



**CITY OF BANGOR**

*Anne M Krieg, AICP - Director*

## Community & Economic Development

### **Testimony in Support**

**LD.146.An.Act.to.Increase.the.Maximum.Amount.of.Historic.Property.  
Rehabilitation.Tax.Credit.That.May.be.Taken.in.a.Year**

**February 5, 2025, 1:00 p.m.**

### **Taxation Committee**

Chairwoman Grohoski, Chairwoman Cloutier, and Honorable Members of the Taxation Committee. My name is Anne Krieg, speaking on behalf of the City of Bangor and in agreement with the testimony from both the Maine Association of Planners and the Maine Real Estate and Development Association. I am writing in support of LD 146, An Act to Increase the Maximum Amount of Historic Property Rehabilitation Tax Credit That May be Taken in a Year. This bill represents an opportunity to expedite historic rehabilitation and housing creation by enabling a developer to take the full amount of the credit in the first year, rather than phasing the credit over a period of years.

Historic Preservation is extremely important to the city of Bangor's economic development as it tells our story of the lumber industry in Maine. Our downtown is healthy mix of both preserved and rehabilitated historic buildings that house successful businesses, arts & culture, restaurants, offices and housing. This tax credit, along with our Community Development Block Grant Face Improvement Program, our Downtown Tax Increment Financing District and Credit Enhancement Agreements, creates a robust package to support downtown development.

LD 146 would modernize the current historic rehabilitation tax credit program to better reflect the current costs of construction. As costs have increased, so has the total cost of the project. While the overall value of the credit is usually sufficient to close the financing gap for historic properties, the credit function as an injection of cash that is necessary to move a project forward. LD 146 would ensure that the cash infusion comes when it's needed in the project timeline.]

The Taxation Committee is strongly urged to advance LD 146 to the legislature and encourage the Appropriations Committee to either incorporate the language of the bill into the biennial budget or exempt the bill from the Special Appropriations Table for final passage.

Thank you for your thoughtful consideration of this important policy initiative, and for all the work you do for the State of Maine.

Sincerely,

Anne M Krieg AICP  
Director of Community & Economic Development  
City of Bangor