



Memorandum

To: Commission To Increase Housing Opportunities in Maine by Studying Zoning and Land Use Regulations

From: MMA's Affordable, Senior and Workforce Housing Working Group

Date: August 30, 2021

Re: Municipal Perspectives on Housing Development Efforts

The Maine Municipal Association has formed a 25-member municipal housing working group to collect data and information regarding local level efforts and challenges associated with increasing access to housing. The group will continue to meet as the Commission completes its work and to that end held its first meeting on August 17.

At that meeting, municipal officials discussed: (1) locally implemented housing programs and efforts; (2) resources necessary to successfully address Maine's housing shortages; and (3) the barriers State statutes, regulations, programs and mandates place on the development and implementation of municipal housing programs and initiatives.

What follows is a summary of the ensuing discussion. If you have any questions about the information provided in this memo or our efforts, please contact Kate Dufour, MMA's Director of State and Federal Relations (kdufour@memun.org).

Thank you for your interest in and consideration of the municipal perspective. Municipal leaders look forward to working collaboratively in the implementation of mutually beneficial outcomes.

Opportunities

Municipal leaders are keenly aware of the housing crisis impacting their residents, businesses and economies. Volunteers in all areas of the state are meeting, studying and implementing changes to ensure communities have the housing stock necessary to support economic development and community health and vitality. Municipal leaders, planners, and code enforcement officers recognize that changes in the way in which communities plan for and implement housing development initiatives will enable greater opportunities for low income residents, families and seniors.

Of greatest priority among municipal leaders is the need to amend local ordinances and State statutes and rules to make zoning more inclusive and accessible. Among the several recommendations, municipalities believe that significant zoning changes, such as form-based zoning, reductions in minimum lot sizes and other changes to dimensional requirements, relaxed parking requirements, as well as the adoption of ordinances allowing for accessory dwelling units will help expand the state's housing inventory.

Challenges & Resources

Home Rule, Partnerships & Collaboration. However, implementation of policies that veer from the norm will take time, investment and assistance from State partners. Key among the first steps is the need to honor home rule authority through the development of state/local/private partnerships to ensure that municipalities have access to resources and tools necessary to implement locally designed and state incentivized solutions. Furthermore, as recommendations are designed the Commission is encouraged to turn to local officials for feedback on the feasibility of implementing particular solutions.

Education. Messaging is vital to the ability to create new housing opportunities. Municipalities need the technical assistance to not only clarify what “affordable, workforce or senior” housing is, but to educate residents of the importance and value of a community with a diverse socioeconomic mix. Residents of varied backgrounds and experiences volunteer in their respective communities, contribute to economic growth, and are integral to the social fabrics of the villages, towns, and cities where they live.

Additionally, while accessory dwelling units may be seen as a logical element of a package of solutions, not all residents want to be landlords, and this should be viewed as one tool among many that could help with the availability and diversity of housing options in a community. As an example, programs geared toward assisting residents in managing a rental unit could be helpful.

State Policies. State policies also have an impact on a community’s ability to expand access to housing. The Maine Uniform Building and Energy Code has increased building costs, which has frustrated developers. While the new energy standards further valuable sustainability goals, how to balance those requirements with the need for additional housing is worth consideration. In addition, the state’s septic and subsurface wastewater rules play a role in the development of ordinances with large lot size requirements, especially in rural areas.

Economy. The economy also plays a role, as the current market is driving the cost of building materials and home sales prices.

Retaining Affordability. In an effort to retain affordability, changes in ownership of housing need to be managed at the State or regional level or through assistance to communities with limited capacity or resources to accomplish this task. Without sufficient oversight, municipal leaders fear that owners and developers that benefit from affordable housing programs may maximize their investments by selling currently affordable units at the market rate. Municipalities often do not have the resources, time or expertise necessary to manage the portfolio of affordable housing stock.

Solutions & Resources

Access to Data. In order to successfully implement housing strategies, municipalities will need access to data. Questions regarding the type of housing needed in a community today and into the future, the role mixed-use developments have on a community’s value and ability to generate

property tax revenue, and impacts on infrastructure, including roads, water, sewer and broadband need to be answered.

Assessment of State Role. To some, the abolishment of the State Planning Office signaled a lack of interest in planning at the state level. The State must be willing to once again provide the resources and guidance communities need to implement housing strategies, whether through a state planning office, the creation of equivalent financial and technical support for the implementation of planning goals, or greater financial investment in regional planning commissions and councils of governments. It is unacceptable to rely solely on the property taxpayers to fund these programs and initiatives.

Incentive Based Policy. Not only should the Commission's recommendations rely on programs incentivizing municipal planning approaches, but also the housing decisions made by residents. For example, enabling residents to age in their community of choice is important. However, municipal officials question whether incentives could be put in place to encourage residents to move into smaller units within the community, thereby making larger homes available for multiple unit development or to accommodate the needs of growing households. This would not only support aging-in-place, but our existing downtowns, residential neighborhoods, and sustainable development patterns.

Home Rule/Local Control. Lastly and most importantly to municipal leaders, the solutions offered by the Commission should focus on issuing guidance, resources and incentives in lieu of regulation and providing municipalities the flexibility necessary to address the unique needs of each community. In the event the State implements requirements that communities meet housing creation and affordability goals, there should be flexibility in how they are able to meet those requirements, reflecting their scale, resources, and affordability challenges.

A list of proven options for local implementation is a good first step.

Other Materials

Attached as Appendix A is a table summarizing the MMA working group's discussion. A list of members is attached as Appendix B.

Summary of MMA’s Affordable, Senior and Workforce Housing Working Group Meeting
August 17, 2021

<p>Opportunities</p>	<ul style="list-style-type: none"> • Honor home rule authority by providing communities with a list of options to consider, including form-based zoning to encourage mixed-use development or relatively higher density residential development that also supports and protects community character. • Reduce minimum lot sizes and other dimensional and use impediments to housing creation. • Relax parking space requirements. • Encourage adoption of accessory dwelling unit ordinances.
<p>Challenges & Needs</p>	<ul style="list-style-type: none"> • Ensure municipalities have access to resources and tools necessary to implement solutions. • Facilitate needed State/municipal/private partnerships. • Clarify affordable, workforce and senior housing thresholds in housing policy deliberations and recommendations, as well as the role of increased housing supply (not deed restricted for affordability) has in making housing more accessible for all. • Develop the resources necessary to help residents understand why change is necessary. • Develop programs encouraging homeowners to consider renting out accessory dwelling units. • Review State policies that may impede growth and development, including the Maine Uniform Building and Energy Code, and septic and subsurface wastewater rules • Assess the impact the market (e.g., labor, materials, national housing market trends, etc.) has on housing development. • Develop programs to assist communities administer affordable housing programs, either through a State or regional body, or through additional financial and technical assistance to communities.
<p>Tools & Resources</p>	<ul style="list-style-type: none"> • Provide municipalities with access to housing data and best practices necessary to make short-term and long-term housing development decisions. • Solidify and emphasize the State’s role as providing guidance and technical and financial assistance to help

	<p>communities achieve their planning goals. Many on the working group emphasized the appropriateness of this approach rather than mandates.</p> <ul style="list-style-type: none">• Create programs and incentives that rely on State resources rather than property taxes and other local revenue for implementation.• Develop incentives to positively impact residents' housing decisions.• Develop solutions that rely on local ingenuity, creativity and flexibility to meet the community's needs.• In the event the State requires that communities meet housing certain and affordability goals, there should be flexibility in how they are able to meet those requirements, reflecting their scale, resources affordability challenges and context.
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Appendix B

Members of MMA’s Affordable, Senior and Workforce Housing Working Group

Name	Title	Municipality
Butler, Robert	Selectboard	Waldoboro
Caler, Audra	Town Manager	Camden
Caterina, Jean-Marie	Councilor, Chair of Ordinance Committee, Liaison to the Scarborough Affordable Housing Committee and founder of Ad hoc Group on Work Force Housing	Scarborough
Crockett, Larissa	Manager	Wells
Davis, Mary	Acting Director of Housing & Economic Development	Portland
Drexler, Kyle	Town Planner	Orono
Drost, Matthew	CEO (Chesterville, Vienna, Chelsea) Selectperson, Randolph	Randolph
Farr, Vanessa	Senior Planner	Greater Portland Council of Governments
Feldman, Lee Jay	Director of Land Use & Planning	Southern Maine Planning & Development Commission
Gilliam, Werner	Director of Planning and Development	Kennebunkport
Grimando, Christine	Planning & Urban Development Director	Portland
Hepler, Allison	Selectperson and Legislator	Woolwich
Humphrey, April	Council Chair	Yarmouth
Jenkins, Priscilla	Councilor	Winthrop
Jones, Dusty	Selectperson	Wiscasset
Jordan, Penny	Councilor	Cape Elizabeth
Levesque, Jason	Mayor	Auburn
Moison, Cathy	Councilor	Lincoln
Piekut, Elena	City Planner	Ellsworth
Powers, Andrea	Town Manager	Fort Fairfield
Smith, Laurie	Town Manager	Kennebunkport
Sturgis, Matthew	Town Manager	Cape Elizabeth
Towne, Terry	Elected Assessor	Lamoine
Tudor, Bronwen	Selectperson	Georgetown
Ward, William	Selectperson	Kennebunk