

LEGISLATIVE ADVOCACY



Maine Real Estate &
Development Association

Supporting Responsible Development

Legislative Update – Fall 2021

November 15, 2021

While much has changed in the world in the last several months, the MEREDA Public Policy Committee has continued to stay engaged on critical matters impacting our members.

MEREDA Engagement in Studies and Commissions – Housing, Tax Expenditures, and Remote Notarization

During the break between the First and Second sessions this summer and fall, MEREDA has been participating in a number of studies and commissions: the Commission to Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions, the Tax Expenditure Review Committee, and a remote notarization working group. We recently submitted comments to the Tax Expenditure Review Working Group as well as the Commission to Increase Housing Opportunities in Maine. Our remarks to the tax expenditure working group highlighted the need to review Maine's tax expenditures in a way that is actionable for policymakers, rather than in reports that live on a shelf. Our comments to the Housing Commission focused on educating members about the complexity and scope of the issue – namely, to find a way to balance affordable (including workforce) housing construction with other priorities, including climate action, wage and labor regulations, and other cost and time drivers. The Housing Commission may make recommendations for consideration by the legislature in the Second Regular Session, and MEREDA will be closely involved in that work. Lastly, MEREDA was given a seat on a working group established in Public Law 2021, Chapter 337, to work with Secretary of State Shenna Bellows to develop recommendations for permanent implementation of remote and online notarization in Maine.

Upcoming Legislative Session

The Second Regular Session of the 130th Maine Legislature will convene on January 5, 2022. There were over 350 state agency and legislator-sponsored bills submitted for consideration in the Second Regular Session. The Legislative Council convened on Monday, October 25, 2021, to conduct an initial vote to either accept or reject the bills for introduction into the Second Regular Session. The Legislative Council voted to accept almost one-third of the bills for introduction in the Second Regular Session. Legislators who had a bill rejected during that initial vote will have an opportunity to appeal the decision if they file their appeals in a timely manner. The Legislative Council will consider appeals at its next meeting on Thursday, November 18, 2021. MEREDA is closely engaged with the bill submission and appeals

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process and will continue to be vigilant in identifying bills of potential interest or harm to MEREDA members.

The Office of Program Evaluation and Government Accountability (OPEGA) Releases Report of its Review of the Maine Historic Rehabilitation Tax Credit (MHRTC)

The Office of Program Evaluation and Government Accountability (OPEGA) has released the report of its review of the Maine Historic Rehabilitation Tax Credit (MHRTC). MEREDA applauds the work of OPEGA and agrees with the findings in the report that the MHRTC is a well-structured, fiscally responsible, effective tax incentive. The MHRTC has helped Maine communities revitalize their downtowns, provide affordable housing, and preserve the character of so many legacy buildings that have contributed to Maine's rich history. We look forward to working with the Government Oversight Committee to provide comments on the report, and to consider recommendations for improving the long-term efficacy of the credit. We will also continue to encourage legislators to eliminate the sunset date on this important program. We will continue to update you on those efforts, but we believe we are very well positioned in light of the positive report. MEREDA wishes to thank its coalition partners in working on this evaluation process: GrowSmart, Maine Preservation, Greater Portland Landmarks, CEI, and the Genesis Fund.

Local Issues Committee

The Local Issues Committee is continuing to work on local land use issues and has become increasingly focused on defending against bad, or patchwork ordinances that make it challenging for developers to make predictable, practical project development plans. For example, last month we submitted comments to the City of South Portland City Council on the proposed tree ordinance, expressing our belief that the ordinance does not represent best practices in smart growth planning and land use. We encouraged the City Council to reject the current proposal because it will result in an unfair, unpredictable, impractical ordinance that will disincentivize housing and economic development and further contribute to the State's housing affordability crisis. We are similarly working with Portland as it navigates its new Green New Deal ordinance and the financial challenges that it has posed for multi-family development in Portland.

MEREDA will continue to remain diligent in protecting its members' interests. Our members represent a critical pillar of the state economy, and we will continue to advocate for policies that are fair, practical, and predictable even as we navigate a new, post COVID-19 environment. We encourage all those who are interested in rolling-up their sleeves and helping to further MEREDA's mission and vision in policy-making to contact Shelly R. Clark, MEREDA's Vice President of Operations at info@mereda.org.

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