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In Senate, January 8, 2025

An Act to Support Permitting of Certain Multifamily Housing Developments Under the Site Location of Development Laws

Submitted by the Department of Environmental Protection pursuant to Joint Rule 204. Reference to the Committee on Housing and Economic Development suggested and ordered printed.

DAREK M. GRANT Secretary of the Senate

Presented by Senator PIERCE of Cumberland.

Be it enacted by the People of the State of Maine as follows:

- **Sec. 1. 38 MRSA §482, sub-§5,** as amended by PL 1997, c. 603, §2, is further amended to read:
- 5. Subdivision. A "subdivision" is "Subdivision" means the division of a parcel of land into 5 or more lots to be offered for sale or lease to the general public during any 5-year period, if the aggregate land area includes more than 20 acres; except that when all lots are for single-family, detached, residential housing designed to accommodate up to 4 families, common areas or open space a, "subdivision" is means the division of a parcel of land into 15 or more lots to be offered for sale or lease to the general public within any 5-year period, if the aggregate land area includes more than 30 acres. Detached residential housing may include accessory dwelling units in accordance with Title 30-A, section 4364-B. The aggregate land area includes lots to be offered together with the roads, common areas, easement areas and all portions of the parcel of land in which rights or interests, whether express or implied, are to be offered. This definition of "subdivision" is subject to the following exceptions:
 - C. Lots of 40 or more acres but not more than 500 acres may not be counted as lots except where:
 - (1) The proposed subdivision is located wholly or partly within the shoreland zone;
 - C-1. Lots of more than 500 acres in size may not be counted as lots;
 - D. Five years after a subdivider establishes a single-family residence for that subdivider's own use on a parcel and actually uses all or part of the parcel for that purpose during that period, a lot containing that residence may not be counted as a lot;
 - E. Unless intended to circumvent this article, the following transactions may not be considered lots offered for sale or lease to the general public:
 - (1) Sale or lease of lots to an abutting owner or to a spouse, child, parent, grandparent or sibling of the developer if those lots are not further divided or transferred to a person not so related to the developer within a 5-year period, except as provided in this subsection;
 - (2) Personal, nonprofit transactions, such as the transfer of lots by gift, if those lots are not further divided or transferred within a 5-year period, or the transfer of lots by devise or inheritance; or
 - (3) Grant of a bona fide security interest in the whole lot or subsequent transfer of the whole lot by the original holder of the bona fide security interest or that person's successor in interest;
 - F. In those subdivisions that would otherwise not require site location approval, unless intended to circumvent this article, the following transactions may not, except as provided, be considered lots offered for sale or lease to the general public:
 - (1) Sale or lease of common lots created with a conservation easement as defined in Title 33, section 476, provided that subsection 1, unless the department is made a party; and
 - H. The transfer of contiguous land by a permit holder to the owner of a lot within a permitted subdivision is exempt from review under this article, provided that as long

<u>as</u> the land was not owned by the permit holder at the time the department approved the subdivision. Further division of the transferred land must be reviewed under this article.

The exception described in paragraph F does not apply, and the subdivision requires site location approval, whenever the use of a lot described in paragraph F changes or the lot is offered for sale or lease to the general public without the limitations set forth in paragraph F. For the purposes of this subsection only, a "parcel of land is defined as" means all contiguous land in the same ownership provided except that lands located on opposite sides of a public or private road are considered each a separate parcel of land unless that road was established by the owner of land on both sides of the road subsequent to January 1, 1970. A lot to be offered for sale or lease to the general public is counted, for purposes of determining jurisdiction, from the time a municipal subdivision plan showing that lot is recorded or the lot is sold or leased, whichever occurs first, until 5 years after that recording, sale or lease.

- **Sec. 2. 38 MRSA §488, sub-§17,** as amended by PL 1997, c. 393, Pt. A, §45, is further amended to read:
- 17. Structure area within residential lots. Buildings, roads, paved areas or areas to be stripped or graded and not revegetated that are located within lots used solely for single-family detached residential housing designed to accommodate up to 4 families are not counted toward the 3-acre threshold described in section 482, subsection 6, paragraph B for purposes of determining jurisdiction. Detached residential housing may include accessory dwelling units in accordance with Title 30-A, section 4364-B. A road associated only with such lots is also not counted toward the 3-acre threshold. For purposes of this subsection, "single-family residential housing" does not include multi-unit housing such as condominiums and apartment buildings.

Sec. 3. 38 MRSA §488, sub-§17-A is enacted to read:

- 17-A. Land or water area within residential lots. Land or water areas that are located within lots used solely for detached residential housing designed to accommodate up to 4 families are not counted toward the 20-acre threshold described in section 482, subsection 2, paragraph A for purposes of determining jurisdiction. Detached residential housing may include accessory dwelling units in accordance with Title 30-A, section 4364-B. A road associated only with such lots is also not counted toward the 20-acre threshold.
- **Sec. 4. 38 MRSA §488, sub-§19,** as amended by PL 2021, c. 51, §1, is further amended to read:
- 19. Municipal capacity. A structure, as defined in section 482, subsection 6, that is from 3 acres up to and including 10 acres or a subdivision, as defined in section 482, subsection 5, that is made up of 15 or more lots for single-family, detached, residential housing designed to accommodate up to 4 families, common areas or open space with an aggregate area of from 30 acres up to and including 100 acres is exempt from review under this article if it is located wholly within a municipality or municipalities meeting the criteria in paragraphs A to D as determined by the department and it is located wholly within a designated growth area as identified in a comprehensive plan adopted pursuant to Title 30-A, chapter 187, subchapter 2. Detached residential housing may include accessory dwelling units in accordance with Title 30-A, section 4364-B. The planning board of the

municipality in which the development is located or an adjacent municipality may petition the commissioner to review such a structure or subdivision if it has regional environmental impacts. This petition must be filed within 20 days of the receipt of the application by the municipality. State jurisdiction must be exerted, if at all, within 30 days of receipt of the completed project application by the commissioner from the municipality or within 30 days of receipt of any modification to that application from the municipality. Review by the department is limited to the identified regional environmental impacts. The criteria are as follows:

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- A. A municipal planning board or reviewing authority is established and the municipality has adequate resources to administer and enforce the provisions of its ordinances. In determining whether this criterion is met, the commissioner may consider any specific and adequate technical assistance that is provided by a regional council;
- B. The municipality has adopted a site plan review ordinance. In determining the adequacy of the ordinance, the commissioner may consider model site plan review ordinances commonly used by municipalities in this State that address the issues reviewed under applicable provisions of this article prior to July 1, 1997;
- C. The municipality has adopted subdivision regulations. In determining the adequacy of these regulations, the commissioner may consider model subdivision regulations commonly used by municipalities in this State; and
- D. The former State Planning Office or the Department of Agriculture, Conservation and Forestry has determined that the municipality has a comprehensive land use plan and land use ordinances or zoning ordinances that are consistent with Title 30-A, chapter 187 in providing for the protection of wildlife habitat, fisheries, unusual natural areas and archaeological and historic sites.

The department, in consultation with the Department of Agriculture, Conservation and Forestry, shall publish a list of those municipalities determined to have capacity pursuant to this subsection. This list need not be established by rule and must be published by January 1st of each year. The list must specify whether a municipality has capacity to review structures or subdivisions of lots for single family, detached, residential housing designed to accommodate up to 4 families, common areas or open space or both types of development. Detached residential housing may include accessory dwelling units in accordance with Title 30-A, section 4364-B. The department may recognize joint arrangements among municipalities and regional organizations in determining whether the requirements of this subsection are met. The department may review municipalities that are determined to have capacity pursuant to this subsection for compliance with the criteria in paragraphs A to D, and if the department determines that a municipality does not meet the criteria, the department may modify or remove the determination of capacity.

A modification to a development that was reviewed by a municipality and exempted pursuant to this subsection or was reviewed by the department prior to a determination that a municipality has capacity pursuant to this subsection is exempt as long as the modification will not cause the total area of the development to exceed the maximum acreage specified in this subsection for that type of development or, based upon information submitted by the municipality concerning the development and modification, the department determines that the modification may be adequately reviewed by the municipality.

Sec. 5. 38 MRSA §489-E, as repealed and replaced by PL 2011, c. 359, §4, is amended to read:

§489-E. Rulemaking

Rules adopted by the department pursuant to this article are routine technical rules, as defined in Title 5, chapter 375, subchapter 2-A, including rules to establish a permit by rule option in accordance with section 344, subsection 7, except that rules adopted by the department after January 1, 2010 pursuant to section 484, subsections 1, 3, 4, 4-A, 5, 6 and 7 are major substantive rules as defined in Title 5, chapter 375, subchapter 2-A.

9 SUMMARY

This bill amends the definition of "subdivision" for purposes of the site location of development laws to allow lots that include detached residential housing designed to accommodate up to 4 families, including accessory dwelling units, instead of just single-family housing. This bill also specifies that rules made by the Board of Environmental Protection to permit, by rule, any class of activities that would otherwise require individual issuance of a permit or approval by the board are routine technical rules.