	Asian	Pacific Islander	Other Race	2 or More Races	Hispanic*
Cape Elizabeth	91.9%	0.6%	0.0%	2.0%	0.0%	0.5%	4.8%	2.6%
Cumberland (town)	93.9%	0.6%	0.1%	1.1%	0.0%	0.3%	3.9%	1.8%
Falmouth	90.6%	0.8%	0.2%	3.0%	0.0%	0.6%	4.7%	2.2%
Scarborough	89.0%	1.6%	0.2%	4.3%	0.0%	0.5%	4.3%	1.9%
South Portland	83.9%	5.9%	0.4%	3.4%	0.1%	1.4%	5.0%	3.4%
Yarmouth	91.3%	1.1%	0.2%	1.9%	0.0%	0.9%	4.6%	2.1%
Cumberland County	87.2%	4.0%	0.3%	2.4%	0.0%	1.0%	5.1%	2.6%
Maine	90.8%	1.9%	0.6%	1.2%	0.0%	0.7%	4.7%	2.0%
United States	61.6%	12.4%	1.1%	6.0%	0.2%	8.4%	10.2%	18.7%

*Hispanic individuals may be of any race.

Source: Decennial Census

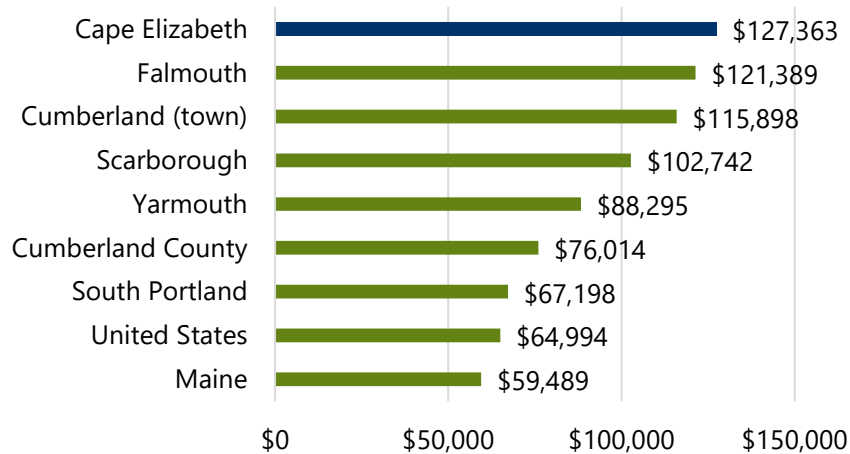
INCOME DISTRIBUTION

According to the 2020 ACS 5-year estimates, the median income for Cape Elizabeth households is \$127,363 (MOE +/- \$7,063). This is the highest median income of any of the peer communities, more than double that of Maine (\$59,489) and nearly 70% higher than that of Cumberland County (\$76,014).

Esri's 2021 household income distribution data estimates that about one in four Cape Elizabeth households (26%) has a household income greater than \$200,000, compared to 11% of Cumberland County households.

Fewer than 6% of the town's households have an annual income below \$25,000, compared to about 14% county-wide.

Median Household Income, 2020



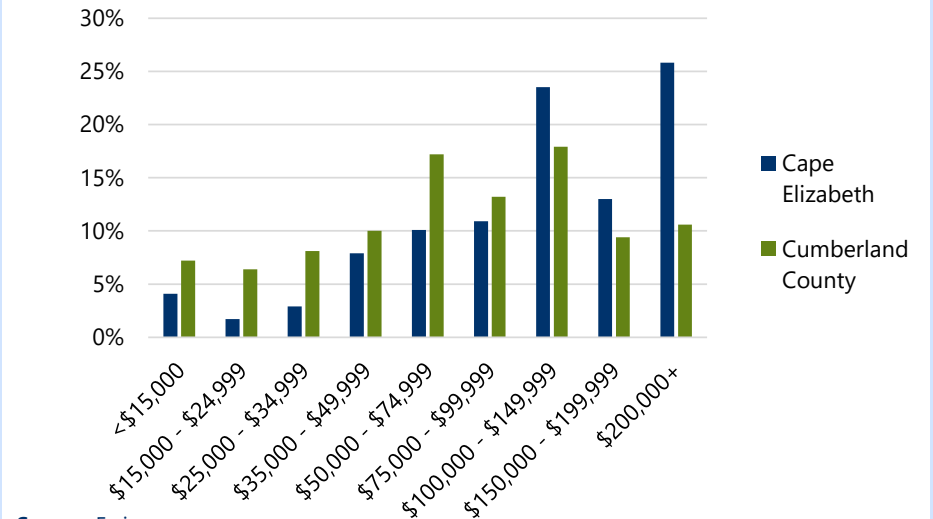
Source: 2020 ACS 5-Year Estimates

Household Income Distribution, 2021

	Cape Elizabeth		Cumberland County	
	Count	Share	Count	Share
<\$15,000	156	4%	9,166	7%
\$15,000 - \$24,999	65	2%	8,166	6%
\$25,000 - \$34,999	109	3%	10,260	8%
\$35,000 - \$49,999	303	8%	12,693	10%
\$50,000 - \$74,999	387	10%	21,937	17%
\$75,000 - \$99,999	417	11%	16,751	13%
\$100,000 - \$149,999	898	24%	22,798	18%
\$150,000 - \$199,999	495	13%	11,946	9%
\$200,000+	984	26%	13,546	11%
Total	3,814	100%	127,263	100%

Source: Esri

Household Income Distribution, 2021



Source: Esri

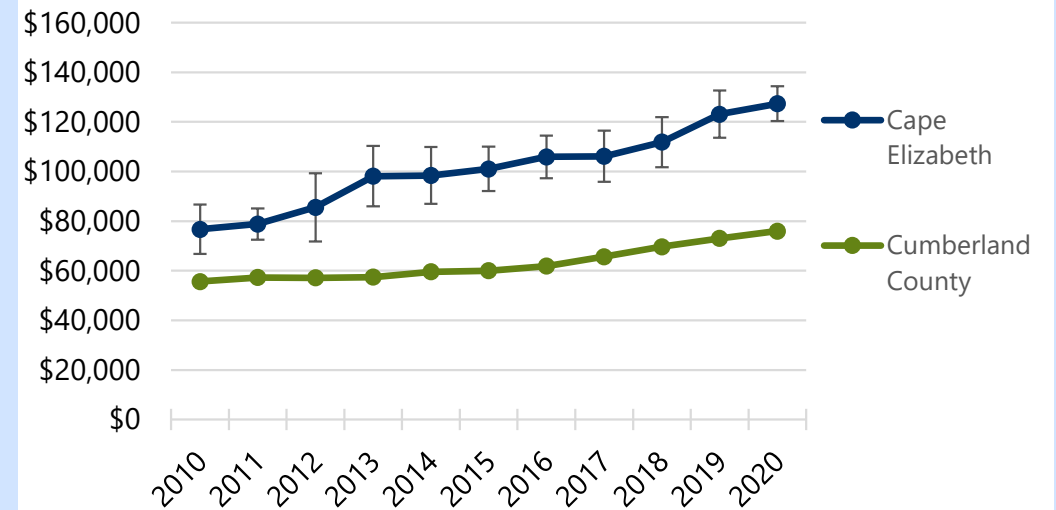
MEDIAN HOUSEHOLD INCOME

Household incomes have trended upward over the last decade in Cape Elizabeth. According to 2010 ACS 5-year estimates, median household income in Cape Elizabeth was \$76,741 (MOE +/- \$9,957) compared to \$127,363 in 2020. This represents a 66% rise over 10 years.

Median household income in Cumberland County also rose over this period, with the spread between town and county median income growing as well. Cumberland County median income rose 37% over the same 10-year period from \$55,658 (MOE +/- \$1,051) to \$76,014 (MOE +/- \$1,563).

The gap in median income between Cape Elizabeth and Cumberland County grew from about \$21,000 to \$51,000 over this period. This points to a growing concentration of high-income households in Cape Elizabeth relative to the county.

Median Household Income, 2010-2020



Source: ACS 5-Year Estimates

HOUSEHOLDS BY INCOME AND AGE

The tables at right show the concentration of households by income and age of householder in Cape Elizabeth and Cumberland County, according to Esri's 2021 estimates.

As compared to the county, Cape Elizabeth has a relatively high concentration of households in the 55-74 age cohorts and relatively few in the 25-44 cohorts. The town's households tend to be concentrated at the higher end of the income spectrum, while county households are more evenly distributed throughout.

Households by Income and Age of Householder, Cape Elizabeth, 2021

	<25	25-34	35-44	45-54	55-64	65-74	75+	Total	Share
<\$15,000	3	4	3	8	35	53	50	156	4%
\$15,000-\$24,999	0	4	2	6	15	20	18	65	2%
\$25,000-\$34,999	2	10	10	8	20	25	34	109	3%
\$35,000-\$49,999	9	26	12	29	37	55	135	303	8%
\$50,000-\$74,999	13	38	15	27	60	100	134	387	10%
\$75,000-\$99,999	3	35	42	43	95	152	47	417	11%
\$100,000-\$149,999	9	70	67	208	290	178	76	898	24%
\$150,000-\$199,999	3	39	75	118	154	77	29	495	13%
\$200,000+	5	52	95	245	325	191	71	984	26%
Total	47	278	321	692	1,031	851	594	3,814	100%
Share	1%	7%	8%	18%	27%	22%	16%	100%	

Source: Esri

Households by Income and Age of Householder, Cumberland County, 2021

	<25	25-34	35-44	45-54	55-64	65-74	75+	Total	Share
<\$15,000	611	1,192	1,049	1,091	1,789	1,634	1,800	9,166	7%
\$15,000-\$24,999	502	1,062	760	765	1,389	1,636	2,052	8,166	6%
\$25,000-\$34,999	611	1,542	1,228	1,155	1,665	1,842	2,217	10,260	8%
\$35,000-\$49,999	672	2,110	1,653	1,412	1,989	2,236	2,621	12,693	10%
\$50,000-\$74,999	909	2,825	3,162	3,504	4,277	4,534	2,726	21,937	17%
\$75,000-\$99,999	451	2,368	2,565	3,149	3,868	3,020	1,330	16,751	13%
\$100,000-\$149,999	285	3,113	4,817	4,962	5,003	3,178	1,440	22,798	18%
\$150,000-\$199,999	81	1,587	2,106	3,085	2,893	1,382	812	11,946	9%
\$200,000+	50	1,389	2,286	3,189	3,661	2,005	966	13,546	11%
Total	4,172	17,188	19,626	22,312	26,534	21,467	15,964	127,263	100%
Share	3%	14%	15%	18%	21%	17%	13%	100%	

Source: Esri

Population Projections

	Decennial Census					Esri Projections			State Economist Projections								
	2000	2010	2020	CAGR, 2000-2010	CAGR, 2010-2020	2021	2026	CAGR, 2021-2026	2018	2023	2028	2033	2038	CAGR, 2018-2023	CAGR, 2023-2028	CAGR, 2028-2033	CAGR, 2033-2038
Cape Elizabeth	9,117	9,015	9,535	-0.1%	0.6%	9,401	9,706	0.6%	9,313	9,234	9,148	9,025	8,859	-0.2%	-0.2%	-0.3%	-0.4%
Cumberland County	265,612	281,674	303,069	0.6%	0.7%	302,496	316,170	0.9%	293,673	294,659	295,597	295,356	293,704	0.1%	0.1%	0.0%	-0.1%

Compound Annual Growth Rate (CAGR) is the annualized rate of population growth over a give time period.

Source: Decennial Census; Esri 2021 Projections; State of Maine - State Economist 2018 Projections

POPULATION PROJECTIONS

Population change in a study area is determined by two components: natural increase and net migration. Natural increase refers to the difference between births and deaths. If births exceed deaths, natural increase will be positive; if deaths exceed births, natural increase will be negative (i.e., natural decrease). Net migration refers to the difference between residents moving into the study area (e.g., from a different town, county, state, or abroad) and residents moving out. Demographers consider these factors when making population projections.

Presented here are two sources of population projections for the Town of Cape Elizabeth: Esri projections from 2021 and the State of Maine State Economist projections from 2018.

Both projections were made prior to the release of 2020 Decennial Census data and are based on 2010 Decennial Census data. 2020 Census data total population counts for Cape Elizabeth were higher than anticipated by both sources, and it is therefore likely that future population projections from these sources will be revised upwards.

The official 2020 Decennial count placed the town’s population at 9,535. Esri estimates a total population of 9,401 in 2021, growing to 9,706 in 2026. Meanwhile, the State Economist estimates a total population of 9,313 in 2018, declining to 9,234 in 2023, and further declining to 8,859 by 2038. Clearly, these projections diverge considerably.

Per vital statistics from the State of Maine Division of Public Health Systems, both births and deaths trended slightly upward in Cape Elizabeth between 2011 and 2020. Deaths exceeded births in nine of these ten years, with an average of 70 deaths and 59 births annually. A natural decrease over this period, combined with an overall population increase per official Decennial census numbers, means that population growth in the town over the least decade or so was driven by net in-migration.

Whether Cape Elizabeth experiences future population growth or decline will depend on the availability of housing units to absorb additional population.

EMPLOYMENT BASE

Cape Elizabeth's largest employment sectors are educational services and health care, which comprise 25% and 23%, respectively, of all jobs in town. The largest employer in the educational services sector is the Cape Elizabeth Public Schools. The third largest sector is accommodation and food services, which includes hotels and restaurants, and represents 11% of jobs.

Jobs can also be examined on the basis of the industry sectors of employment of Cape Elizabeth resident workers. About 19% of jobs held by resident workers are in health care, and 11% are in educational services. Professional, scientific, and technical services make up 10% of resident workers' jobs, and retail trade another 9%.

Jobs held by resident workers are higher paying than jobs located in Cape Elizabeth. About 60% of jobs held by resident workers pay more than \$3,333 per month (annual equivalent of \$40,000), while this is the case for only 40% of jobs located in town.

Jobs and Resident Workers by Monthly Earnings per Job

	\$1,250 per Month or Less	\$1,251 to \$3,333 per month	More than \$3,333 per month	Total
Cape Elizabeth Jobs	422	449	585	1,456
Share of Total	29%	31%	40%	100%
Cape Elizabeth Resident Workers	826	858	2,490	4,174
Share of Total	20%	21%	60%	100%

Source: Census OnTheMap

Cape Elizabeth Jobs and Resident Workers, 2019

Industry Sector	Jobs		Resident Workers	
	Count	Share	Count	Share
Agriculture, Forestry, Fishing and Hunting	13	1%	12	0%
Mining, Quarrying, and Oil and Gas Extraction	0	0%	1	0%
Utilities	0	0%	9	0%
Construction	93	6%	168	4%
Manufacturing	16	1%	183	4%
Wholesale Trade	20	1%	179	4%
Retail Trade	51	4%	367	9%
Transportation and Warehousing	8	1%	92	2%
Information	23	2%	103	2%
Finance and Insurance	12	1%	307	7%
Real Estate and Rental and Leasing	31	2%	87	2%
Professional, Scientific, and Technical Services	130	9%	408	10%
Management of Companies and Enterprises	0	0%	143	3%
Administration & Support, Waste Management and Remediation	45	3%	203	5%
Educational Services	367	25%	451	11%
Health Care and Social Assistance	330	23%	792	19%
Arts, Entertainment, and Recreation	54	4%	93	2%
Accommodation and Food Services	160	11%	327	8%
Other Services (excluding Public Administration)	49	3%	140	3%
Public Administration	54	4%	109	3%
Total	1,456	100%	4,174	100%

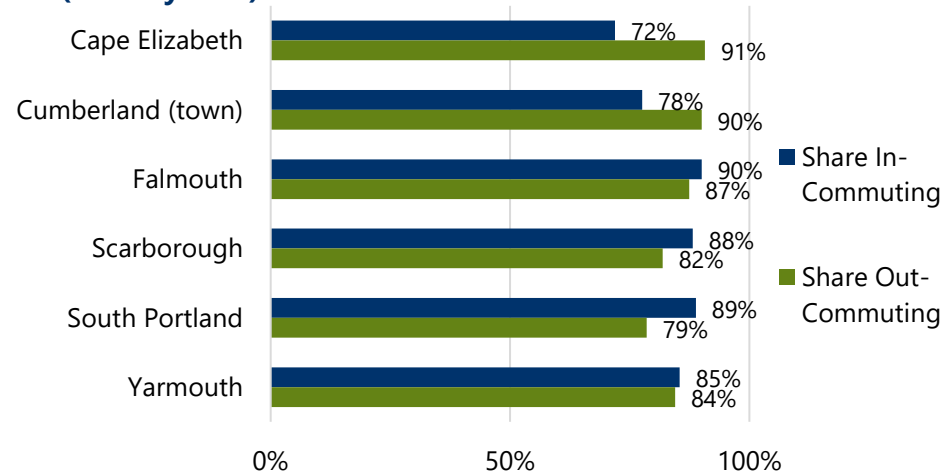
Source: Census OnTheMap

COMMUTE PATTERNS

Census data on commuting patterns shows the flow of commuters into and out of Cape Elizabeth. According to Census estimates, there are about 1,285 workers employed in positions located in the town, compared to 3,886 town residents who are workers. In other words, there are three times more workers living in Cape Elizabeth than there are workers employed in Cape Elizabeth.

An estimated 72% of workers employed in town commute from elsewhere, which is a sizable majority. Still, Cape Elizabeth has somewhat lower rates of in-commuting as compared to peer communities. On the other hand, Cape Elizabeth has the highest rate of out-commuting—91% of working residents work at jobs located outside of Cape Elizabeth. This is a typical pattern for a “bedroom community.”

Share of Workers In-Commuting and Out-Commuting, 2019 (Primary Jobs)



Source: Census OnTheMap

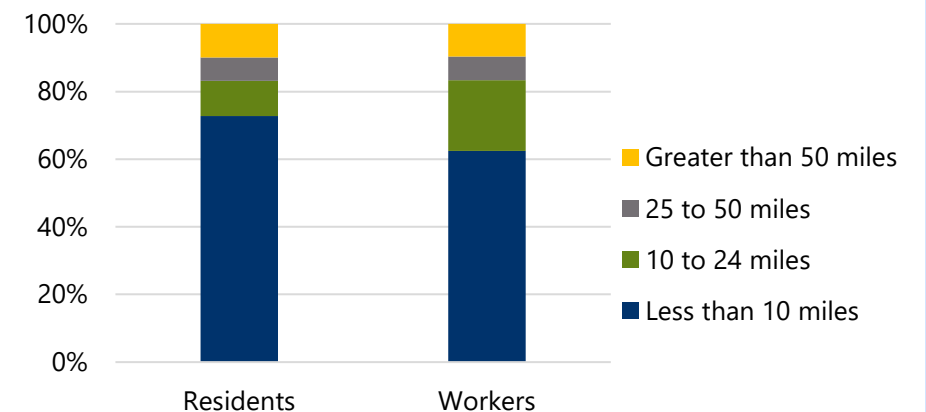
In the context of OnTheMap data from the Census, a “primary job” is the job that contributes the highest earnings to an individual worker. By looking at primary jobs, rather than all jobs, the data counts each worker exactly once.

In-Commuting and Out-Commuting, 2019, Primary Jobs

	Count	Share
Employed in Cape Elizabeth	1,285	100%
Employed in Cape Elizabeth but Living Outside	924	72%
Employed and Living in Cape Elizabeth	361	28%
<hr/>		
Living in Cape Elizabeth	3,886	100%
Living in Cape Elizabeth but Employed Outside	3,525	91%
Living and Employed in Cape Elizabeth	361	9%

Source: Census OnTheMap

Commuting Distance for Cape Elizabeth Residents and Workers



Source: Census OnTheMap

WHERE CAPE ELIZABETH RESIDENTS WORK

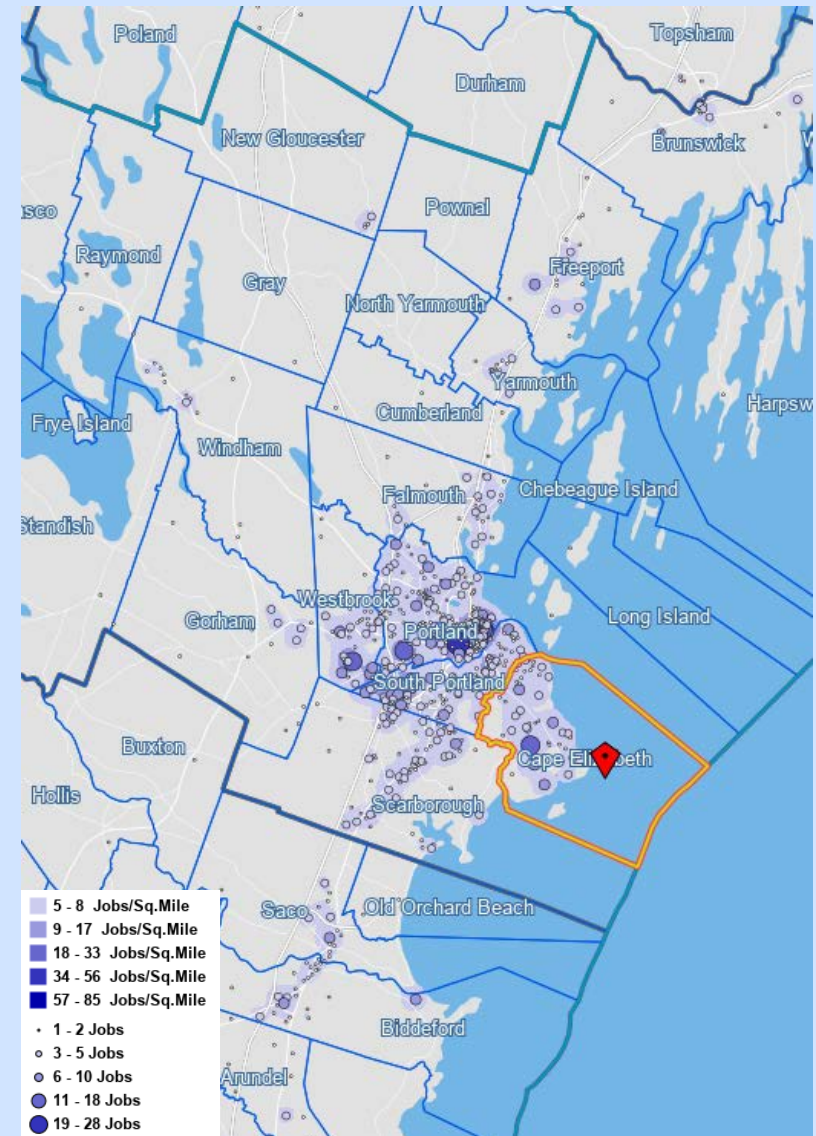
Cape Elizabeth residents typically commute relatively short distances to work, with most employment concentrated in Portland and adjacent communities.

Portland (38%) and South Portland (13%) collectively account for just over half of commuting destinations for Cape Elizabeth residents who work. About 9% of working residents are also employed within the town. Scarborough (6%) and Westbrook (5%) round out the top five commuting destinations for Cape Elizabeth residents. No other community employs more than 5% of the town's working residents.

Where Cape Elizabeth Residents Work, 2019, Primary Jobs

City/Town	Count	Share
Portland	1,482	38%
South Portland	502	13%
Cape Elizabeth	361	9%
Scarborough	231	6%
Westbrook	210	5%
Falmouth	79	2%
Biddeford	75	2%
Freeport	67	2%
Lewiston	61	2%
Augusta	60	2%
All Other Locations	758	20%
Total	3,886	100%

Source: Census OnTheMap



Source: Census OnTheMap

WHERE CAPE ELIZABETH WORKERS LIVE

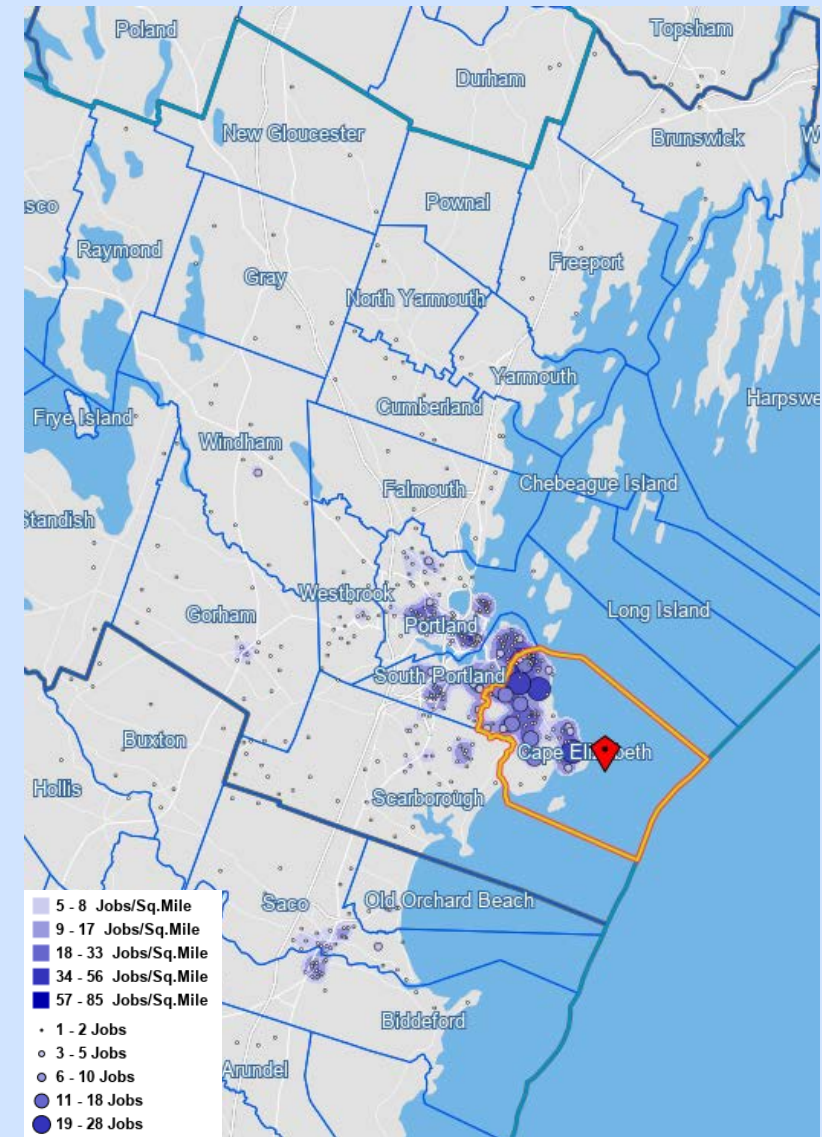
About 28% of Cape Elizabeth workers commute from within Cape Elizabeth itself, more than from any other community. South Portland accounts for 13% of the town's workers, and Portland for another 12%.

About 62% of workers commute less than 10 miles to jobs in Cape Elizabeth, and another 21% commute between 10 and 24 miles.

Where Cape Elizabeth Workers Live, 2019, Primary Jobs

City/Town	Count	Share
Cape Elizabeth	361	28%
South Portland	171	13%
Portland	155	12%
Scarborough	84	7%
Saco	52	4%
Gorham	36	3%
Westbrook	26	2%
Biddeford	24	2%
Windham	20	2%
Cumberland	16	1%
All Other Locations	340	27%
Total	1,285	100%

Source: Census OnTheMap



Source: Census OnTheMap

3. HOUSING INVENTORY & MARKET TRENDS

This chapter describes the town's housing stock in terms of total housing units, vacancy, tenure, year built, units in structure, value/price, rent, and other variables. It provides an initial look at the number of cost-burdened households in the community. Additional data analysis of housing affordability gaps and housing needs will be provided in the next volume of the study.

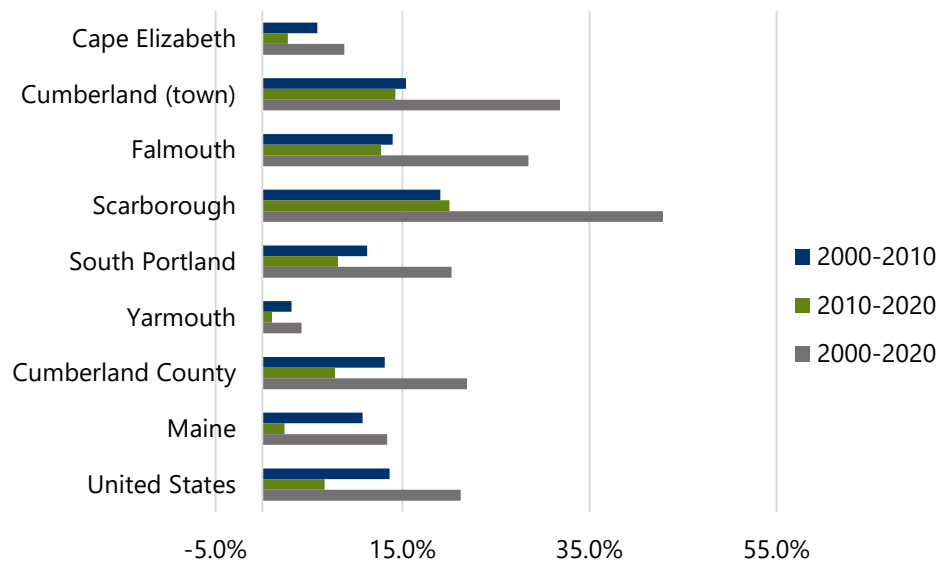
TOTAL HOUSING UNITS

According to the 2020 Decennial Census, Cape Elizabeth is home to 4,071 housing units. This represents a net gain of 108 units over the 2010-2020 decade. The town added units at less than half the rate it did over the 2000-2010 decade. The town added units at less than half the rate it did over the 2000-2010 decade, during which 221 units were added to the housing stock.

With the exception of Scarborough, the rate at which housing units were added slowed for most peer communities from 2000-2010 to 2010-2020. Cape Elizabeth had among the lowest percent change in total housing units over both decades; only Yarmouth increased its housing stock more slowly.

Compared to Cape Elizabeth's meager 2.7% growth between 2010 and 2020, Scarborough (20.0%), Cumberland (town) (14.2%), and Falmouth (12.7%) grew significantly.

Pct. Change in Housing Units



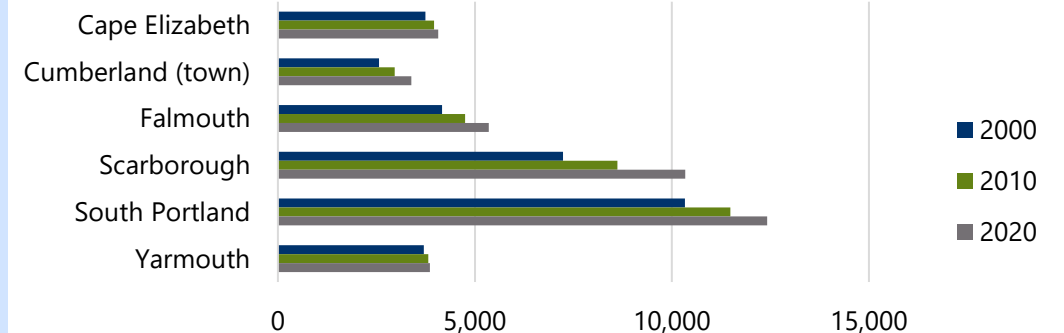
Source: Decennial Census

Total Housing Units

Geography	Housing Units			Percent Change		
	2000	2010	2020	2000-2010	2010-2020	2000-2020
Cape Elizabeth	3,742	3,963	4,071	5.9%	2.7%	8.8%
Cumberland (town)	2,567	2,962	3,384	15.4%	14.2%	31.8%
Falmouth	4,169	4,751	5,355	14.0%	12.7%	28.4%
Scarborough	7,239	8,617	10,341	19.0%	20.0%	42.9%
South Portland	10,326	11,484	12,415	11.2%	8.1%	20.2%
Yarmouth	3,703	3,819	3,859	3.1%	1.0%	4.2%
Cumberland County	122,600	138,657	149,452	13.1%	7.8%	21.9%
Maine	651,901	721,830	739,072	10.7%	2.4%	13.4%
United States	115,904,641	131,704,730	140,498,736	13.6%	6.7%	21.2%

Source: Decennial Census

Total Housing Units, 2000, 2010, 2020



Source: Decennial Census

HOUSEHOLDS & HOUSING UNITS

Comparing population, households, housing units, and vacant unit counts from the Decennial Census provides insight into the town's changing housing situation.

The number of households added community-wide was similar between 2000-2010 and 2010-2020, at 111 and 122 new households, respectively. Meanwhile, the number of housing units added between 2000-2010 was about double the number added between 2010-2020, or 221 housing units compared to 108. It therefore follows that the number of vacant units increased by 110 units over the first decade, and then decreased by 14 units over the second decade.

Vacant units can be vacant for a variety of reasons. In strong markets like Cape Elizabeth, vacant units typically fall into one of the following categories:

- Currently for sale or for rent
- Rented or sold but not yet occupied
- For seasonal, recreational, or occasional use

The slight decrease in vacant units from 2010 to 2020 suggests some conversions of seasonal homes to year-round homes and/or a decrease in for-sale or rental inventory.

According to Census definitions, every household is considered to live in a housing unit. A housing unit where a household is living is considered to be occupied. Any other housing unit is considered to be vacant, including units occupied by persons who have a usual residence elsewhere (e.g., seasonal unit or second home). Therefore, the following is always true for a given study area:

$$\text{Households} + \text{Vacant Units} = \text{Total Housing Units}$$

Cape Elizabeth, Population vs Housing Units, 2000, 2010, 2020

	2000	2010	2020	Change, 2000-2010	Change, 2010-2020	Change, 2000-2020
Population	9,117	9,015	9,535	-102	520	418
Households	3,505	3,616	3,738	111	122	233
Housing Units	3,742	3,963	4,071	221	108	329
Vacant Units	237	347	333	110	-14	96
Vacancy Rate	6.3%	8.8%	8.2%	2.4%	-0.6%	1.8%

Source: Decennial Census

TENURE

Tenure refers to whether an occupied housing unit is owner- or renter-occupied. According to 2020 ACS 5-year estimates, approximately 90% of Cape Elizabeth's occupied housing stock is owner-occupied, with the remaining 10% renter-occupied. Cape Elizabeth has the highest share of owner-occupied housing of all comparison geographies. Neighboring South Portland has the lowest share, with only 64% of units being owner-occupied.

Cape Elizabeth's total renter-occupied housing stock is estimated at just under 400 units, a disproportionately low number. A low overall rental inventory that very few units are available for rent at any given time, making it quite challenging for a would-be renter to find a unit in town that meets their space and pricing needs.

Seasonal Units

A relatively small share of the town's housing stock—about 4%—is seasonally vacant according to the ACS. This is considerably lower than the county-wide average of 10% and state-wide average of 17%. Many of the state's coastal communities have a substantially higher share of seasonal homes.

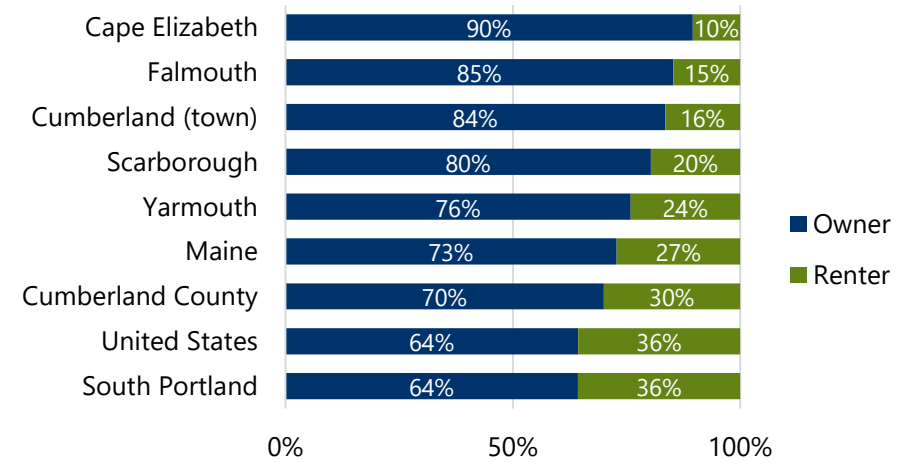
The low share of seasonal homes is further borne out in Town assessment records showing the owner's address for residential properties in the community. According to these records, approximately 88% of residential properties are owned by those with a local address.

Owner Address of Cape Elizabeth Residential Properties

Cape Elizabeth	87.8%
South Portland	1.2%
Portland	1.1%
Other Maine	1.8%
Massachusetts	1.6%
Florida	1.1%
Other US	5.3%
International	0.1%
Total	100.0%

Source: Town Assessor

Owner vs Renter Occupied Housing Units, 2020



Source: ACS 2020 5-year Estimates

Housing Unit Overview, 2016-2020

	Owner-Occupied		Renter-Occupied		Seasonal Vacant		Other Vacant*		Total Housing Units	
Cape Elizabeth	3,362	83%	392	10%	166	4%	143	4%	4,063	100%
Cumberland (town)	2,439	81%	481	16%	0	0%	79	3%	2,999	100%
Falmouth	4,083	80%	703	14%	160	3%	135	3%	5,081	100%
Scarborough	6,800	71%	1,662	17%	795	8%	341	4%	9,598	100%
South Portland	7,234	61%	4,008	34%	146	1%	481	4%	11,869	100%
Yarmouth	2,466	71%	781	23%	82	2%	141	4%	3,470	100%
Cumberland County	86,357	59%	37,027	25%	15,216	10%	7,238	5%	145,838	100%
Maine	414,939	56%	154,612	21%	127,565	17%	49,677	7%	746,793	100%
United States	78,801,376	57%	43,552,843	31%	5,303,302	4%	10,775,230	8%	138,432,751	100%

*Other vacant includes the following vacancy reasons: for rent; rented, not occupied; for sale only; sold, not occupied; for migrant workers; other vacant as defined by the Census

Source: ACS 2020 5-year Estimates

HOUSING STOCK

2020 ACS data estimates that about 90% of Cape Elizabeth’s housing stock consists of single-family detached units and another 4% consists of single-family attached units (e.g., townhouses or rowhouses). The remaining 6% is comprised of multifamily units.

By contrast, only 66% of Cumberland County’s housing stock is single-family detached units.

According to the Town’s assessment records, about 86% of properties are single-family, while condominiums account for another 10%. Note that condominiums may take any physical form and refer to units that are owned individually but surrounded by common areas that are jointly owned.

Housing Units by Units in Structure

	Cape Elizabeth		Cumberland County	
	Count	Share	Count	Share
1-unit, detached	3,652	90%	95,993	66%
1-unit, attached	165	4%	6,972	5%
2 units	17	0%	8,073	6%
3 or 4 units	102	3%	9,720	7%
5 to 9 units	58	1%	6,678	5%
10 to 19 units	10	0%	3,140	2%
20 or more units	59	1%	9,348	6%
Mobile home	0	0%	5,852	4%
Boat, RV, van, etc.	0	0%	62	0%
Total	4,063	100%	145,838	100%

Source: 2020 ACS 5-year Estimates

Residential Properties by Type, Cape Elizabeth, 2022

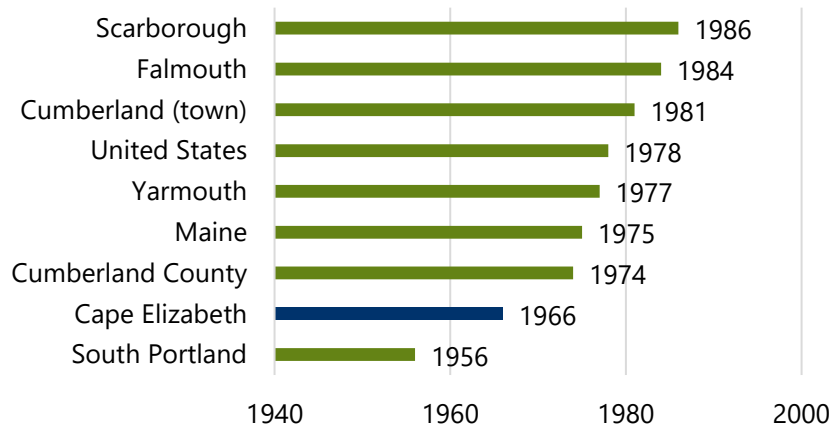
Type	Count	Share
1 Family	3,354	86%
Condominium	403	10%
2+ Family	41	1%
Seasonal	34	1%
All Other	81	2%
Total	3,913	100%

Source: Town Assessor

YEAR BUILT

The median year built for Cape Elizabeth housing units is estimated to be 1966. Relatively low homebuilding activity in recent decades means that the town's housing stock is aging relative to other communities such as Scarborough, Falmouth, and Cumberland, which have expanded their housing stock considerably over the last 20 years.

Median Year Structure Built, Housing Units



Source: 2020 ACS 5-year Estimates

Housing Units by Year Structure Built

	Cape Elizabeth		Cumberland County	
	Count	Share	Count	Share
Built 2014 or later	64	2%	4,787	3%
Built 2010 to 2013	16	0%	3,580	2%
Built 2000 to 2009	328	8%	16,076	11%
Built 1990 to 1999	353	9%	16,576	11%
Built 1980 to 1989	604	15%	19,989	14%
Built 1970 to 1979	440	11%	18,676	13%
Built 1960 to 1969	644	16%	10,260	7%
Built 1950 to 1959	339	8%	12,013	8%
Built 1940 to 1949	419	10%	7,620	5%
Built 1939 or earlier	856	21%	36,261	25%
Total	4,063	100%	145,838	100%

Source: 2020 ACS 5-year Estimates

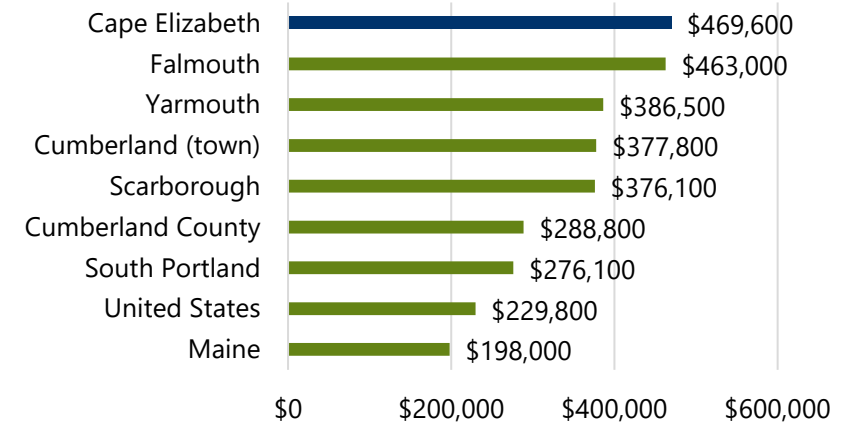
HOME VALUE

Home values have climbed drastically in recent years in Cape Elizabeth, the greater Portland market, and nationwide. While home value data from the 2016-2020 ACS is no longer an accurate representation of actual home values due to these steep market-wide price escalations, it can be used to compare relative values across communities.

As of the 2016-2020 data collection period, Cape Elizabeth and Falmouth registered the highest median home values among the comparison geographies, at \$469,600 and \$463,000, respectively. This was over 60% higher than the county-wide median of \$288,800 and well over double the state-wide median of \$198,000.

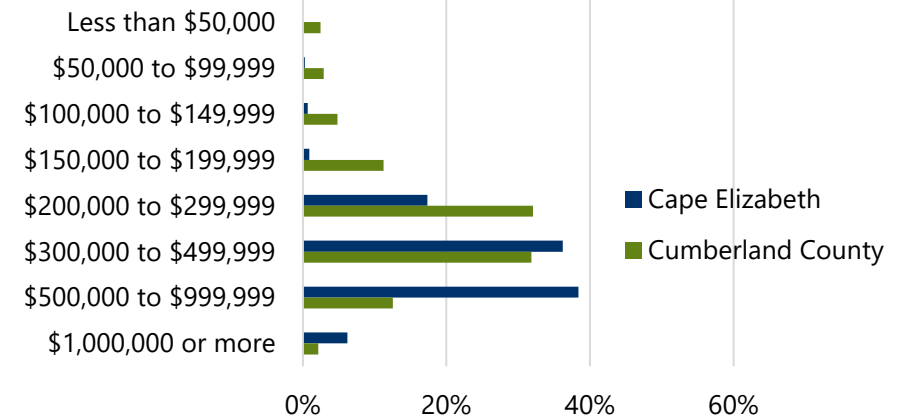
Over 80% of Cape Elizabeth's homes were valued at \$300,000 or more, compared to 47% county-wide.

Median Home Value, 2016-2020



Source: 2020 ACS 5-Year Estimates

Owner-Occupied Units by Value, 2016-2020



Source: 2020 ACS 5-year

Change in Median Home Sale Price, Cape Elizabeth

	2011	2016	2020	2021	10-Yr. Pct. Change (2011-2021)	5-Yr. Pct. Change (2016-2021)	1-Yr. Pct. Change (2020-2021)
Non-Oceanfront Single-Family	\$336,250	\$420,000	\$607,500	\$695,000	107%	65%	14%
Oceanfront Single-Family	\$1,196,500	\$1,932,500	\$2,035,000	\$2,150,000	80%	11%	6%
Condominium	\$305,000	\$325,000	\$384,000	\$607,500	99%	87%	58%

Source: Town Assessor

HOME SALE PRICE

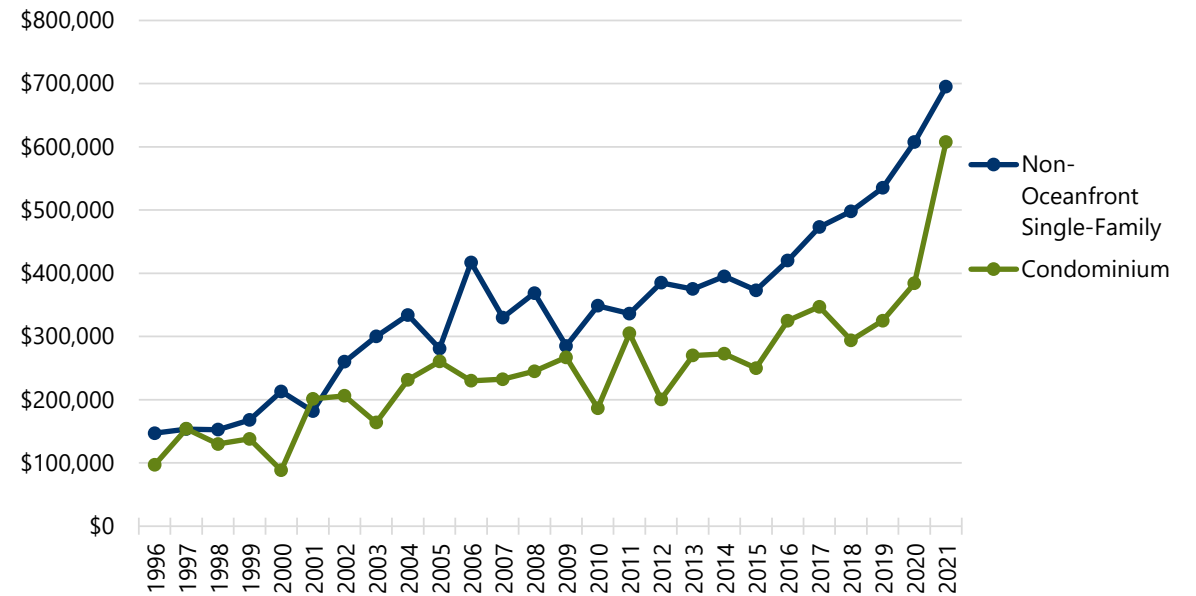
Home sales data from the Town Assessor database provides a more up-to-date look at sale prices in Cape Elizabeth. In 2021, the median sale price for a non-oceanfront single-family home in town was \$695,000. An oceanfront single-family home sold for a median of \$2.1 million, and a condominium sold for a median of \$607,500.

The median non-oceanfront single-family home more than doubled in price over the last 10 years, between 2011 and 2021, from \$336,250. This is an annualized growth rate of 7.5%. Between 2020 and 2021 alone, the median price was up over 14%.

Condominium prices trended gradually upward before spiking by 58% in 2021, the result of a new luxury condominium development coming on the market.

Gains in oceanfront single-family home prices were somewhat more muted over recent years, but still up 80% compared to 2011.

Median Home Sale Price, 1996-2021, Cape Elizabeth



Source: Town Assessor

HOME SALES BY YEAR

Tables on this page and the following page show year-by-year home sales per the Town's Assessment database for non-oceanfront single-family homes, condominiums, and oceanfront single-family homes.

Non-Oceanfront Single-Family Home Sales, Cape Elizabeth					
Year	Homes Sold	Median Sale Price	Min. Sale Price	Max. Sale Price	Median Sale Price per Sq. Ft.
1996	31	\$147,000	\$85,500	\$350,000	\$74
1997	37	\$153,500	\$95,000	\$375,000	\$78
1998	28	\$152,500	\$91,000	\$381,000	\$77
1999	49	\$167,900	\$73,000	\$525,000	\$89
2000	42	\$213,000	\$82,000	\$567,500	\$96
2001	55	\$181,900	\$81,100	\$2,300,000	\$104
2002	53	\$260,000	\$87,000	\$1,695,000	\$140
2003	41	\$300,000	\$108,000	\$2,700,000	\$155
2004	55	\$334,000	\$110,000	\$775,000	\$156
2005	50	\$281,000	\$114,500	\$1,900,000	\$168
2006	57	\$417,000	\$190,000	\$2,650,000	\$175
2007	55	\$330,000	\$125,000	\$1,175,000	\$180
2008	53	\$368,500	\$185,000	\$960,000	\$164
2009	62	\$285,000	\$100,000	\$880,000	\$161
2010	56	\$348,500	\$90,000	\$860,054	\$160
2011	66	\$336,250	\$70,000	\$1,325,000	\$161
2012	75	\$385,000	\$100,000	\$1,560,000	\$161
2013	85	\$375,000	\$90,000	\$2,195,000	\$177
2014	99	\$395,000	\$100,000	\$2,900,000	\$175
2015	129	\$373,000	\$112,500	\$1,850,000	\$181
2016	111	\$420,000	\$175,000	\$4,050,000	\$189
2017	113	\$473,000	\$174,900	\$1,650,000	\$202
2018	118	\$498,000	\$150,000	\$1,700,000	\$225
2019	127	\$535,000	\$235,000	\$2,800,000	\$228
2020	132	\$607,500	\$200,000	\$1,690,000	\$257
2021	147	\$695,000	\$225,000	\$4,100,000	\$316

Source: Town Assessor

Condominium Sales, Cape Elizabeth

Year	Homes Sold	Median Sale Price	Min. Sale Price	Max. Sale Price	Median Sale Price per Sq. Ft.
1996	2	\$96,750	\$65,000	\$128,500	\$59
1997	1	\$153,900	\$153,900	\$153,900	\$72
1998	3	\$129,900	\$92,200	\$167,000	\$99
1999	5	\$138,000	\$82,000	\$295,000	\$79
2000	6	\$88,250	\$85,000	\$179,900	\$93
2001	4	\$201,250	\$87,900	\$275,000	\$95
2002	5	\$206,000	\$134,000	\$389,000	\$136
2003	4	\$163,750	\$142,500	\$267,000	\$145
2004	4	\$231,500	\$146,500	\$295,000	\$122
2005	8	\$260,500	\$170,000	\$435,000	\$132
2006	5	\$230,000	\$168,000	\$280,000	\$152
2007	8	\$232,450	\$140,500	\$405,000	\$151
2008	2	\$245,000	\$235,000	\$255,000	\$161
2009	5	\$267,000	\$160,000	\$329,000	\$162
2010	3	\$186,500	\$160,000	\$195,000	\$131
2011	4	\$305,000	\$255,000	\$431,722	\$114
2012	10	\$200,500	\$133,000	\$465,810	\$141
2013	13	\$270,000	\$98,000	\$463,698	\$172
2014	18	\$272,500	\$153,500	\$508,200	\$152
2015	19	\$250,000	\$175,000	\$546,328	\$155
2016	21	\$325,000	\$206,247	\$640,417	\$185
2017	23	\$347,000	\$170,000	\$566,991	\$198
2018	27	\$294,000	\$175,000	\$544,715	\$205
2019	41	\$325,000	\$176,500	\$693,638	\$191
2020	42	\$384,000	\$200,000	\$901,330	\$240
2021	34	\$607,500	\$262,550	\$870,000	\$304

Source: Town Assessor

Oceanfront Single-Family Homes Sales, Cape Elizabeth

Year	Homes Sold	Median Sale Price	Min. Sale Price	Max. Sale Price	Median Sale Price per Sq. Ft.
1996	1	\$400,000	\$400,000	\$400,000	\$173
1997	2	\$511,250	\$397,500	\$625,000	\$114
1998	4	\$1,012,000	\$660,000	\$1,450,000	\$221
1999	0	N/A	N/A	N/A	N/A
2000	0	N/A	N/A	N/A	N/A
2001	1	\$1,850,000	\$1,850,000	\$1,850,000	\$230
2002	0	N/A	N/A	N/A	N/A
2003	2	\$2,485,000	\$1,495,000	\$3,475,000	\$323
2004	2	\$1,075,000	\$750,000	\$1,400,000	\$343
2005	4	\$1,675,000	\$1,325,000	\$2,100,000	\$377
2006	1	\$4,800,000	\$4,800,000	\$4,800,000	\$503
2007	2	\$2,077,755	\$1,962,510	\$2,193,000	\$635
2008	1	\$1,725,000	\$1,725,000	\$1,725,000	\$573
2009	2	\$1,533,400	\$1,100,000	\$1,966,800	\$269
2010	3	\$775,000	\$700,000	\$2,950,000	\$525
2011	2	\$1,196,500	\$1,143,000	\$1,250,000	\$437
2012	2	\$1,390,000	\$880,000	\$1,900,000	\$429
2013	3	\$1,295,000	\$1,100,000	\$1,625,000	\$303
2014	1	\$1,390,000	\$1,390,000	\$1,390,000	\$457
2015	6	\$1,750,000	\$1,026,250	\$4,478,350	\$355
2016	4	\$1,932,500	\$1,285,000	\$3,750,000	\$324
2017	2	\$2,275,000	\$2,050,000	\$2,500,000	\$342
2018	10	\$2,956,000	\$1,250,000	\$4,290,000	\$498
2019	9	\$2,285,000	\$999,000	\$3,116,320	\$517
2020	9	\$2,035,000	\$1,500,000	\$3,770,000	\$623
2021	5	\$2,150,000	\$1,800,000	\$3,950,000	\$698

Source: Town Assessor

MEDIAN GROSS RENT

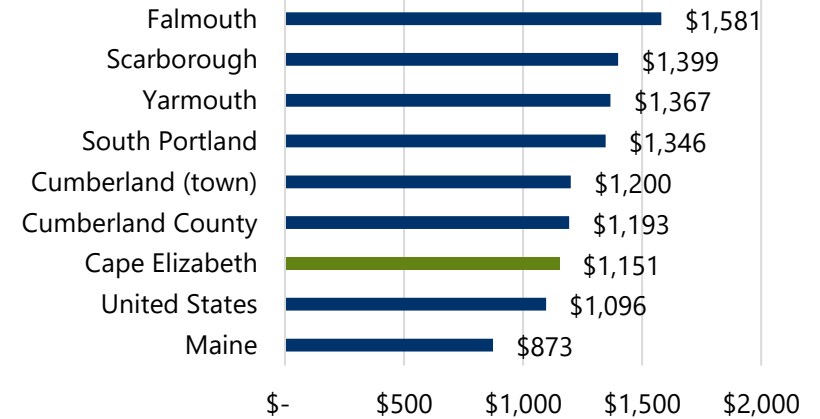
The median gross rent for renter households in Cape Elizabeth is estimated at \$1,151 monthly, according to 2020 ACS estimates. This is roughly in line with the Cumberland County average and somewhat below median rents in peer communities (note that MOEs overlap to some degree). This is likely driven in part by Cape Elizabeth’s comparatively older rental housing stock.

There are few sizable, professionally managed rental apartment complexes in Cape Elizabeth. One of the few is Summit Terrace at Woodlands, with 54 units. Per the property’s website, studio rental rates start at \$1,400, one-bedrooms start at \$1,650, and two-bedrooms start at \$1,865. Rates include heat, water, sewer, and parking.

The majority of the town’s rental stock is located in smaller buildings.

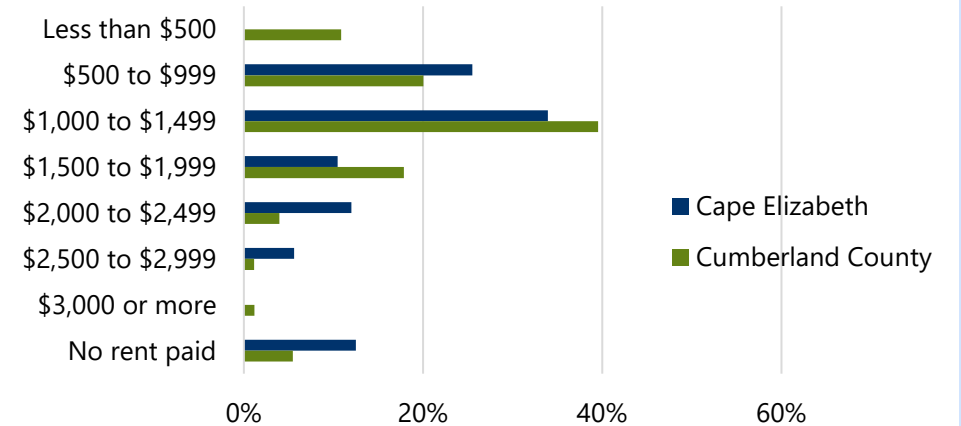
The Census defines “gross rent” as the monthly amount of rent plus the estimated average monthly cost of utilities (electricity, gas, water, and sewer) and fuels (oil, coal, kerosene, wood, etc.) if these are paid by the renter.

Median Gross Rent, 2016-2020



Source: 2020 ACS 5-year Estimates

Renter-Occupied Units by Gross Rent, 2016-2020



Source: 2020 ACS 5-year Estimates

COST-BURDENED HOUSEHOLDS BY INCOME

A common housing affordability “rule of the thumb” is that a household should spend no more than 30 percent of its income on housing costs. This definition is also used by HUD.

These tables show the number and share of households at each income level in Cape Elizabeth and Cumberland County that are considered “cost-burdened,” or are spending 30 percent or more of income on housing costs.

While the 30 percent threshold is the commonly accepted metric, it is most relevant to households at the lower end of the income spectrum. High-income households spending more than 30 percent of income on housing costs are not of particular concern, since this is often a lifestyle choice.

According to the 2016-2020 ACS, about 750 Cape Elizabeth households are considered cost-burdened, or 21% of all households in the community. When examining only households earning below \$50,000, about 454 households are cost burdened, or about 65% of all households in this income range.

For the purposes of this metric, monthly owner housing costs include payments for mortgages, deeds of trust, contracts to purchase, or similar debts on the property; real estate taxes; fire, hazard, and flood insurance; utilities (electricity, gas, water, and sewer); and fuels (oil, coal, kerosene, wood, etc.). It also includes, where applicable, monthly condominium fees and mobile home costs.

Monthly renter housing costs are comprised of gross rent, as defined previously.

**Cost-Burdened Households by Income Level
(Households with Housing Costs at 30% or More of Household Income)**

Household Income Level	Cape Elizabeth			Cumberland County		
	All Occupied	Owner-Occupied	Renter-Occupied	All Occupied	Owner-Occupied	Renter-Occupied
Less than \$20,000	110	84	26	10,251	4,384	5,867
\$20,000 to \$34,999	199	190	9	8,658	4,099	4,559
\$35,000 to \$49,999	145	112	33	6,701	3,322	3,379
\$50,000 to \$74,999	75	75	0	5,658	3,967	1,691
\$75,000 or more	227	227	0	3,968	3,485	483
Total	756	688	68	35,236	19,257	15,979
Total <\$50,000	454	386	68	25,610	11,805	13,805

Source: ACS 2020 5-yr Estimates

Share of Households by Income Level that are Cost-Burdened

Household Income Level	Cape Elizabeth			Cumberland County		
	All Occupied	Owner-Occupied	Renter-Occupied	All Occupied	Owner-Occupied	Renter-Occupied
Less than \$20,000	100%	100%	100%	84%	87%	81%
\$20,000 to \$34,999	88%	88%	100%	69%	61%	78%
\$35,000 to \$49,999	40%	41%	35%	53%	44%	66%
\$50,000 to \$74,999	29%	31%	0%	27%	28%	25%
\$75,000 or more	8%	9%	0%	6%	7%	5%
Total	21%	21%	20%	29%	22%	47%
Total <\$50,000	65%	68%	52%	68%	61%	76%

Source: ACS 2020 5-yr Estimates

COST-BURDENED HOUSEHOLDS BY AGE

When examining cost-burdened households by age, senior households stand out as a large group with a high rate of cost burden, in addition to making up a sizable share of all cost-burdened households. There are an estimated 380 cost-burdened senior households (i.e., households with a householder age 65+). Approximately 29% of all senior households are cost burdened.

Cost-burdened households also tend to disproportionately be senior households. Approximately 35% of all households in Cape Elizabeth are senior households, while 50% of cost-burdened households are senior households.

Cost-Burdened Households by Age of Householder (Households with Housing Costs at 30% or More of Household Income)

Householder Age	Cape Elizabeth			Cumberland County		
	All Occupied	Owner-Occupied	Renter-Occupied	All Occupied	Owner-Occupied	Renter-Occupied
15 to 24 years	18	0	18	1,746	163	1,583
25 to 34 years	15	0	15	5,234	1,112	4,122
35 to 64 years	343	308	35	16,845	10,517	6,328
65 years and over	380	380	0	11,411	7,465	3,946
Total	756	688	68	35,236	19,257	15,979

Source: ACS 2020 5-yr Estimates

Share of Households by Age of Householder that are Cost-Burdened

Householder Age	Cape Elizabeth			Cumberland County		
	All Occupied	Owner-Occupied	Renter-Occupied	All Occupied	Owner-Occupied	Renter-Occupied
15 to 24 years	23%	N/A	23%	51%	34%	54%
25 to 34 years	8%	0%	12%	29%	14%	41%
35 to 64 years	16%	15%	27%	25%	20%	39%
65 years and over	29%	30%	0%	33%	28%	50%
Total	20%	20%	17%	29%	22%	43%

Source: ACS 2020 5-yr Estimates

4. DEVELOPMENT ENVIRONMENT

A community's "development environment" includes a broad set of factors that affect the feasibility of housing development from an external perspective (e.g., private or non-profit housing developer). These primarily include:

- Political support from elected officials
- Community sentiment
- Land use regulations and approvals process
- Availability of development sites
- Infrastructure capacity
- Financial (e.g., land and labor costs)

There is a spectrum on which communities fall with respect to their development environments, ranging from extremely pro-development on one end to extremely restrictive on the other. Where communities fall on this spectrum has direct implications for ability to attract the desired type of development (or redevelopment projects).

This section provides an assessment of the housing development environment in Cape Elizabeth, including the opportunities and challenges associated with building affordable and workforce housing.

It includes the following sections:

- Community Sentiment
- Regulatory Environment
- Development Capacity

COMMUNITY SENTIMENT

Community sentiment is a key component of the development environment of a community and includes a community's vision for the future as well as support or resistance to certain development types.

Community Opposition to Affordable Housing

Well publicized opposition to a recent affordable housing project in the community may deter future affordable housing developers from pursuing projects in the community. While the town granted affordable housing zoning amendments and was on track to approve a tax increment financing (TIF) agreement with the developer that was ultimately put on hold, opponents forced a referendum on the zoning amendments causing the developer to withdraw from the project.

Cape Elizabeth Comprehensive Plan

Housing Goals

The Town's Comprehensive Plan, last updated in 2019, provides the best available insights into the Town's vision and support for future housing development. As shown to the right, the plan features two overarching housing goals to both promote a diversity of housing types and to increase the amount of affordable housing, although the latter is qualified that this should be done in ways that minimize administrative burdens to town administration. Recommendations, however, are generally more incremental in achieving these goals, rather than transformational. For example, five of the nine recommendations are to retain or preserve existing conditions.

Public Opinion Survey

A 2017 public open survey conducted for the comprehensive plan asked residents about housing, including if they generally support or oppose new residential housing in the Town (and what types) and whether the Town has enough moderate-income housing. The results of the survey as discussed on the following page.

Housing Goals

Goal 1: The town should promote a diversity of housing types to accommodate residents of all age groups and household sizes.

Recommendations:

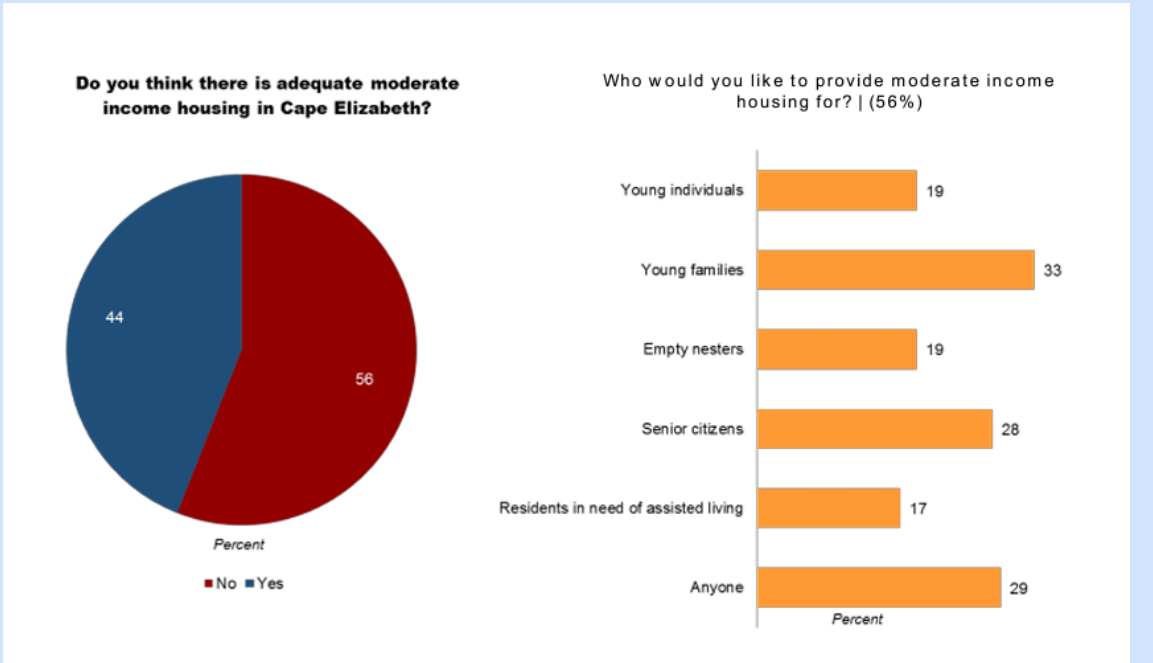
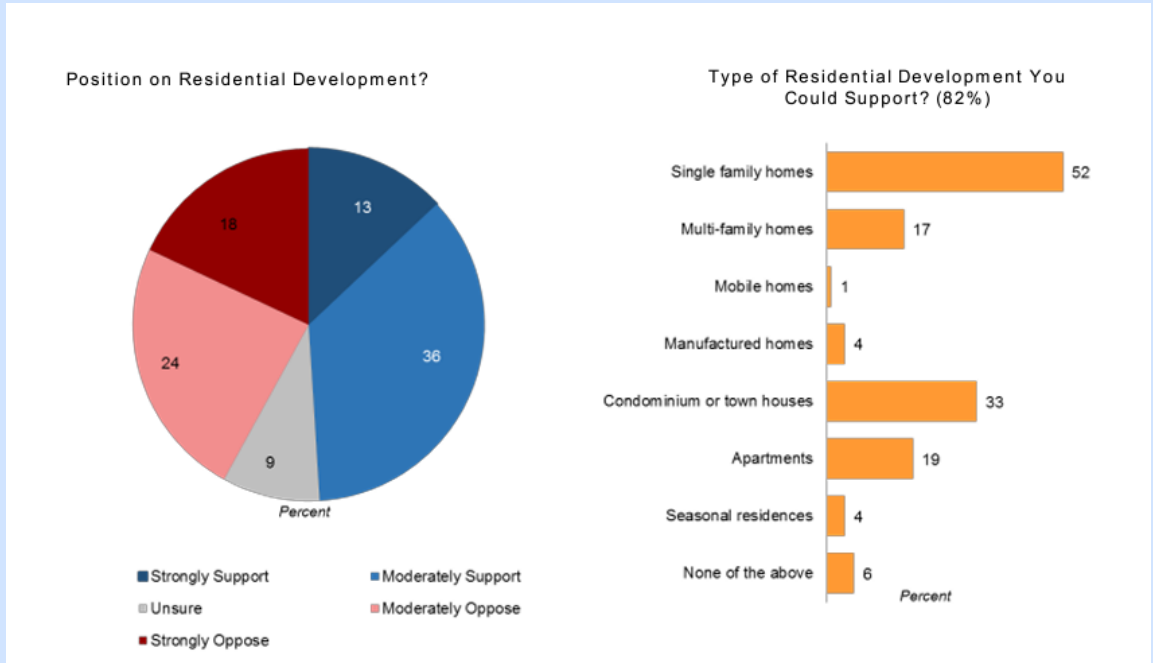
22. Continue to allow the development of multi-family housing units in mixed use buildings located in the town business districts.
23. Retain the current regulations providing for the construction of mobile homes and mobile home parks in accordance with state law.
24. Retain the accessory dwelling unit regulations that provide for small apartments to be integrated into single family homes.
25. Retain the current multiplex housing regulations in the residential districts.
26. Preserve the predominant single family nature of the town's residential areas.
27. Evaluate options to increase density and related provisions to potentially allow conversion of a large single family home into multiplex units and to allow Cottage Housing development.

Goal 2: The town should increase the amount of affordable housing through methods that minimize administrative burdens on town administration.

Recommendations:

28. Retain the Mandatory Affordable Housing Regulations.
29. Waive or reduce fees for low-income, affordable housing units.
30. Evaluate reducing the minimum lot size for existing, vacant, nonconforming lots to allow construction on infill lots between 5,000 and 10,000 sq. ft. in size that will be served by public sewer and water and will comply with the Mandatory Affordable Housing provisions for low-income housing.

Source: Town of Cape Elizabeth 2019 Comprehensive Plan (July 8, 2019)



Source: 2017 Comprehensive Plan Public Opinion Survey

With respect to support for residential development, respondents were slightly more in favor of supporting residential development with 42% either strongly opposing or moderately opposing compared with 49% strongly supporting or moderately supporting (9% were unsure). Of those who did not strongly oppose new residential development, most supported new single-family homes, but respondents expressed support for several types of multi-family housing, including condominium or townhouses, multifamily homes, and apartments.

A majority of survey respondents indicated that they do not believe there is adequate moderate-income housing in Cape Elizabeth (56%). When those respondents were asked who they would like to provide moderate income housing for, young families was the most popular response, followed by anyone and then senior citizens.

REGULATORY ENVIRONMENT

Limits on Housing Types Allowed

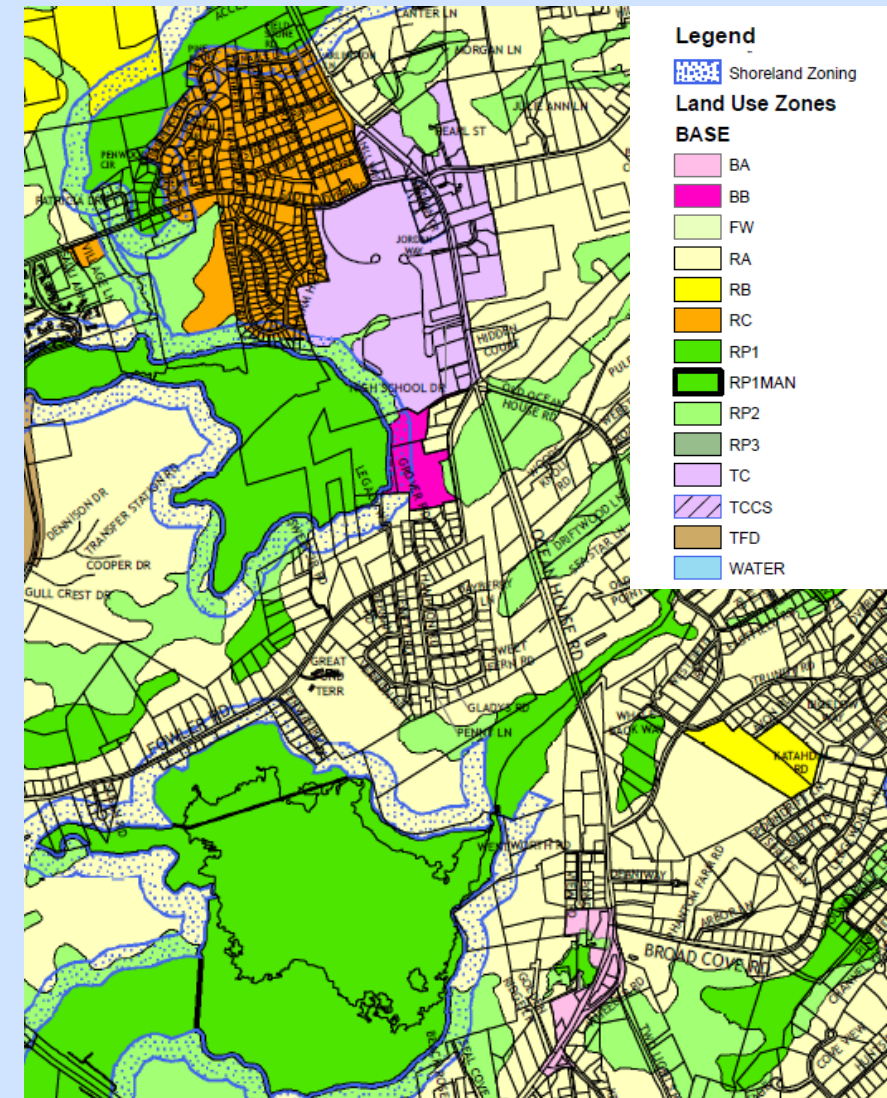
Current regulations favor single-family residential, which is allowed as-of-right within six of the Town's seven principal zoning districts. Multifamily (including "multiplex") housing is also widely allowed as a use with the town permitting the use in six of the seven zones where single-family homes are allowed.

The town defines multifamily as "a building containing 2 or more dwelling units (excepting accessory dwelling units), or a mixed-use building containing 1 or more dwelling units. Multiplex housing is defined as "housing containing two (2) or more attached dwelling units." Despite both uses effectively constituting multifamily housing, the town regulates the two types of multifamily housing differently, as discussed further in the following section.

"Multifamily" is the only multifamily housing that is allowed to be built in denser form (see following section for details). Multifamily is allowed in two zones only (Town Center District – TC and Business District A – BA). An excerpt from the Town's zoning map shows the extent of these two districts. Overall, they represent a very small percentage of the town's zoning districts that allow any kind of multifamily development of appreciable scale. According to the Town's Comprehensive Plan, the Town Center District is 1% of the Town's area and the Business District A represents 0.17% indicating very limited development potential for these housing types.

Multiplex and multifamily housing are subject to more stringent requirements than single-family housing development. Both multifamily housing types are subject to the Town's site plan review process. Multifamily housing is also only allowable as an "accessory" use to nonresidential use. Current zoning only allows a multi-story multifamily development to be built if the first floor is dedicated to nonresidential use.

Town of Cape Elizabeth Zoning Map (Excerpt)



Source: Town of Cape Elizabeth

Allowable Housing Uses by Zoning District

	Single-Family	Multiplex	Multifamily	Manufactured	Eldercare	Other
Residence A District	Y	Y(1)	N	Y(3)	Y(1)(2)	
Residence B District	Y	Y(1)	N	Y(3)	Y(1)(2)	
Residence C District	Y	Y(1)	N	Y	Y(1)(2)	Rooming or Boarding home; manufactured housing park
Town Center District (TC)	Y	N	Y(1)(4)	N	N	Congregate housing(2); Rooming or boarding home; renting of up to two (rooms) in single family dwelling
Business District A (BA)	Y	N	Y(1)(4)	N	N	Congregate housing(2); Rooming or boarding home
Business District B (BB)	Y	N	N	N	Y(1)(2)	
Business District C (BC)	N	N	N	N	N	

(1) Subject to site plan review

(2) Subject to Eldercare Facility Standards

(3) On individual lot

(4) A multifamily dwelling unit shall be accessory to a nonresidential use and located in a building where more than fifty percent (50%) of the floor area of the structure is occupied by nonresidential uses. For multistory buildings, more than fifty percent (50%) of the structure may be allocated for multifamily dwelling units as long as the first floor is nonresidential.

Source: Town of Cape Elizabeth, Maine Zoning Ordinance (Effective May 12, 2021)

Y	Allowed As-of-right
Y	Allowed Under Certain Conditions
N	Not Allowed

Housing Density Allowed by Zoning

The Town of Cape Elizabeth has relatively low-density levels for all housing types. A comparison chart of housing density requirements is provided on the following page for reference.

The density levels are favorable for single-family development but pose a significant challenge to the development of multifamily housing. As an example, in RA, RB, RC zones in which the community's single-family homes are concentrated, multiplex housing can be built at a maximum density level of 1 unit per 15,000 square feet (approximately 0.34 acres) but with a 5-acre minimum lot size (in the RC District only). By comparison, single-family has only a 20,000 square foot minimum lot area requirement (approximately 0.5 acres) in the RC District. This indicates that multiplex cannot be built on smaller sized parcels (under 5 acres) in the RC zone and that it can be built at only slightly denser levels than single-family on parcels over 5 acres.

As previously discussed, the greatest density for multifamily development is within the Town Center District (TC) and Business District A (BA) where the minimum lot area is 7,500 square feet and 15,000 square feet, respectively. In the TC zone, the maximum unit density is 1 unit per 3,000 square feet of gross lot area – but only when in a mixed-use building. The town requires non-residential uses on the first floor of any multi-story multifamily building in the district, which poses a challenge for the financial feasibility of affordable housing development, given that commercial space is not as financially viable as residential units. It should also be noted that the Town limits buildings to a maximum of 35 feet in the district, effectively preventing building four-story buildings as-of-right.

Town Analysis of Density

The Town has explored housing density issues in the past with respect to multifamily and affordable housing. An analysis conducted by the Town Planner in March 2021 examined affordable housing options for “cottage housing” style development in the town's RC District. An example cottage housing project in Dover, NH was assessed for its alignment with the Town's RC zoning standards. The analysis demonstrated that density limitations in the RC district are a barrier to cottage housing development.

	Example Dover, NH Project	Cape Elizabeth RC District	Zoning Amendments
Lot Size	7 acre lot size (3.4 developed; 0.4 acres conservation waiver)	5-Acre minimum Lot Size	1-3 acre minimum
Density	7,000 square feet/unit (lot) 3,400 square feet/unit (developed area)	20,000 square feet/lot/unit 15,000 square feet/lot/unit	5,000 square feet/unit

Source: Town of Cape Elizabeth Planner Memo to Planning Board, "Affordable Housing Options in the RC District." March 16, 2021

Allowable Housing Density by Zoning District

Zoning District	Single-Family	Multiplex	Multifamily	Manufactured	Eldercare
Residence A District	1 unit per 80,000 SF of gross lot area. Subdivisions: 1 Unit per 80,000 SF of net residential area or 66,000 SF if conforming to Open Space Zoning	10 acre minimal lot area 1 unit per 66,000 SF of net residential area	Not Permitted	1 unit per 80,000 SF of gross lot area.	10 acre minimal lot area 1 unit per 6,000 sq. ft. or 1 bed per 3,500 sq. ft. of net residential area, whichever is less
Residence B District	1 unit per 80,000 sq.ft. of gross lot area	80,000 SF minimum lot area 1 unit per 80,000 SF of gross lot area	Not Permitted	80,000 SF minimum lot area 1 unit per 80,000 sq.ft. of gross lot area	5 acre minimal lot area 1 unit per 3,500 sq. ft. or 1 bed per 2,500 sq. ft. of net residential area, whichever is less
Residence C District	20,000 SF minimum lot area 1 Unit per 20,000 SF of gross lot area Subdivisions: 1 unit per 20,000 SF of net residential area	5 acre minimal lot area 1 unit per 15,000 SF	Not Permitted	20,000 SF minimum lot area 1 unit per 20,000 SF of gross lot area	5 acre minimal lot area 1 unit per 2,500 sq. ft. or 1 bed per 2,100 sq. ft. of net residential area
Town Center District (TC)	80,000 SF minimum lot area; 10,000 SF in Town Center Core Subdistrict	Not Permitted	7,500 SF minimum lot area 1 unit per 3,000 sq. ft. of gross lot area (when in mixed use building)	Not Permitted	Not Permitted
Business District A (BA)	80,000 SF Minimum lot area (adjacent to RA District) or 20,000 SF (adjacent to RC District)	Not Permitted	15,000 SF minimum lot area. 1 unit per 7,500 sq. ft. of net residential area	Not Permitted	Not Permitted
Business District B (BB)	80,000 SF minimum lot area	Not Permitted	Not Permitted	Not Permitted	5 acre minimal lot area 1 unit per 3,500 sq. ft. or 1 bed per 2,500 sq. ft. of net residential area, whichever is less
Business District C (BC)	Not Permitted	Not Permitted	Not Permitted	Not Permitted	Not Permitted

Source: Town of Cape Elizabeth, Maine Zoning Ordinance (Effective May 12, 2021)

Multifamily Restrictions

A 2021 study prepared for the Greater Portland Council of Governments explored the limits to multifamily housing development in the seven Metro Regional Coalition communities in the region. Overall, the study concluded that multifamily is “permitted with few limiting factors” on only five percent of the land area in the communities. By comparison, in just under 40 percent of the land area in the region, multifamily is not permitted at all.

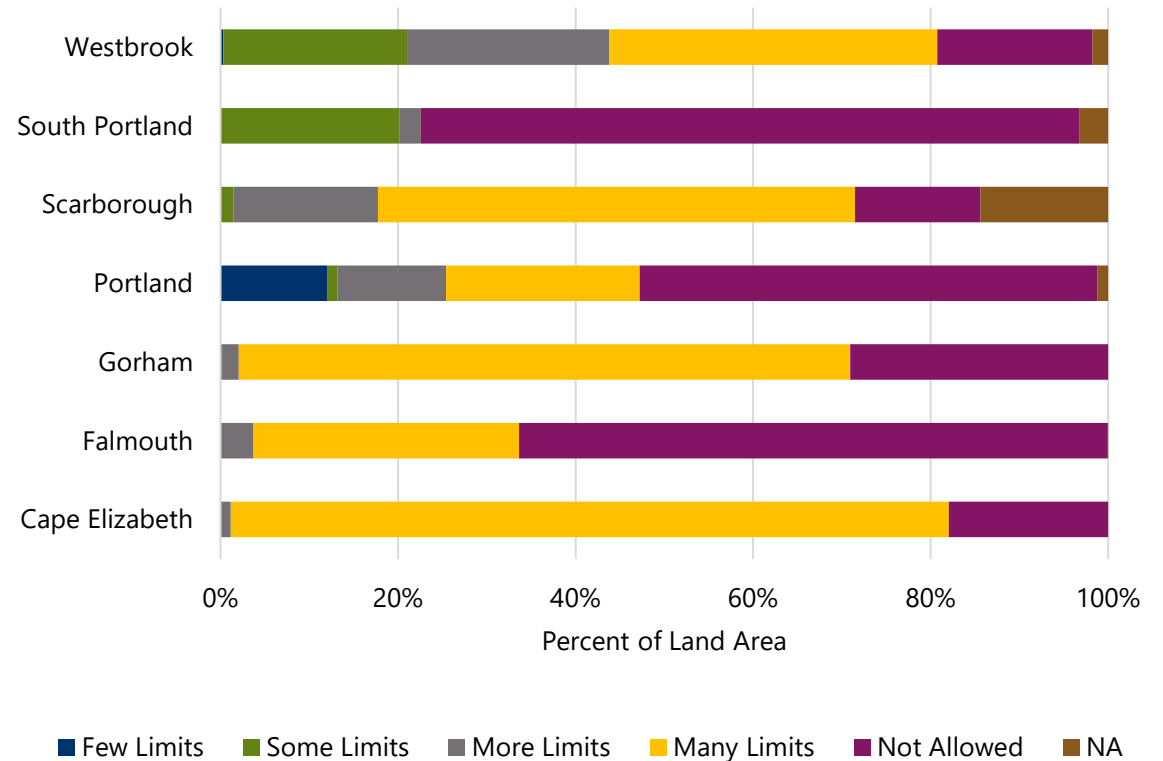
Other key findings of the study found that:

- Not enough land is zoned appropriately for multifamily development in the region.
- Regulatory limits to multifamily development vary widely by community.
- Increased multifamily zoning should follow regional goals for location of new development.

At the time of the study, it was found that 98.8% of Cape Elizabeth’s land had “many limits” for multifamily development or did not allow multifamily. By comparison, the seven communities as a whole had only 85% of their land in these two classifications. Based on the proportion of land in these two classifications, Cape Elizabeth had the most limits on multifamily production by land area. The remaining 1.2% of land in Cape Elizabeth was found to have “more limits” and the Town had no land classified as “few limits” or “some limits” for multifamily development.

The study indicates that a density lower than 1 unit per 5,000 square feet is a barrier to affordable multifamily housing as well as minimum lot sizes exceeding 0.5 acres. As such, the zoning in Cape Elizabeth is generally considered a substantial barrier to the development of affordable multifamily housing.

Limits to Multifamily Housing in Municipal Land Use and Site Plan Ordinances (2021)



Source: Multifamily Housing & Land Use Regulation. Levine Planning Strategies, LLC and the Greater Portland Council of Governments

Short-Term Rental (STR) Restrictions

The Town adopted Short-Term Rental (STR) Regulations effective July 1, 2021, requiring property owners to apply for a Short-Term Rental Permit if renting for a term of less than 30 days. For any properties under 7 acres, an application must receive a homestead exemption for the property. Only one short-term rental is available per property.

The Town's STR regulations effectively prevent housing units from being operated as a business by outside investors that do not live in the community. For homeowners that rent out their primary residence, they must be on-site during rentals if they want to rent more than 42 nights per year. A property owner must be on-site for all STR during a rental, unless the lot is seven acres or larger.

In 2021, the Town issued 44 short term rental permits and as of May 2022, the Town has issued 26 permits in 2022. Overall, short-term rentals are not likely to be impacting housing availability and affordability in the community due to the adoption of the Short-Term Rental regulations.

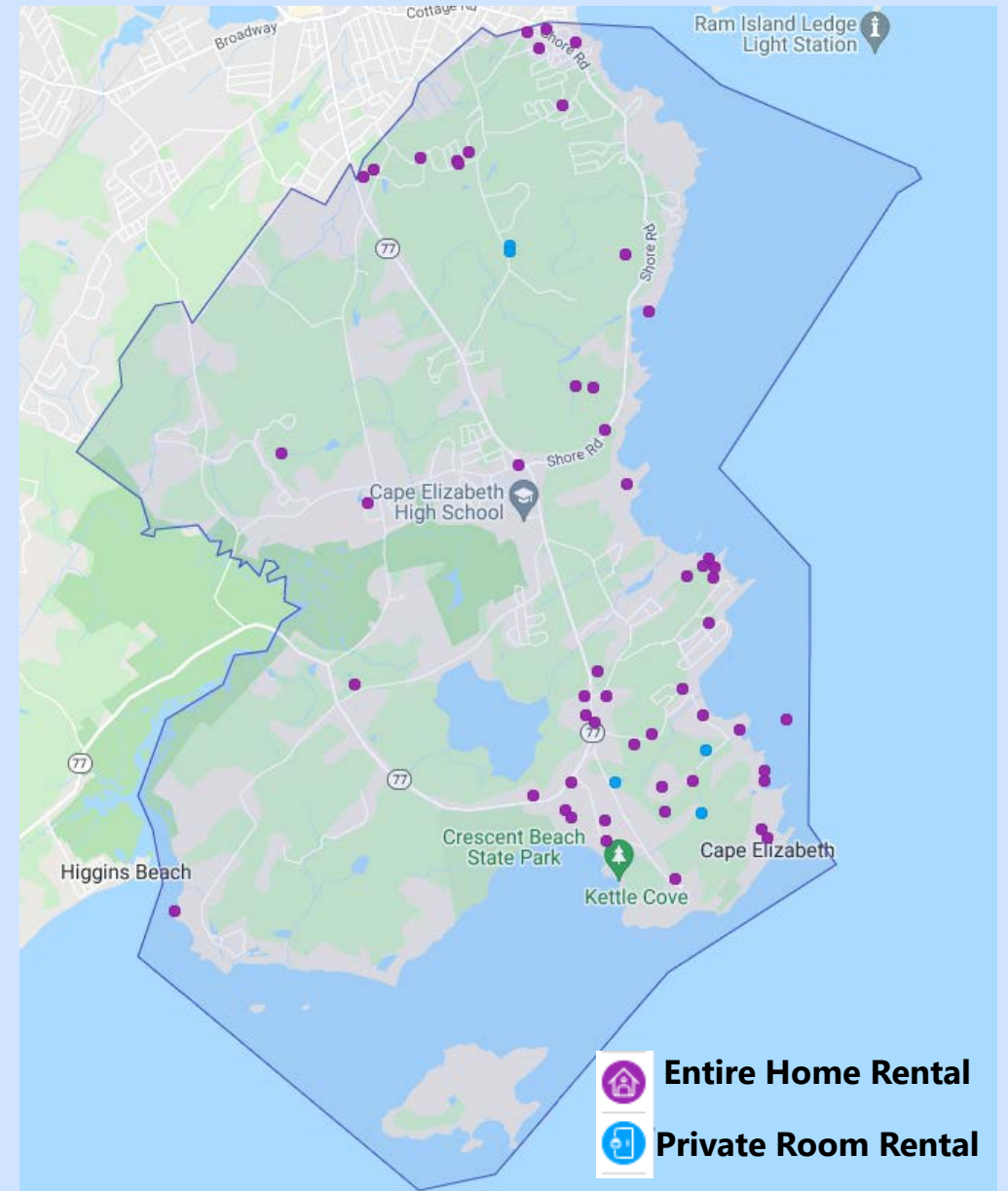
Short Term Rental Regulations

Type of Short Term Rental	Definition	Homestead Exemption	Rentals per 7 Days	Rentals per Year
Primary Residence Hosted	A Short Term Rental may be operated by a property owner in their primary residence when the property owner is in residence, including overnight, during the tenancy of the Short Term Rental Tenants. The Short Term Rental must be located within the host's dwelling unit and not in an area functioning as a separate dwelling unit.	Yes	2	365
Primary Residence Unhosted	A Short Term Rental may be operated by a property owner in their primary residence when the property owner is not in residence during the tenancy of the Short Term Rental tenants.	Yes	1	42
Seven acres plus Short Term Rental	A Short Term Rental may be operated by a property owner in their primary residence or non-primary residence when the property owner is in residence or not in residence during the tenancy of the Short Term Rental tenants, where the lot is seven acres or more in size.	Optional	1	182
Short Term Rental Adjacent	One Short Term Rental may be operated by a property owner in a non-primary residence when the Short Term Rental owner's primary residence is located on the same lot as the Short Term Rental or on an abutting lot. (Abutting shall mean any lot that shares a lot line or is located directly across a road right-of-way from the primary residence.) The property owner must be in residence during the tenancy of the Short Term Rental tenants.	Yes	1	105

Source: Cape Elizabeth Website: Short Term Rental FAQs (www.capeelizabeth.com/ShortTermRentals)

Short-Term Rental Trends

AirDNA is a data provider that provides analytics for short-term rental listings from Airbnb and VRBO. The map at right shows active rental listings (both entire room and private room rentals) on these platforms in Cape Elizabeth as of May 2022. The number of active rentals has trended downward since 2019 from a peak of 144 in 2019Q3 to 47 as of 2022Q1.



Source: AirDNA

Accessory Dwelling Units (ADUs)

The town currently permits accessory dwelling units, subject to certain conditions and zoning districts. Key provisions include:

- The unit must be attached to a single-family home and connected by a doorway. Single-family character must be preserved and a door to the unit can not be placed on the side of the structure's main entrance.
- Minimum lot size of 12,000 square feet for the addition of an ADU to a single-family home. The unit must be between 300 and 600 square feet.
- An existing single family detached dwelling must have an existing area of 1,500 square feet or more and the unit can not occupy more than 25% of the resulting floor area of the structure

The Town issued 18 ADU permits from 2011 to 2022, an average of 1.5 permits per year.

Accessory Dwelling Unit (ADU) Permits

Year	Count
2011	0
2012	0
2013	0
2014	3
2015	0
2016	5
2017	2
2018	1
2019	1
2020	3
2021	1
2022	2
Total	18

Source: Town of Cape Elizabeth

Mandatory Affordable Housing Regulations

The Town has an affordable housing provision in effect that applies to all major subdivisions located in the Residence A, Residence B, and Residence C Districts. The regulations requires that all Major Subdivisions in these zones set aside at least ten percent (10%) of the lots/units in the project as affordable housing for moderate-income buyers or five percent (5%) of the lots/units in the project as affordable housing for low-income buyers. The Town defines “Major Subdivisions” as those containing more than five (5) lots or requiring extension of municipal facilities or any new public road.

Developers are also eligible for a density bonus of one additional lot/unit for each moderate-income affordable lot/unit and two additional lots/units for each low-income affordable lot/unit in excess of the mandatory requirements. The town offers reduced minimum lot size for the bonus lots in new subdivisions.

Developers are required to give preference to Town residents and then to employees of the Town (when the number of eligible and interested buyers is greater than the number of units available). Affordable units are required to be affordable in perpetuity.

For smaller subdivisions (less than 10 lots/units), developers have the option of paying a fee in lieu of creating affordable housing that is equal to the difference between the average fair market value of the housing developed and the maximum cost of moderate-income affordable housing.

Since 1999, there have been seven (7) subdivisions that have been subject to the regulations. A total of 16 affordable housing units/lots were created as a result, including 11 for low-income households and five (5) for moderate-income households.

Mandatory Affordable Housing Results

Date	Project	Total lots/units	Low Income Units/Lots	Moderate Income Units/Lots
1999	Cross Hill	97 lots	5	-
2000	Whaleback Way	6 lots	-	1
2002	Blueberry Ridge	19 lots	-	2
2003	Leighton Farms	17 lots	1	-
2006	Cottage Brook	23 lots/19 condos	3	-
2008	Eastman Meadows	46 condos	-	2*
2017	Maxwell Woods	38 condos/8 apartments	2	-
Total			11	5

Eastman Meadows was approved with 5 moderate income affordable units plus 1 bonus moderate income affordable unit for a total of 6. Four of the affordable units were released to market rates (2014, 2015) by the Town Council when the units failed to sell after one year of marketing. The moderate income definition was then revised from 80%-150% AMI to 80% - 120% AMI to avoid the moderate income unit sale price approaching market rate sales.

Source: Town of Cape Elizabeth

DEVELOPMENT CAPACITY

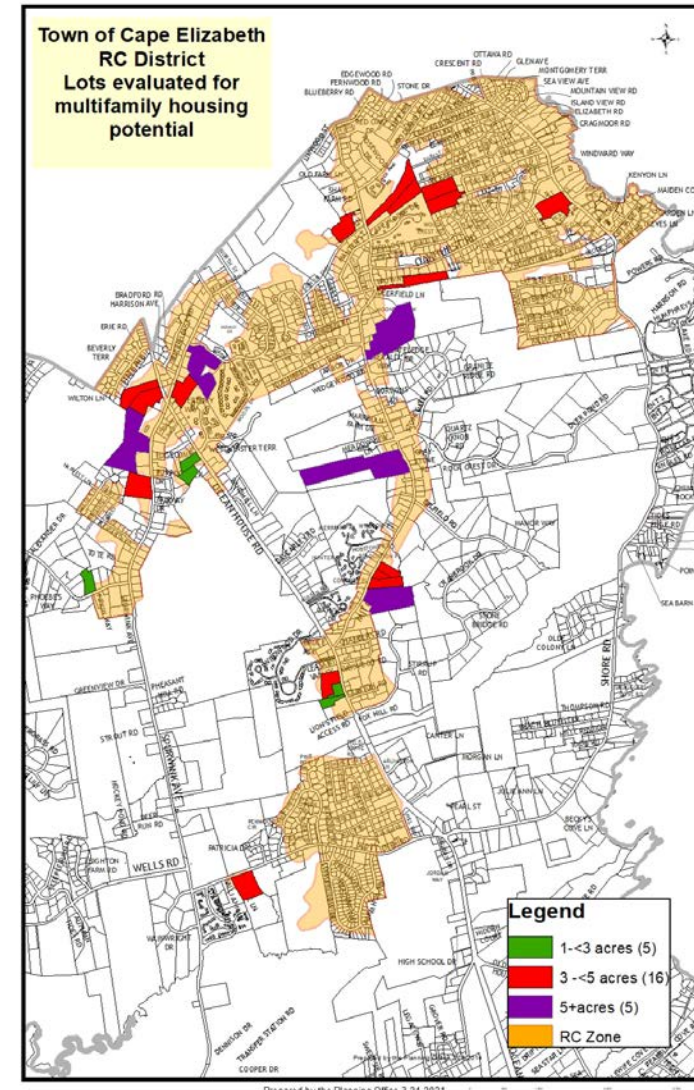
The availability of land for housing development is extremely limited and high demand and competition for land is a challenge for implementing affordable or workforce housing development projects. Furthermore, high land costs and limited infrastructure pose additional challenges for housing development.

The Town's Comprehensive Plan included a build-out analysis of vacant land. The analysis found that over 1,000 new housing units could potentially be accommodated on the remaining undeveloped land in the town at the time of the analysis (when the Sprague Corporation and Purpoodock Club were removed from the analysis the build out analysis was estimated at 700 new housing units). The analysis concluded that the growth area (zones RB, RC, TC and BA) has "more than adequate capacity to absorb estimated new development over the next 10 years." The analysis was based on the build out based on existing zoning, which would limit most residential growth to single-family homes.

While 700-1,000 new units could be absorbed by vacant land, there are limited opportunities for multifamily and affordable housing development. An analysis conducted by the Town examined affordable housing development potential in the RC District, which has public sewer and water utilities available. The analysis found 5 lots less than three acres, 16 lots between 3 and 5 acres, and 5 lots greater than 5 acres. These are shown in the map to the right. The five lots greater than 5 acres are the only eligible to apply for multifamily housing (shown in purple).

In addition to there being few parcels potentially developable for multifamily housing, land does not frequently become available in Cape Elizabeth and many land sale transactions do not involve the public listing of property according to interviews conducted for this study. There is typically high competition for land that does become available and land prices are high in the community, posing an additional barrier to the creation of affordable housing.

Furthermore, municipal infrastructure, including water and sewer service, is not fully available throughout the town. Parcels without access to this infrastructure can not accommodate multifamily housing of any appreciable scale, further constraining the development potential of workforce or affordable housing.



Source: Town of Cape Elizabeth Planner Memo to Planning Board, "Affordable housing lot size analysis in the RC District." (March 25, 2021)

APPENDIX: DATA SOURCES



DATA SOURCES

ESRI BUSINESS ANALYST ONLINE (BAO)

Esri combines demographic, lifestyle, and spending data with map-based analytics to provide market intelligence for strategic decision-making. Esri uses proprietary statistical models and data from the U.S. Census Bureau, the U.S. Postal Service, and various other sources to present current conditions and project future trends. Esri data are used by developers to maximize their portfolio, retailers to understand growth opportunities, and by economic developers to attract business that fit their community. For more information, visit www.esri.com.

DECENNIAL CENSUS

The U.S. census counts each resident of the country, where they live on April 1, every ten years ending in zero. The Constitution mandates the enumeration to determine how to apportion the House of Representatives among the states. The latest release of the 2020 Census contains data for a limited number of variables, including: total population by race/ethnicity, population under 18, occupied and vacant housing units, and group quarters population.

In late April, the U.S. Census Bureau announced revised release dates for the next set of 2020 Census data products, starting with the release of the Demographic Profile and the Demographic and Housing Characteristics File (DHC) in May 2023. Additionally, data previously planned for inclusion in the Detailed Demographic and Housing Characteristics File (Detailed DHC) will now be released as three separate products, with the first product scheduled for release in August 2023 and the schedules for the remaining products still being determined.

For more information on the 2020 Decennial Census, visit: <https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-main.html>.

AMERICAN COMMUNITY SURVEY (ACS)

The American Community Survey (ACS) is an ongoing statistical survey by the U.S. Census Bureau that gathers demographic and socioeconomic information on age, sex, race, family and relationships, income and benefits, health insurance, education, veteran status, disabilities, commute patterns, and other topics. The survey is mandatory to fill out, but the survey is only sent to a small sample of the population on a rotating basis. The survey is crucial to major planning decisions, like vital services and infrastructure investments, made by municipalities and cities. The questions on the ACS are different than those asked on the decennial census and provide ongoing demographic updates of the nation down to the block group level.

The most recent ACS is the 2016-2020 5-Year Data Product, released in March 2022. For more information on the ACS, visit <http://www.census.gov/programs-surveys/acs/>.

ONTHEMAP, U.S. CENSUS

OnTheMap is a tool developed through the U.S. Census Longitudinal Employer-Household Dynamics (LEHD) program that helps to visualize Local Employment Dynamics (LED) data about where workers are employed and where they live. There are also visual mapping capabilities for data on age, earnings, industry distributions, race, ethnicity, educational attainment, and sex. The OnTheMap tool can be found here, along with links to documentation: <http://onthemap.ces.census.gov/>.