

Committee: LBHS

LA: SL

File Name:G:\COMMITTEES\LBHS\Bill Amendments\130th 2nd\Draft amendments\2299 - OFPR.docx

LR (item): 2299

New Title?: N

Add Emergency?: N

Date: March 10, 2022

**LD 2003**  
**SPONSOR AMENDMENT**  
**PRESENTED BY SPEAKER FECTEAU**

**Sponsor Amendment “ “ to LD 2003, “An Act To Implement the Recommendations of the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions”**

Amend the bill as follows:

~~**Emergency preamble.** Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and~~

~~**Whereas,** the Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions published its final report in December 2021 and the information within that report indicates an urgent need to address the availability of affordable housing in Maine; and~~

~~**Whereas,** the recommendations within that report are essential to addressing the availability of affordable housing in Maine; and~~

~~**Whereas,** the provisions in this legislation are based upon the recommendations in that report; and~~

~~**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,~~

**Be it enacted by the People of the State of Maine as follows:**

~~**Sec. 1. 5 MRSA §4581-A, sub-§3, ¶B,** as amended by PL 2021, c. 366, §10 and c. 476, §3, is further amended to read:~~

~~B. Discriminate in the granting of financial assistance, or in the terms, conditions or privileges relating to obtaining or the use of any financial assistance, against any applicant because of race or color, sex, sexual orientation or gender identity, physical or~~

mental disability, religion, ancestry, national origin, familial status or any previous actions seeking and receiving an order of protection under Title 19-A, section 4007; or

**Sec. 2. ~~5 MRSA §4581-A, sub-§4~~**, as enacted by PL 2011, c. 613, §11 and affected by §29, is amended to read:

**4. Receipt of public assistance.** For any person furnishing rental premises or public accommodations to refuse to rent or impose different terms of tenancy to any individual who is a recipient of federal, state or local public assistance, including medical assistance and housing subsidies, primarily because of the individual's status as recipient.; or

**Sec. 3. ~~5 MRSA §4581-A, sub-§5~~** is enacted to read:

**5. Housing development.** For any municipality or government entity to restrict the construction or development of housing accommodations in any area based upon criteria that refers to the character of a location, the overcrowding of land or the undue concentration of the population. For the purposes of this subsection, the following terms have the following meanings.

A. "Character of a location" means the unique characteristics of a municipality or specific area within a municipality or other political subdivision.

B. "Concentration of the population" means the density of the population within a municipality or specific area within a municipality or other political subdivision being too high.

C. "Overcrowding of land" means the density of residential dwellings or other development in a municipality or specific area within a municipality or other political subdivision being too high.

**Sec. 4. ~~5 MRSA §12004-B, sub-§11~~** is enacted to read:

**11.**

Municipal Housing Development Permit  
Review Board

Expenses Only

30-A MRSA  
§4364-E

*Amend the bill by inserting the following:*

**Sec. 1. 5 MRSA §13056, sub-§7** is amended to read:

**7. Contract for services.** When contracting for services, to the maximum extent feasible, seek to use the State's private sector resources in conducting studies, providing services and preparing publications; ~~and~~

**Sec. 2. 5 MRSA §13056, sub-§8** is amended to read:

**8. Lead agency for business assistance in response to certain events.** Be the lead agency for the State to provide information and business assistance to employers and businesses as part of

the State's response to an event that causes the Department of Labor to carry out rapid-response activities as described in 29 United States Code, Sections 2801 to 2872 (2002)-; and

**Sec. 3. 5 MRSA §13056, sub-§9** is enacted to read:

**9. Implement State housing goals.** Establish, in coordination with Maine State Housing Authority, a statewide housing production goal that increases the availability and affordability of all types of housing in all parts of the State. The department shall establish regional housing goals based on the statewide housing goal. In establishing these goals, the department shall:

A. Establish measurable standards and benchmarks for success of the goals;

B. Consider information submitted to the department from municipalities about current or prospective housing developments and permits issued for the construction of housing; and

C. Consider any other information as necessary to meet the goals pursuant to this subsection.

*Amend the bill by inserting the following:*

**Sec. 4. 5 MRSA §13056-J** is enacted to read:

**§13056-J. Housing Opportunity Program**

**1. Program established; administration.** The Housing Opportunity Program is established within the department to encourage and support the development of additional housing units in Maine, including housing units that are affordable for low and moderate income people and housing units targeted to community workforce housing needs. The department shall administer the program and provide technical and financial assistance to support communities implementing zoning and land uses related policies required to support increased housing development. The program will support regional approaches, municipal model ordinance development, and will encourage policy that supports increased housing density where feasible to protect working and natural lands.

**2. Housing Opportunity Fund.** The Housing Opportunity Fund referred to in this section as "the fund," is established as a fund within the department for the purpose of providing funds for the program. The fund consists of money appropriated to the fund by the Legislature and any funds received by the department for the purposes of the program.

**A. Service Provider grants.** The department shall solicit applications for grants from the fund through a competitive application process that may be awarded to experienced service providers to support municipal ordinance development, technical assistance, and public process and community engagement support. These programs may encourage regional coordination between municipalities.

**B. Community Housing Incentive Program grants.** The department shall solicit applications for the following:

1. Community housing planning grants to be awarded through a competitive process to municipalities to support the creation of housing development plans which include ordinance and policy amendments to support those plans. The grants shall be awarded for a period of up to three years, with required progress reports each year.

2. Community housing implementation grants to be awarded through a competitive process to support the implementation of community housing priorities.

**C. Direct Technical Assistance.** The department shall provide technical assistance, housing policy development, and guidance directly to regional groups, municipalities and other housing stakeholders, to the extent feasible with available resources. This may include, but is not limited to, assisting municipalities with information about available grant opportunities, sharing best practices from jurisdictions inside and outside of Maine, providing model language for local ordinances and policies, and providing information to the general public which may support local and statewide policy changes meant to increase the supply of housing.

**3. Program evaluation.** Any recipient of grant funds through this program shall cooperate with the department in performing program evaluation and specific reporting requirements.

**4. Report.** By January 15, 2024, the department shall report to the Governor and the joint standing committees of the Legislature having jurisdiction over economic development and housing matters about the program with any recommendations for changes in the statutes to improve the program and its delivery of services to municipalities. The joint standing committees of the Legislature having jurisdiction over economic development and housing matters may report out a bill relating to this program and continued funding.

**Sec. 5. 30-A MRSA §4360, sub-§3**, as amended by PL 2007, c. 77, §§1 and 2 and c. 155, §1 and affected by c. 466, Pt. B, §§20 and 21, is further amended to read:

~~**3. Ordinance requirements.** A municipality may adopt a rate of growth ordinance only if:~~

~~A. The ordinance is consistent with section 4314, subsection 3; and~~

~~B. The ordinance sets the number of building or development permits for new residential dwellings, not including permits for affordable housing, at 105% or more of the mean number of permits issued for new residential dwellings within the municipality during the 10 years immediately prior to the year in which the number is calculated. The mean is determined by adding together the total number of permits issued, excluding permits issued for affordable housing, for new residential dwellings for each year in the prior 10 years and then dividing by 10;~~

C. ~~In addition to the permits established pursuant to paragraph B, the ordinance sets the number of building or development permits for affordable housing at no less than 10% of the number of permits set in the ordinance pursuant to paragraph B; and~~

D. ~~The number of building or development permits for new any kind of residential dwellings, including but not limited to building or development permits for affordable housing, allowed under the ordinance is recalculated every 3 years not restricted.~~

**Sec. 6. 30-A MRSA §4360, sub-§4** is enacted to read:

**4. Growth caps prohibited.** ~~A municipality may not adopt an ordinance that caps the number of building or development permits each year for any kind of residential dwellings, including but not limited to building or development permits for affordable housing.~~

**Sec. 7. 30-A MRSA §4364** is enacted to read:

**§4364. Technical assistance to municipalities related to zoning and land use ordinances**

~~The Department of Economic and Community Development, referred to in this section as "the department," shall make technical assistance for the purposes of developing and implementing zoning ordinances and land use ordinances available to municipalities in accordance with this section.~~

**1. Technical assistance program.** ~~The department shall develop a program to provide technical assistance to municipalities for the purposes of developing and implementing zoning ordinances and land use ordinances in accordance with this chapter, including but not limited to:~~

~~A. Ensuring that zoning ordinances and land use ordinances developed by municipalities conform with state and federal laws; and~~

~~B. Assisting in the formal review of municipal building and development permits.~~

**2. Grant program.** ~~The department shall develop a program to provide grants from the Municipal Planning Assistance Grant and Incentive Program Fund established under subsection 3 to municipalities for the purposes of contracting for services and hiring staff to help administer municipal responsibilities under this chapter. The department shall adopt rules outlining the application process and criteria for a municipality to receive a grant under this subsection. Approved uses of grants issued under this subsection include but are not limited to the following:~~

~~A. Contracting for the services of a regional planning organization or other private entity for assistance in the development and implementation of zoning ordinances and land use ordinances under this chapter; and~~

~~B. Hiring municipal employees to oversee or assist in the development and implementation of zoning ordinances and land use ordinances under this chapter.~~

**3. Municipal Planning Assistance Grant and Incentive Program Fund.** The Municipal Planning Assistance Grant and Incentive Program Fund is established as an ongoing, nonlapsing General Fund program account within the department. The fund receives funds appropriated by the Legislature for the purposes of providing grants under subsection 2 and funding any staffing positions in the department necessary to administer this section.

**4. Rules.** The department shall adopt rules to administer this section. Rules adopted pursuant to this section are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 8. 30-A MRSA §4364-A** is enacted to read:

**§4364-A. Municipal incentive program**

The Department of Economic and Community Development, referred to in this section as "the department," shall develop a program to incentivize review of municipal zoning ordinances and land use ordinances. A municipality may participate in the program for up to 3 years.

**1. Municipal incentives.** The department shall provide a grant of up to \$25,000 to a municipality for each year the municipality participates in the program. To be eligible for a grant under the program, a municipality must commit to:

A. In the first year, establishing a working group to review how the municipality's zoning ordinances and land use ordinances may impact the availability of housing in the municipality. A municipality may satisfy the requirements of this paragraph by creating a joint working group with one or more other municipalities;

B. In the 2nd year, adopting or amending the municipality's zoning ordinances and land use ordinances to promote the availability of housing in the municipality, based upon the recommendations of the working group described in paragraph A, as determined by the department; and

C. In the 3rd year, providing information to the department about current or prospective housing developments, or permits issued for the construction of housing, that resulted from the zoning ordinances or land use ordinances the municipality adopted or amended under paragraph B.

**2. Rules.** The department shall adopt rules to administer this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 9. 30-A MRSA §4364-B** is enacted to read:

**§4364-B. Affordable housing density**

For an affordable housing development approved on or after April 20, 2022 2023, a municipality with density requirements shall apply density requirements in accordance with this section.

**1. Definition.** For the purposes of this section, "affordable housing development" means:

A. For rental housing, a development in which a household whose income does not exceed 80% of the median income for the area as defined by the United States Department of Housing and Urban Development under the United States Housing Act of 1937, Public Law 75-412, 50 Stat. 888, Section 8, as amended, can afford a majority of the units which the developer designates as affordable without spending more than 30% of the household's income on housing costs~~For rental housing, a development in which a household with an income at 80% of the local area median income can afford a majority of the units without spending more than 30% of the household's monthly income on housing costs;~~ and

B. For owned housing, a development in which a household whose income does not exceed 120% of the median income for the area as defined by the United States Department of Housing and Urban Development under the United States Housing Act of 1937, Public Law 75-412, 50 Stat. 888, Section 8, as amended, can afford a majority of the units which the developer designates as affordable without spending more than 30% of the household's income on housing costs~~a development in which a household with an income at 120% of the local area median income can afford a majority of the units without spending more than 30% of the household's monthly income on housing costs.~~

**2. Density requirements.** A municipality shall allow an affordable housing development ~~on a lot in a zone~~ where multi-family dwellings are allowed to have a dwelling unit density of at least 2 1/2 times the density that is otherwise allowed ~~in the zone~~ where the affordable housing development is located and may not require more than 2 off-street parking spaces for every 3 units.

**3. Long-term affordability.** Before approving an affordable housing development, a municipality shall require that the owner of the affordable housing development has executed a restrictive covenant, to be recorded in the appropriate registry of deeds, for the benefit of and enforceable by a party acceptable to the municipality, to ensure that for at least 30 years after completion of construction~~the person proposing the affordable housing development has agreed to ensure that for at least 30 years:~~

A. For rental housing, occupancy of all the units designated affordable in the development will remain limited to households at or below 80% of the local area median income and, for owned housing, occupancy of all the units designated affordable in the

development will remain limited to households at or below 120% of the local area median income.; and

~~B. A unit will not be rented to a person for less than a 30-day period.~~

**5. Shoreland zoning.** An affordable housing development must comply with shoreland zoning requirements set by the Department of Environmental Protection under Title 38, chapter 3, and municipal shoreland zoning ordinances.

**6. Water and wastewater.** The owner of an affordable housing development must provide written verification to the municipality that the structure is connected to adequate water and wastewater services before the municipality may certify the structure for occupancy. Written verification under this subsection must include:

A. If a housing structure is connected to the municipal sewer system, proof of adequate service to support any additional flow created by the structure and proof of payment for the connection to the municipal sewer system;

B. If a housing structure is connected to a septic system, proof of adequate sewage disposal for subsurface wastewater. The septic system must be verified as adequate by a local plumbing inspector under section 4221. Plans for subsurface wastewater disposal must be prepared by a licensed site evaluator in accordance with subsurface wastewater disposal rules adopted under Title 22, section 42;

C. If a housing structure is connected to a public water system, the volume and supply of water required for the structure; and

D. If a housing structure is connected to a well, proof of access to potable water. Any tests of an existing well or proposed well must indicate that the water supply is potable and acceptable for domestic use.

**4-7. Rules.** The Department of Economic and Community Development shall adopt rules to administer and enforce this section. The rules must include criteria for a municipality to use in calculating ~~local area median income and~~ housing costs. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 10. 30-A MRSA §4364-C** is enacted to read:

**§4364-C. Residential ~~zones~~ areas, generally; up to 4 dwelling units permitted**

Notwithstanding any provision of law to the contrary, for any ~~zone~~ area in which housing is permitted, a municipality shall permit structures with up to 4 dwelling units: per lot if that lot does not contain an existing dwelling unit. A municipality shall permit structures on a lot with an existing dwelling unit to add up to 2 additional dwelling units on that lot if one additional dwelling unit is within the existing dwelling or one additional dwelling unit is an accessory dwelling unit as described in section 4364-D, or any combination thereof.

For any ~~zone~~ area in which housing is permitted, municipal ordinances must comply with the following conditions.

**1. Dimensional and setback requirements.** Municipal ordinances may not establish dimensional size requirements or setback distances for multifamily housing structures that are greater than dimensional or setback requirements for single-family housing structures.

**2. Water and wastewater.** Municipal ordinances must provide that the owner of a housing structure must provide written verification to the municipality that the structure is connected to adequate water and wastewater services before the municipality may certify the structure for occupancy. Written verification under this subsection must include:

A. If a housing structure is connected to the municipal sewer system, proof of adequate service to support any additional flow created by the structure and proof of payment for the connection to the municipal sewer system;

B. If a housing structure is connected to a septic system, proof of adequate sewage disposal for subsurface wastewater. The septic system must be verified as adequate by a local plumbing inspector under section 4221. Plans for subsurface wastewater disposal must be prepared by a licensed site evaluator in accordance with subsurface wastewater disposal rules adopted under Title 22, section 42;

C. If a housing structure is connected to a public water system, the volume and supply of water required for the structure; and

D. If a housing structure is connected to a well, proof of access to potable water. Any tests of an existing well or proposed well must indicate that the water supply is potable and acceptable for domestic use.

**3. Municipal implementation.** In adopting an ordinance, a municipality may:

A. Establish an application and permitting process for housing structures;

B. Impose fines for violations of building, zoning and utility requirements for housing structures; and

C. Establish alternative criteria that are less restrictive than the requirements of subsection 2 for the approval of a housing structure only in circumstances in which the municipality would be able to provide a variance under section 4353, subsection 4, 4-A, 4-B or 4-C.

**4. Shoreland zoning.** Housing structures must comply with shoreland zoning requirements set by the Department of Environmental Protection under Title 38, chapter 3, and municipal shoreland zoning ordinances.

**5. Subdivision requirements.** Nothing in this section is intended to exempt a subdivider from the requirements for division of a tract or parcel of land in accordance with sections 4401 through 4408.

**56 . Implementation.** A municipality is not required to implement the requirements of this section until April 20, 2023.

Sec. 11. 30-A MRSA §4364-D is enacted to read:

**§4364-D. Accessory dwelling units**

**1. Use permitted.** A municipality shall allow an accessory dwelling unit to be located on the same lot as a single-family dwelling unit in any ~~zone~~ area in which housing is permitted. For the purposes of this section, "accessory dwelling unit" has the same meaning as in section 4301, subsection 1-C.

**2. Restrictions.** An accessory dwelling unit may be constructed only:

A. Within an existing structure on the lot;

B. Attached to or sharing a wall with a single-family dwelling unit; or

C. As a new structure on the lot for the primary purpose of creating an accessory dwelling unit.

This subsection does not restrict the construction or permitting of accessory dwelling units constructed and certified for occupancy prior to April 20, 2023.

**3. Zoning Requirements.** With respect to accessory dwelling units, municipal ~~zoning~~ ordinances must comply with the following conditions:

A. At least one accessory dwelling unit must be allowed on any lot where a single-family dwelling unit is the primary structure;

B. A lot where a single-family dwelling unit is the primary structure and an accessory dwelling unit has been constructed must be ~~zoned~~ regarded as single-family;

C. A municipality shall exempt an accessory dwelling unit from any density requirements or calculations related to the ~~zone~~ area in which the accessory dwelling unit is constructed;

D. For an accessory dwelling unit located within the same structure as a single-family dwelling unit, the setback requirements and dimensional requirements must be the same as the setback requirements and dimensional requirements of the single-family dwelling unit;

E. An accessory dwelling unit may not be subject to any additional parking requirements beyond the parking requirements of the single-family dwelling unit on the lot where the accessory dwelling unit is located;

F. An accessory dwelling unit must comply with ~~minimum~~ shoreland zoning requirements set by the Department of Environmental Protection under Title 38, chapter 3~~;~~, and municipal shoreland zoning ordinances; and

G. An accessory dwelling unit must meet the a minimum size of 190 sq. ft. If the Technical Building Codes and Standards Board under Title 10, section 9722 adopts a different minimum size than this paragraph, then that standard shall apply. A municipality may impose a maximum size for an accessory dwelling unit. the minimum size for a dwelling unit set by the Maine Uniform Building Code, adopted by the Technical Building Codes and Standards Board under Title 10, section 9722

**4. Water and wastewater.** The owner of an accessory dwelling unit must provide written verification to the municipality that the accessory dwelling unit is connected to adequate water and wastewater services before the municipality may certify the accessory dwelling unit for occupancy. Written verification under this subsection must include:

A. If an accessory dwelling unit is connected to the municipal sewer system, proof of adequate service to support any additional flow created by the accessory dwelling unit and proof of payment for the connection to the municipal sewer system;

B. If an accessory dwelling unit is connected to a septic system, proof of adequate sewage disposal for subsurface wastewater. The septic system must be verified as adequate by a local plumbing inspector under section 4221. Plans for subsurface wastewater disposal must be prepared by a licensed site evaluator in accordance with subsurface wastewater disposal rules adopted under Title 22, section 42;

C. If an accessory dwelling unit is connected to a public water system, the volume and supply of water required for the accessory dwelling unit; and

D. If an accessory dwelling unit is connected to a well, proof of access to potable water. Any tests of an existing well or proposed well must indicate that the water supply is potable and acceptable for domestic use.

**5. Municipal implementation.** In adopting an ordinance under this section, a municipality may:

A. Establish an application and permitting process for accessory dwelling units;

B. Impose fines for violations of building, zoning and utility requirements for accessory dwelling units; and

C. Establish alternative criteria that are less restrictive than the requirements of subsection 3, paragraph C, D, E, F or G or subsection 4 for the approval of an accessory dwelling unit only in circumstances in which the municipality would be able to provide a variance under section 4353, subsection 4, 4-A, 4-B or 4-C.

**6. Rate of growth ordinance.** A permit issued by a municipality for an accessory dwelling unit does not count as a permit issued toward a municipality's growth rate ordinance as described in section 4360.

**6 7. Implementation.** A municipality is not required to implement the requirements of this section until April 20, 2023.

Amend the bill by inserting the following:

**Sec. xxxx. 30-A MRSA §4363-E. Municipal role in statewide housing goals.**

This section governs the responsibilities and roles of municipalities in achieving the statewide and regional housing goals set by the Department of Economic and Community Development in Title 5, section 13056, subsection 9.

**1. Fair housing and nondiscrimination.** A municipality shall ensure that zoning ordinances and regulations are designed to affirmatively further the purposes of the federal Fair Housing Act, 24 USC 3601 et. seq., as amended and the Maine Human Rights Act in Title 5, chapter 337, subchapter 4 as amended, to achieve the statewide or regional housing goal.

**2. Municipalities may regulate short-term rentals.** A municipality may establish and enforce regulations regarding short-term rental units in order to achieve the statewide or regional housing goal. For the purposes of this subsection, "short-term rental unit" means a living quarters offered for rental through a transient rental platform as defined by Title 36, section 1752, subsection 20-C.

**Sec. 12. 30-A MRSA §4364-E** is enacted to read:

**§4364-E. Municipal Housing Development Permit Review Board**

The Municipal Housing Development Permit Review Board, established in Title 5, section 12004-I, subsection 30-C and referred to in this section as "the board," is responsible for the review of municipal housing development permit decisions.

**1. Organization.** The board consists of 7 members appointed by the Governor for terms of 5 years. A member may continue to serve on the board after the end of the member's term until the member's replacement is designated. In making appointments under this subsection, the Governor shall make 2 appointments based upon recommendations from the President of the Senate and 2 appointments based upon recommendations from the Speaker of the House of Representatives. After all members have been appointed, the board shall convene an initial meeting to elect a chair by majority vote. If a vacancy occurs on the board, the Governor may appoint a replacement to serve the remainder of the term.

**2. Meetings.** The chair shall convene meetings of the board as necessary. A majority of the board's members constitutes a quorum. The chair shall preside at all meetings of the board and is the official spokesperson of the board.

**3. Review of municipal decisions.** A person that has received a final decision from a municipality denying an application for a housing project may file a complaint to the board requesting review of that decision. Upon receipt of a complaint, the board shall set a time and place to convene and hold a hearing. The board shall give written notice of the hearing at least 20 days in advance of the hearing to the person that submitted the complaint and the

municipality that denied the application. During the hearing, the board shall invite the person that submitted the complaint and representatives from the municipality to provide testimony regarding the project under review. After the hearing, the board shall issue an opinion determining whether the project should have been approved. The board shall issue the opinion in writing to the person that submitted the complaint and to the municipality. If the board determines that a project should have been approved, the municipality that denied the project shall approve the project. A determination issued under this subsection is a final agency action as defined in Title 5, section 8002, subsection 4.

4. Staff. The chair may hire one full-time staff person to assist the board in performing its duties under this section. The primary responsibilities of that staff person include, but are not limited to, performing administrative tasks and conducting research.

**Sec. 13. 30-A MRSA c. 206, sub-c. 7 is enacted to read:**

## **SUBCHAPTER 7**

### **PRIORITY DEVELOPMENT ZONES**

#### **§5250-U. Priority development zones required**

A municipality shall designate an area within the municipality as a priority development zone. A priority development zone must be located in an area that has significant potential for housing development and is located near community resources, as determined by the Department of Economic and Community Development. A priority development zone must comply with the requirements of this section and any rules adopted under subsection 3.

1. Definitions. For the purposes of this section, the following terms have the following meanings:

A. "Community resources" means services available to the community within a municipality, including but not limited to transportation, schools, recreational opportunities and any other services provided by the municipality. "Community resources" also includes business and employment opportunities within the municipality.

B. "Priority development zone" means a zone in which owned or rented multifamily housing composed of both market rate units and units that meet the definition of "affordable housing" under section 4301, subsection 1 is permitted at a specified density that is greater than the density allowed in other zones within the municipality.

2. Review. Prior to adopting an ordinance designating a priority development zone, a municipality shall submit a draft ordinance for review to the Department of Economic and Community Development. Upon receipt of a draft ordinance, the department shall conduct a review to ensure compliance with this section and any applicable rules adopted under subsection 3.

**3. Rules.** ~~The Department of Economic and Community Development shall adopt rules to administer the requirements of this section. Rules adopted under this subsection must include but are not limited to:~~

~~A. Criteria to evaluate whether an area has significant potential for housing development;~~

~~B. Criteria to evaluate whether an area is located near community resources;~~

~~C. Minimum density requirements for an area to qualify as a priority development zone; and~~

~~D. Minimum criteria to evaluate whether an ordinance incentivizes the development of multifamily housing within a priority development zone, including but not limited to establishing reduced parking requirements.~~

~~Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.~~

**4. Application; compliance.** ~~A municipality is not required to comply with the requirements of this section until 2 years following the adoption of rules under subsection 3.~~

**Sec. 14. Initial appointments; staggered terms.** ~~Notwithstanding the Maine Revised Statutes, Title 30-A, section 4364-E, subsection 1, with regard to the initial appointments to the Municipal Housing Development Permit Review Board, the Governor shall appoint 2 members for a term of one year, 2 members for a term of 3 years and 3 members for a term of 5 years.~~

**Sec. 15. Appropriations and allocations.** ~~The following appropriations and allocations are made.~~

**ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF  
Municipal Housing Development Permit Review Board N414**

~~Initiative: Provides ongoing funds for one Planning and Research Assistant position to provide assistance to the Municipal Housing Development Permit Review Board including performing administrative tasks and conducting research.~~

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
<del>POSITIONS—LEGISLATIVE COUNT</del>	<del>0.000</del>	<del>1.000</del>
<del>Personal Services</del>	<del>\$0</del>	<del>\$72,262</del>
<del>All Other</del>	<del>\$0</del>	<del>\$7,500</del>
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$79,762</b>

**Municipal Land Use and Zoning Ordinances Review Incentive Program N412**

~~Initiative: Provides ongoing funds for one Public Service Coordinator I position to implement a municipal land use and zoning ordinances review incentive program and to provide technical assistance to municipalities.~~

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
<del>POSITIONS—LEGISLATIVE COUNT</del>	<del>0.000</del>	<del>1.000</del>
<del>Personal Services</del>	<del>\$0</del>	<del>\$82,260</del>
<del>All Other</del>	<del>\$0</del>	<del>\$7,500</del>
	<hr/>	<hr/>
<del>GENERAL FUND TOTAL</del>	<del>\$0</del>	<del>\$89,760</del>

**~~Municipal Land Use and Zoning Ordinances Review Incentive Program N412~~**

~~Initiative: Provides ongoing funds for grants to municipalities to review municipal land use and zoning ordinances.~~

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
<del>All Other</del>	<del>\$0</del>	<del>\$3,000,000</del>
	<hr/>	<hr/>
<del>GENERAL FUND TOTAL</del>	<del>\$0</del>	<del>\$3,000,000</del>

**~~Municipal Planning Assistance Grant and Incentive Program Fund N411~~**

~~Initiative: Provides ongoing funds for one Public Service Coordinator II position to serve as a municipal planning coordinator providing expertise in zoning and land use ordinances to municipalities.~~

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
<del>POSITIONS—LEGISLATIVE COUNT</del>	<del>0.000</del>	<del>1.000</del>
<del>Personal Services</del>	<del>\$0</del>	<del>\$108,060</del>
<del>All Other</del>	<del>\$0</del>	<del>\$7,500</del>
	<hr/>	<hr/>
<del>GENERAL FUND TOTAL</del>	<del>\$0</del>	<del>\$115,560</del>

**~~Municipal Planning Assistance Grant and Incentive Program Fund N411~~**

~~Initiative: Provides ongoing funds to assist municipalities in the development and implementation of zoning and land use ordinances. Funding appropriated for this purpose does not lapse but must be carried forward into the next fiscal year to be used only for the purpose for which it was provided.~~

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
<del>All Other</del>	<del>\$0</del>	<del>\$1,294,680</del>
	<hr/>	<hr/>
<del>GENERAL FUND TOTAL</del>	<del>\$0</del>	<del>\$1,294,680</del>

**~~ECONOMIC AND COMMUNITY  
DEVELOPMENT, DEPARTMENT OF  
DEPARTMENT TOTALS~~**

	<b>2021-22</b>	<b>2022-23</b>
<del>GENERAL FUND</del>	<del>\$0</del>	<del>\$4,579,762</del>
	<hr/>	<hr/>
<del>DEPARTMENT TOTAL - ALL FUNDS</del>	<del>\$0</del>	<del>\$4,579,762</del>

~~**Emergency clause.** In view of the emergency cited in the preamble, this legislation takes effect when approved.~~

**Sec. Appropriations and allocations.** The following appropriations and allocations are made.

**ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF**

**Housing Opportunity Program Z336**

Initiative: Establishes 2 limited-period Public Service Coordinator II positions through June 8, 2024 and provides funding for the associated All Other costs to administer the Housing Opportunity Program within the Department of Economic and Community Development.

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
Personal Services	\$0	\$243,874
All Other	<u>\$0</u>	<u>\$206,126</u>
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$450,000</b>

**Housing Opportunity Program Z336**

Initiative: Provides funding for competitive grants to regional service providers to support town housing ordinance development, planning board and public processes in each participating municipality.

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
All Other	<u>\$0</u>	<u>\$1,000,000</u>
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$1,000,000</b>

**Housing Opportunity Program Z336**

Initiative: Provides funding for community housing implementation grants to individual towns to support community housing priorities.

<b>GENERAL FUND</b>	<b>2021-22</b>	<b>2022-23</b>
All Other	<u>\$0</u>	<u>\$1,550,000</u>
<b>GENERAL FUND TOTAL</b>	<b>\$0</b>	<b>\$1,550,000</b>

**ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF  
DEPARTMENT TOTALS**

	<b>2021-22</b>	<b>2022-23</b>
<b>GENERAL FUND</b>	<u><b>\$0</b></u>	<u><b>\$3,000,000</b></u>

**DEPARTMENT TOTAL - ALL FUNDS**

**\$0**

**\$3,000,000**

### **SUMMARY**

This amendment makes the following changes. The amendment:

1. Removes the emergency preamble and clause;
2. Eliminates amending the fair housing provisions of the Maine Human Rights Act;
3. Eliminates the Municipal Housing Development Permit Review Board;
4. Eliminates the prohibition on municipalities from adopting any ordinance that caps the number of building or development permits each year for any kind of residential dwellings;
5. Establishes the Housing Opportunity Program within the Department of Economic and Community Development to encourage and support the development of additional housing units in Maine, including housing units that are affordable to low and moderate income people and housing units targeted to community workforce housing needs;
6. Eliminates a municipal incentive program to provide grants to municipalities for fulfilling certain requirements related to reviewing how its zoning and land use ordinances may impact the available of housing;
7. Clarifies that density bonuses apply to zoning ordinances where multifamily housing is already permitted;
8. Clarifies that long-term affordability in affordable housing developments applies only to the majority of affordable units;
9. Provides that a municipality shall allow structures with up to 4 dwelling units per lot if that lot does not contain an existing dwelling unit. A municipality shall permit structures on a lot with an existing dwelling unit to add up to 2 additional dwelling units on that lot if one additional dwelling unit is within the existing dwelling or one additional dwelling unit is an accessory dwelling unit as described in section 4364-D;
10. Specifies a lot in any zone for which housing is permitted that is subdivided may not have up to 4 dwelling units per each plot arising from that subdivision;
11. Specifies that accessory dwelling units are not subject to a municipality's growth rate ordinance;
12. Provides that the Department of Economic and Community Development, in cooperation with the Maine State Housing Authority, shall establish a statewide and regional housing goal;
13. Specifies that municipalities shall, to fulfill the statewide or regional housing goal established by the Department of Economic and Community Development, ensure that all

zoning ordinances affirmatively further fair housing in accordance with federal law and the Maine Human Rights Act; and

14. Specifies that a municipality may regulate a short-term rental to meet the statewide or regional established by the Department of Economic and Community Development.