

**Testimony of Thomas Hall, Scarborough Town Manager  
Joint Standing Committee on Housing and Economic Development  
February 17, 2026 Public Hearing at 10:00 PM (Rescheduled from 2/10/26)**

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There are several components to LD 1829 which will have effects on Scarborough to one degree or another:

- Changes to the Rate of Growth provisions
- Increased density in Designated Growth areas with public utilities
- Increased density outside of Designated Growth areas with public utilities
- Increased height allowance for affordable projects
- Changes to the subdivision requirements and Planning Board review authority
- The removal of owner occupancy requirements for accessory dwelling units
- The allowance of residential uses in all commercial zones

LD 2173 is a positive step in the right direction for addressing many of Scarborough's concerns; however, I would like to offer additional recommendations to the Committee for further consideration.

**Recommendation 1: Effective Date**

Make all changes in LD 1829 and 2173 go into effect collectively July 1, 2027, for municipalities with municipal officer authority and July 1, 2028, for municipalities requiring voter approval for ordinance changes. The changes proposed by LD 1829 are vast and municipalities need adequate time to make required changes and to consider impacts to other ordinances and possibly Comprehensive Plans. In Scarborough, we may need to update our Comprehensive Plan and designated growth area which is a long public process that we won't be able to do by July 1, 2026. Not getting more time will likely result in a moratorium on growth to implement LD1829 and may be counter to the state's goals of increasing housing. Alternatively, the deadline for both types of communities could be pushed out to the July 1, 2027 date.

**Recommendation 2: Rate of Growth**

LD 1829's prohibition on growth caps removes a critical tool municipalities have used to align development with infrastructure capacity, comprehensive plans, and community character.

We appreciate the reintroduction of the Rate of Growth allowances in LD 2173. However, the increase from 105% to 130% is too high for communities like Scarborough. It would be ideal to see a scaled approach to how many units can be required, but the most effective means for the purpose of LD 2173 would be to leave the number of growth permits to 105% over a 10-year average. Removing the ability to not count affordable units and to exempt them in growth permit requirements has the desired effect of allowing for an increase in affordable units.

### **Recommendation 3: Density**

Density allowances created with LD 1829 and reinforced with LD 2173, outside of growth areas, but served by water and sewer contradicts comprehensive plans and legislative intent as explained in committee testimony. We recommend removing the density allowances for areas outside of growth area, but served by water and sewer.

In addition, LD1829 nor 2173 proposes any requirement for affordable or workforce housing in exchange for these new density bonuses. In Scarborough, we have progressive zoning, allowing for multi-family housing and increased density. The outcome of that zoning has not produced affordable or workforce housing units, but rather predominantly market rate and luxury housing. Assuming density allowances alone will increase affordability is a big miss if that is a key policy objective of this legislation. The density bonus that are permitted by this new law should be accompanied by a requirement for a percentage of affordable or workforce units to take advantage of the increases.

### **Additional Recommendation: Funding**

Provide more funding to Maine Housing to support financing on affordable housing projects and remove the requirement that requires local match to be eligible for funds. Without funding associated with this bill, it is unlikely in Scarborough we will be in a position to approve CEAs for affordable housing projects. We will need to focus on roads, vulnerabilities due to climate change, and keeping up with our capital projects in our capital improvement plans. Residents are frustrated with the pace of growth and increase in property taxes, that it will be difficult for future Councils to support CEAs which under the current point system will make it impossible for affordable housing projects to get financing. Either give Maine Housing more money and remove the local match requirement to increase competitiveness or give 3 or more points to communities who are growing.

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Town of Scarborough  
LD 2173

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