

Chairs Ryan Fecteau & Craig Hickman
c/o Office of Policy and Legal Analysis
Maine State Legislature

September 28, 2021

To Members of the Commission,

I offer the following suggestions to start discussion what should be included in the Commission's final report. These suggestions are designed to balance a respect for local control and financial need with the need to make progress on housing production and affordability in Maine.

Community Actions

Municipalities should be provided options for meeting housing production goals. Having said that, there appear to be structural issues with Title 30A Chapter 187, especially §4351-4362 ("Land Use Regulation,") that have exacerbated social and racial inequities. This set of proposed actions would address issues of past exclusionary zoning and land use practices, while keeping some local options for alternative ways to meet housing production needs:

1. *Address Exclusion through Single-Family Zoning Districts:* The Legislature should set a standard that any "single-family zone" in communities over a certain size allow at least two housing units on every conforming lot. The details of such a proposal are important, as it is easy to find other ways to limit housing production, through tools such as lot area per dwelling unit, or parking requirements. There could be other reasonable regulations related to use intensity and public health, such as rules on septic systems and water supply.
2. *Permit Accessory Dwelling Units (ADU's) by Right:* The Maine Legislature should follow New Hampshire's example and require that ADU's be permitted with limited regulation in all single-family zones.
3. *Add a Density Bonus for any Below-Market Affordable Housing Production:* The Legislature should create a statewide system that would provide density bonuses by right for below-market affordable housing development. Such a system would allow below-market affordable housing developers to compete financially for developable sites.
4. *Create a System of "Priority Development Areas" (PDA's):* Each community should have the flexibility to decide where they would like to focus their housing production. While the current rules governing Comprehensive Plans provide some framework, it has few incentives or requirements. Each community over a certain size should be expected to designate a reasonably sized area as their PDA. In a PDA, multifamily housing would have to be permitted at a minimum density without significant regulatory hurdles. These areas would be prioritized for state investment, and state review of projects in PDA's would be expedited, provided the community updates its local zoning and other ordinances to encourage development in PDA's.

Community Incentives

Municipalities in Maine struggle with balancing their budgets without excessively raising property taxes. Communities that move forward with a PDA as outlined above should be eligible to access new sources of revenue, either from the state, transfer taxes, and/or through local options.





State Actions

1. *Create a State Technical Assistance Office on Housing and Zoning:* There should be a state office that provides grants and direct technical assistance, or assistance through regional planning organizations, for communities who wish to update their zoning and other local ordinances to increase housing production. This office could also look at tools such as Community Land Trusts and assist communities in creating local Housing Trusts (see below.)
2. *Create a Statewide Framework to Encourage Housing Trusts:* The Legislature should create a state framework for creation and funding of local Housing Trusts, which can help leverage other funding sources through direct local investment. Local housing trusts could also be authorized to collect impact fees for housing from commercial development through state legislation. Finally, considerations should be given to a state match to local Housing Trust investment.

Production of more housing near town and city centers is a benefit to Maine's communities and economies, and will contribute to the quality of life in our state. I look forward to further discussion on strategies to reach this goal.

Sincerely,

A handwritten signature in blue ink, appearing to read 'JRL'.

Jeff Levine, AICP
Member of the Commission