



Testimony of Matthew Marks on LD 1396

“An Act to Amend Maine's Municipal Subdivision Standards to Increase the Number of Dwelling Units on or Divisions of a Tract of Land Before the Tract is Considered a Subdivision”

Joint Standing Committee on Housing and Economic Development

April 25, 2025

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, my name is Matt Marks. I am the Principal at Cornerstone Government Affairs and submitting my written testimony on behalf of the Associated General Contractors of Maine (AGC Maine).

Chartered in 1951, AGC Maine is a statewide commercial construction trade association headquartered in Augusta with members statewide that include contractors, service providers, suppliers, and developers. AGC Maine provides safety, craft, and apprenticeship education to members and non-members throughout Maine.

I want to thank Representative Roberts and the Committee members for considering our comments on this bill. AGC Maine has participated in discussions and initiatives and has been a vocal supporter of advancing housing in Maine for many decades. As you are all familiar with the state-supported study with HR&A, it's clear that we need to streamline the housing development process to achieve our goals.

This law will support investment and timelines on housing projects critical to construction. First, the initial capital investment in a proposed subdivision is expensive before the first bit of earth is dug. The process is often counted in years, not months, between purchasing, planning, financing, and permitting. The initial capital outlay is tremendous and usually creates pressure in the beginning stages of development that impacts everyone downstream in the development process. Allowing additional homes to be built and sold under this proposal will assist with financial solvency and can encourage investors for future projects. Unlike other states, where large corporations finance and manage housing projects, investors in Maine are generally residents. The financial risk is often felt in that first phase of the project because of the upfront development costs, and it can be discouraging for new investors who feel that risk.

Addressing parking, lighting, traffic, and sewer issues can further delay a project, and allowing that process to continue as initial units are built helps prospective homeowners. These challenges not only add to the upfront costs, but also to the timeline. The ability to increase the number of units will also help coordinate contractors who would prefer to start with ideal weather conditions; for example, winter conditions set by soil and erosion control standards can be costly. The developer and contractors will be in a stronger cash flow position if they are allowed additional units and better control over the timeline. In our view, that benefits cost containment and encourages future investment.

Given the emergency need to address our housing crisis and continued difficulties in meeting demand, we encourage the Committee to pass this bill in this session. I want to thank the members for listening to my testimony, and I'm happy to answer any questions.