

To: Appointed & Elected Municipal Officials Legislative Policy Committee Planning Board Members Municipal Planners & Economic Development Directors E-Bulletin subscribers

From: Rebecca Graham, Senior Legislative Advocate

Date: Friday, June 30, 2023

Re: Housing Mandate Reimbursement

At long last, the Department of Economic and Community Development has released the information municipal officials need to secure funding for the LD 2003 housing mandate enacted by the Legislature in 2022 as PL 2021, c. 672. The announcement below provides information on how municipalities and regional entities can access promised revenues, as well as updates on the 2023 work of the Legislature's Housing Committee.

Of utmost interest to municipalities is the document titled "<u>Municipal Payment Distribution</u> <u>Schedule June 2023</u>," which describes the payment eligibility, amounts and qualifying expenses terms.

As noted, reimbursement will be provided as a one-time payment, and limited to \$10,000 for municipalities with designated growth areas or a public or special district water or sewer system. For communities that have <u>neither</u> a designated growth zone nor a public or special district water or sewer system, reimbursement is limited to \$5,000.

In both cases, only communities that have zoning districts are eligible for reimbursement. Additionally, any unexpended funds must be returned to DECD.

Considering that the mandate law requires the state to reimburse municipalities for 90% of the related costs, in some cases this level of reimbursement may fall short of the actual expenses.

The <u>document</u> also describes eligible expenses, which includes attorney's fees, staff and contractor time and costs associated with publishing notice and conducting public meetings.

To receive funding, municipalities must complete the linked <u>invoice</u> and email the form to DEDC at <u>housing.decd@maine.gov</u>.

Finally, the document provides details on municipal responsibilities and the process for appealing the number, amount, and timing of payments.

If you have questions about this process, please do not hesitate to contact DECD at the email listed above.

Thank you.