



February 28, 2025

A Letter Regarding LD 210 and Proposed Limits to General Assistance

Honorable Members of the Appropriations and Financial Affairs Committee,

As a recognized leader in affordable housing in Maine, Developers Collaborative (DC) and its affiliate property management company, DC Management closely follows proposed legislative and budgetary actions that impact Maine renters and property owners. I reach out to you today regarding LD 210 and proposed changes that would limit General Assistance for housing to a period of 3 months. As with any proposal of this nature, it comes forward with the best of intentions and is fraught with the possibility of unintended consequences. As your committee sets forth over the coming days to discuss, consider potential impacts, and perhaps even work towards compromise, I offer here both information and perspective that may prove helpful in your good work.

DC has successfully developed 64 properties across 11 Maine counties and in 26 unique municipalities resulting in 1600 newly created housing units and over \$200 Million dollars invested in Maine communities. We have been Maine's top performing developer of projects funded with Low-Income Housing Tax Credits, winning 24% of all competitive funding awards in the state over the last decade. While many of our projects are developed for other owners, we have retained a large portfolio of market rate and affordable properties that includes 23 affordable housing projects with nearly 1000 units combined ranging from Scarborough all the way to Ellsworth. As owners and managers of these affordable communities, we live in a world of 12-month leases, which are not only an established norm for all rental housing regardless of affordability, but a non-negotiable regulatory requirement for units funded through Low-Income Housing Tax Credits or HUD programs.

While we lead with a community-minded approach rooted in a mission to help others, we find ourselves too, grounded in and balanced by the realities of both a strict regulatory environment and the fundamentals of running a viable business. When determining whether we can approve prospective tenants who apply for our apartments, we must ensure that applicants can reasonably pay the rent for the entirety of the lease term. While we currently rent to tenants with General Assistance, a change that limits the term of that assistance to anything less than 12 months would put tenancies at risk. Affordable projects operate on thin margins and admitting tenants who cannot provide evidence of their ability to pay rent each month leaves the tenant fragiley housed while simultaneously creating an untenable risk to the owner, impacting long-term operating stability of properties that don't have the financial cushion to withstand unpaid rent or



vacancy loss. In a situation where a potential tenant cannot prove they have the needed income to cover rent for the lease term, they are required to provide a financial guarantor for the lease. In our experience, those in need of General Assistance are often the most vulnerable and lack the natural familial or social supports that might otherwise be willing or able to guarantee rent. Whether owned by DC or others, these threshold requirements are generally consistent across affordable housing statewide and if implemented, this limit to length of assistance will result in an inability for those with GA to secure a rental unit.

A balanced solution preserves scarce state resources in a way that doesn't unintentionally prevent GA recipients from accessing needed housing. Thank you for all of your work and consideration of this issue.

Respectfully,

Amanda Bartlett

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Chief Operating Officer