



March 7, 2022

Re: LD 2003- An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions

Senator Daughtry, Representative Sylvester, Members of the Committee On Labor and Housing:

I am Kara Wilbur, Chair of Build Maine, and we support many of the recommendations in LD 2003, An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions. Build Maine works to align fiscal, economic, environmental, and quality of life goals across Maine through pragmatic and common-sense solutions to strengthen our rural and urban communities.

The commission did an incredible job tackling a highly complex problem and put forth bold ideas to help increase access to attainable and affordable housing for Maine people. We see several ways to further strengthen these proposals by working with municipalities to direct growth into the places where infrastructure and services exist and through adjustments to the proposed Municipal Incentive Program.

Priority Development Zones:

The current land use system in Maine drives housing development to rural and suburban areas over downtowns, because of the cheaper land, simpler zoning, and faster state and local permitting. We have hundreds of thousands of square feet of land and underutilized buildings in our collective downtowns, villages, and commercial corridors already served by water and sewer that are ideal for housing. Location of development matters to individuals struggling to manage the combined costs of housing and transportation, to municipalities trying to maintain the fiscal health of their communities, and to our collective efforts to address climate change.

The intent of Subchapter 7, Priority Development Zones, is to invest in strategic locations and support municipalities in making it easier to build affordable and attainable housing. There are some important adjustments to this section that would help accomplish these goals:

1. Communities should be able to opt in, and the state can support their efforts through incentives, such as streamlined permitting and coordinated funding. Paired with technical assistance funds recommended in this bill, which would be available to all communities, voluntary and incentivized participation is a great way for the state to support communities already doing this needed work, and encourage other communities to engage.
2. We recommend that the legislation clearly defines Priority Development Zones as the recognizable places that they are, so the intent of the bill is clear. People are familiar with and understand what it means when you talk about Downtowns, Adjacent Neighborhoods, Village Centers, Rural Crossroads, High Impact Corridors, Rural Farmsteads, and Working Waterfronts. It would help to name these areas explicitly in the bill and define them as part of rulemaking.

3. We suggest that communities have the ability to identify more than one priority development zone that meets the definitions set forth by this framework. The intent should not be to require municipalities to designate one limited area for multi-family housing, but rather to identify any and all places where there is a strong potential and desire for housing.
4. The recommendations for 1 to 4 units per lot, 2.5x density for affordable housing, and prohibitions of growth caps will result in increased housing. But we believe these must tie back to an opt-in and incentivized Priority Development Area framework, rather than mandates that apply everywhere. This will help ensure that this bill doesn't inadvertently work counter to local planning efforts and accelerate and intensify residential sprawl on farmland and other open spaces. Not addressing this issue will set us back as a state on many of our climate, fiscal, economic, and quality of life goals.

Municipal Incentive Program:

Section 8, the Municipal Incentive Program is a critical and timely program that will help to support the work of Maine's municipalities. There are a few adjustments to this program that could help it operate better for municipalities of various sizes and that would more effectively utilize these funds.

1. For municipalities that want to expedite public engagement, zoning amendments, and adoption through a faster process, it will be helpful to provide an option where communities can request the full amount up front to pay for that work.
2. Both year two and three could be reframed as time for implementation and working zoning changes through the local political process. Reporting should ongoing over a much longer period of time, rather than a one-time requirement tied to year 3 funding.

Two Other Items:

1. We believe the recommendation for 4 unit buildings was intended to say 4 units per lot, which provides property owners with more flexibility, reduces tear downs, and follows similar policy adopted in other States. New Hampshire's current HB 1177 has clear and helpful language on possible building type combinations. Their proposal is also tied to lots with water and sewer.
2. Related to Accessory Dwelling Units, we agree with the Maine Association of Planners recommendation for 2 ADUs per lot, with one allowed in a freestanding building. This provides greater flexibility for homeowners while still allowing municipalities to regulate building form and location through local zoning. If the State wants to discourage the construction of ADUs for short-term rentals, providing financial support tied to attainable long-term rentals would be very helpful to overcome the current lack of bank financing options.

Thank you for your work on this critical piece of legislation. We are happy to work with the committee to better support local efforts and to help increase access to affordable and attainable housing across Maine.

Respectfully,
Kara Wilbur,
Chair, Build Maine