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Testimony of Speaker Fecteau

In Support of L.D. 2003, *An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions*

Before the Joint Standing Committee on Labor and Housing

March 7, 2022

Senator Daughtry, Representative Sylvester, honorable members of the Joint Standing Committee on Labor and Housing, I am Ryan Fecteau and I represent part of my hometown of Biddeford. I have the distinct honor of serving as the Speaker of the Maine House. I'm here today to present L.D. 2003, *An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions*.

Maine is facing an affordable housing crisis. According to the Maine Affordable Housing Coalition, nearly 31,000 renters — 1 in 5 Maine renters — pay more than half their income toward housing costs, and, for every family living in an affordable, federally subsidized unit, nearly three families are on a waiting list—over 25,000 people. This is a statewide problem. There is not a single county in our state where a full-time worker earning the minimum wage can afford a typical two-bedroom apartment. In order to keep up with demand, Maine needs 1,000 units of affordable housing added to our stock on an annual basis. We have been averaging 250 units per year, except for last year when we managed to double production—adding a little over 500 units. Momentum is on our side to achieve 1,000 units.

Like many of you, I believe addressing this crisis must be multi-faceted. In 2020, Governor Mills signed my bill, L.D. 1645, into law which creates a housing tax incentive— an investment of \$80 million over the next seven years. The bipartisan work that went into L.D. 1645 demonstrated that together we can make significant headway on one of the largest challenges facing our state — providing safe, affordable housing to our working families. Projects in Skowhegan, Portland and Bath have already broken ground and each and every unit will provide Maine families a dignified place to live. With American Rescue Plan funds, Maine is investing an additional \$50 million into the construction of affordable housing. I am incredibly proud of these initiatives, but construction of affordable housing is only one solution to the crisis we are facing.

Last year, the Legislature voted to pass L.D. 609 to create the commission to study land use and zoning restrictions and how they relate to the lack of affordable housing in Maine. The commission found that in too many municipalities, a web of various zoning and land use ordinances and state laws are preventing sensible projects — big and small — from coming to fruition. The commission extensively reviewed how we can tackle the barriers to producing more affordable housing in the state. L.D. 2003 holds all nine recommendations from the commission's final report, which I outlined in my report back to this committee in January.

Today you will hear from the environmental community, who appreciate the proposals in this bill because they promote density and infill in land already zoned for housing. You will hear from Mainers of all political affiliations who value the property rights guaranteed to citizens who would be able to build accessory dwelling units on their own private lots—this is the truest form of local control. You will hear from Maine's

business community, who know as employers that the housing shortage is keeping them from attracting and retaining workers. You will hear from advocates who consider affordable housing to be an issue of justice and equity, that this bill will right past wrongs caused by a history of redlining, in part influenced by federal loan policies that excluded people of color. You will hear from everyday Mainers who are struggling to find housing for themselves or an aging parent or an adult child who wants to make a life for themselves right here in Maine.

You may hear from communities who are already making meaningful zoning reforms. Brunswick, for example, changed their ADU ordinance and now has 100 accessory dwelling units housing renters of all ages. Auburn may achieve all the recommendations from the bill this year and will have added 800 new units within two years. Belfast is actively reviewing their zoning to be sure affordable housing is not barred. I commend the good work municipalities have done and are undertaking. We can help bolster their efforts.

In addition, you may hear from folks who believe this proposal erodes local control and will usher in a tsunami of housing, a tsunami so great everything from schools to water infrastructure to traffic patterns will be overwhelmed and stressed. I want to caution you to separate red herrings from constructive feedback on what's actually proposed in the bill.

In the coming days, I look forward to addressing concerns raised regarding actual provisions in the bill or adding provisions to strengthen the language around water infrastructure, for example, in order to expand the coalition of diverse support behind this proposal.

In order for Maine to meet the needs of the workforce and reach its economic potential, there is an urgent need for more housing, and we must recognize we all have a role to play in solving this crisis. After all, municipalities, alone, do not and should not shoulder how and why we got here. State government must also take responsibility for the housing crunch.

L.D. 2003 would empower municipalities to make changes that lead to greater housing availability. The state of Maine needs to be at the table to support towns, and this bill does just that by awarding financial incentives to communities for talking through the numerous zoning issues not contemplated by this bill and offers additional incentives if they adopt policy changes that would foster a more favorable environment for housing construction.

The bill answers the call of municipalities who've asked for technical assistance so they can develop and implement their new zoning and land use ordinances; with grants for municipalities to help carry out their responsibilities in developing and implementing zoning and land use ordinances at the local level. The Commission was fortunate to have a representative from Maine Municipal Association guiding these recommendations put forth in this bill. We heard from them loud and clear that state support is needed to make changes that will positively impact the much-needed supply of housing in our communities.

The bill would allow, in any zone in which housing is already permitted, for structures with up to four dwelling units to be built. It would also allow accessory dwelling units in all Maine towns. Under this bill, towns and cities can still enact and enforce regulations to protect their water and sewer systems and their setback requirements. They still must comply with state shoreland zoning laws protecting our precious natural resources. Under this bill, towns and cities simply can't prohibit accessory dwelling units simply because they are accessory dwelling units, or multi-family housing just because it is multi-family housing. In other words, it gives control to the most local entity of all: Maine people. It tells folks like you and me that if we own property in a residential zone and we want to build a duplex, we should have the right to do so. This is not taking power away from people. Just the opposite: It is empowering local people to exercise their right to liberty and self-determination. With reasonable regulations still in place, it largely removes government

imposition over Maine people and their ingenuity to make the most of the land they own.

Let me provide a real world example of how this law would change things. I visited a community last week to meet a family who just added on an addition to their home so their aging mom could move in while maintaining some independence in her own space. The ADU was allowed because the family ditched a refrigerator and stove in the kitchen. Meanwhile, several hundred yards away was another residential zone where a stove and refrigerator would be permitted in an ADU. The inconsistency in requirements adds hurdles for Maine families and often prevents them from being able to solve challenges affordably for themselves, like caring for an aging parent or providing an affordable home to a young person. What happened to letting folks exercise Yankee ingenuity? I must note, this family weighed other options for their mom to rent or buy a small place nearby, but they were more than double what they spent on the addition in their own backyard.

In addition, this bill would prohibit ordinances that cap the number of building or development permits for housing. These caps have been used to get in the way of the free market by artificially limiting housing supply. The bill requires our towns and cities to allow affordable housing to be built at certain densities and ensures that affordable housing developments remain affordable for at least 30 years to ensure stability for families of all ages. As Maine invests in the construction of housing, it only makes sense that we ensure the investments we are making in affordable housing remain affordable for decades into the future. The bill includes a Housing Appeals Board, like the one they have next door in New Hampshire, to ensure accountability. The Appeals Board will also save the municipalities time and money by avoiding the court battles they currently face when a permit seeker appeals a decision to the courts.

Last, the bill amends the fair housing provisions of the Maine Human Rights Act so no Maine government entity can use outdated terms or relics of redlining to restrict the construction or development of housing.

Before I close, I want to draw your attention to a drafting error under Section 9 (page 4, line 10). The deadline is listed as April 20, 2022, but should be April 20, 2023.

The issue of housing is critical to people's wellness, to our economy and workforce, to the dignity of older Mainers, and the future of our young people. The future of housing in Maine will determine the prosperity of its hard working families. I look forward to the Committee's work on this bill and I thank everyone who is here to testify today on all sides of this issue. Again, I wish to extend my willingness to work together to craft a bill that can become law and helps people immediately. I believe Maine can, and must, reform decades-old zoning and land use policy that prevents sensible housing from being built. The statewide housing crunch is too serious and we must act. I thank you for your time and I'm happy to answer any questions you might have.