RE: Testimony IN SUPPORT of LD 1940, An Act to Revise the Growth Management Law

Dear Senator Curry, Representative Gere, and Members of the Joint Select Committee on Housing,

Please accept this testimony IN SUPPORT of LD 1940, An Act to Revise the Growth Management Law.

My name is Abraham Dailey, I am a self-employed Planning Consultant and resident of Raymond, where I have lived for most of my life. I was born in Portland, but I grew up in Raymond, and I have also lived in Orono, Portland, Gorham, South Portland, and Buxton. I have a master's degree in Community Planning and Development from the Muskie School of Public Service, and I have more than a decade of experience working as a planner at the regional and state level in Maine. I became a planner because I grew up in a small town in Maine that experienced rapid growth and loss of community character in the 1980s and 1990s, so this law has deep personal meaning to me.

I support LD 1940 because this bill will fix major structural flaws in Maine's 37-year-old <u>Comprehensive Planning and Land Use Regulation Act</u> (commonly called the Growth Management Act or GMA).

As others have testified, LD 1940 is a product of collaboration between planners, municipal staff and volunteers, smart growth advocates, Maine Audubon, Maine Farmland Trust, real estate developers, and real estate agents. I know because I co-led this group in 2022. Our group submitted this bill to the 131st Legislature, where it was funded but died on the Governor's desk. I thank the sponsors for bringing it back in this session because the GMA is overdue for reform. This outdated law is holding back the growth and development in our communities while it continues to enable urban sprawl that spoils the natural beauty of Maine that is central to our way of life and our economy.

I would like to speak about the history of the GMA, because I fear that we have really drifted from the original intent. I am going to say things that may sound critical, but I want to emphasize that I am criticizing the outcomes and the process in the law, not the people who drafted or administered the law or the many professional planners, municipal staff, and volunteers who have worked countless hours over the decades to meet the requirements of this law.

I would like to speak to concerns people may have about this law, as it asks municipalities to adopt local plans that are consistent with state goals. This may raise questions like, what exactly are the state's goals? Who determines what the goals of the state are?

The Commission on Maine's Future

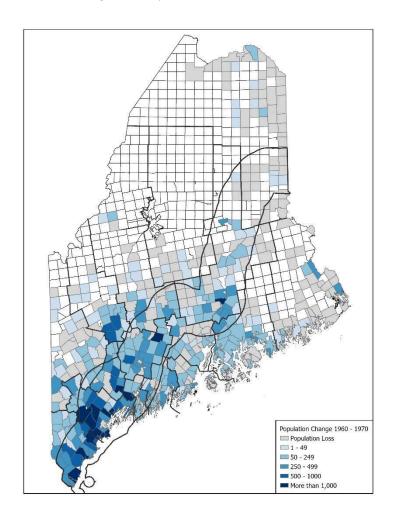
In 1974 Representative Richard G. Morton, R-Farmington, sponsored legislation that would let the people of Maine determine the state's goals. LD 2528 would establish a Commission on Maine's Future, to create a growth and development policy for the State of Maine with recommendations for implementation. This bill was enacted by a majority Republican Legislature - at a time when Republicans outnumbered Democrats by a ratio of 2:1 in the Senate - and signed into law by Democrat Governor Kenneth M. Curtis. This was a bipartisan effort to develop a consensus vision for the future of Maine.

The Commission began their work the following year, and they delivered their <u>final report</u> to the Legislature in 1977. The Commission identified goals that everyone could agree on, like we should protect our state's natural resources, we should promote orderly growth and development, and Maine's agricultural and forestry resources should be supported.

So, when we talk about the state goals in the context of this law, we are talking about the goals that are in <u>statute</u>, which were determined by the <u>Commission on Maine's Future</u>, who did public opinion research, analyzed economic and demographic data about the state, and held public forums in 94 towns across Maine in the late 1970s. This was how the people of Maine determined the state's goals.

The Changing Population

What the Commission heard from people across the state was that Maine was changing rapidly, and not for the better. The Commission found that in 1970, 70% of Maine's population lived in a corridor 30 miles wide and 250 miles long, extending from Kittery to Houlton, centered around the Maine Turnpike and I-95. Between 1940 and 1970, the population in that corridor grew by 25%, while in the same period, the total population of the state had grown only 18%.



In the 1960s Maine had been losing population as younger people were leaving Maine for economic opportunities in other states, but the Commission learned that this trend reversed in the 1970s. More families with young children were moving to Maine, and they didn't just move to Portland or the coast, they also moved to small towns all over the state, to take advantage of Maine's higher quality of life and natural beauty. Yet, as more people moved to Maine, the expansion of highway-oriented development across the state began to erode Maine's quality of life and natural beauty.

The people of Maine were concerned they were in danger of losing what they most loved about the State. People wanted to have more local control over the future of their communities, and they wanted a state government that was more responsive to the specific needs and concerns of the residents in every region of the state.

Growth Management Act Was Intended to Give People More Local Control

Unfortunately, the Commissions delivered their report near the end of Governor James. B. Longley's only term. The urgency for implementing the recommendations from the Commission faded as Maine's economy went into recession and growth slowed. By the mid-1980s Maine's economy was growing rapidly again, and the urgency for a statewide growth and development policy returned.

The 1988 GMA was a bipartisan compromise between two bills that were submitted to the 113th
Legislature. One bill was developed by Democrat Governor Joseph E. Brennan's administration in the 1980s, a Comprehensive Growth Management Plan for the State. Richard Barringer, Director of the State Planning Office, worked with Maine Audubon and the Natural Resources Council of Maine to draft a Legislative strategy to manage growth in Maine. This bill would have required every town in Maine to complete a comprehensive plan and adopt a zoning ordinance that is consistent with that plan by a set deadline. This bill also would have moved the state's environmental review to regional offices in each of Maine's 12 Development Districts. Each Development District would have been required to complete a regional plan to be reviewed and approved by the state, and each municipality would have been required to complete a local plan to be reviewed and approved by their regional Development District.

Republican Governor John R. McKernan submitted his <u>Act to Enhance Local Control of Community Growth and Strengthen Maine's Land Use Laws</u> to the <u>Legislature</u> in 1987. While Governor McKernan agreed Maine's environmental laws should be strengthened, he did not agree with the proposal to create a new layer of bureaucracy to micromanage the local planning process. The Governor's bill would have established funds for local planning and implementation paid for by a tax on land speculation, but it did not mandate every town in Maine to complete a comprehensive plan by a deadline. The Governor's bill also proposed establishing a Commission on Land Conservation and Economic Development, to study Maine's growth management problems, hold public hearings in all regions of the state to solicit public input, and report its findings to the Legislature by February 15, 1988.

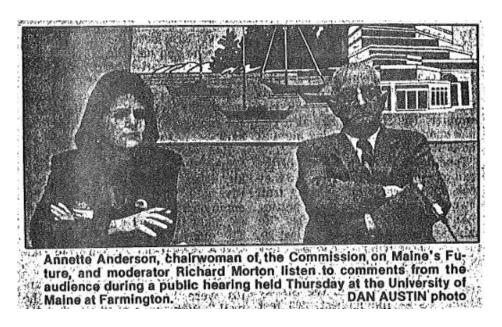
Commission on Land Conservation and Economic Development

The 113th Legislature established the Commission on Land Conservation and Economic Development, and the Commission delivered their legislative recommendations the following year. The Growth Management Act was one of four bills that were recommended by that Commission. The other three bills

were a state tax on capital gains from speculative land transactions, a local option real estate transfer tax, and a recommendation for the Joint Standing Committee on Taxation to study revisions to the Farm and Open Space Tax.

The final <u>law</u> enacted in 1988 was a bipartisan compromise between Governor McKernan's bill and Governor Brennan's bill. The GMA required every town in Maine to complete a comprehensive plan and adopt zoning that is consistent with both state and local goals by a set deadline, and it provided \$1 million in funding for technical assistance to help municipalities meet the deadline. The more extreme measures that had been proposed, like a state tax on land speculation, were put on hold, while people waited to see how this new comprehensive planning requirement would work.

The Second Commission on Maine's Future



The Legislature also <u>established</u> a <u>New Commission on Maine's Future</u> in 1987. This Commission repeated the process of holding <u>public hearings</u> in communities all over Maine to hear the concerns at the local level. After the public outreach concluded, the Commission identified a <u>consensus vision for the future of Maine</u> that reaffirmed what people said in the 1970s. People valued Maine's natural resources and quality of life, and people wanted more local control over the future of their communities.

The <u>Growth Management Act of 1988</u> required communities to complete comprehensive plans that were consistent with the state goals identified by the Commission, according to what they heard from people at the local level in every region of Maine. So, I want to emphasize again that when we talk about state goals in the context of this law, we are talking about the specific goals identified in <u>statute</u>, which were based on the <u>consensus vision in the 1989 report</u> from the Commission on Maine's Future. The GMA is meaningless without that guiding document.

A statement of Future Vision, described earlier in this report, can serve as our destination, a description of the outcome which we seek and the yardstick by which we can measure progress in staying on track. As a compact body of law, it can help other statutes "make sense" to us by providing an overall policy

context, an important component that is often lost in the codification and interpretation of legislation and regulations.

This law was intended to help the people of Maine plan the future of their communities, but many towns got stuck in the state review process and were not able to adopt zoning that enabled development that is consistent with both local and state goals. The mandatory requirements of the GMA were repealed in 1991, and comprehensive planning became voluntary.

Many towns have continued to voluntarily comply with this law and have adopted comprehensive plans that were approved by the state, but the state has not provided priority funding for comprehensive plan implementation in nearly two decades, and many rural communities struggle to adopt the zoning that is recommended by their comprehensive plan and that promotes the local goals outlined in their plans. The current process is not working for rural communities.

Evaluating the GMA

The State Planning Office and the Legislature have done periodic evaluations of this law that found this law is not working as intended. The GMA has not done enough to promote development in the right places, it has not addressed our state's long term housing crisis, and it has not empowered people to plan the future of their communities. According to the 2006 evaluation of the GMA, there's widespread dissatisfaction with the state review process, as the current comprehensive plan requirements are seen as both too prescriptive and too vague. Although the GMA has been amended since 2006, the changes that were made did not save towns money and they did not solve the problems that were identified in 2006. The 2023 evaluation shows people are just as frustrated with Maine's comprehensive planning process as they were in 2006.

These evaluations found that the state agency review often focuses on small details in the plan, rather than the big picture view of the future of the community and what kind of zoning ordinances will help residents enhance the areas in their community that are important to them and enable development that is in line with local goals, while also protecting the state's natural resources. The State Planning Office was unable to articulate a clear model for volunteers in small towns to follow when they do their comprehensive plans.

Although this law has been evaluated many times, I have not seen the GMA evaluated against the vision in the 1989 report from the Commission on Maine's Future. We have lost sight of what the original intent of this law was, to help the people of Maine plan the future of their communities at the local level so that we can protect our shared natural resources and quality of life at the state level.

The original intent of the state's review of local plans was to make sure that rural communities with limited planning capacity would adopt zoning ordinances that were consistent with both local and state goals. The 2000 Act to Amend the Comprehensive Planning and Land Use Regulation Laws established a new State Review Program, which shifted the focus of the state's review from the zoning ordinance to the contents of the comprehensive plan. This is the origin of the infamous Comprehensive Plan Review Criteria Rule, with an accompanying 13 page checklist that lists the mandatory data inventories, analyses,

policies, and strategies to ensure comprehensive plans are consistent with the letter of the law, but not necessarily the spirit of the law.

The spirit of this law was to encourage communities across Maine to work collaboratively at the local level to complete a comprehensive planning process and adopt a zoning ordinance that is consistent with the vision in the 1989 report from the Commission on Maine's Future.

Maine's Growth Management Act Never Worked

Let's be honest with ourselves. This law has never worked. That's why the mandatory requirements were repealed in 1991. The GMA set an impossible standard for small towns to meet, and the state was unable to provide the level of funding that was needed to make the Growth Management Act work statewide. We still continue to update the GMA periodically, to make minor changes that are promised to bring transformative change. Yet, time and again, these minor changes do not change the trajectory our state has been on for 55 years.

We are in the mess we are in today because we continue to amend the statute to add new requirements, remove outdated requirements, update definitions, or update the rules, but the statute and the rules do not provide clear direction for how local volunteer committees can plan the future of their communities. **We need to break out of this cycle.** LD 1940 will provide a new approach that is proven to work and will establish guardrails that will prevent the encroachment of state rulemaking that adds confusion when towns need clarity.

Every person in Maine has a stake in this law, as everyone is impacted by the consequences of planning decisions that are made at the local level. Unfortunately, the current approach to planning in Maine is leading many communities to make bad decisions that undermine our state's quality of life and fiscal health, and as these bad decisions accumulate over decades, they become crises, like Maine's housing and labor crisis and the structural transportation funding deficit.

Maine's Housing Crisis Has Deep Historical Roots

In 1977 Governor Longley issued an <u>executive order</u> to adopt a <u>state housing policy</u> to confront Maine's unresolved housing issues. These policies included the goals of preventing discrimination of any kind in housing, the prevention of locally adopted codes and ordinances which result in exclusionary housing practices in terms of income and housing type, and to prevent regulatory practices which discriminate against types of housing.

A <u>1977 study</u> from the Greater Portland Council of Governments documented Maine's unresolved housing issues in the Portland Region. People at all income levels were unable to find safe, affordable housing. This affected senior citizens on fixed incomes, people with disabilities, low-income households, and middle-income households, who did not qualify for housing subsidies but also could not afford market rate housing. The 1977 study claims this housing shortage is the result of:

"Government policy at all levels reflects the optimism of the 1950's and 1960's that most working families would eventually be able to own their own home. Towns have zoned vacant land in the region almost exclusively for single family homes... The experience of the past five years shows that this optimism is

unfounded. Each year more families find themselves priced out of the single family market. This trend is expected to continue into the foreseeable future."

A <u>1986 report</u> from the Greater Portland Council of Governments documented the state of Maine's unresolved housing issues in the Portland region during the 1980s, when the nationwide budget for low-income housing programs was cut from \$30 billion in 1981 to \$10 billion in 1985. The study says:

"The lack of affordable housing is a problem which cuts across the urban, suburban and rural communities in Cumberland County... In particular, low-income rental housing has not been built in rural communities because of restrictive zoning, site development costs, lack of technical assistance, inability to meet eligibility requirements and lack of local awareness or interest in obtaining federal or state housing funds... In the Urban Core, the City of Portland is experiencing the largest housing construction boom since the 1950's, while South Portland and Westbrook are experiencing the largest boom since the early 1970's... A surge of new investors in existing rental housing, rehabilitation, gentrification, condominium conversions and high interest rates are effectively pricing low-income renters out of all but subsidized housing."

That statement was written about Greater Portland's housing market in 1985, but, unfortunately, this statement still describes the current Greater Portland housing market. The <u>1986 report</u> describes Portland as a magnet for the homeless, as people move to Portland from outlying communities in Cumberland County, where safe and affordable housing is in short supply. This problem is caused by the failure to plan for safe and affordable housing at the local level in Maine. The report warns that:

"The shortage is a chronic and growing problem. Without a major cooperative effort by the private sector, community organizations and municipal governments throughout the country, together with help from the state and federal governments, the problem will become more severe."

Unfortunately, that prediction has come true. We still have a housing shortage in Maine, but we have no shortage of studies on Maine's housing crisis.

Governor McKernan established a Task Force on Affordable Housing in 1987 because he recognized the lack of affordable housing in Maine as a direct barrier to economic development in every part of the state. A 1989 report from the Greater Portland Council of Governments (GPCOG) brought the recommendations of the Governor's Task Force to the local level in Maine. GPCOG's 1989 report encouraged local planning boards to adopt those recommendations so that every town in Maine will achieve a level of 10% of new residential development as affordable housing - one of the key implementation strategies in Maine's 1988 Comprehensive Planning and Land Use Regulation Act.

In a 1999 Maine Policy Review article, <u>Ten Years of Affordable Housing Policy: Is Maine Making Progress</u>, James B. Hatch, who served on Governor McKernan's Task Force on Affordable Housing in 1988, lamented that many of the <u>recommendations of that task force</u> were not implemented. While the <u>Comprehensive Planning and Land Use Regulation Act</u> and the <u>Affordable Housing Partnership Act</u> were intended to solve Maine's unresolved housing problem, these initiatives collapsed under their own weight in the 1991 recession, while "the affordable housing plans are gathering dust on shelves next to the Task Force report." Hatch goes on to say:

"I regret to report that the climate for affordable housing, or for that matter for housing development of any kind, is worse that I have ever seen it. Municipal governments are hard at work setting up barriers to housing development: increasing lot sizes, cutting back the areas where multi-family housing is allowed, and enacting impact fees on housing development. There is nothing new about negative neighborhood reactions to low-income housing, but today's climate in most communities is against all housing development."

Again, this statement was written more than 25 years ago, but it still applies today. This outcome was enabled by amendments that were made to Maine's Growth Management Law during this era, such as the 2000 Act to Amend the Comprehensive Planning and Land Use Regulation Laws, which mandated that every town adopt a state approved comprehensive plan so they can continue enforcing rate of growth and impact fee ordinances. When the State Planning Office proposed Growth Management legislation in 1986, the director, Richard Barringer, said, "...mortoria and large lot zoning should be replaced by guided growth based on better data about natural resources sensitivities and by better planning to assure adequate infrastructure." Yet, the very opposite happened, as the GMA has enabled large lot zoning and other anti-growth policies to proliferate across Maine, even though these policies have been identified as direct barriers to the expansion of affordable housing in Maine. On May 29, 2001, Representative Buck from Yarmouth described the intent of the 2000 Act as follows:

"You cannot build it far away. You cannot build it if you stay. You will not build your home here or there. You will not build it anywhere. I do not like change or your home to sprout, but also don't want you moving farther out."

Exclusionary zoning practices are embedded in the local comprehensive planning process, and when municipalities enact ordinances that establish strict limits on affordable or workforce housing in their communities, this forces working people to move further away from where they work. As a result, working families spend more on transportation to save on housing, and this is subsidized by state policies that prioritize building new road capacity over building new housing in existing employment centers.

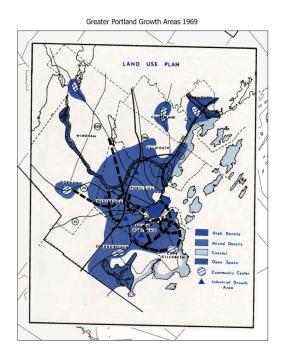
Maine's Transportation Deficit Has Deep Historical Roots

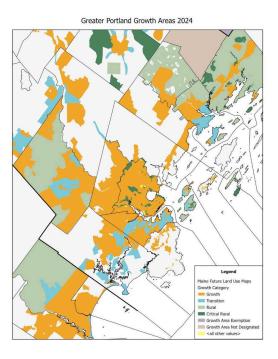
The <u>2019 Blue Ribbon Commission to Study Funding Solutions</u> brought new attention to an old problem: Maine is facing declining gas tax revenues and rising highway maintenance costs, so we must find new sources for transportation funding.

A 1983 report, Maine Fifty Years of Change, describes a great shift in cargo transportation from rail and water to trucks since the 1940s. During the same period, annual traffic on the Maine Turnpike increased 990%, from 1,516,000 to 16,518,00 vehicles. While commercial vehicles accounted for only 11% of Turnpike traffic, the growth in commercial traffic greatly exceeded the growth in passenger cars, as commercial vehicles increased at a rate of 1341% while automobiles grew at 959%. In 1982 Maine's State Highway System was in a financial crunch, as gas tax revenues were declining while the cost of maintaining and rebuilding roads was rising. Does this sound familiar? If it does, it is because this is an old problem that resurfaces every few decades because we have not addressed the fundamental cause.

The 1983 report states that Maine's state highway system grew at a rate of 24% from 9,097 miles in 1940 to 11,312 miles in 1980. The State Highway Commission built state highways to serve outlying rural communities, and these highways brought suburban development to rural communities across Maine in the 1950's and 1960's. These Federally subsidized highways were built to serve suburban developments, which were also subsidized with Federal funds. Maine's Department of Economic Development provided guidance to help towns in Maine adopt zoning that will be consistent with Federal highway standards, such as the 1966 guidance Zoning Your Maine Town, which encouraged rural communities to zone vacant land almost exclusively for single family housing.

I'll refer again to the 1977 housing study from the Greater Portland Council of Governments, "Government policy at all levels reflects the optimism of the 1950's and 1960's that most working families would eventually be able to own their own home." This optimism is reflected in the 1966 Zoning Your Maine Town guidance, and, even though many towns in Southern Maine have amended their zoning ordinances many times over the past 55 years, much of the zoning that has been adopted in Southern Maine still reflects the optimism of the 1950's and 1960's that most working families would eventually be able to own their own home. The following maps provide a comparison of the regional growth areas that were identified in the Greater Portland Council of Governments 1969 Policy Plan for Regional Development compared to the growth areas that were identified in the most recently adopted comprehensive plan.





The above maps show how the highway oriented development patterns that were established in the 1964 Portland Area Comprehensive Transportation Study enabled new development to spread outward from Portland's Urban Core into villages in Gorham, Scarborough, Cape Elizabeth, Cumberland, and Yarmouth. The zoning many of those communities adopted in the 1970s protected the existing village areas from overdevelopment, but as Maine's population grew faster than expected in the 1970's, more of the population growth went to outlying rural communities, like Windham, Gray, New Gloucester,

Raymond, Casco, or Naples. Then, as traffic volumes grew on arterial highways like Route 26 and Route 302 in the 1980s and 1990s, the state was forced to widen existing highways or build bypasses, at great expense to taxpayers, as quantified in the 1997 report, The Cost of Sprawl.

After 37 years of comprehensive planning under the guidelines in the Growth Management Act, many towns in Southern Maine still have zoning that is not consistent with the stated goals in the adopted comprehensive planning, and urban sprawl continues to expand out from existing urban and village centers in Maine. The municipalities that have the resources to hire professional planning staff and enforce zoning ordinances are able to preserve resources locally, while more rural communities that do not have access to professional planners continue to grow through low-density, highway oriented development.

If we continue the status quo, our state will continue to grow through a low-density pattern of development that does not pay for itself and is dependent on ongoing Federal subsidies for maintenance. This is not sustainable, and as Maine is likely to see reductions in Federal funding in the coming years, we need to get serious about planning for development that will pay for itself.

Lessons Learned

The largest cities and towns in Maine can meet the requirements of this law because they have professional planning staff who understand the comprehensive planning process. Many towns have been able to work with their regional councils to complete plans, and the regional councils have worked hard on this, but they are stretched thin. They serve large geographic areas with a limited amount of funding.

I watched my own hometown go through the state's comprehensive planning process last year. I estimate Raymond spent about \$90,000 to hire a consultant, which is the average cost of meeting the state's extensive requirements these days. The end product was a plan that did not look all that different from Raymond's 2004 Comprehensive Plan, because many of the state's requirements and guidance for comprehensive planning have not been updated in 20 years.

Raymond's 2025 plan has updated data, and the consultants did a lot of great public engagement, but because the state places so much emphasis on the lengthy state checklist with mandatory policies and strategies, my town spent all of the budget on meeting the state's requirements and was not able to spend enough time on developing the vision and implementation strategies. We're left with a plan that has no clear path to implementation, and it will depend entirely on volunteers to implement the recommendations in the plan. This is what Raymond did in 2004, and the end result was a plan with hundreds of recommendations, and 80% of those recommendations were never implemented.

About a year ago there was a <u>commercial solar farm proposed in Raymond</u>. A few residents of Raymond had to pursue legal action against the Town to stop that development, because the Town had not implemented an ordinance change that was recommended in our 2004 plan. I'll say that again, in the two decades since Raymond adopted our 2004 plan, we did not adopt the recommendations in the plan until residents pursued legal action against the Town. This is not how planning is supposed to work.

Meanwhile, the next town over, Casco, followed the planning process in LD 1940 in their 2024 plan, and the residents of that town now have a comprehensive plan that is actionable. Unlike Raymond's plan,

Casco's plan has a clear vision for the locations, types, scales and intensities of land uses the community desires as well as a clear path towards establishing efficient permitting procedures that will enable the community's desired vision, especially in Casco's designated growth areas. Casco's plan also included 85 pages of data inventories so the plan would meet the state's requirements. The money spent on those 85 pages was a complete waste of taxpayer dollars.

Why should we continue enforcing a law that requires municipalities to waste taxpayer dollars on busy work that stands in the way of implementing local goals?

We Are At A Crossroads

If there is still a consensus that Maine's state government should help every municipality in Maine plan the future of their communities, what is the most efficient way for the state to do that?

Is it to continue the top-down approach, where towns must navigate a complex set of rules, complete an exhaustive data inventory, and copy/paste mandatory policies and strategies into a plan, regardless of whether those policies and strategies are relevant, and then requiring the town to submit their plan for review by a dozen state agencies?

This is what municipalities in Maine have been doing for nearly 40 years, and even though we've collectively sunk millions of dollars into this process, we still have not been able to solve the problems that have plagued our state for decades, like the housing shortage or Maine's transportation funding gap, while our state continues to grow through low density sprawl.

A New Approach

LD 1940 proposes a new approach to local planning in Maine, an approach that was developed in Maine and has been tried in communities like Yarmouth, Newcastle, Topsham, and Casco. These plans have enabled zoning reforms that have unlocked new housing opportunities in traditional and familiar patterns that are consistent with the vision in the locally adopted comprehensive plan.

The reason this approach works is because it asks residents to identify the neighborhoods and buildings they like in their communities, and then it helps them adopt zoning ordinances that will enable new development that looks like the places people already love in their communities. This is a clear playbook that helps small towns plan their future.

I support this bill because it will solve the big structural problems with the GMA by learning from what did not work in the past, and trying a new approach that has already been proven to work in diverse communities across Maine.

I am willing to assist the committee in any way that is helpful.

Sincerely,

Abraham Dailey Raymond, Maine