



May 9, 2023

Senator Grohoski; Rep. Perry; Members of the Taxation committee

My name is John Egan and I am a Senior Program Officer with The Genesis Fund in Brunswick, ME. The Genesis Fund is a nonprofit Community Development Financial Institution that connects communities with the capital and expertise they need to create affordable housing and other essential community resources. We have a 30-year track record of providing financing as well as expert project assistance to nonprofit organizations and mission-oriented developers throughout Maine and Northern New England.

As a practitioner in the real estate field and focused explicitly on affordable housing, I am in full support of LD1810 and its amendment to the State Historic Rehabilitation tax credit that allows smaller scale projects to utilize the State credit without the burden of the federal HTC compliance. Increasing the credit calculation to 30% (from 25%) and allowing project sizes up to \$1,000,000 will dramatically enhance this feature of the State HTC law, and provide incentive for owners and developers of smaller scale projects to go ahead with their renovation and preservation efforts using the State credit.

As the OPEGA report released last year on the state HTC demonstrates, the state HTC credit has been extremely successful in creating housing units in large numbers in renovated mills, schools and former industrial locations. This same wave of new housing production can also now take place in smaller scale, geographically distributed locations on simpler projects with the passage of LD 1810.

Maine needs all the tools it can possibly muster to meet the demand for more housing units, across all types, sizes and locations. The expansion of the small-scale feature of the state HTC is just such a tool. I urge your passage of 1810.