

Tuesday, May 8, 2023

RE: LD 1810 An Act to Expand the Maine Historic Rehabilitation Credit and Establish a Weatherization Tax Credit

Honorable members of the Taxation Committee:

I encourage you to support the expansion of Maine's historic preservation tax credits – as highlighted in the OPEGA report – to put the “small deal” commercial credit to work and to extend the credits to owner-occupied residences.

In 2007 the Brookings Institute called Maine's unique “quality of place” our most powerful asset in attracting new businesses and talent. We simply can't compete with deep-pocketed states and their business-attraction subsidies.

Where Maine *can* compete is creating places that feel well cared for, are unique and authentic, and with places that residents take pride in. These places often encompass our Main Streets and neighborhoods of historic houses.

I formerly worked for programs that helped small towns in Maine recover from recent shocks in the forest economy, many of which are mill towns, and the statewide Main Street program that assists small towns in bolstering their historic commercial districts.

I heard two telling quotes while doing that work:

One was from a hiring manager at a papermill in Maine. He said he desperately needs mechanical engineers. He'll pay top dollar, too. But he can't get anyone to take the job. “The day they drive into this town with their spouse and teenage kids in the backseat, and take a good look around, is the day they turn around and never look back.” And I can tell you, it's a nice, safe town to live in with lots of friendly people. The town office there is doing everything in its power to improve the curb appeal of the town, by repairing sidewalks, top-coating roads, and sprucing up athletic fields. But the town needs private investment, too, both in houses in its historic village and in commercial buildings along its Main Street. An incentive to catalyze private investment could transform that town's future. (I heard the same exact story from a rural hospital CEO in a different town about trying to recruit medical staff).

The other quote I heard was from a business owner in Hancock County. He said to us (unprompted), “You know, when I drive all around to these small towns in the Midcoast and Downeast, you can tell pretty much right away whether it's got a future or not. It's how well they keep up their architecture.”

How well kept our historic neighborhoods and small commercial buildings are is our community's calling card. It signals to visitors, recruited talent, prospective businesses, and the

next generation we want to keep close to home, that this place is worth investing in and has a future.

Every corner of the state has historic buildings. Wherever there is a crossroads in Maine, there are historic buildings. This program could affect every county and every district. We need private investment in our old building stock, and this modest incentive has proven the method to spur that investment in a transformative way.

These programs aren't new. They've been proven to work all across the country. Let's put them to work for Maine! Thanks for considering it.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert J. O'Brien". The signature is written in a cursive, flowing style.

Robert J. O'Brien
Portland