

131<sup>st</sup> Legislature  
Joint Committee on Taxation  
January 24, 2024

Testimony of Cynthia Lacasse, Executive Vice President and Chief Program Officer at Evernorth  
in favor of LD2106

***An Act to Accelerate the Production of Affordable Housing  
and Strengthen the Historic Property Rehabilitation Tax Credit***

Good afternoon, Chair Grohoski and Chair Perry, and the honorable members of the Taxation Committee. Thank you for the opportunity to submit this written testimony on LD 2106.

My name is Cynthia Lacasse and I am the Executive Vice President and Chief Program Officer at [Evernorth](#). Evernorth is a nonprofit tax credit syndicator with a 35-year track record investing in affordable housing in Maine, New Hampshire and Vermont. We have raised and deployed over \$1.4B and built more than 15,000 affordable homes and apartments for low and moderate income people across northern New England. Evernorth raises equity by syndicating federal Low Income Housing and Historic Tax Credits as well as various state, historic, renewable, and affordable housing credits.

As you know, this fall's state housing study showed that Maine is short almost 40,000 homes right now and the State needs another 40,000 homes in order to maintain and grow our economy by 2030. At Evernorth we are acutely aware of the dire need for housing of all types across the state of Maine, especially at the lowest income levels, that is why we are asking you to vote in favor of LD2106. We understand that it falls under the auspices of the Taxation Committee, but it is actually a housing supply bill.

Please support LD2106, **An Act to Accelerate the Production of Affordable Housing and Strengthen the Historic Property Rehabilitation Tax Credit** sponsored by Senator Rotundo. This bill increases the maximum tax credit allowed for certified historic property rehabilitation projects including affordable housing. This credit has paved the way for hundreds of new units across the State and it is time to expand the program. An OPEGA study of the credit showed that 69% of projects use the credit for housing, and 1/5 of all new affordable housing units leverage this credit.

There's no better place to build new housing in Maine than in already developed locations, that revitalize and add decades of use to run down historic properties. This rehab work with new weatherization and energy standards is time consuming and extensive. Maine's state historic tax credit was capped in 2008 at \$5 million. This bill increases the tax credit to \$10 million.

Construction costs have more than doubled since 2008, and with inflation and new energy requirements, this increase to the tax credit is necessary to have historic property rehabs

continue in our state. Tax credits are an extremely efficient way for our State to help build housing, because credits bring in, and leverage further investment from outside of Maine.

**In just the last 5 years, Evernorth has leveraged Maine's state historic tax credit with its federal and private capital to produce 504 total units of affordable housing.**

Maine is decades behind investing in housing and needs to be building thousands of new homes a year to meet this backlog. This is a straightforward bill that brings the purchasing power of the Maine credit closer to what it was intended to do in 2008 and will ultimately create more housing.

**I hope you will support this bill as it is one of the most tangible things we can do to boost housing production in Maine this legislative session.**

Thank you again for this opportunity.