

Debora Keller
Bath
LD 258

My name is Debora Keller, and I am the Executive Director of Bath Housing.

I am writing in support of the Change Package to Biennial Budget, LD 258. Specifically, the section on allocating \$80 million to the Maine State 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.

Bath Housing is one of eight initial recipients of funding under the Rural Affordable Rental Housing Program. As I have previously testified, I am a big fan of this program. New data on rental prices in our region shows a 95% increase in rental prices in Bath since 2017. Wage increases have not kept pace with these increased housing costs and people are being priced out of our community.

There is no quick fix for this problem -- but we need more housing. At Bath Housing, we are working on housing challenges from a variety of angles and are fortunate to in a community and region that has been proactive in addressing housing issues. We have a four-pronged framework for action that involves policy & planning, direct assistance to households, preservation, and production. But production must be our focus right now and this bill will facilitate this.

Bath Housing is fortunate to be one of the first eight organizations granted a notice to proceed to build housing with MaineHousing's Rural Affordable Rental Housing Program (RAHRP). I have been working in the housing field in Maine since 2000 -- as a lender, a developer, and now at the housing authority. The RAHRP program is the single most elegant housing production program I have ever seen. It's really the perfect program. Because it's low barrier, it will allow for a much faster production process. Because it targets price points at or below 80% AMI, it meets the need for housing that either households with vouchers can rent -- or people without subsidy can still afford. It also helps communities ensure that the missing middle can be housed -- preventing the continued bifurcation of Maine towns. And it comes without the spectacular strings that come with the LIHTC program -- a housing program under the IRS. (Which, until now, has been the primary production program available for new construction.)

Every community in Maine has a responsibility to be part of the solution to our housing issues. By adding additional housing subsidy funds, specifically through MaineHousing's Rural Housing program, this bill allows smaller communities an easy way to get new housing built. Thank you for your consideration.