What is subdivision law?

30-A M.R.S.A. §4401 - 4407

If you create a subdivision, you must submit an application to the municipal reviewing authority demonstrating that your proposed subdivision meets all the review criteria as set in law.

Municipal reviewing authority is typically the Planning Board.
How does one create a subdivision?

30-A M.R.S.A. §4401.4.

The division of a tract or parcel of land into 3 or more lots within any 5 year period that begins on or after September 23, 1971.

Includes the division of structures into 3 or more dwelling units, the construction or placement of 3 or more dwelling units, and the division of an existing structure used for commercial or industrial use into 3 or more dwelling units.
Division of a parcel into 3 or more lots
Division of a structure into 3 or more dwelling units
Construction or placement of 3 or more dwelling units

Original undeveloped parcel

3 Unit Apartment
Division of an existing structure used for commercial or industrial use into 3 or more dwelling units
What is NOT considered a Subdivision?
30-A M.R.S.A. §4401.4.A.
What is NOT considered a Subdivision?
30-A M.R.S.A. §4401.4.B.
What is NOT considered a Subdivision?

30-A M.R.S.A. §4401.4.C.

<table>
<thead>
<tr>
<th>Lot 0</th>
<th>Lot 1</th>
<th>Lot 2</th>
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<tbody>
<tr>
<td>45 acres</td>
<td>15 acres</td>
<td>15 acres</td>
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Original undeveloped lot in a municipality that has adopted an ordinance declaring that lots over 40 acres are not lots for purposes of subdivision law, when outside shoreland zone.
What is NOT considered a Subdivision?
30-A M.R.S.A. §4401.4.D.

1. A division accomplished by devise (will and testament)
2. A division accomplished by condemnation
3. A division accomplished by order of court
4. A division accomplished by gift to a person related to the donor; donor had property for 5 years prior to gift; if gift is sold within 5 years to unrelated person then gift is no longer exempt; gift cannot be more than $\frac{1}{2}$ assessed value of real estate
5. A division accomplished by gift to a municipality
6. A division accomplished by the transfer of land to abutting landowners; if exempt land is transferred within 5 years without all of the merged land then original transferred land no longer exempt
What is NOT considered a Subdivision?

30-A M.R.S.A. §4401.4.E.

Permanent dwelling structures legally existing prior to Sept. 23, 1971
What is NOT considered a Subdivision?
30-A M.R.S.A. §4401.4.F.

Exemptions for dwelling units follow exemptions for land
What is NOT considered a Subdivision?
30-A M.R.S.A. §4401.4.

G. Leased dwelling units are not subject to subdivision review if municipal reviewing authority has determined that other review exists at least as stringent as subdivision review – sometimes multifamily housing is reviewed under local Site Plan Review Ordinance (this is NOT site law)

H. A municipality may expand definition of subdivision to include commercial or industrial uses

I. The grant of a bona fide security interest in an entire lot that has been exempted from subdivision review, does not create a lot for purposes of subdivision review
What is a Tract or Parcel of land?
30-A M.R.S.A. §4401.6.

All contiguous land in the same ownership
Exceptions to Subdivision law
30-A M.R.S.A. §4402.

1. Subdivisions approved prior to Sept. 23, 1971
2. Subdivisions in actual existence on Sept. 23, 1971 that did not require approval under prior law
3. A subdivision plan legally recorded in the proper registry of deeds prior to Sept. 23, 1971
4. An airport layout plan with appropriate approval from MDOT and FAA
5. A subdivision in violation of this law that has been in existence for at least 20 years, unless
   A. Subdivision has been enjoined (forbid by legal action)
   B. Subdivision was denied, and denial was recorded in registry of deeds
   C. A lot owner was denied a building permit because subdivision was in violation of law, and such denial was recorded in registry of deeds
   D. Subdivision has been the subject of an enforcement action or order, and said action or order was recorded in registry of deeds
Subdivision law exists to help people maintain their communities

Some, but not all, options for a landowner who is land rich and cash poor:

1. Sell individual lots without creating subdivision
2. Create subdivision and sell multiple lots as desired
3. Sell land to developer
4. Lease land to a farmer
5. Sell development rights to conservation organization
6. Take advantage of numerous farmland/open space taxation programs
7. Reverse mortgage
8. Combinations of options