

Recap of Testimony
9/9/2021

Thank you for your time, and I appreciate your work on such a monumental problem

I'd like to share what I and the City of Auburn has been doing, to help solve the issue of housing scarcity since 2015. And what challenges and solutions we have addressed or implemented

Since 2016 Auburn has approved and had built over 140 workforce housing units in partnership with Maine State Housing, Auburn Housing, and private developers.

Since 2019 Auburn's planning board has approved with some completed, others under construction approximately 250 market rate apartments, and 80 new single family homes.

We also expect another 150 single family homes and apartments to be presented for approval before June 30, 2022.

Over the next three years Auburn will also administer over 5 million in federal funds to remediate lead paint and rehabilitate over 150 existing housing units.

While we are excited by the growth and mix of affordable and market rate, much more needs to be done, not just for Auburn residents but residents throughout southern Maine who are flocking here for housing as soon as they are built.

The following is a list of issues that we identified that are contributing to the high cost of housing that we are trying to address.

1. Parking requirements
2. Exclusionary/low density zoning
3. Artificial scarcity for buildable land
4. Archaic watershed and corresponding septic ordinances (local watershed and water district managed)
5. Income requirements for residential building in Agriculture zone
6. State rev share penalties for adding new residential valuation
7. Restrictive zoning
8. Lack of contractors
9. Lack of downtown owner occupied multi units
10. Lack of building 'missing middle' housing units (2, 3 and 4 unit properties)
11. Excessive permitting and associated fees
12. Excessive and redundant codes and approval process for rehabilitation and new construction.
13. Cost of providing and maintaining utilities due to age of existing units.

Auburn has, or is in the process of implementing the following policy changes.

1. Focus on 'Attainable' housing. Housing that can be built by private developers that will attract residents in a variety of income ranges now and in the future.

2. Conducting a cost of service analysis, showing that we are properly sized and operating fixed infrastructure and services that can handle an additional 2,000 housing units, which will decrease property taxes by approximately 20%, thereby making housing more affordable for all residents.
3. Implemented form based codes in all of our downtown and urban areas.
4. Created an Efficiency Maine matching grant for energy efficiency upgrades that will lower operating costs of Low to moderate income families, thereby making them more affordable and climate friendly.
5. Elimination of commercial parking requirements- allowing more downtown land to be used for residential especially in areas served by sidewalks, proximity to municipal parking and public transportation.
6. Secondary dwelling units-no restrictions on size or use, any area in which residential units are allowed.
7. Waiving all build/rehab fees for veterans.
8. Approved zoning that allows creation of multi family housing in all residential zones, based on zoning density.
9. Focus on developing infill
10. Eliminating over 50% of all permits, fees, impact fees etc...
11. Minimizing the income requirements to build farm related housing within our Agriculture & resource protection zone. (Dropped from 50% of family income to 30%)
12. Aggressive use of TIF's on large residential developments to shelter value increase.
13. New comprehensive plan utilizing guidance from the Mercatus Institute to evaluate the best way to increase housing stock and livability of our City. Proposed massive increases to density some zones are going from 2 units per acre to 8 and from 4 to 16
14. Commissioned a comprehensive study of Lake Auburn watershed so that we can implement best practices to allow for low impact development, ecological protection and maintain purity of our drinking water source. By using science we can accomplish all three goals.

SUGGESTIONS

Focus on subsidizing new market rate construction on a per affordable unit basis. For example if a developer is building 50 new market rate units, pay the difference in market rate rent and affordable rent for a period of 10 years on 25% of the units. This allows the developer to use the subsidy to offset upfront costs and locks in affordable rents for a period of time. The overall increase in units, whether subsidized or not, increase supply.

Invest in missing middle housing that can be used as infill while providing opportunities for owner occupied. For example, identify moderate income owner occupiers, and provide grants of \$30k to 40k per unit built up to 4 with commitment that for each unit subsidized they will be rented to someone who falls within the LMI range for a period of x amount of years.

Pass legislation that prohibits income requirements tied to any type of municipal zone. For example Auburn's agriculture zone requires that you derive 30% of your income from farming in order to build a residence. This was put into place in 1964 with the sole intent of stopping new

development and preventing minorities and low income individuals from moving to the historically high income areas of Auburn.

Rethink state revenue share and other unintended penalties for municipalities who increase value through housing. Modify state revenue share formulas so they do not discourage residential development. Municipalities are enacting policies that are anti growth in order to maximize state revenue share.

Change narrative on growth. Smart growth is good, we need it and we should welcome it. For example the 2002 State of Maine Comprehensive Planning guide quotes unsubstantiated data and promotes a narrative that is anti residential development. Unified messaging throughout all State departments and training on 'smart growth is OK'.

Ensuring that current state fire and safety ordinances are not counter productive such as current requirements for sprinklers and additions to existing buildings which make rehabilitation not cost effective. Good intent, poor execution

Best regards,

Jason Levesque
Mayor of Auburn Maine

Mayor Levesque's Housing Development Shelter Proposal

The incentive program would:

Shelter the value of new residential housing units developed in the previous year and located in communities with populations that exceed 10,000.

Provided the municipality eliminates onsite parking requirements for new housing developments and designates as affordable at least 25% of the units in a development of four or more units.

FY 2022 Projected Municipal Revenue Sharing

Auburn	Sheltered Value of Housing Investment				
	Current	\$50M Investment	50% Incentive	75% Incentive	100% Incentive
Tax Commitment	\$ 43,735,218	\$ 43,735,218	\$ 43,735,218	\$ 43,735,218	\$ 43,735,218
100% Assessed Value	2,175,900,000	2,225,900,000	2,200,900,000	2,188,400,000	2,175,900,000
Mil Rate	20.10	19.65	19.87	19.99	20.10
Revenue Sharing	4,346,995	4,225,664	4,285,667	4,316,163	4,346,995.47
Difference		(121,332)	(61,329)	(30,833)	-