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February 9, 2023

-ELECTRONIC SUBMISSION ONLY-

Committee on Appropriations and Financial Affairs c/o Office of Fiscal and Program Review 5 State House Station Augusta, Maine 04333

RE: <u>Support of DECD's Housing Opportunity Program</u>

(A Part of LD 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024, and June 30, 2025)

Senator Rotundo, Representative Sachs, and members of the Appropriations and Financial Affairs Committee:

We write to you today in support of full funding of the Maine Department of Economic and Community Development's (DECD) Housing Opportunity Program, as part of Governor Mills' Biennial Budget.

The Lincoln County Regional Planning Commission (LCRPC) serves the nineteen (19) municipalities within Lincoln County, Maine, providing regional planning; land use; economic and community development; transportation; broadband planning; and environmental sustainability technical assistance. We have provided planning assistance and collaborated with key agencies on affordable housing efforts in the midcoast region for years, with the focus becoming more acute since the beginning of the COVID-19 pandemic.

Growth in our year-round population has been steady over the past twenty (20) years, although the rate of new housing production has slowed dramatically. 2,664 units were added to the County's housing stock in the 2000s decade, while during the 2010s only 115 units were added. In addition, growth in the median home sale price in Lincoln County has far exceeded median household income growth, with about 4,115 Lincoln County households now being considered 'housing cost-burdened', or 26% of all households in the County. For households below \$50,000, about 3,445 households are cost-burdened or about 56% of all households in this income range. Renters, and particularly senior renters, comprise a disproportionate share of cost-burdened households. These rates of cost burden are on par with the State as a whole. A need for affordable housing opportunities exists in Lincoln County, and throughout the State of Maine and LD2003¹ offers an opportunity to increase the number of dwelling units being constructed.

However, in order for towns to implement the changes set forth in LD2003 additional capacity is required, especially for the more rural municipalities in the State. Regional implementation, through the funding of regional planning organizations through DECD's Housing Opportunity Program, will efficiently assist communities in moving forward the strategies created in LD2003 to expand housing opportunities.

We strongly urge you to vote to support the full funding of the Housing Opportunity Program as proposed in Governor Mills' biennial budget.

Sincerely,

Mary Eler Barnes

Mary Ellen Barnes Executive Director

Emily Rabbe County Planner

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Laura Graziano Assistant County Planner & GIS Coordinator

¹ LD2003, An Act to Implement the Recommendations of the Commission to Increase Housing Opportunities in Maine by Studying Zoning and Land Use Restrictions