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November 14, 2023

Testimony of Rep. Jim Boyle presenting

LD 1134, an Act to Improve Housing Affordability by Amending the Definition of "Subdivision" Under the Site Location of Development Law Before the Joint Select Committee on Housing

Senator Pierce, Representative Gere and fellow members of the Joint Select Committee on Housing, I'm Representative Jim Boyle, and I represent House District 109, which is the eastern part of Gorham. I am here today to present LD 1134, *An Act to Improve Housing Affordability by Amending the Definition of "Subdivision" Under the Site Location of Development Law*.

Maine has a housing affordability problem. This committee is tackling many pieces of the problem. This bill proposes to focus in on one piece of affordability problem: the cost of a house lot. My testimony addresses three areas: Cost; State environmental review; and Municipal subdivision review.

First, cost. Adding up to five lots to a project without adding the cost of Site Law approval administered by the Maine Department of Environmental Protection (DEP) will reduce the cost per lot. The largest cost for a residential subdivision project is land, followed by road construction, then permitting and then other costs, such as surveying and engineering. The cost of land is fixed once the selling price is negotiated with a seller. The cost of roads is fixed per front foot, rising or falling with the number of lots, but not with the cost of land. The cost of permitting is variable but rises significantly once the Site Law threshold is met. Similarly, the cost of surveying and engineering is variable but rises significantly once the Site Law threshold is met.

Second, state environmental review. The Natural Resources Protection Act (NRPA), administered by DEP, has been significantly strengthened since the last revision to the Site Law definition of "residential subdivision" about thirty years ago. For example, prior to revisions to NRPA in 1995, the NRPA definition of "freshwater wetland" included only wetlands greater than ten acres in size. Since the 1995 NRPA revisions, all freshwater wetlands that meet the federal definition are regulated by DEP. This definition captures all freshwater wetlands in Maine. Also, NRPA regulates the same natural resources of "state significance" that are regulated by the Site Law, including:

- a. Coastal wetlands.
- b. Freshwater wetlands.
- c. Great ponds.
- d. Rivers.
- e. Streams.
- f. Significant wildlife habitats.

Third, municipal subdivision review. Municipal subdivision review has become significantly more detailed and thorough since the last revision to the Site Law definition of residential subdivision about thirty years ago, regulates most of the resources not directly addressed by DEP's NRPA review, and includes:

- a. Title, right or interest.
- b. Water or air pollution.
- c. Flood plains.
- d. Sufficient water for lots.
- e. Effect on municipal water supply.
- f. Erosion.
- g. Traffic.
- h. Sewage disposal.
- i. Municipal solid waste disposal.
- j. Aesthetic, cultural, and natural values.
- k. Buffers.
- l. Noise.
- m. Conformity with local ordinances and plans.
- n. Financial and Technical Capacity.
- o. Surface waters and outstanding river segments.
- p. Groundwater
- q. Freshwater wetlands.
- r. Farmland.
- s. Storm water.
- t. Phosphorus.
- u. Impact on adjacent municipality.
- v. Liquidation timber harvesting.
- w. Access to direct sunlight.

In summary, the changes proposed in the bill will help with housing affordability by lowering the cost of lots while maintaining thorough regulatory review at the state and municipal levels. Thank you for the opportunity to present this proposal, and I'm happy to answer any questions.