

Nate Howes
Avesta Housing
307 Cumberland Avenue
Portland, ME 04101

L.D. 146 “An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year”

Good afternoon, Senator Grohoski, Representative Cloutier, and honorable members of the Joint Standing Committee on Taxation. My name is Nate Howes and I’m a development officer with Avesta Housing. As a reminder to those unfamiliar with our work, Avesta Housing is a non-profit developer, owner, and manager of affordable housing in both Maine and New Hampshire. We are offering testimony in support of L.D. 146 “An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year”.

Avesta Housing has redeveloped several historic properties into affordable housing over the past decade. In Scarborough, we redeveloped an old farmhouse and structures into 38 units of housing, in South Paris we redeveloped a former school, in Kennebunk we redeveloped another former school, and now we plan to redevelop the Parish House of an existing church complex into much needed affordable housing on the Portland Peninsula.

While historic adaptive reuse is one of the more challenging construction types, it’s also one of the most rewarding. We are able to preserve a community’s history and transform underused buildings into housing for that community. In fact, one the first residents of our Fox School building in South Paris was a former Fox School custodian. For this resident, her former workplace had been transformed into a home. Classrooms had become units and common spaces for students were now community spaces for residents.

None of these developments would have been possible without Maine’s State Historic Tax Credit. Each project relied on both the Federal Historic Rehab Tax Credit and the Maine State Historic Credit. This committee has heard how rising construction costs are stretching resources and blunting our ability to produce affordable housing. The Historic Credit has not been immune to the effects of rising construction cost. The per project cap of 5 million made sense in the past decade but to rehabilitate historic properties in the coming years, we ask that you double the cap to 10 million. Please strengthen the state historic credit so that it can continue to be used as a resource to create affordable housing.

Thank you and I am available to answer any question you might have.

Nate Howes
nhowes@avestahousing.org