



PORTLAND
Regional Chamber
of Commerce

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Testimony in Support of LD 258-An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024 and June 30, 2025 (Department of Economic and Community Development and Maine State Housing Authority Initiatives and Language)

Joint Standing Committee on Appropriations and Financial Affairs
May 18, 2023

Senator Rotundo, Representative Sachs and members of the Committee on Appropriations,

I am Eamonn Dundon, the Director of Advocacy at the Portland Regional Chamber of Commerce. Our organization represents 1,300 businesses in our region, employing over 65,000 Mainers. Today, I submit this testimony today to express our qualified support for the provisions of LD 258 aimed at increasing the production of housing in Maine.

Specifically, we support Language Part TT, which allocates \$80,000,000 to the Maine State Housing Authority for the purposes of funding the Rural Affordable Rental Housing Program, the Low-income Housing Tax Credit Programs, and the Innovation Fund for Attainable Housing. In many cases, achieving the affordability levels outlined in this language section would not be possible without public subsidy. Therefore, this allocation sends a resounding message that consistent and stable funding for housing production through the Maine State Housing Authority is a wise and necessary investment in the future of our state's communities and economy. We are fortunate to have a multitude of innovative and dedicated housing developers in Maine who will effectively utilize this funding to provide high-quality housing tailored to the diverse needs of communities across the state.

Expanding the Rural Affordable Rental Housing Program will create new housing opportunities in communities that have historically seen limited construction of publicly subsidized affordable housing. This will enable individuals in those communities to remain housed there and prevent overburdening the already strained social services infrastructure in our urban areas. The LIHTC allocation builds on Maine's history of successful public-private partnerships in the development of low-income housing. By establishing a consistent revenue source, this funding will provide developers with the predictability they need to execute complex projects that typically involve various complimentary sources of private, local, state, and federal funding.

Additionally, while we support Language Part RRRR, which allocates \$12,000,000 for the Emergency Housing Relief Fund Program, we believe the allocated amount is insufficient to address the challenges faced by residents, visitors, and businesses affected by the proliferation of unsheltered homelessness in Maine. Our members located in proximity to the growing number of encampments in Portland have reported alarming increases in violent crime and hazardous public health conditions, leading several neighborhoods to the brink. Maine stands at a critical juncture, where we must choose between providing shelter for those in need or allowing our urban areas to deteriorate and experience the chaos and dysfunction witnessed in cities that failed to address their unsheltered homeless populations until matters spiraled out of control, like San Francisco and Portland, Oregon. This turning point necessitates a comprehensive state intervention that provides ample resources and a well-thought-out response plan to prevent our urban areas from reaching the depths of disorder and dysfunction observed in other parts of the country.



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Lastly, we support the initiative in the Department of Economic and Community Development to sustain funding for the two positions responsible for administering the Housing Opportunity Program. Now that the rulemaking process for both the provisions of LD 2003 and the grant program for local assistance has concluded, the success of this program hinges on the efforts of the staff who facilitate implementation. Municipalities now have final clarity on LD 2003 and with the guidance of these two positions at the state level, the implementation phase can fully commence.

We thank you for your time and commitment to all Mainers, and we ask for your expeditious approval of this important legislation.