



MAINE AFFORDABLE HOUSING COALITION

***131st Legislature
Joint Standing Committee on Appropriations and Financial Affairs***

*Testimony of Laura Mitchell, Executive Director of the Maine Affordable Housing Coalition on May 18, 2023
in favor of the Budget Change Package **LD 258***

Good afternoon, Senator Rotundo, Representative Sachs, and members of the Joint Standing Committee on Appropriations. My name is _____, I serve as the _____ TITLE at ORGANIZATION.

Thank you for this opportunity to speak to you all in support of the Change Package to Biennial Budget, LD 258. Specifically, the section on allocating \$80 million to the Maine Housing Authority with \$35 million for the Rural Rental Assistance Program; \$35 million for the Low Income Housing Tax Credit program; and \$10 million for innovative affordable housing development strategies.

Maine Housing is currently out of funding for these programs. This new investment can quickly be put to use building affordable homes. There are affordable housing projects across Maine that are ready to begin construction, if this funding is made available.

The Maine Affordable Housing Coalition is a nonprofit membership organization of more than 140 Maine housing development, architecture, construction, design, engineering, shelter, and housing services organizations. We work to address Maine's housing crisis by advocating for the creation and preservation of housing for all people in Maine.

The National Low Income Housing Coalition's data shows that Maine is short 20,000 units of affordable housing for our most vulnerable Mainers – seniors, people with disabilities, people experiencing homelessness, and those working for minimum wage. With Maine's population aging and retiring, we also need new 5,000 new workers a year to move to Maine. That requires more housing.

Maine needs to be building at least 1,000 new units of affordable housing a year for Maine's housing supply to begin to meet the current demand. Maine hasn't done that since the 1970s. The number one barrier to addressing Maine's housing crisis is a lack of funding to build affordable housing. The policy solution is to invest in building affordable housing for people all across Maine in need. LD 258 with this Biennial Budget allocation to build housing makes a historic step in doing this.

Housing is critical infrastructure for our state's economy and health. The proposed biennial budget you are considering today as LD 258 can help Maine turn the tide. Right now, in Maine, there are 15,000 people on waitlists for rent vouchers so they can afford a place to live. There are increasing numbers of people experiencing homelessness. Rental vacancy rates are less than 1% in Portland, Bangor and other cities, and Maine is ranked #2 in the nation with the lowest rental vacancy rates. There are also increasing numbers of evictions. Now is the time for bipartisan action to build housing, so all Maine people have a home.

I am testifying today in support of the great State of Maine investing in building affordable housing through this budget change package. This is the vital foundation for a comprehensive strategy needed in this legislative session to address the affordable housing crisis. The Maine Affordable Housing Coalition urges you to support this step forward. Because all people in Maine deserve a home. Thank you.