



CITY OF BANGOR

Committee on Housing

Testimony in Support of LD 226 – “An Act to Address Maine’s Affordable Housing Crisis”

April 14, 2023

Senator Pierce, Representative Gere, and distinguished members of the Housing Committee. My name is Deborah Laurie, Bangor City Manager, and I’m providing testimony on behalf of the Bangor City Council in support of LD 226, “An Act to Address Maine’s Affordable Housing Crisis.”

We urge the Committee to not only support LD 226, but to also clearly identify how funding for affordable housing investment should be allocated programmatically to ensure equity within the housing market. As a member of the Community Health Leadership Board, the City of Bangor supported a project to develop a Pilot Penobscot Housing Fund Feasibility Study in partnership with Maine Housing Coalition and ConsultEcon, Inc. The study provided relevant housing information as it relates to the Bangor Labor Market Area. We believe this data clearly shows the need for housing investment across a wide spectrum of income levels and housing types.

**Table IV-5
Summary of Projected Housing Demand
Bangor Region, 2022 to 2027**

<i>Area Median Income Level ^{1/}</i>	Below Market Below 60%	Affordable 60-100%	Moderate 100-120%	Upper Above 120%	Total	
Owner Demand	<i>Price Range</i>	<i>Under \$150K</i>	<i>\$150-225K</i>	<i>\$225-300K</i>	<i>Over \$300K</i>	<i>Total</i>
Demand from Employment Growth		34	46	40	22	142
Demand from New Age 65+ Residents		5	12	12	19	48
Total Annual Owner Demand		39	58	52	41	190
<i>Percent to Total</i>		21%	31%	27%	22%	100%
Renter Demand	<i>Price Range</i>	<i>Under \$1,000</i>	<i>\$1,000 to \$1,499</i>	<i>\$1,500 to 1,999</i>	<i>\$2,000 or More</i>	<i>Total</i>
Demand from Employment Growth		53	25	14	11	103
Demand from New Age 65+ Residents		2	3	3	5	13
Total Annual Renter Demand		55	28	17	16	116
<i>Percent to Total</i>		47%	24%	15%	14%	100%
Total Annual Housing Demand		94	86	69	57	306
<i>Percent to Total</i>		31%	28%	23%	19%	100%

1/ Based on assumed median income of new households moving the region of \$66,000 (in current year dollars).
Source: ConsultEcon, Inc.

The study also highlighted the need for additional funding to spur the housing investment needed within our state. Area median income is one piece of economic data that is relied upon heavily in the determination of affordability housing, which can result in large disparities in what affordability housing looks like from community to community. Below are the respective median income levels by community that are available on the census.gov quick facts website for the Bangor Labor Market Area, which clearly demonstrated how program guidelines tied to area median income may not result in the intended housing investment:

Bangor	\$49,652	Orono	\$47,412
Brewer	\$50,614	Hampden	\$94,800
Old Town	\$43,474	Hermon	\$82,962

In order to ensure the safety, health, vibrancy and prosperity of our communities and state, it is imperative that we each do our part to invest in housing. The City of Bangor is committed to working in partnership with all interested parties in the development and support of housing opportunities. We had previously implemented many of the strategies identified in LD 2003 as it relates to zoning (i.e. accessory dwelling units, density and parking consideration). We have also earmarked housing as one of our highest priority uses of our ARPA funding; allocations to date have provided support for over 200 units within the City. Earlier this week, the City Council authorized the allocation of funding to fill the funding gap for a project that will provided 41 units of permanent supportive housing in our community.

Bangor, like the rest of the state, is facing an affordable housing crisis. Passage of LD 226 is a critical element in addressing this crisis. We also ask for consideration to allow municipalities to have the opportunity to be an active participant in the development of any programs through which funding would be made available. As is demonstrated above, the term affordable varies by community and we have a front row seat to the housing needs within our respective community. With the full support of the Bangor City Council, I urge you to pass LD 226, and bring more affordable housing to areas in Maine where it is needed the most.

Thank you for your consideration. Please do not hesitate to reach out with questions.

Debbie Laurie, City Manager, debbie.laurie@bangormaine.gov

Courtney O'Donnell, Assistant City Manager, courtney.odonnell@bangormaine.gov

Richard Fournier, City Council Chair, richard.fournier@bangormaine.gov