

From: George Rheault <george.rheault@gmail.com>
Sent: Thursday, October 7, 2021 10:25 AM
To: Risler, Hillary <Hillary.Risler@legislature.maine.gov>
Cc: Prawer, Samuel <Samuel.Prawer@legislature.maine.gov>
Subject: Public Comment: State Policy & Local Growth Limits

This message originates from outside the Maine Legislature.

I had hoped the Commission, at this point in its work, would have been able to examine in-depth how state policy intertwines with the path of artificially-induced scarcity and NIMBYism that local land-use control has bestowed upon Maine communities since the advent of zoning (but which really ramped up in Maine post-1970).

This year has produced some excellent examples of how when parts of Maine actually manage to see some population and economic growth, the local and state land-use regimes, working in tandem, help squelch it. Please see attached two recent news stories regarding growth limits in action in Cumberland County.

While limiting the growth of detached homes may be helpful in concept as part of a robust climate change mitigation effort, the growth caps currently in operation in many affluent (and even non-affluent) Maine communities actually do little to help on the climate change front.

Instead such growth caps simply encourage greater regional sprawl including harmful greenfield development in less expensive, easier-to-develop areas. The benefits accrue only to local incumbent homeowners (in the form of higher prices and perceived better quality of life due to lower density) while all the costs and downsides get pushed onto the regional transportation network (more congestion, more demands for new infrastructure and higher maintenance costs of existing infrastructure) and those who cannot afford to buy into established communities which keep pushing development elsewhere.

Because the Commission has such a limited purview and even less time to devote to serious study of this phenomenon, it should make it clear to the Legislature that a completely new "top-down" equitable state land-use policy needs to be put in place that can address this very real landscape in a holistic fashion.

Risler, Hillary

From: George Rheault <george.rheault@gmail.com>
Sent: Wednesday, October 27, 2021 4:34 PM
To: Risler, Hillary; Prawer, Samuel
Subject: Commission Public Comment - Project Cost Caps Artificially Limiting Housing Opportunity
Attachments: Bangor Daily News - December 2011 Article re Affordable Housing Cost Containment.pdf

This message originates from outside the Maine Legislature.

As I have already expressed to the Commission in my direct testimony, the Commission should be making every effort with its limited mandate (and time) to highlight roadblocks to maximizing housing opportunities in Maine.

Included in that work should be analyzing how funding mandates via Maine State Housing negatively interplay with zoning and other land-use restrictions in order to reduce the scope of individual projects.

I pointed out a great case study for this examination is the proposed 210 Valley Street project in Portland that AVESTA Housing has been working on the last few years.

By driving down unit production and diluting the impact of the public and private investments being made on a site-by-site basis, Maine State Housing policy is actively hurting housing production.

The reason why this is excused and even encouraged by our state policy-makers is limiting the density, height and impact of affordable housing projects through arbitrary "cost caps" is a political "safety valve" for municipalities (and their politicians) who know that Maine State Housing will have their backs in terms of making sure that affordable housing projects maintain modest footprints even if this means they are underbuilt and are much more expensive to build on a per-unit basis. In order to "make the numbers work," affordable housing developers consistently have to SHRINK their unit counts when they are confronted with cost increases in order to stay under the Maine State Housing cost formulas. This both wastes land and other sunk development costs, it soaks up valuable subsidies that cannot be deployed elsewhere to create more housing.

Watch the discussion here beginning approximately after the 2 hr 9 min mark when Catherine Elliot, an AVESTA development officer, explains why AVESTA could not take full advantage of the available zoning envelope to provide more homes for more people:

https://townhallstreams.com/stream.php?location_id=42&id=31142

The Commission should demand that Maine State Housing and AVESTA employees unpack what was going on here so that the Commission can fully understand the implications of the existing system and how it can be reformed.

[Project details: Level III Site Plan and Subdivision; 210 Valley Street; Avesta Valley Street, LP., Applicant. - proposal for the development of a 5-story, 72,113 square foot affordable residential building with 60 units at 210 Valley Street. The subject property is 14,964 square feet in size and is zoned B2.]

Additionally, I am attaching a news article from 2011 that helps highlight the tensions and politicization of affordable housing funding mechanisms that directly impact what projects can do at a local level, particularly by clumsily undercutting the necessary flexibility that any site development must have to make for a financially viable project.

The Commission could make a strong statement that these problems at the state level must be confronted and fixed if we as a state are to make the most of limited affordable housing public subsidies every chance we can get and therefore begin to address the massive backlog of demand for affordable housing in our communities.

Risler, Hillary

From: George Rheault <george.rheault@gmail.com>
Sent: Thursday, October 28, 2021 10:46 AM
To: Risler, Hillary; Prawer, Samuel
Subject: Commission Public Comment - The Need to Get the History Right...
Attachments: Mitchell Cope - Homebuilder Biography.pdf

This message originates from outside the Maine Legislature.

While grateful that the Commission has given some serious time and attention to the legacy of racism (especially exclusionary zoning) as part of its examination of land use restrictions, the reality is that a much more in-depth investigation of the history surrounding Maine's land-use policies is needed, in part to flesh out its discriminatory impacts but also to simply understand the full pageant of what has taken place since zoning was first introduced in Portland in the mid-1920s.

I therefore URGE the Commission to include in its recommendations the formation of a multi-year historical working group which would be guided by trained historians (although not composed exclusively of credentialed academics) to produce a comprehensive compendium of Maine land-use restrictions including a timeline of key events with which to guide future legislators and the general public to help educate everyone on how we got here.

I have attached a short biography of Mitchell Cope, a Maine personality who had an outsized impact on the evolution of land-use in Maine, particularly the Greater Portland area. Mr. Cope's life and work encapsulates many of the trends that transformed Maine's built landscape including post-WWII suburbanization, urban renewal (mostly a depopulation effort as deployed in Portland), the advent of the "affordable housing" industry and even NIMBY-esque land conservation. While Mr. Cope was merely one of many players on the scene (other good candidates for peering into the history of Maine's contemporary land-use history would include Lyndel J. "Joe" Wishcamper and Robert C.S. "Bobby" Monks and the work of their many partners and associates), his legacy helps remind us that things did not happen by chance here, but were pushed and pulled by actual human beings doing what they thought were best for both themselves and Maine.

The politics surrounding land, who controls it and in what ways, is basically the history of humanity (and precedes the advent of settled civilization). For our purposes here in 21st century Maine, we cannot fully appreciate what the path forward is without some responsible and accurate accounting of the evolution of the zoning power and other related social, economic, cultural and regulatory impacts on land-use that accompanied that evolution. The Commission owes it to everyone to insist that this accounting, including the most recent last few decades, is needed ASAP to help chart an equitable housing future for ALL Mainers.

Risler, Hillary

From: George Rheault <george.rheault@gmail.com>
Sent: Thursday, October 28, 2021 10:46 AM
To: Risler, Hillary; Prawer, Samuel
Subject: Commission Public Comment: What We Can Learn About Reforming Tax Revaluation Policy From 32 Kenwood Street
Attachments: 32 Kenwood Street - Tax Assessor Information.pdf; Totman Transfer Declaration for 32 Kenwood Street.pdf

This message originates from outside the Maine Legislature.

The Commission should include in its recommendations the need to reform how municipalities perform periodic tax revaluations. While not directly involving zoning policy, the way that property tax assessments play out is a key driver in property markets and absolutely connects to land-use policy and regulation.

Right now, municipalities can drag their feet for well over a decade without any consequences as has been seen most recently in Portland. In eras of rising markets as we have seen in the last decade or so, this produces HUGE windfalls for under-taxed homeowners who get the benefits of elevated prices (especially for refinancing purposes including cashing out home equity) while never coming close to bearing their fair share of property tax burdens.

One specific proposal the Commission should embrace investigating is allowing Maine tax assessors to revalue a property IMMEDIATELY upon a SALE. Doing this would tamp down speculation and arbitrage of properties that sell for much higher prices than their assessed values. Ordinary people must pay sales tax on the things they buy at the price they pay for them at that moment. It is unfair that property owners get special protection from having this principle apply to their property purchases which only serves to deprive communities of desperately needed tax revenue and puts an inequitable burden on those property owners that do NOT experience market appreciation at the same rates.

Early in the Commission's work, I cited the example of 32 Kenwood Street as an example of an affordable housing developer taking advantage of exclusionary zoning policy while at the same time decrying NIMBYs' stalling housing projects elsewhere.

32 Kenwood Street also happens to be a great example of how substantial market appreciation can be shielded FOR YEARS from equitable property tax impacts. See attached documents on how this played out at this address as a nice case study.

Risler, Hillary

From: George Rheault <george.rheault@gmail.com>
Sent: Thursday, October 28, 2021 10:46 AM
To: Risler, Hillary; Praver, Samuel
Subject: Commission Public Comment: Ending Homelessness/Displacement Requires Holistic View of Housing Markets
Attachments: Homelessness Is About Housing - Matthew Yglesias.pdf

This message originates from outside the Maine Legislature.

One of the most powerful statements the Commission could make to Mainers is embedded in the attached housing analysis written by Matthew Yglesias.

The point is simple - the more NEW housing product produced for those with the means to purchase it (especially in the most desirable neighborhoods), means LESS competition those same purchasers will exert on existing housing options.

Many people have written about the "musical chairs" quality of the artificially induced scarcity we have forced on our housing markets. Those with limited means, especially our homeless neighbors, can never compete in a bidding war with more affluent people. But massive hurdles that planners and selfish communities impose on new housing developments simply creates even more bidding wars for the existing housing that everyone is left to fight over.

This has played out almost on a daily basis in Portland since the end of the Great Recession with catastrophic results literally measured in death and displacement.

PLEASE do NOT look at the housing problem SOLELY in terms of the narrow lens of "affordable housing" but help everyone understand that a comprehensive and holistic view of the housing landscape is essential for understanding where realistic solutions must emerge if we are to make a dent in this housing mess.

Risler, Hillary

From: George Rheault <george.rheault@gmail.com>
Sent: Thursday, October 28, 2021 10:49 AM
To: Risler, Hillary; Praver, Samuel
Subject: Commission Public Comment: Case Study - Brunswick Naval Air Station Base Housing
Attachments: 2011 News Article re Brunswick Naval Air Station -Surplus- Housing Dispositions.pdf

This message originates from outside the Maine Legislature.

There is no better case study regarding how the political economy surrounding our land-use system works than the last decade or so involving the vast amount of housing left over after the Brunswick Naval Air Station closed. See attached article.

Instead of making cheap housing available to suffering renters and families, the primary concern of vested real estate interests and policy-makers in this situation was to avoid price declines in area markets and avoid "flooding" them with supply. Badly needed regional housing was even DEMOLISHED in order to prop up local landlords and homeowners.

The Commission should ask itself on behalf of everyone priced out of Maine housing:

- Why must housing ALWAYS get MORE expensive rather than less?
- Why is ACTIVELY encouraging scarcity AN EASY SELL but making housing CHEAPER such an uphill climb?"