

Testimony in Support of LD 1593-An Act to Increase Affordable Housing Development

Joint Select Committee on Housing April 25, 2023

Senator Pierce, Representative Gere and members of the Committee on Housing,

I am Eamonn Dundon, the Director of Advocacy of the Portland Regional Chamber of Commerce, representing 1,300 businesses that employ over 65,000 Mainers in our region. We are submitting this written testimony to express our organization's strongest support for LD 1593.

This legislation will empower every community in our state to embrace the full vision of LD 2003, which seeks to enable gentle densification of housing in all areas of our state while allowing municipalities control over the form and design of such housing. From height and setbacks to design guidelines and mixed-use requirements, municipalities would still have the authority to regulate the aspects of real estate development that are most important to their residents, while unlocking untold opportunities for new housing options.

As the implementation of LD 2003 has progressed in many communities in our region, we have observed that the minimum lot sizes retained by municipalities are posing a significant barrier to achieving meaningful progress in housing production, as envisioned by LD 2003. For instance, in Cape Elizabeth, even with the proposed amendments to comply with LD 2003, many residential zones still require lot sizes exceeding 60,000 square feet per unit¹. In Falmouth, their proposed amendments retain the stipulation that no residential zone can require less than 20,000 square feet per dwelling unit, with many zones demanding over 40,000 square feet per unit². Even in the City of Portland, the densest community in our state, there are still zones that mandate over 10,000 square feet per dwelling unit³. Such low levels of density fall far short of fully realizing the vision of LD 2003.

A report⁴ prepared in 2021 by former City of Portland Director of Planning Jeff Levine reveals that nearly 85% of land in our region either prohibits multifamily housing, or imposes numerous barriers that make it practically infeasible to produce enough units to address our housing deficit. Only a mere 1.6% of land in our region imposes "few limits" on the construction of multifamily housing. The primary barrier identified in this report is the requirement for large lot areas and large lot areas per dwelling unit. To achieve meaningful multifamily production at scale, lot size requirements must stay below 20,000 square feet for the total development and 5,000 square feet per unit for most projects to be feasible. As can be demonstrated by the examples above, our current environment falls far short of being conductive to viable multifamily production due to these minimum lot size restrictions.

As we have consistently emphasized throughout the entire LD 2003 process last year and the work of this committee this year, our goal is not to strip municipalities of their ability to regulate the design and character of their communities through tools like design review, height restrictions, and form-based codes. However, we

¹ Cape Elizabeth LD 2003 Land Use Code Amendments

² Falmouth LD 2003 Land Use Code Amendments

³ <u>City of Portland Land Use Code, (Page 109)</u>

⁴ <u>Multifamily Housing & Land Use Regulation: Metro Regional Coalition, Greater Portland Council of</u> <u>Governments</u>



must address their ability to restrict property rights, contribute to sprawl, and deny housing opportunities if we are genuinely committed to the intertwined goals of economic growth and sustainability.

We thank you for your time and commitment to all Mainers, and we ask for your expeditious approval of this important legislation.