

MEMORANDUM

To: Commission to Increase Housing Opportunities in Maine by Studying Zoning & Land Use Restrictions

From: Commissioners Cooperrider, Levine and Totman

October 24, 2021

RE: PROPOSED COMMISSION RECOMMENDATIONS

After reviewing the ideas presented by Commission members and the public, we offer the following framework for discussion of recommended actions from the Commission. This framework includes state legislative actions, additional resources for local governments, and further exploration of the positive and negative impacts of short-term rentals on the housing market in Maine.

1. State Laws

To address the disparate racial impacts of existing zoning rules, as well as to help meet state housing production goals, the Legislature should pass omnibus legislation that includes the following elements:

- ✓ Permits Accessory Dwelling Units in all zoning districts that allow single family homes.
- ✓ Permits at least two dwelling units in all zoning districts that allow single family homes.
- ✓ Provides for an affordable housing floating overlay zone that allows for additional density and other zoning incentives for below-market affordable housing, such as reduced parking requirements, reduced setbacks, increased lot coverage and additional building height allowed by right.
- ✓ Requires every municipality to have at least one “priority development area” where multifamily housing is permitted with limited regulatory barriers.

2. Funding for Local Governments

Local governments will need additional resources to proactively plan for housing production. The state should provide funding for technical assistance for all communities seeking support in making zoning improvements and in identifying and creating priority development areas. Additional finance assistance should be provided to communities that have created priority development areas.

3. Short Term Rentals

Rapid growth of unregulated short-term rentals in Maine has taken existing housing stock out of the year-round rental pool and put upward pressure on rental rates all over Maine. While we are not sure about the long-term impacts of short-term rentals, their popularity is impacting the housing market. The Commission should recommend further exploration of the impact of short-term rentals on housing supply to understand the benefits and drawbacks of regulating short-term rentals.