

Joint Standing Committee on Housing and Economic Development

Testimony in Support of LD 1396 – 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

April 16, 2025

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, I am Debbie Laurie, City Manager of the City of Bangor, and on behalf of the Bangor City Council I am providing testimony in support of LD 1396, "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."

The City has been working over the last few years to reduce barriers in our land development code to the creation of housing. However, one substantial barrier which the City cannot eliminate that is faced by small-scale property owners and developers in adding infill units has been the need to go to Planning Board for subdivision review when creating 3 or 4 units on a lot. Since this requires them to pay a surveyor and/or engineer several thousand dollars to develop a site plan and represent them before the Board, in addition to paying the City fees for review of the plans, it can add a significant cost to the project. These added costs, when added to the cost of construction or renovation, the requirement to add sprinkler systems for buildings with 3 or more units (which is particularly expensive for renovating existing structures), and the cost of property acquisition, can either cause the project to not be financially feasible, or make the final rental or sales costs of the units more expensive.

The City has not seen much interest in the development of larger scale apartment buildings or other multiunit developments; instead, most of the interest in creating housing units in the City has been from these small-scale developers, seeking to add units to existing homes, divide homes or other buildings into multiple units, or to create new 3 or 4-unit buildings on vacant lots in the urban core. This type of development aligns with our recently adopted Comprehensive Plan and is beneficial to residents by having more housing closer to services and jobs, which in turn helps reduce sprawl, enable the use of alternative transportation, and reduce traffic congestion. Therefore, the City supports initiatives that help reduce barriers to this type of development.

However, while the City supports this bill, we would like to bring attention to a few internal conflicts in the legislation. While the legislation changes the threshold for subdivision for creation of multiple lots or placement of multiple buildings on a lot, it does not change this threshold for the division of existing structures into multiple units (even though it allows site plan to be substituted for subdivision review in these circumstances). This means that while someone could place 3 homes on a lot without needing subdivision or site plan review, if someone wanted to divide their existing home into 3 units (an arguably less impactful development than new construction), they would still need site plan review process.

Additionally, the first section of the bill states that the threshold for dividing a new structure into multiple units is changed to 5, but the section on "Division of new or existing structures" leaves this threshold at 3. The stakeholder group proposed to be created by LD 161 would be beneficial for performing a more

comprehensive update of the State's subdivision statutes while avoiding these types of internal conflicts in the language.

In sum, the City supports this legislation while urging amendment to the discrepancies in the language regarding the treatment of the division of new and existing structures into multiple units.

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