

February 5, 2025

Committee on Taxation
132nd Maine Legislature, First Regular Session 2025
100 State House Station
Augusta, ME 04333

RE: LD 146/Sp 82 An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year

Dear Senator Rotundo, Speaker Fecteau, Senator Bennett, President Daughtry, Representative Gattine, Representative Rana and Honorable Members of the Joint Standing Committee on Taxation,

On behalf of Greater Portland Landmarks, I thank you for your efforts to improve the lives of Maine residents through Legislative action, such as this Historic Rehabilitation Tax Credit (HRTC) bill. We strongly urge support of this bill as an economic driver, a critical tool to facilitate the reuse of existing structures, and a means to preserve Maine's rich history.

Founded in 1964, Greater Portland Landmarks is the region's leading nonprofit advocating to ensure Greater Portland preserves its sense of place for all and builds vibrant, sustainable neighborhoods and communities. We collaborate with a wide range of advocates supporting the creation of new housing, especially affordable housing, climate action, circular economy best practices, smart growth, and heritage and culture. There is support across the board for this bill because it promotes the reuse of viable, existing buildings for housing and other uses – materials that would otherwise end up in a landfill – and preserves the quality of our built environment to the benefit of our communities.

The Historic Rehabilitation Tax Credit program has been highly beneficial to Maine, and this proposed legislation would increase the maximum amount of the credit that may be taken in a year, a necessary change making the program more effective and efficient. A 2020 Economic Impact report by Maine Preservation found that in the first 10 years of the program, 106 Maine projects were certified and placed in service using the HRTC, generating \$525 million in construction investment, 3.6 million square feet of rehabilitated commercial and residential space, 1,911 housing units (1,300 affordable), 20-700 full-time-equivalent jobs annually, and nearly 700 new full-time, year-round jobs in local businesses. With the increase in construction costs, it is imperative to increase the limit in order to continue to reach these outstanding outcomes.

Greater Portland Landmarks' mission is to ensure that Greater Portland preserves its sense of place for all and builds vibrant, sustainable neighborhoods and communities for the future.

Because of the array of advantages this bill would bring to Maine, and our communities in Greater Portland, we support this bill and look forward to its passage so that all Mainers have the opportunity to embrace the places that are meaningful to their neighborhoods and communities.

Sincerely,

A handwritten signature in black ink that reads "Kate Lemos McHale". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Kate Lemos McHale
Executive Director