



PORTLAND
Regional Chamber of Commerce

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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

Joint Standing Committee on Housing and Economic Development
May 13, 2025

Senator Curry, Representative Gere and members of the Committee on Housing and Economic Development,

My name is Eamonn Dundon, and I serve as Director of Advocacy at the Portland Regional Chamber of Commerce, representing over 1,300 businesses employing over 75,000 Mainers across our region. On behalf of our members, I submit this testimony in strong support of LD 1829.

In 2022, we supported LD 2003 because it marked a fundamental shift in Maine's approach to housing and land use—incorporating the state's interest in housing supply into local zoning decisions for the first time in decades. That bill laid the groundwork for a more responsive and pro-growth regulatory environment, but it was always clear that more work would be needed. LD 1829 represents that critical next step.

This legislation builds on the lessons learned from LD 2003, identifies implementation gaps, and proposes targeted, commonsense improvements that will accelerate the creation of housing across Maine. Whether municipalities had to undertake minor adjustments or complete zoning overhauls under LD 2003, all are now on a path toward modernized codes that better align with our statewide goal of producing 80,000 new homes by 2030. LD 1829 ensures we keep moving forward.

Importantly, the timing of this bill matters. In a challenging fiscal year, LD 1829 offers a cost-effective solution. Unlike large appropriations, the reforms proposed in this bill focus on removing outdated regulatory barriers, unlocking private capital currently on the sidelines without requiring major new expenditures from the Legislature. This is precisely the kind of policy leadership Maine needs: impactful change without adding pressure to the state budget.

Thanks to the foundation laid by LD 2003 and the proposal to create the Maine Office of Community Affairs, the state is now better positioned to provide the technical assistance municipalities need. Many of our Chamber communities have already tapped into Housing Opportunity Program resources, and with that infrastructure in place, LD 1829's provisions can be implemented quickly and effectively.

From our members across industries, we consistently hear the same message: the greatest obstacle to economic growth and workforce development is the lack of affordable, accessible housing. This issue touches every corner of our business community. Employers can't fill job openings. Workers can't afford to live near jobs. And without meaningful action, this mismatch will continue to hinder Maine's economic competitiveness.

LD 1829 offers real solutions. It helps clear a path for both public and private capital to address our housing crisis. We don't need to throw money at the problem when regulations are preventing construction of housing in the first place. Until we address these barriers, capital—whether private or public—won't be enough.



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Our support for LD 1829 rests on several key principles:

1. **The Status Quo Erodes Property Rights.** Current zoning laws impose unnecessary and outdated constraints on landowners. Municipal ordinances govern everything from unit counts and setbacks to parking and height, often arbitrarily. While zoning has its place, especially to ensure life safety and utility access, there is a growing disconnect between today's land use regulations and the needs of our communities. Maine must reassert its role in limiting unreasonable restrictions on housing production.
2. **The Status Quo Limits Economic Mobility.** We are seeing massive workforce shortages in our state, specifically in areas with large employers, like Greater Portland, and seasonal destinations like Acadia, Moosehead, and our ski resorts. Unfortunately, the biggest limiting factor in finding qualified individuals to fill these high-paying jobs is a lack of housing. If people cannot move to economically prosperous areas, they will be locked into lower-paying jobs or unemployment in less economically viable areas, increasing dependency on government assistance and reducing the ability of our state to grow economically.
3. **The Status Quo Exacerbates Inequality.** Tight housing markets disproportionately harm low-income Mainers. Artificial scarcity drives up prices, benefiting incumbent homeowners while pushing lower-income individuals out. This system perpetuates wealth inequality and deepens housing insecurity. Reforms that increase supply are essential to leveling the playing field.
4. **The Status Quo Undermines Climate Goals.** When housing is restricted in urban areas, growth is pushed outward, resulting in longer commutes, more vehicle emissions, and loss of farmland and forests. Denser housing near jobs, schools, and amenities reduces vehicle miles traveled and promotes sustainability.
5. **Local-Only Control Creates Misaligned Incentives.** While we respect Maine's tradition of home rule, exclusive local control of land use decisions leads to parochial policymaking. Decisions made solely by current residents exclude future residents, businesses, and renters from the conversation. This distorts the public process and limits the state's ability to act in the broader interest of economic growth, climate resilience, and social equality. We frequently witness this dynamic at local planning board meetings, where the loudest voices are often the most privileged, and the most opposed to change. LD 1849 rebalances the conversation and gives the broader public interest a seat at the table.

Key Sections of LD 1829

Section 3—Ending Growth Caps in Growth Areas: Several communities in our region—Scarborough, Gorham, and Falmouth—use state-enabled growth caps, even in areas they've designated for growth. These artificial caps directly undermine housing production and limit progress. While growth caps are appropriate tools in rural and undeveloped areas to prevent sprawl, they have no place in designated growth zones. Section 3 rightfully eliminates this contradiction.

Section 4—Clarifying Unit Counts Under LD 2003: This section resolves confusion around how many units are allowed per lot under LD 2003's expanded permissions. These clarifications are essential for consistent implementation and to avoid unnecessary legal or procedural delays in getting small-scale multifamily projects built.



Section 5—Height Allowances for Affordable Housing: While LD 2003 provided density bonuses for developments with at least 50% affordable housing, it did not account for dimensional standards like height restrictions. The result: density bonuses that look good on paper but are impossible to realize in practice. Section 5 allows for modest height increases, one additional story, which could be the difference between a project being financially viable or not.

Section 6—Reforming Minimum Lot Size & Dimensional Requirements: This section addresses one of the most significant remaining barriers to housing production: minimum lot size requirements. In our region, most zoning districts require prohibitively large lots for multifamily housing. As noted in a 2021 report by former Portland Planning Director Jeff Levine, just 1.6% of land in Greater Portland imposes “few limits” on multifamily housing. Much of the rest of the region, nearly 85%, either bans or severely restricts it.

To meet the state’s housing goals, we need to permit smaller lots and allow more units per lot in areas already served by public infrastructure. Not a week goes by where the Legislature doesn’t hear a bill seeking to address local property tax shortfalls. By allowing more taxable housing production within the existing boundaries of expensive sewer and water infrastructure networks, we can support new housing development and bend the cost curve of municipal budgets.

Towns in our region have many residential and mixed-use districts within their sewer service areas with prohibitively large minimum lot sizes that largely preclude the types of 2-4 family projects envisioned under LD 2003 including:

Community	Zoning District	Min. Square Feet (1-unit)	Min. Square Feet (4 unit)
Cape Elizabeth	RB	20,000	80,000
Cumberland	RC	60,000	240,000
Falmouth	RA	20,000	80,000
Gorham	OR	20,000	80,000
Scarborough	R2	20,000	80,000
South Portland	AA	8,500-20,000	35,000-80,000
Westbrook	RGA2	10,000	40,000

These numbers speak for themselves. Under current rules, even modest multifamily housing is all but impossible to build. That must change.

Conclusion

LD 1829 is a smart, targeted, and fiscally sound response to one of Maine’s most pressing challenges. It builds on the success of LD 2003, removes longstanding barriers to development, and creates a path forward that aligns housing policy with our economic, environmental, and social goals. On behalf of the Portland Regional Chamber of Commerce and the businesses we represent, we urge this committee to support LD 1829. Thank you for your time and for your commitment to addressing Maine’s housing shortage.