

Affordable Housing Committee AGENDA Thursday, April 13, 2023 1PM Town Hall Conference Room A

- 1. Climate Conversation (led by Judy Spiller)
- 2. Annual Objectives Update
 - A. Expert/Developer Feedback
 - B. Zoning Update: Business Park and Mixed Use
 - C. Education Subcommittee Update
- 3. Update on Existing Initiatives
 - A. ADU Grant Status Update
 - B. Sale of Tax Acquired Property
 - C. Old Post Affordable Housing Project
 - D. Development/permits for affordable units
 - E. Other
- 4. Next Steps

Next Meeting - Thursday, May 4, 1PM

Adjourn

Attachments:

- Affordable Housing Legislation
- Housing Education Subcommittee Plan

This meeting will be held in person. The public may attend in person or view the meeting via Zoom webinar. Register in advance for the webinar by clicking <u>here</u>.



Affordable Housing Committee Education Subcommittee

Knowledge Gaps

- What affordable housing means
- Why do we need affordable housing and why don't we have it
- How affordable housing gets created
- What affordable housing looks like, what it looks like in Kittery
- What are Kittery's demographics today and what are the future trends for population, income, age, need, etc.
- What is being a landlord like, what are the resources to add/maintain rental property.
- What types of housing is allowed by zone in Kittery, how does potential LD2003 change this?
- What are we doing and it is working?

Information Delivery Options

- Short snippets, articles, visuals
- Video content
- Interactive apps or tools
- Photo study/visual essay
- Community book club/reading

Potential Partners and Experts

- Maine Housing
- Fair Tide
- HUD
- SMPDC
- Seacoast Workforce Housing Coalition
- Affordable Housing developers (York Housing, Avesta, CHOM, etc)
- Existing voucher landlords
- Local business owners, employers, York Region Chamber of Commerce
- Local officials (School, Town)

Schedule MONTH	KNOWLEDGE GAP FOCUS	PROGRAMS	LEADS
March	 What affordable housing mean Kittery's demographics and trends 	 Launch Community book club recommended read; 4 books selected Flyers, video snippets from previous housing presentations reposted 	Haley Suzanne
April	 Why do we need affordable housing and why don't we have it How affordable housing gets created 	 Housing Documentary Watch Party followed by discussion with Housing Committee @ RPL Video vignettes about why and how (outreach to localhousingsolutions.org - NYU) 	Jason Kendra
May	 What affordable housing means Why do we need affordable housing and why don't we have it 	 Community book club directed discussions Development of "Faces of Affordable Housing" Photo essay of multi-family units in Kittery Posters, video snippets of the impacts of NIMBYism on businesses and residents 	Haley All Jason & Suzanne All
June	• What is being a landlord like, what are the resources to add/maintain rental property	• Webinars on becoming a landlord, programs supporting affordable rentals, etc.	Emily, YCSA
September	 What affordable housing looks like, what it looks like in Kittery What types of housing is allowed by zone in Kittery 	 Graphic/visual tool to understand the types of housing allowed by Zone 	Jason
October	 What affordable housing mean What have we done/is it working 	 Talk/lecture series type event Presentation at Council meeting 	



FIRST REGULAR SESSION-2023

Legislative Document

No. 214

H.P. 135

House of Representatives, January 20, 2023

An Act to Amend the Laws Regarding Zoning and Land Use Restrictions to Limit Certain Requirements to Municipalities with a Population of More than 10,000

(EMERGENCY)

Reference to the Committee on Labor and Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative CAMPBELL of Orrington. Cosponsored by Senator LYFORD of Penobscot and Representatives: SOBOLESKI of Phillips, THORNE of Carmel.

- 1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not 2 become effective until 90 days after adjournment unless enacted as emergencies; and
 - **Whereas,** current law requires, beginning July 1, 2023, all municipalities to allow a certain number of dwelling units under certain circumstances and the construction of accessory dwelling units on the same lot as a single-family dwelling unit and to comply with certain other zoning requirements; and
- Whereas, this legislation proposes to limit those requirements to municipalities with
 a population over 10,000; and
- 9 Whereas, it is the intent of this legislation to exempt municipalities with a population
 10 of 10,000 or less from these requirements entirely;
- 11 **Whereas,** this legislation needs to take effect prior to the end of the 90-day period so 12 that municipalities with a population of 10,000 or less will not be subject to those 13 requirements between July 1, 2023 and the end of the 90-day period; 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,

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- 19 Sec. 1. 30-A MRSA §4364-A, sub-§1, as enacted by PL 2021, c. 672, §5, is 20 amended to read:
- 21 1. Use allowed. Notwithstanding any provision of law to the contrary, except as provided in Title 12, chapter 423-A, for any area in which housing is allowed, a 22 23 municipality shall allow structures with up to 2 dwelling units per lot if that lot does not contain an existing dwelling unit, except that a municipality with a population over 10,000 24 25 shall allow up to 4 dwelling units per lot if that lot does not contain an existing dwelling unit and the lot is located in a designated growth area within a municipality consistent with 26 27 section 4349-A, subsection 1, paragraph A or B or if the lot is served by a public, special 28 district or other centrally managed water system and a public, special district or other comparable sewer system in a municipality without a comprehensive plan. 29
- A municipality shall allow on a lot with one existing dwelling unit the addition of up to 2
 dwelling units: one additional dwelling unit within or attached to an existing structure or
 one additional detached dwelling unit, or one of each.
- A municipality may allow more units than the number required to be allowed by thissubsection.
- 35 Sec. 2. 30-A MRSA §4364-A, sub-§2, as enacted by PL 2021, c. 672, §5, is 36 amended to read:
- 2. Zoning requirements. With respect to dwelling units allowed under this section,
 municipal zoning ordinances in municipalities with a population over 10,000 must comply
 with the following conditions.

1 2 3	A. If more than one dwelling unit has been constructed on a lot as a result of the allowance under this section or section 4364-B, the lot is not eligible for any additional increases in density except as allowed by the municipality.
4 5 6	B. A municipal zoning ordinance may establish a prohibition or an allowance for lots where a dwelling unit in existence after July 1, 2023 is torn down and an empty lot results.
7 8	Sec. 3. 30-A MRSA §4364-A, sub-§10, as enacted by PL 2021, c. 672, §5, is amended to read:
9 10	10. Implementation. A municipality is not required to implement the requirements of this section until July 1, 2023 October 1, 2023.
11 12	Sec. 4. 30-A MRSA §4364-B, sub-§1, as enacted by PL 2021, c. 672, §6, is amended to read:
13 14 15	1. Use permitted. Except as provided in Title 12, chapter 423-A, a municipality with <u>a population over 10,000</u> shall allow an accessory dwelling unit to be located on the same lot as a single-family dwelling unit in any area in which housing is permitted.
16 17	Sec. 5. 30-A MRSA §4364-B, sub-§13, as enacted by PL 2021, c. 672, §6, is amended to read:
18 19	13. Implementation. A municipality is not required to implement the requirements of this section until July 1, 2023 October 1, 2023.
20	Sec. 6. 30-A MRSA §4364-B, sub-§14 is enacted to read:
21 22	14. Applicability. The requirements of this section apply only to a municipality with a population over 10,000.
23 24	Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.
25	SUMMARY
26 27	This bill makes the following provisions applicable only to a municipality with a population over 10,000:
28 29 30 31 32	1. The requirement that a municipality allow up to 4 dwelling units per lot if that lot does not contain an existing dwelling unit and the lot is located in a designated growth area within a municipality or if the lot is served by a public, special district or other centrally managed water system and a public, special district or other comparable sewer system in a municipality without a comprehensive plan;
33	2. Certain zoning conditions that apply to dwelling units;
34 35	3. The requirement that a municipality allow an accessory dwelling unit on the same lot as a single-family dwelling unit in any area in which housing is permitted; and
36	4. Other requirements relating to accessory dwelling units.



FIRST REGULAR SESSION-2023

Legislative Document

No. 341

H.P. 215

House of Representatives, January 30, 2023

An Act to Amend the Maine Tree Growth Tax Law to Encourage Housing Construction

Reference to the Joint Select Committee on Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative DUCHARME of Madison.

Cosponsored by Representatives: ARATA of New Gloucester, CARMICHAEL of Greenbush, DUNPHY of Embden, LANDRY of Farmington, THORNE of Carmel, Senator: FARRIN of Somerset.

Sec. 1. 36 MRSA §581, sub-§3, as amended by PL 2021, c. 630, Pt. C, §5, is further
 amended to read:

3. Penalty. If Except as provided in subsection 3-A, if land is withdrawn from taxation
under this subchapter, the assessor shall impose a penalty upon the owner. The penalty is
the greater of:

7 A. An amount equal to the taxes that would have been assessed on the land on the first 8 day of April for the 5 tax years, or any lesser number of tax years starting with the year in which the land was first classified, preceding the withdrawal had that land been 9 10 assessed in each of those years at its just value on the date of withdrawal less all taxes paid on that land over the preceding 5 years, or any lesser number of tax years starting 11 with the year in which the land was first classified, and increased by interest at the 12 prevailing municipal rate from the date or dates on which those amounts would have 13 14 been payable; and

- B. An amount computed by multiplying the amount, if any, by which the just value of
 the land on the date of withdrawal exceeds the 100% valuation of the land pursuant to
 this subchapter on the preceding April 1st by the following rates.
- 18 (1) If the land was subject to valuation under this subchapter for 10 years or fewer
 19 prior to the date of withdrawal, the rate is 30%.
- (2) If the land was subject to valuation under this subchapter for more than 10
 years prior to the date of withdrawal, the rate is 30% reduced by one percentage
 point for each full year beyond 10 years that the land was subject to valuation under
 this subchapter prior to the date of withdrawal, except that the minimum rate is
 20%.

For purposes of this subsection <u>and subsection 3-A</u>, just value at the time of withdrawal is the assessed just value of comparable property in the municipality adjusted by the municipality's certified assessment ratio.

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Sec. 2. 36 MRSA §581, sub-§3-A is enacted to read:

29 3-A. Penalty; use of land for single-family housing construction. If land is 30 withdrawn from taxation under this subchapter and a portion of the land will be used for construction of single-family residential housing and the conditions required for building 31 32 construction are met within 2 years of withdrawal, the assessor shall impose a penalty upon the owner that is the lesser of the amounts calculated under subsection 3, paragraphs A and 33 34 B. If single-family residential housing on the land is not completed within 2 years of 35 withdrawal or the conditions required for building construction are not met, the penalty must be calculated under subsection 3 and a supplemental penalty may be assessed. 36

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SUMMARY

This bill reduces the penalty for withdrawal of land from classification under the Maine
 Tree Growth Tax Law if the land is used for the construction of single-family residential
 housing and the conditions required for building construction are met within 2 years of
 withdrawal.



FIRST REGULAR SESSION-2023

Legislative Document

No. 665

H.P. 434

House of Representatives, February 16, 2023

An Act to Extend the Date by Which Compliance is Required for Affordable Housing Development, Increased Numbers of Dwelling Units and Accessory Dwelling Units

Reference to the Joint Select Committee on Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative HEPLER of Woolwich. Cosponsored by Representatives: CRAY of Palmyra, HALL of Wilton, LANDRY of Farmington, MATLACK of St. George, MEYER of Eliot, PLUECKER of Warren, ROBERTS of South Berwick, Senator: BLACK of Franklin.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. 30-A MRSA §4364, first ¶, as enacted by PL 2021, c. 672, §4, is amended to read:
4 5 6	For an affordable housing development approved on or after July 1, 2023 2025, a municipality with density requirements shall apply density requirements in accordance with this section.
7 8	Sec. 2. 30-A MRSA §4364-A, sub-§2, ¶B, as enacted by PL 2021, c. 672, §5, is amended to read:
9 10 11	B. A municipal zoning ordinance may establish a prohibition or an allowance for lots where a dwelling unit in existence after July 1, $2023 \ 2025$ is torn down and an empty lot results.
12 13	Sec. 3. 30-A MRSA §4364-A, sub-§10, as enacted by PL 2021, c. 672, §5, is amended to read:
14 15	10. Implementation. A municipality is not required to implement the requirements of this section until July 1, $\frac{2023}{2025}$.
16 17	Sec. 4. 30-A MRSA §4364-B, sub-§2, as enacted by PL 2021, c. 672, §6, is amended by amending the first blocked paragraph to read:
18 19	This subsection does not restrict the construction or permitting of accessory dwelling units constructed and certified for occupancy prior to July 1, $\frac{2023}{2025}$.
20 21	Sec. 5. 30-A MRSA §4364-B, sub-§4, ¶B, as corrected by RR 2021, c. 2, Pt. A, §110, is amended to read:
22 23 24 25 26 27 28 29	B. For an accessory dwelling unit located within the same structure as a single-family dwelling unit or attached to or sharing a wall with 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, except for an accessory dwelling unit permitted in an existing accessory building or secondary building or garage as of July 1, 2023 2025, in which case the requisite setback requirements for such a structure apply. A municipality may establish more permissive dimensional and setback requirements for an accessory dwelling unit.
30 31	Sec. 6. 30-A MRSA §4364-B, sub-§13, as enacted by PL 2021, c. 672, §6, is amended to read:
32 33	13. Implementation. A municipality is not required to implement the requirements of this section until July 1, $\frac{2023}{2025}$.
34	SUMMARY
35 36 37	This bill amends, from July 1, 2023 to July 1, 2025, the date by which laws must be implemented regarding affordable housing development, increased numbers of dwelling units and accessory dwelling units enacted by Public Law 2021, chapter 672.



FIRST REGULAR SESSION-2023

Legislative Document

No. 801

H.P. 490

House of Representatives, February 21, 2023

An Act to Require Municipalities to Obtain Housing Units for Residents Experiencing Homelessness

Reference to the Committee on State and Local Government suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative PERRY of Bangor.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 30-A MRSA §3112 is enacted to read:
3	§3112. Housing for persons experiencing homelessness
4 5 6 7	The municipal officers or the officers' designee of a municipality shall obtain or arrange for and maintain at least one housing unit within the municipality for every 1,000 residents of the municipality in order to provide living spaces for persons experiencing homelessness.
8	SUMMARY
9 10 11 12	This bill requires the municipal officers or the officers' designee of a municipality to obtain or arrange for and maintain at least one housing unit within the municipality for every 1,000 residents of the municipality in order to provide living spaces for persons experiencing homelessness.



FIRST REGULAR SESSION-2023

Legislative Document

No. 1134

H.P. 720

House of Representatives, March 13, 2023

An Act to Improve Housing Affordability by Amending the Definition of "Subdivision" Under the Site Location of Development Laws

Reference to the Joint Select Committee on Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative BOYLE of Gorham.

Sec. 1. 38 MRSA §482, sub-§5, as amended by PL 1997, c. 603, §2, is further
 amended to read:

4 5. Subdivision. A "subdivision" is the division of a parcel of land into 5 or more lots 5 to be offered for sale or lease to the general public during any 5-year period, if the aggregate land area includes more than 20 acres; except that when all lots are for single-family, 6 detached, residential housing, common areas or open space a "subdivision" is the division 7 8 of a parcel of land into $\frac{15}{20}$ or more lots to be offered for sale or lease to the general public 9 within any 5-year 3-year period, if the aggregate land area includes more than 30 50 acres. The aggregate land area includes lots to be offered together with the roads, common areas, 10 easement areas and all portions of the parcel of land in which rights or interests, whether 11 express or implied, are to be offered. This definition of "subdivision" is subject to the 12 13 following exceptions:

- 14 C. Lots of 40 or more acres but not more than 500 acres may not be counted as lots 15 except where:
 - (1) The proposed subdivision is located wholly or partly within the shoreland zone;
 - C-1. Lots of more than 500 acres in size may not be counted as lots;

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- D. Five years after a subdivider establishes a single-family residence for that
 subdivider's own use on a parcel and actually uses all or part of the parcel for that
 purpose during that period, a lot containing that residence may not be counted as a lot;
- E. Unless intended to circumvent this article, the following transactions may not be considered lots offered for sale or lease to the general public:
- (1) Sale or lease of lots to an abutting owner or to a spouse, child, parent,
 grandparent or sibling of the developer if those lots are not further divided or
 transferred to a person not so related to the developer within a 5-year period, except
 as provided in this subsection;
- 27 (2) Personal, nonprofit transactions, such as the transfer of lots by gift, if those lots
 28 are not further divided or transferred within a 5-year period or the transfer of lots
 29 by devise or inheritance; or
- 30 (3) Grant of a bona fide security interest in the whole lot or subsequent transfer of
 31 the whole lot by the original holder of the bona fide security interest or that person's
 32 successor in interest;
- F. In those subdivisions that would otherwise not require site location approval, unless
 intended to circumvent this article, the following transactions may not, except as
 provided, be considered lots offered for sale or lease to the general public:
- 36 (1) Sale or lease of common lots created with a conservation easement as defined
 37 in Title 33, section 476, provided that as long as the department is made a party;
 38 and
- H. The transfer of contiguous land by a permit holder to the owner of a lot within a permitted subdivision is exempt from review under this article, provided that as long as the land was not owned by the permit holder at the time the department approved

1 the subdivision. Further division of the transferred land must be reviewed under this 2 article.

3 The exception described in paragraph F does not apply, and the subdivision requires site location approval, whenever the use of a lot described in paragraph F changes or the lot is 4 5 offered for sale or lease to the general public without the limitations set forth in paragraph F. For the purposes of this subsection only, a parcel of land is defined as all contiguous 6 land in the same ownership provided that as long as lands located on opposite sides of a 7 8 public or private road are considered each a separate parcel of land unless that road was 9 established by the owner of land on both sides of the road subsequent to January 1, 1970. 10 A lot to be offered for sale or lease to the general public is counted, for purposes of determining jurisdiction, from the time a municipal subdivision plan showing that lot is 11 recorded or the lot is sold or leased, whichever occurs first, until 5 years after that recording, 12 13 sale or lease.

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SUMMARY

15 Under the site location of development laws, the term "subdivision" includes the 16 division of a parcel of land into 15 or more lots to be offered for sale or lease to the general public within any 5-year period if the aggregate land area includes more than 30 acres and 17 18 when all the lots are for single-family, detached, residential housing, common areas or open 19 space. This bill amends those laws to provide that the term "subdivision" includes the 20 division of a parcel of land into 20 or more lots to be offered for sale or lease to the general 21 public within any 3-year period if the aggregate land area includes more than 50 acres and 22 when all the lots are for single-family, detached, residential housing, common areas or open 23 space.



FIRST REGULAR SESSION-2023

Legislative Document

No. 1257

H.P. 805

House of Representatives, March 21, 2023

An Act to Increase Housing Capacity and Protect the Municipal Tax Base and Working Lands

Reference to the Joint Select Committee on Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative CRAFTS of Newcastle. Cosponsored by Senator HICKMAN of Kennebec and Representatives: ANKELES of Brunswick, DUCHARME of Madison, GEIGER of Rockland, JAUCH of Topsham, LANDRY of Farmington, PLUECKER of Warren, POLEWARCZYK of Wiscasset.

1 Be it enacted by the People of the State of Maine as follows: 2 Sec. 1. 30-A MRSA §4301, sub-§1-D is enacted to read: 1-D. Administrative reviewing authority. "Administrative reviewing authority" 3 means a municipal employee or other designee of a municipality. 4 5 Sec. 2. 30-A MRSA §4301, sub-§12, as enacted by PL 1989, c. 104, Pt. A, §45 6 and Pt. C, §10, is amended to read: 7 12. Municipal reviewing authority. "Municipal reviewing authority" means the municipal planning board, agency or, office, or administrative reviewing authority or, if 8 9 none, the municipal officers. Sec. 3. 30-A MRSA §4401, sub-§2-C is enacted to read: 10 2-C. Municipal site plan review. "Municipal site plan review" means review under 11 a municipal ordinance that sets forth a process for determining whether a development 12 meets certain specified criteria, which must include criteria regarding storm water 13 management, sewage disposal, water supply and vehicular access and that may include 14 criteria regarding other environmental effects, layout, scale, appearance and safety. 15 Sec. 4. 30-A MRSA §4401, sub-§4, as amended by PL 2019, c. 174, §1, is further 16 amended to read: 17 18 4. Subdivision. "Subdivision" means the division of a tract or parcel of land into 3 or 19 more lots within any 5-year period that begins on or after September 23, 1971. This definition applies whether the division is accomplished by sale, lease, development, 20 21 buildings or otherwise. The term "subdivision" also includes the division of a new structure 22 or structures on a tract or parcel of land into $\frac{3}{4}$ 4 or more dwelling units within a 5-year 23 period, the construction or placement of 3 4 or more dwelling units on a single tract or 24 parcel of land and the division of an existing structure or structures previously used for commercial or industrial use into 3 4 or more dwelling units within a 5-year period. 25 26 A. In determining whether a tract or parcel of land is divided into 3 or more lots, the 27 first dividing of the tract or parcel is considered to create the first 2 lots and the next 28 dividing of either of these first 2 lots, by whomever accomplished, is considered to 29 create a 3rd lot, unless: 30 (1) Both dividings are accomplished by a subdivider who has retained one of the 31 lots for the subdivider's own use as a single-family residence that has been the subdivider's principal residence for a period of at least 5 years immediately 32 33 preceding the 2nd division; or 34 (2) The division of the tract or parcel is otherwise exempt under this subchapter. 35 B. The dividing of a tract or parcel of land and the lot or lots so made, which dividing 36 or lots when made are not subject to this subchapter, do not become subject to this subchapter by the subsequent dividing of that tract or parcel of land or any portion of 37 that tract or parcel. The municipal reviewing authority shall consider the existence of 38 39 the previously created lot or lots in reviewing a proposed subdivision created by a 40 subsequent dividing. 41 C. A lot of 40 or more acres must be counted as a lot, except:

1 (2) When a municipality has, by ordinance, or the municipal reviewing authority 2 has, by regulation, elected not to count lots of 40 or more acres as lots for the 3 purposes of this subchapter when the parcel of land being divided is located 4 entirely outside any shoreland area as defined in Title 38, section 435 or a 5 municipality's shoreland zoning ordinance. 6 D-1. A division accomplished by devise does not create a lot or lots for the purposes of this definition, unless the intent of the transferor is to avoid the objectives of this 7 8 subchapter. 9 D-2. A division accomplished by condemnation does not create a lot or lots for the 10 purposes of this definition, unless the intent of the transferor is to avoid the objectives of this subchapter. 11 12 D-3. A division accomplished by order of court does not create a lot or lots for the 13 purposes of this definition, unless the intent of the transferor is to avoid the objectives of this subchapter. 14 15 D-4. A division accomplished by gift to a person related to the donor of an interest in property held by the donor for a continuous period of 5 years prior to the division by 16 17 gift does not create a lot or lots for the purposes of this definition, unless the intent of 18 the transferor is to avoid the objectives of this subchapter. If the real estate exempt under this paragraph is transferred within 5 years to another person not related to the 19 20 donor of the exempt real estate as provided in this paragraph, then the previously 21 exempt division creates a lot or lots for the purposes of this subsection. "Person related 22 to the donor" means a spouse, parent, grandparent, brother, sister sibling, child or 23 grandchild related by blood, marriage or adoption. A gift under this paragraph can not 24 cannot be given for consideration that is more than 1/2 the assessed value of the real 25 estate. 26 D-5. A division accomplished by a gift to a municipality if that municipality accepts 27 the gift does not create a lot or lots for the purposes of this definition, unless the intent 28 of the transferor is to avoid the objectives of this subchapter. 29 D-6. A division accomplished by the transfer of any interest in land to the owners of 30 land abutting that land does not create a lot or lots for the purposes of this definition, unless the intent of the transferor is to avoid the objectives of this subchapter. If the 31 32 real estate exempt under this paragraph is transferred within 5 years to another person 33 without all of the merged land, then the previously exempt division creates a lot or lots 34 for the purposes of this subsection. 35 E. The division of a tract or parcel of land into 3 or more lots and upon each of which lots permanent dwelling structures legally existed before September 23, 1971 is not a 36 37 subdivision. F. In determining the number of dwelling units in a structure, the provisions of this 38 39 subsection regarding the determination of the number of lots apply, including 40 exemptions from the definition of a subdivision of land. H-2. This subchapter may not be construed to prevent a municipality from enacting an 41 ordinance under its home rule authority that otherwise regulates land use activities. 42 43 A municipality may not enact an ordinance that expands the definition of "subdivision" except as provided in this subchapter. A municipality that has a definition of 44

1 2 3 4 5 6 7	"subdivision" that conflicts with the requirements of this subsection at the time this paragraph takes effect shall comply with this subsection no later than January 1, 2021. Such a municipality must file its conflicting definition at the county registry of deeds by June 30, 2020 for the definition to remain valid for the grace period ending January 1, 2021. A filing required under this paragraph must be collected and indexed in a separate book in the registry of deeds for the county in which the municipality is located.
8 9 10 11 12	I. The grant of a bona fide security interest in an entire lot that has been exempted from the definition of subdivision under paragraphs D-1 to D-6, or subsequent transfer of that entire lot by the original holder of the security interest or that person's successor in interest, does not create a lot for the purposes of this definition, unless the intent of the transferor is to avoid the objectives of this subchapter.
13 14	Sec. 5. 30-A MRSA §4402, sub-§4, as amended by PL 2017, c. 104, §2, is further amended to read:
15 16 17	4. Airports with an approved airport layout plan. Any airport with an airport layout plan that has received final approval from the airport sponsor, the Department of Transportation and the Federal Aviation Administration; <u>or</u>
18 19	Sec. 6. 30-A MRSA §4402, sub-§5, ¶D, as amended by PL 2017, c. 104, §3, is further amended to read:
20 21	D. That has been the subject of an enforcement action or order, and record of the action or order was recorded in the appropriate registry of deeds; or.
22 23	Sec. 7. 30-A MRSA §4402, sub-§6, as amended by PL 2019, c. 174, §2, is repealed.
24	Sec. 8. 30-A MRSA §4402, sub-§7 is enacted to read:
25 26 27 28 29	7. Structures on single lots in designated growth areas. The construction or placement of, or the division of an existing structure into, more than 3 but not more than 18 dwelling units on a single lot located in a designated growth area within a municipality, as described in section 4349-A, subsection 1, paragraph A or B, where the project is subject to municipal site plan review.
30 31	Sec. 9. 30-A MRSA §4403, sub-§1, as enacted by PL 1989, c. 104, Pt. A, §45 and Pt. C, §10, is amended to read:
32 33 34 35	1. Municipal reviewing authority. The Except as provided in subsection 1-B, the municipal reviewing authority shall review all requests for subdivision approval. On all matters concerning subdivision review, the municipal reviewing authority shall maintain a permanent record of all its meetings, proceedings and correspondence.
36	Sec. 10. 30-A MRSA §4403, sub-§1-B is enacted to read:
37 38 39 40 41 42	1-B. Review by administrative reviewing authority. Notwithstanding any provision of this section to the contrary, the administrative reviewing authority shall review an application for subdivision approval that proposes the construction or placement of, or the division of an existing structure into, more than 3 but not more than 18 dwelling units on a single lot in a designated growth area within a municipality, as described in section 4349-A, subsection 1, paragraph A or B, and, if the municipality has adopted an ordinance providing

 for municipal site plan review, the administrative reviewing authority shall review the application in accordance with the municipal site plan review process.
 Sec. 11. 30-A MRSA §4404, sub-§19, as amended by PL 2003, c. 622, §3, is further amended to read:

19. Impact on adjoining municipality. For any proposed subdivision that crosses municipal boundaries, the proposed subdivision will not cause unreasonable traffic congestion or unsafe conditions with respect to the use of existing public ways in an adjoining municipality in which part of the subdivision is located; and

9 Sec. 12. 30-A MRSA §4404, sub-§20, as enacted by PL 2003, c. 622, §4 and
10 amended by PL 2011, c. 657, Pt. W, §§5, 7 and amended by PL 2013, c. 405, Pt. A, §23,
11 is amended by amending the first blocked paragraph to read:

For the purposes of this subsection, "liquidation harvesting" has the same meaning as in Title 12, section 8868, subsection 6 and "parcel" means a contiguous area within one municipality, township or plantation owned by one person or a group of persons in common or joint ownership. This subsection takes effect on the effective date of rules adopted pursuant to Title 12, section 8869, subsection 14.; and

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Sec. 13. 30-A MRSA §4404, sub-§21 is enacted to read:

21. Designated rural areas. The proposed subdivision is not located in an area
 identified and designated in the municipality's comprehensive plan as a rural area, unless
 the area is a designated growth area, as described in section 4349-A, subsection 1,
 paragraph A or B, or an area for which the municipality has adopted a plan governing the
 approval of subdivisions.

23 SUMMARY

This bill makes the following changes to the laws governing subdivisions.

I. It removes from subdivision review any projects that would result in the construction
 or placement of, or the division of an existing structure into, 3 dwelling units on a single
 tract or parcel of land. Current law provides that any such projects that would result in 3 or
 more dwelling units may be subject to subdivision review.

29 2. It removes from subdivision review any projects that would result in the construction
30 or placement of, or the division of an existing structure into, more than 3 but not more than
31 18 dwelling units on a single lot located in a designated growth area within a municipality
32 where the project is subject to municipal site plan review.

33 3. It adopts a definition for "administrative reviewing authority," which means a municipal employee or other designee of a municipality. It also provides that the 34 35 administrative reviewing authority must review any subdivision application that proposes 36 the construction or placement of, or the division of an existing structure into, more than 3 but not more than 18 dwelling units on a single lot in a designated growth area and, if the 37 municipality has adopted a municipal site plan review ordinance, the administrative 38 39 reviewing authority must review the application in accordance with the municipal site plan 40 review process.

41 4. It requires a municipal reviewing authority, when reviewing an application for 42 subdivision approval, to determine that the proposed subdivision is not located in an area

- 1
- identified and designated in the municipality's comprehensive plan as a rural area, unless the area is a designated growth area or an area for which the municipality has adopted a 2
- 3 plan governing the approval of subdivisions.



FIRST REGULAR SESSION-2023

Legislative Document

No. 1298

H.P. 823

House of Representatives, March 23, 2023

An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing

Reference to the Committee on Taxation suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative SKOLD of Portland. Cosponsored by Senator CHIPMAN of Cumberland and Representatives: CROCKETT of Portland, DODGE of Belfast, MATLACK of St. George, RANA of Bangor, TERRY of Gorham, WARREN of Scarborough, WILLIAMS of Bar Harbor, Senator: BAILEY of York.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 36 MRSA §1821 is enacted to read:
3	<u>§1821. Municipal local option sales tax on short-term lodging</u>
4 5	1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
6 7	<u>A. "Affordable housing" has the same meaning as in Title 30-A, section 5002, subsection 2.</u>
8	B. "Local option sales tax" means a sales tax imposed pursuant to subsection 2.
9 10	<u>C.</u> "Lower income households" has the same meaning as in Title 30-A, section 5002, subsection 11.
11 12	D. "Moderate income households" has the same meaning as in Title 30-A, section 5002, subsection 12.
13 14	E. "Participating municipality" means a municipality that has imposed a local option sales tax pursuant to this section.
15 16 17 18 19	<u>F.</u> "Program for affordable housing" includes a housing development involving construction or renovation that is wholly or partly subsidized by municipal funds for which at least 50% of units are affordable housing units, rental assistance for lower income households and moderate income households and other programs that provide assistance for or support affordable housing.
20 21 22 23 24	2. Authorization to impose local option sales tax. A municipality by referendum conducted pursuant to subsection 9 may impose a local option sales tax of 1% on the value of rental of living quarters in any hotel, rooming house, tourist or trailer camp, accommodations rented via a transient rental platform or any other accommodation for which the rental duration is any single nonrenewable period of less than 30 days.
25 26 27	3. Local option sales tax limited to lodging. A municipality may not impose a local option sales tax on the value of rental of living quarters of any hotel, rooming house or tourist or trailer camp not subject to tax under section 1811.
28 29	4. Notify State Tax Assessor. A participating municipality shall notify the assessor at least 90 days before the local option sales tax is effective.
30 31 32 33 34	5. Administration. A retailer in a participating municipality shall transfer the revenue from a local option sales tax at the time and in the manner provided in section 1951-A for the transfer of state sales tax revenue. The tax is subject to the same enforcement provisions, interest, penalties and administrative actions as other taxes assessed under this Part.
35 36 37 38 39 40 41	6. Distribution of revenue. On a quarterly basis, the assessor shall identify the amount of revenue attributable to each participating municipality under this section, subtract the costs of administering this section and certify the net amount for that municipality to the Treasurer of State for distribution pursuant to this subsection. From the net amount certified for a municipality under this subsection, the Treasurer of State shall make monthly payments to the participating municipality. For the purposes of this subsection, the unorganized territory must receive reimbursement as if it is one
42	municipality and "costs of administering this section" means the lesser of the actual cost to

1 2	the assessor of administering this section and 2% of the total revenue generated by a local option sales tax.
3 4 5	7. Revenue restricted to affordable housing programs. Revenue received pursuant to subsection 6 may not be used for any purpose other than programs for affordable housing within the participating municipality.
6 7 8 9 10 11 12	8. Effect on revenue sharing and other state aid programs. Revenue distributed pursuant to subsection 6 may not be considered to be receipts from the taxes imposed under this Part for the purpose of transfers to the Local Government Fund under Title 30-A, section 5681. Revenue received pursuant to subsection 6 may not be used to reduce or eliminate any funding otherwise due a municipality under any provision of law providing aid to the municipality, including, but not limited to, aid for schools, roads, public assistance or jails.
13 14 15	9. Referendum. The question of whether to impose a local option sales tax must be submitted in accordance with this subsection to the legal voters of a municipality that seeks to impose the local option sales tax.
16	A. The referendum question must indicate the rate of the local option sales tax.
17 18 19	B. The petition process and voting must be held and conducted in accordance with Title 30-A, sections 2528, 2529 and 2532 even if the municipality has not accepted the provisions of Title 30-A, section 2528.
20	C. The voting at elections must be held and conducted in accordance with Title 21-A.
21 22 23	D. The municipal clerk shall make a return of the results, certify the results and send them to the Secretary of State. The Secretary of State shall forward the results to the assessor.
24 25	<u>E. The local option sales tax may be discontinued by referendum conducted in the same</u> manner as the referendum adopting the tax under this subsection.
26 27 28 29 30 31	10. Effective date of tax; acceptance by voters. A local option sales tax authorized by this section takes effect 120 days after the municipal referendum vote under subsection 9 if it is accepted by a majority of the legal voters voting at the election and the total number of votes cast equals or exceeds 20% of the total number of votes cast in the municipality in the most recent gubernatorial election. A local option sales tax may not take effect before July 1, 2024.
32	SUMMARY
33	This bill allows a municipality to impose a local option sales tax of 1% on short-term
34 35 36 37	lodging that is subject to the state sales and use tax if approved by referendum of the voters in that municipality. The revenue from the local option sales tax must be distributed to the municipality imposing the local option sales tax. The distributed revenue must be used in municipal programs that support affordable housing development in that municipality,
38 39 40 41	including rental assistance for lower income households or moderate income households. Revenue received by a municipality may not be used to reduce or eliminate funding otherwise due the municipality under other provisions of law. The local option sales tax may not take effect before July 1, 2024.



FIRST REGULAR SESSION-2023

Legislative Document

No. 1358

H.P. 872

House of Representatives, March 28, 2023

An Act to Clarify Density Requirements for Affordable Housing Developments

Reference to the Joint Select Committee on Housing suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative KUHN of Falmouth. Cosponsored by Senator BRENNER of Cumberland and Representatives: GATTINE of Westbrook, GERE of Kennebunkport, GOLEK of Harpswell, MALON of Biddeford, MORIARTY of Cumberland, MURPHY of Scarborough, STOVER of Boothbay, ZAGER of Portland.

18

Sec. 1. 30-A MRSA §4364, sub-§1, as enacted by PL 2021, c. 672, §4, is amended to read:

4 **1. Definition.** For the purposes of this section, "affordable housing development" 5 means:

6 A. For rental housing, a development in which a household whose income does not 7 exceed 80% of the median income for the area as defined by the United States 8 Department of Housing and Urban Development under the United States Housing Act 9 of 1937, Public Law 75-412, 50 Stat. 888, Section 8, as amended, can afford a majority 10 of the units that the developer designates as affordable in the development without 11 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 that the developer designates as affordable in the development without spending more than 30% of the household's monthly income on housing costs.

SUMMARY

19 This bill changes the definition of "affordable housing development" in the laws 20 governing affordable housing density to provide that an affordable housing development is 21 a development in which a household whose income does not exceed certain levels can 22 afford a majority of the units in the development without spending more than 30% of the 23 household's monthly income on housing costs.