



AGC MAINE

THE CONSTRUCTION ASSOCIATION

April 11, 2023

Senator Pierce, Senate Chair
Representative Gere, House Chair
Members of the Joint Standing Committee on Housing
100 State House Station
Augusta, Maine 04333

RE: AGC Maine's Opposition to LD 214 "An Act to Amend the Laws Regarding Zoning and Land Use Restrictions to Limit Certain Requirements to Municipalities with a Population of More than 10,000"

Senator Pierce, Representative Gere, and distinguished members of the Joint Standing Committee on Housing my name is Matthew Marks, I am a Principal at Cornerstone Government Affairs, and writing today on behalf of my client The Associated General Contractors of Maine. AGC Maine is a statewide commercial construction trade association and a Chapter of AGC America.

The statewide housing challenge impacts both rural and urban areas of our state. The goals within LD 2003 to expand the capacity of multi-family units will assist with the growing list of housing needs. As economic opportunities expand throughout the state it's essential to allow greater density in areas already zoned for housing.

Developers exploring Maine as a viable option analyze the available workforce and housing capacity of the potential development area and that's not exclusive to populations greater than 10,000 current residents. According to 2021 population data, this bill would exclude 497 Maine communities. The State continues to invest in resources to assist municipalities with housing and zoning policies.

In our opinion, this has the potential to create greater urban growth and reduce economic growth in areas that can provide both jobs and an expanded tax base. Maine has already heard challenges from biotechnology firms in Bar Harbor recruiting workers directly tied to the lack of housing. It's clear housing challenges are reaching every corner of Maine.

LD 2003 creates investment opportunities in housing directly impacting construction jobs in rural areas. It will also assist property owners who qualify under the new law to earn income to offset inflation. Maine has an estimated 19,000 housing units¹ required to meet the demand of low-income residents. Home prices² in Maine were up 9.9% year-over-year in February. At the same time, the number of homes sold fell 20.0% and the number of homes for sale fell 12.6%. The median home price has risen to \$335,000, while in February 2020, the price was \$220,400.

We encourage the Committee to reject this bill and allow LD 2003 to have the time needed before analyzing the results.

¹ Spectrum News: <https://spectrumlocalnews.com/me/maine/news/2022/03/21/augusta-sees-building-boom>

² Redfin: <https://www.redfin.com/state/Maine/housing-market>