



STATE OF MAINE
GOVERNOR'S OFFICE OF POLICY INNOVATION AND THE FUTURE
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Testimony Neither For, Nor Against
**L.D. 1673 – An Act to Encourage Affordable Housing and Mixed-use
Development by Establishing a Thriving Corridors Program**

May 12, 2023

Senator Pierce, Representative Gere and distinguished members of the Joint Select Committee on Housing, my name is Greg Payne and I am the Senior Advisor on Housing in the Governor's Office of Policy Innovation and the Future. I am offering testimony neither for, nor against **L.D. 1673 – An Act to Encourage Affordable Housing and Mixed-use Development by Establishing a Thriving Corridors Program.**

We believe the concepts contained within L.D. 1673 are very good. There are countless corridors as described by this bill across Maine that connect residents to village centers. Far too often, those very corridors contain mostly commercial operations and very little residential development. As a result, these areas are likely strong candidates for mixed-use planning and development to help tackle the housing crunch, revitalize empty commercial spaces, and build stronger connections to village centers.

As the committee is aware, last year, the supplemental budget contained a new Housing Opportunity Fund administered by the Department Economic and Community Development (DECD). The Fund provides grants to services providers and municipalities alike to identify ways to address the need for housing. The Fund was subject to rulemaking which was recently finalized and soon applications will open. The effort required to stand-up and administer a program like this is strenuous and time consuming. L.D 1673 would require similar staff support and funding to be successful.

Rather than create a new program, the concepts contained within L.D. 1673 appear worthy of proposals from Housing Opportunity Fund grant applicants. Perhaps, the committee might discuss ways to encourage towns to consider the principles of thriving corridors as a reason to pursue the existing grant funds at DECD. Thriving corridors would likely increase the availability of housing. It would be helpful to utilize existing means to encourage towns that are interested in this idea to explore its implementation. This is exactly where the Housing Opportunity Fund can be leveraged.

Finally, if the committee decides to move forward with this legislation, the Department of Administrative and Financial Services (DAFS) would not be the right agency to house this effort. This could be an issue for discussion during the work session.

Thank you for your time and consideration of our testimony.