



Maine Real Estate &
Development Association

Supporting Responsible Development

**LD 1829: An Act to Build Housing for Maine Families and Attract Workers to Maine Businesses by
Amending the Laws Governing Municipal Land Use Decisions
In Support
May 13, 2025**

**MEREDA Supports LD 1829 to Promote Infill Housing Creation and Expedite
the Construction of Homes for Mainers**

Chair Curry, Chair Gere, and members of the Housing and Economic Development Committee;

On behalf of the Maine Real Estate and Development Association, please accept the following testimony in support of LD 1829: An Act to Build Housing for Maine Families and Attract Workers to Maine Businesses by Amending the Laws Governing Municipal Land Use Decisions. MEREDA's members consist of a wide range of people and organizations involved in real estate development in Maine, from architects and contractors to bankers and attorneys to developers and municipalities. Our members work together to support responsible development in Maine.

Housing Development Resolution Board

As we have often done throughout this legislative session, let's start by talking about how this bill reflects another strategy laid out in the HR&A Report. Strategy 2.5 recommends establishing a housing appeals process to limit delays and unlawful denials of housing proposals.

In our work with developers, we often hear of projects that have died at the local level for a variety of reasons, most of which seem to be related to an unwillingness to allow responsible development that might increase the number of new people within a community. It seems we all want housing, but we don't want it near us, and we are using our local approval processes to kill projects. Even when the developer and their advisors believe that a project meets the appropriate laws and ordinances, the procedure to fight the denials through the courts is long, arduous, and expensive. The old adage that time kills all deals is true – by the time these projects make their way through the courts, developers have spent significant amounts of money in soft costs and the returns on their investments, which particularly in the case of subsidized housing can be small, only get pushed out further and further.

The process proposed in LD 1829 is based on the very effective appeals board in New Hampshire which was signed into law in 2020. This committee heard another similar bill earlier this week, LD 1921, and MEREDA supports both bills with a couple modifications. We appreciate that LD 1829 is designed to foreclose additional future appeals, providing certainty to the developer that a legal process won't be dragged out indefinitely. However, the current language leaves open the possibility that if the opposing party declines intervenor status at the housing resolution board, they maintain their right to pursue action

at Superior Court concurrent to or following the action of the housing resolution board. To guard against such an outcome, we would recommend the language in Section 1, paragraph 9, be amended as follows:

9. Parties to the appeal. After local remedies have been exhausted, appeals may be brought before the board by an applicant to the municipal reviewing authority, or by any other aggrieved or injured party who demonstrates legal standing to appeal. The municipality shall be a party to the action. If the applicant is not the party initiating the action before the board, then the applicant is automatically an intervenor. ~~The board shall grant intervenor status to abutters and to any other aggrieved or injured party who demonstrates legal standing to appeal. Abutters and any other aggrieved or injured party who demonstrates legal standing to appeal are automatically intervenors.~~

Working in conjunction with paragraph 12, this change would ensure that a parallel legal path cannot be pursued before the Superior Court. In addition, we appreciate the clause in LD 1921 that gives added protection to affordable housing projects by allowing the board to reverse or modify a decision if the municipality's land use ordinances or requirements do not provide a reasonable and realistic opportunity for the development of affordable housing or if the municipal reviewing authority imposed conditions on approval that render the proposal economically infeasible. This gets at the heart of the NIMBYism problem that Maine has been facing in increasing ways since this crisis began. If the Committee opts to move forward with LD 1829, we request consideration of the addition of this provision from LD 1921.

Housing appeals boards have been proven to work. Putting these decisions in the hands of board members who understand the development process and can make judgments efficiently puts Maine on a path to solving our crisis. Additionally, LD 1829 goes beyond the creation of the housing resolution development resolution board to take aim at other critical barriers to housing creation. In particular, MEREDA supports the following proposals:

Growth Caps

LD 1829 would restrict a municipality from imposing arbitrary restrictions on the market growth of housing. These restrictions, often referred to as “growth caps,” require developers to keep housing offline or undeveloped and force an artificial phasing of the project. This raises costs, forces developers to get new quotes on materials and labor and causes construction companies to move on to new active projects, leaving the phased project in limbo.

Municipalities site school educational capacity, transportation, and public infrastructure as reasons to justify growth caps. Yet, none of the growth caps that exist in Maine are evidence-based. For example, if you're constructing 180 one-bedroom units for seniors, they probably aren't going to drive up the cost of education. Additionally, even young families are slowing the rate of childbirth, and research has shown that in-migration does not increase school costs in the way it did thirty or forty years ago. Today's growth caps are based on an outdated, arbitrary policy to restrict development. Maine needs growth goals, not growth caps.

Increased Density

LD 1829 would also provide clarity around the density bonuses provided in Public Law 2021, c. 672 (LD 2003 in the 130th Legislature). It would further expand flexible uses of these density bonuses by allowing an additional 2 dwelling units on a lot with one existing dwelling unit. This type of infill development will be

critical to unlocking housing for our aging population, as well as young families looking for a start – by allowing entrepreneurial Maine homeowners to add housing to their property, we can employ a homegrown solution to our problem.

Administrative Review

To further accelerate the construction of the type of small infill lots discussed above, MEREDA supports the provision in LD 1829 to require an administrative review of any affordable housing density project or any project with less than four units. Administrative officials are the most familiar with the town's land use ordinances, infrastructure needs, and legal requirements – they are well equipped to confirm whether a small development meets the legal standards to receive a permit. This will also help reduce the public spectacle created by planning board hearings on these projects – a spectacle that results in a case-by-case evaluation of land use projects, measured against what the individuals in the room want, as opposed to the legal standard.

Dimensional Standards

The proposed standardized dimensional standards are an important part of the streamlining concept of LD 1829. The bill proposes to protect multi-unit developments by disallowing a town from imposing dimensional standards (such as setbacks) that are greater than those imposed for a single-family dwelling. Additionally, the bill would allow that a municipality may require lot areas for subsequent units on a lot so long as those requirements are not greater than the required lot area for the first unit. Finally, the bill would require that minimum lot sizes greater than 5,000 square feet per unit may not be enforced in areas that are served by public water and sewer.

MEREDA supports this effort to improve density and reduce excessive minimum lot sizes. However, we would also encourage the committee to consider the proposals in LD 1926, MEREDA's workforce bonus density legislation, to go further to help projects that are intended for an income-restricted population to pencil out and be built – even in areas where public water and sewer may not exist. These projects are still subject to state and municipal water and sewer standards, and if a developer can pencil a project while making necessary infrastructure investments in wells and septic systems, we can begin to make a real dent in Maine's housing crisis.

Height Restrictions

Like the dimensional standards restrictions, MEREDA supports the approach in LD 1829 to allow an affordable housing project to exceed a local height restriction by up to 14 feet. This again speaks to the issue of penciling a project, and the added height could mean the difference between a number of units that can support the project's costs, and a number that doesn't – something which often kills projects.

We would encourage this committee to consider expanding the reach of this provision beyond the affordable housing defined under this Title of law – at or below 80% of AMI. While there is a critical need to build housing to meet this population, we are leaving behind many Mainers who make too much to afford a subsidized home, but not enough to afford the incredibly high market rate homes that go to high-income earners. This missing middle will only be exacerbated if we continue down the road of only incentivizing financially subsidized housing development.

Conclusion

In conclusion, MEREDA believes LD 1829 would help move the needle on some significant barriers to housing creation in Maine. However, we urge the Committee to consider adopting the amended language we recommended, to ensure that parallel legal paths don't obviate the intent of the housing development resolution board. Additionally, we ask you to consider going further by allowing the housing incentives to apply in areas that are not attached to public sewer and water. The density provisions allowed in this bill would not see more than 4 units on a lot in most cases, and four units simply doesn't constitute sprawl.

We encourage you to support this bill, and to consider amending it to further support housing for Mainers in all parts of the state.

Thank you for your consideration of this testimony.

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On behalf of Maine Real Estate & Development Association

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