



**131<sup>st</sup> Legislature**

**Joint Standing Committee on Appropriations and Financial Affairs and the Joint Select Committee on Housing**

Testimony of Kara Hay, President and CEO of Penquis

in favor of the Biennial Budget LD 258

February 9, 2023

Senator Rotundo, Representatives Sachs, Pierce and Gere, and members of the Joint Standing Committee on Appropriations and Financial Affairs and the Joint Select Committee on Housing, I am Kara Hay, President and CEO of Penquis, a large community action agency in central/northern Maine that serves between 3,500 and 5,000 struggling Mainers every single day. We provide roughly fifty services aimed at ensuring Mainers have access to safe and affordable housing, early childhood education, transportation, family supports and programs that build financial stability. I am here today to provide testimony in support of LD 258, in particular, allocating \$30 million in funding to Maine State Housing Authority with \$15 million for the Rural Affordable Rental Housing Program and \$15 million for the Low-Income Housing Tax Credit program. These programs are essential to addressing the state's affordable housing crisis.

A critical part of our organization is the housing services we provide to so many. From the development of rental housing, to the offering of housing loans, home replacement, transitional housing, home repair, and much more, we are deeply embedded in housing services. Between the housing that we have developed and the housing that is in process, we have 527 units available for our community. We have also been fortunate enough to receive funding that will allow us, through a partnership with the University of Maine and Maine Housing, to develop the first 3d printed neighborhood in the nation in the next few years.

Given all of our housing programs offered through Penquis, we always have a steady stream of inquiries from people who need affordable housing. But those requests have never been higher or more desperate than in the past year. And never before as an agency have we felt so helpless. We have housing navigators but have very little housing across our service area. We also have less than a 1% vacancy rates across the state which is driving up the cost of rents. We are lacking 20,000 affordable homes for those who need it most. As the availability of affordable housing continues to drop, we see a rise in evictions, waitlists for housing vouchers, homelessness, and many older adults who cannot maintain their homes but have nowhere else to go.

I know that you all know and agree that every person in Maine deserves a safe, affordable place to call home; a place that offers the best chance to be healthy, to participate in the workforce, and to be engaged in the community. I know that you also know that the lack of housing is extremely detrimental to individuals and families, has significant financial and societal costs, creates burdens on community services and infrastructure, and creates limitations on our workforce, preventing economic growth. Addressing our housing crisis comes at a financial cost as well, but it has an incredible return on investment, not only for the families who need housing now but for our future residents, workforce, and economy. I ask that you please opt to help Maine to reap the benefits of safe, affordable housing.

Our Maine people need help, and they need help now. LD 258 is an investment in Maine's residents, workforce, economy, and future. Let's ensure that every Mainer has the safe, affordable housing they deserve.



Thank you for your time and consideration. I am happy to answer any questions you may have.