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Testimony of Representative Traci Gere Introducing LD 1247 An Act to Restrict Municipal Ordinance Requirements Regarding Housing Developments April 25, 2025

Good afternoon Senator Curry and fellow members of the Joint Standing Committee on Housing and Economic Development. I am Representative Traci Gere, and I represent House District 134, which encompasses Kennebunkport and coastal Biddeford and Kennebunk. I am before you today to present LD 1247, which supports the development of much needed housing by updating key standards about minimum lot size, lot coverage, road frontage, and setback requirements. It would apply to housing developments in designated growth areas served by public water and sewer systems, and set a minimum lot size of 5,000 square feet. (Note: Due to an error in the bill submission, the application of this bill to "designated growth areas" was inadvertently left out of the bill.)

Back in 2022, I talked with the owner of a local tile store who works with numerous builders and contractors in my area about how her business was going and her take on the state of the housing industry. She told me that she knew a number of builders who had been building starter homes for years who were not building and, in some cases, were leaving the business entirely since they couldn't make projects "pencil out," even when they used the most basic builder-grade materials to keep costs down. The price of land combined with lot size. coverage, frontage, and setback requirements made it impossible to build starter homes and not lose money.

Since that time, the problem has only gotten worse. On February 5, 2025, the Portland Press Herald published an article titled, *Why the dream of a starter home in Maine is slipping out of reach*. Quoting from the article – "The small, affordable house highly sought after by young, first-time homebuyers is becoming increasingly difficult to find in Maine. They're the houses that for previous generations were ubiquitous and synonymous with the American Dream. They're often no-frills ranches, mini-capes or bungalows, somewhere around or below 1,400 square feet with two to three bedrooms and one, maybe one-and-a-half bathrooms.

"Once upon a time, that kind of house in Maine was below \$200,000. It was the first step in a natural progression. A young couple buys a starter home, has one or two kids, builds equity and after a few years, as the family grows in size and wealth, moves into a bigger house with more bells and whistles like a big yard and a garage. Then, when the kids grow up and leave home, the couple might choose to downsize to a condo or another "starter" home, opening up their previous larger home for another family to upgrade from its starter home and leaving a vacancy for yet another family."

In the article, architect Scott Hanson argues that the creation of lot size minimums effectively killed the starter home, stating that "In New England, the median lot size is just over half an acre – almost three

District 134: Biddeford (part), Kennebunk (part) and Kennebunkport



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times the national median, according to the National Association of Home Builders. The key to the starter home is that it's affordable. If you're going to require a half-acre, acre or 2 acres to put a house on, you've just made it that much more expensive to buy the land and also forced the houses to be farther apart, so the infrastructure costs are higher."

The bottom line is that Maine's land use policies have made it increasingly difficult for private sector builders and developers to do their job in building the housing that Maine people need, and lot size, frontage, coverage, and setback requirements are primary culprits.

Throughout our work in the Housing and Economic Development committee, we have heard about the difficulties Maine's businesses and organizations face in recruiting and retaining employees, and that the lack of nearby housing at affordable price points is a key factor. Our regulations prevent the creation of livable, walkable, affordable starter home neighborhoods in areas already designated for growth.

If we want Maine businesses and organizations to be able to hire workers, help sustain our communities, and grow our economy, we must allow the construction of housing that employees can afford. If we want Maine people and families to have good lives without the cost of housing crowding out everything else in their budgets, we must change the rules so that builders and developers can build the housing we need.

LD 1247 takes a common sense step to help us get to these better housing-driven outcomes on an issue of statewide importance.

Thank you for your consideration, and I ask for your support of LD 1247.

Respectfully,

Traci Gue

Traci Gere State Representative