MAINE AFFORDABLE HOUSING COALITION

Joint Standing Committee on Housing & Economic Development

Testimony of Laura Mitchell, Executive Director, Maine Affordable Housing Coalition in favor of LD128 - An Act to Support Permitting of Certain Multifamily Housing Developments Under the Site Location of Development Laws, Sponsored by Senator Teresa Pierce.

Hello, Senator Curry, Representative Gere, and Members of the Joint Standing Committee on Housing and Economic Developpent.

My name is Laura Mitchell. I am the Executive Director of the Maine Affordable Housing Coalition. I spent half my childhood in public housing and have a masters in environmental science. This bill combines two of my passions – homes for all Maine people, and saving Maine's natural integrity.

The Maine Affordable Housing Coalition is a nonprofit with 140 member organizations working to create and preserve affordable homes in our state. We support LD128 to streamline Maine's permitting of multifamily housing that is currently adding unnecessary red tape, time and cost to building vital affordable housing. In 2023, the State commissioned a housing study that stated that Maine needs 80,000 new homes by 2030. This year, the State shared a roadmap to meeting that goal. Streamlining processes was the number one priority.

Here are three things what we know from our member's experiences working through DEP approval processes that we believe highlight the need for streamline state funded affordable housing:

- Even with lengthy DEP defined timelines for review and approvals (195 days), projects get stuck in limbo often adding up to a year in carrying costs and construction price increases of 5-10%. The state and towns see lost or delayed tax revenue from extended timelines, and the delays dilute the state investment into these housing projects.
- 2. After DEP approval, any minor changes such as name of ownership or simplifying the project scope for less impact can have 6 month to 1 year delays that have led to other funding source timelines passing and backing out. This has resulted in much needed affordable housing projects with years of planning getting scrapped.
- 3. DEP review requirements actually incentivize building affordable housing in green space rather than previously developed areas on water and sewer – which is completely counter to the critical environmental values these processes should foster. Further, the law rewards building less housing on larger lots.
- 4. A lack of clarity on soil management on previously developed sites is unnecessarily filling up Maine's solid waste facilities with non-hazardous soils at extremely high cost, or adding a year or more to project timelines.

While LD128 will help address some aspects of the inefficiencies and contradictions in the DEP process, MAHC would like to highlight additional areas for rulemaking improvement:

- 1. Institute an expedited review for affordable housing projects particularly with state funding
- 2. Increase the 4 acre threshold for review and apply different review metrics for housing in a town's growth zones with water, sewer or busline, that doesn't have significant habitat impacts.
- 3. Increase fees to support DEP staffing. Similar to elevator inspector fees increase.
- 4. Allow third party reviews by approved engineering firms. Similar to Historic Review.
- 5. Add an amendment review period limit. New applications have a long 195 day review, but amendments have no required review time and can lead to significantly longer wait times.
- 6. Add a directive to make soils review more efficient on previously developed sites.

Thank you for the opportunity to speak in favor of LD128 and your consideration of encouraging deeper rulemaking improvements to encourage affordable housing in Maine.

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