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Testimony of GrowSmart Maine in support of LD 1240, Resolve, To Review Barriers to Regional Solutions for Housing Choices

April 16, 2021

Senator Hickman, Representative Sylvester, and members of the Joint Standing Committee on Labor and Housing, my name is Nancy Smith, I live in Monmouth, and I am the Executive Director of GrowSmart Maine. We are a statewide non-partisan organization working to create lasting prosperity without sacrificing the quality of life that defines Maine.

We support policies, programs and projects that define and protect the value of Maine's unique built and natural places while supporting long term economic opportunity. It is with this intention that we have been working with Senator Vitelli on this Resolve, building on our Summit of last October. This event, "Flexing the Power of Home Rule: Forging a Path Towards Regional Solutions" encouraged building regional approaches on the strength of home rule tradition. Three key issues were identified: climate change, housing choices, and land use regulation. [Weaving Common Threads](#) details these recommendations.

Housing Choices was defined as follows: Focus on broadening the diversity of housing types. Explore rent-to-own and less conventional housing acquisition arrangements. Treat housing as a key economic development tool in both new development and adaptive reuse. Acknowledge that property ownership is an equity issue.

Working with the sponsor, the scope of LD 1240 was narrowed to only those issues not already addressed in related bills. The bills we see as most closely aligned with LD 1240 are:

[LD 446](#) with focus on additional resources to support municipal and regional planning.

[LD 609](#) which addresses municipal barriers to housing.

GrowSmart Maine supported both of these bills.

Four unique issues are addresses in this Resolve:

1. Proposals to update the planning and land use regulation laws pertaining to growth management with a focus on regional solutions recognizing the interrelationships of housing, transportation, climate action and land use;

This references the [Growth Management Act](#), which encourages local land use ordinances, tools and policies based on local comprehensive plans. Within this Act, the Legislature established a set of state goals to provide overall direction and consistency to the planning and regulatory actions of all state and municipal agencies affecting natural resource management, land use and development. An update to this Act is long overdue, particularly with a focus on regional solutions integrating housing, transportation, climate action and land use.

2. An assessment of the implications of (should be “on”) housing choices of state and regional transportation investments and policies, produced with the advice of the Department of Transportation and regional transportation agencies;

“Drive til you qualify” describes the financial push to live further away from downtowns of all sizes. This sprawling growth puts additional pressure on household budgets and transportation systems by extending commute time, distance, and cost. Maine must integrate components of land use, making clear the direct connection between cost of living, climate change, and the types, costs, and location of public investments in transportation.

3. Identification of regional approaches to address significant mill rate differentials between rural and urban service center hubs and surrounding communities that increase associated living expenses by driving housing out of established communities;

This has been an issue for service center communities for a very long time as those larger communities take on the municipal costs of providing services for the surrounding area. It came to light in Maine’s more rural areas two years ago, as the Land Use Planning Commission (LUPC) updated its adjacency rules. Stakeholders identified the potential for new development to occur just outside of rural hubs, as identified by LUPC. In both cases, urban/suburban and rural/rural, development is drawn to just outside certain towns or cities based in large part on the difference in property taxes based on valuation and mil rates, much of which reflects the role of these larger communities in providing services for the region. Maine needs to find regional solutions to this issue with its statewide implications. In the past, service center communities proposed local option sales tax as a partial solution, but those bills were not successful.

4. Strategies for offering choices to local governments about how to meet statewide housing goals through their comprehensive plans and land use codes

Statewide housing goals are outlined in the Growth Management Act. What is lacking is a central resource center for strategies available to municipalities and groups of municipalities toward achieving the goals of this Resolve. Many of us in the nonprofit and planning sectors are working to fill this void, and this includes [Community Tools](#) page on GrowSmart’s website. From my own experience as a community volunteer, it would be incredibly helpful to have an easy to find and navigate connection to all these resources.

This Resolve directs the Office of Community Development within the Department of Economic and Community Development to conduct a review of these barriers to regional solutions to making housing affordable, accessible, available, functional and doing so in alignment with strategies outlined in the December 2020 climate action plan of the Maine Climate Council, ["Maine Won't Wait: A Four-year Plan for Climate Action."](#) We believe the priorities outlined in

this Resolve to improve housing access and choice must be integrated into the actions outlined in this climate action plan.

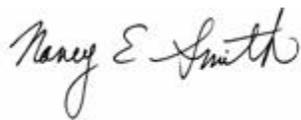
Our thought regarding DECD/OCD as the location for this research is in sync with Representative Bailey's intention in sponsoring LD 446. There simply isn't one place in state government where the issues of housing, economic development, transportation and land use come together. But if there were, why not the Office of Community Development within DECD? As we noted in our support of LD 446, though the components of the former State Planning Office have been reduced and dispersed across state government, the remaining land use planning staff of two is located within the Bureau of Resource Information and Land Use Planning within the Dept of Agriculture, Conservation and Forestry. Though they have the expertise, this agency is grossly understaffed and would not be able to take on the goals of this Resolve.

I know the committee will give this bill due consideration, and I hope that the DECD will find some capacity to take on this work. We have noted that there are several bills and resolves addressing related issues and the committee may find it more effective to align LD1240 with another legislative proposal or to carry this proposal over until next year. GrowSmart's goal is to have these important issues addressed and we will support any effective mechanism to do so.

And of course, we stand ready to support this DECD in this work and encourage broad stakeholder input including state agencies, regional planning commissions/councils of government, MEREDA, Maine Municipal Assn, and Maine Assn of Planners.

In closing, I want to thank Senator Vitelli for her genuine interest in these issues and her efforts in sponsoring this Resolve.

Best,

A handwritten signature in cursive script that reads "Nancy E. Smith". The signature is written in black ink and is positioned above the typed name.

Nancy E Smith
Executive Director