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**Testimony of Nancy Smith, CEO of GrowSmart Maine  
In Support of LD 1257, An Act To Increase Housing Capacity And Protect The  
Municipal Tax Base And Working Lands**

January 5, 2024

Senator Pierce, Representative Gere and Honorable Members of the Joint Select Committee on Housing,

My name is Nancy Smith, I live in Ellsworth, and I am the CEO of GrowSmart Maine. We are a statewide non-partisan non-profit organization helping communities navigate change in alignment with smart growth. We advocate for comprehensive policies and funding for smart growth practices and outcomes. This testimony represents the views of GrowSmart and Build Maine.

We have partnered with Build Maine to guide a transparent crowdsourcing of policy proposals that began a year ago and has drawn together over a hundred people from across Maine and beyond. Policy Action 2023 has resulted in sixteen proposals from eight working groups, all addressing the shared goal, *"to address barriers to and create incentives for equitable, sustainable growth and development that strengthens downtowns and villages of all sizes while pulling development pressure away from productive and open natural areas. We do so acknowledging that Maine has urban, rural, and suburban settings for which any solution may or may not be a fit and a variety of people who deserve to be welcomed to their communities."*

One of the values of Policy Action 2023 is that we do not require all those engaged in the process to support each proposal. With this flexibility, Policy Action 2023 has resulted in some incremental steps, some complete reworkings of public policy, and some like these, that challenge conventional thinking. All are presented to Legislative committees, trusting the process will result in sound decisions and improved public policy. The two bills being heard today are provocative, as they certainly push the envelope of municipal process to achieve the Policy Action 2023 goals. Even within the board of GrowSmart, there are varying opinions on the bill as written. **There is tremendous value in encouraging conversations we need to have about the barriers to adding affordable housing in communities across Maine.**

LD 1257 comes to you with a bipartisan list of sponsors. As with other bills in Policy Action 2023, the goal is to remove regulatory barriers to development proposals in locations communities have for targeted for development. This strategy benefits household and municipal budgets by encouraging growth where it makes sense while protecting productive and open farmland, forests, and open space.

It's important to look at the components separately.

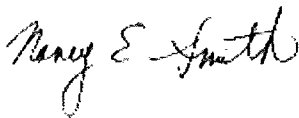
- Sections 1.2 and 10 together provide for a change in approval process, providing for streamlined review by the municipality rather than subdivision review for structures with 3-18 dwelling units. This applies only in certain circumstances, and is not the elimination of regulation, but an administrative review more appropriate for these locations and structures. To clarify based on questions raised ahead of this hearing, the intention is that a planning board be allowed, but not required, to be the "administrative reviewing authority."
- Section 8 and 9 exempts from subdivision review the construction or division of a structure on a single lot with more than 3 but not more than 18 dwelling units on a single lot located in a designated growth area within a municipality where the project is subject to municipal site plan

review. It does not eliminate regulation, it appropriately shifts these proposals from subdivision to municipal site plan review. The rationale for these thresholds is tied to two key points:

- There are numerous 14-lot subdivisions in part to stay below the 15 lots threshold that triggers DEP Site Law Review.
- 18 units is the maximum size proposal that qualifies for the MaineHousing rural rental program.
- Section 13 falls under Subdivision review criteria, and would add the requirement that a subdivision not be located in an area identified and designated in the municipality's comprehensive plan as a rural area, UNLESS the area is a designated growth area OR is an area for which the municipality has adopted a plan governing the approval of subdivisions. This does not ban subdivision from rural areas, instead it requires the municipalities to take action (adopt a plan) to allow subdivisions. This means that towns must consider their intention in designating rural areas and consider if subdivisions advance those goals. If so, simply put a plan in place.
- Section 4, Paragraph 4 definition of subdivision: this section changes the definition of subdivision so that division of an existing structure or construction of a structure into more than four dwelling units will trigger subdivision, vs. the current definition of three dwelling units. Calling the division of a building a subdivision is odd, but at least this change will align with LD 2003 in allowing up to four dwelling units in certain areas.
- The remaining sections clean up existing statutory language.

The Fact Sheet for LD 1257 is available HERE along with all Policy Action 2023 bills. It highlights the advantages and outlines details of the proposal in plain English. GrowSmart and Build Maine welcome discussion of how to improve the bill and will assist the committee in any way that is helpful.

With gratitude,



CEO

GrowSmart Maine