June 9, 2023

To: Members of the Appropriations and Financial Affairs Committee

As you consider L.D. 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," I urge you to approve additional and full funding for programs that have performed a vital role in helping towns on the Blue Hill Peninsula in Hancock County address climate change and that will enhance our work.

I write as the principal of a business, Resilience Works, LLC, that I incorporated in 2018 to help communities identify and secure funding to address climate change. I focus on climate resilience, energy efficiency and greenhouse gas reduction projects that advance the strategies of *Maine Won't Wait: A Four-Year Plan for Climate Action*.

Leading a Service Provider team of consultants for the Governor's Office of Policy Innovation and the Future in Blue Hill, Brooklin, Brooksville, Penobscot and Sedgwick during the past year, I experienced the value that the Community Resilience Partnership provides in helping those towns address climate change. Thanks to the availability of Community Action Grants from the Community Resilience Partnership:

- The Town of Blue Hill and Town Brooksville have begun assessing climate vulnerability in conjunction with the neighboring Town of Surry, which also received a Community Action Grant for a climate vulnerability assessment. This joint vulnerability assessment will identify a larger set of actionable items that can be addressed through multi-town and regional collaborations.
- The Town of Brooklin established a Climate Response Committee that revived, as a local proof of concept, a defunct Efficiency Maine program to provide individualized "neighbor to neighbor" advice to homeowners of all socioeconomic strata and local businesses on ways to reduce heat loss, save energy, decrease fossil fuel use, and secure rebates and incentives for those upgrades.
- The Town of Penobscot is developing a concept plan, preliminary engineering and budget estimates for a combined culvert replacement, marsh migration and aquifer protection project that will utilize Bipartisan Infrastructure Law funding from federal and state agencies as well as other government and non-government funding.
- The Town of Sedgwick plans to supplement funding from Efficiency Maine by using additional funds to invest in energy efficiency lighting, insulation, and heating upgrades in town and school facilities, a program that will mitigate greenhouse emissions and reduce the property tax burden for community members.

Those five initiatives complement similar climate response accomplishments by the four additional towns on the Blue Hill Peninsula: Castine, Deer Isle, Stonington and Surry, all of which are enrolled in the Community Resilience Partnership. For example, the nine towns:

- Supported successful Congressional Project Funding of \$1 million in 2022 to upgrade the Blue Hill Wastewater Treatment Facility that is vital to the operation of businesses and medical care facilities in Blue Hill that serve the entire peninsula.
- Supported successful funding of an additional \$1 million for the Blue Hill Wastewater Treatment Facility from the Maine Infrastructure Adaptation Fund in 2022.
- Collaborated on seeking \$250,000 of Congressionally Directed Spending for a nine-town Community Wildfire Protection Plan that is now under review in the U.S. Senate and House a proposal that meanwhile has prompted the Maine Forest Service to schedule a data-collection exercise in Surry's wildland-urban intermix as part of training state fire rangers to understand and mitigate the increasing risk of wildfire.

In the same manner of addressing climate change through inter-municipal collaborations:

- The Town of Brooklin and Town of Sedgwick secured a \$150,000 Municipal Stream Crossing Upgrade Grant to replace a culvert over a stream that borders both towns and connects a tidal marsh upstream and salt pond downstream.
- The Town of Deer Isle and Town of Stonington meet weekly to discuss climate-resilience funding strategies to ensure that the Deer Isle Causeway and Deer Isle-Sedgwick Bridge are equipped to maintain public safety and support Stonington as Maine's highest-dollar-grossing lobster port.
- The Towns of Deer Isle and Stonington collaborated on a recent request to the U.S. Department of Energy for technical advice on improving the reliability and expansion of the electrical grid for those two towns as well as other towns on the peninsula that are economically linked to Stonington and Deer Isle.
- The Towns of Blue Hill, Brooklin, Penobscot, Sedgwick and Surry regularly confer with state and federal staff in efforts to qualify undersized culverts for federal and state grant programs that favor regional and watershed level projects to improve aquatic organism passage.
- Community leaders in all nine towns have been meeting to discuss ways of addressing the shortage of affordable housing for workers whose ability to live on the Blue Hill Peninsula is critical for the viability and growth of the regional economy for the socio-economic well being of all community members.

 Elected and appointed officials and community leaders in all nine towns – Blue Hill, Brooklin, Brooksville, Castine, Deer Isle, Penobscot, Sedgwick, Stonington and Surry – meet via Zoom once a month as "Blue Hill Peninsula Tomorrow" to discuss the status of their climate resilience work and new opportunities for information, funding and support. Each meeting features several speakers with climate resilience subject expertise. Congressional delegation staff members participate and provide information about federal funding opportunities. I serve as coordinator of Blue Hill Peninsula Tomorrow.

All of these accomplishments and initiatives have been possible because of Legislative funding for:

- Technical assistance to towns from the Service Provider component of the Community Resilience Partnership program.
- Direct funding of projects by means of Community Action Grants from the Community Resilience Partnership.
- Direct funding of projects from, for example, the Municipal Stream Crossing Upgrade Grant program and the inception of the Maine Infrastructure Adaptation Fund.
- Pass-through funding from federal formula and discretionary appropriations to state agencies.
- A culture of cooperation that the Maine Climate Council, Governor's Office of Policy Innovation and the Future and other state entities have modeled as a way for towns to work collegially irrespective of town lines.
- National recognition that the state of Maine has received as a leader in addressing climate change with the support of the Legislature.

To maintain this progress, I urge Legislative approval of:

- Increasing state investment in the Community Resilience Program to \$3 million a year for a full \$6 million for the next two years.
- Replenishing the Maine Infrastructure Fund with \$10 million to support municipal culvert grants, as well as provide planning and matching dollars to leverage federal resilience, adaptation and culvert competitive funding opportunities.
- Providing \$36 million in resilient water infrastructure programs and providing a state match for federal drinking water and wastewater programs, thereby enhancing community projects, protecting public health, investing in more resilient systems, and reducing costs for ratepayers and taxpayers.

- Providing \$80,000 to the Department of Environmental Protection to enhance coastal monitoring programs, which are needed for climate vulnerability assessments and data collection programs
- Providing \$80 million energy efficient housing production that will help support urgent housing needs on the Blue Hill Peninsula, including an innovation fund that will be designed to support initiatives to improve housing density, a key climate strategy.
- Supporting the Maine Housing low-income heat pump program.
- Providing additional funding of \$50 million to recapitalize the Department of Education's revolving loan fund to support health and safety upgrades, energy efficiency and other renovations at Maine schools.
- Providing for a \$400 million investment in the state's transportation systems, leveraging more than \$1.2 billion in federal funding for state and community transportation infrastructure that includes traditional bridge and road programs with requirements to build for greater resilience into future climate impacts.
- Creating a Green Schools Program and staff leadership at the Department of Education to support schools who want to invest in clean energy technology and energy efficiency projects, helping schools leveraging significant new federal funding opportunities from clean school buses to new clean energy opportunities.

I will be glad to elaborate on my testimony. Thank you for your consideration.

Allen Kratz

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