

131st Legislature Joint Select Committee on Housing

Testimony of Laura Mitchell, Executive Director of the Maine Affordable Housing Coalition on April 14, 2023 in favor of LD226 An Act to Address Maine's Affordable Housing Crisis

Good afternoon, Senator Pierce, Representative Gere, and members of the Joint Select Committee on Housing. My name is Tyler Norod, I serve as the Development Director of Westbrook Development Corporation, a nonprofit organization which operates as the development arm of the Westbrook Housing Authority.

Thank you for this opportunity to speak in favor of LD 226. Maine is experiencing a housing crisis unlike anything it has ever seen before. At its core it is a supply and demand issue. For decades our zoning and funding strategies have been disconnected from the reality of everyday Mainer's needs leading to a severe housing shortage. This has now bled into being an issue for most Mainers across the income spectrum and the only real solution is to build.

Maine is the oldest state in the Union. With the baby boomers set to retire some studies have estimated we will need to attract 5,000 new workers each year to keep the economy flowing. Yet, the biggest hurdle attracting and maintaining our workforce is the availability of housing. At the same time, we are seeing an increase in remote workers, short term rentals, and second home purchases who directly compete for housing with those who live and work locally. In short, the problem is getting worse, not better and we need bold and decisive action to stabilize the housing market to ensure Maine remains a vibrant and prosperous state for generations to come.

A recent study found that it would take the typical American worker 11 years of saving to save up a 5% downpayment on a home and 30 years to save 20%. When combined with inflated housing prices and quickly rising rates, many households who traditionally may have become homeowners are thus stuck in the rental market. This only exacerbates the already dire housing shortage faced by our workforce who earn less than the median income.

LD 226 will significantly relieve pressure in the marketplace and provide stability to our workforce. This is not just a housing bill, but in effect, an economic development bill. Compared to other options for these funds, investment in housing pays long term reoccurring dividends. The projects that we build are self sufficient after development. Not only do we supply housing at an affordable price for our workforce, but housing stability can mitigate other tangential public costs by stabilizing families and seniors so that they are less dependent on other types of public support. Stabilizing housing for our workforce allows children to remain in their school districts without the constant disruption of moving around; Stabilizing housing allows seniors to stay in their communities near family and friends; and stabilizing housing provide certainty for employers that their workforce can stay local and grow.

The housing crisis touches all facets of life and work in Maine. At its core, the problem is a lack of supply and the solution is simple: We need to build more housing as quickly as we can. The only way to do that is with a significant investment in funding.

I am testifying today in favor of LD 226 and urge you to support this critical bill. All people in Maine deserve a place to call home. Thank you for your time and consideration.

Tyler Norod

Development Director

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