



MAINE AFFORDABLE HOUSING COALITION

Joint Standing Committee on Housing & Economic Development

Testimony of Laura Mitchell, Executive Director, Maine Affordable Housing Coalition, 4.25.25

in favor of LD1396 - 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
Sponsored by Rep. Roberts

Hello, Senator Curry, Representative Gere, and Members of the Joint Standing Committee on Housing and Economic Development. I am Laura Mitchell, executive director of the **Maine Affordable Housing Coalition**. I am testifying in favor of LD1396 on behalf of the coalition, **a nonprofit with 140 member businesses and more than 600 individual members**.

As you know, Maine needs 80,000 new homes by 2030. Our housing shortage is impacting all of us and threatening our economy and wellbeing. We must do everything we can to remove unnecessary and outdated barriers to the creation of new homes—especially those that limit infill development, small-scale housing, and creative reuse of existing buildings. This bill does exactly that.

By increasing the threshold for when a parcel is considered a subdivision—from 3 to 5 units or lots—LD1396 brings much-needed flexibility to small-scale residential development. Since LD2003 allows 4 units per lot in growth zones, this bill simply aligns subdivision thresholds with this, and clarifies that the creation of an accessory dwelling unit (ADU) does not constitute a subdivision. ADUs are one of the most cost-effective and unobtrusive tools we have for expanding housing options, and this clarification will further enable their creation statewide.

Maine's HR&A Roadmap to Housing Production prioritizes reducing regulations. LD1396 will ease the regulatory burden on homeowners, small developers, and nonprofits who are working to provide modest, lower-cost housing. In practice, this could mean the difference between a project moving forward or being deemed financially infeasible due to lengthy and costly municipal subdivision review processes that require surveys, professional expertise, fees and more. Towns often also require an escrow deposit for the review to cover notifications, or outside consultants, as well as fees per lot.

These costs show that even before construction begins, homeowners face significant financial and expertise barriers to go through the subdivision review process. Such upfront costs can render small housing projects financially unfeasible, thereby limiting the availability of affordable housing options. The municipal review process can also add uncertain lengths of time over many months, and include lots of meetings that drive up costs.

Vitally important to affordable housing development, LD 1396 also supports adaptive reuse and redevelopment by ensuring that converting an existing building into multiple units—such as transforming an old school or office building into apartments—does not trigger subdivision rules, provided the project is subject to municipal site plan review. This ensures local oversight while removing a duplicative layer of regulation.

Collectively, these changes do not eliminate municipal authority or oversight—they simply align our laws with the reality of today's housing needs and remove unnecessary hurdles to creating more homes. The bill maintains appropriate checks and balances, particularly for projects in environmentally sensitive areas or where municipal site plan review is already required.

Maine's housing crisis demands bold but practical solutions such as LD1396. It is thoughtfully conceived, narrowly focused, and capable of making a real difference. I urge you to vote in favor of this bill.