



Support for LD 554, An Act to Encourage Resident-owned Communities and Cooperatives

3/5/2025

Representative Cloutier, Senator Grohoski, and honorable members of the Taxation Committee,

My name is Craig Saddlemire, and I am the Development Organizer for the Raise-Op Housing Cooperative in Lewiston, Maine. Founded in 2008, we are Maine's oldest, urban, multi-unit housing cooperative. Today, we own 5 apartment buildings, home to 33 different households, and 90 residents. My testimony today is in support of LD 554, An Act to Encourage Resident-owned Communities and Cooperatives and Preserve Affordable Housing Through Tax Credits.

Cooperative housing offers the opportunity for tenants to develop and control their own housing, without the cost barriers that likely preclude them from the option of single-family homeownership. It activates the human capital of tenants in a way that commercial rental housing typically does not. It brings together the autonomy of homeownership with the efficiency, flexibility, and economy of rentership. When the Raise-Op began in 2008, it was founded by 4 friends who were mostly working in low-pay jobs through Americorp. We lived in rental housing where rent was increasing, management was scarce, and we had minimal opportunity to improve our own housing conditions. We had a desire to continue serving our community and living in the Tree Street neighborhood of downtown Lewiston. We did not have the means for single-family homeownership. We started the housing cooperative to meet our housing needs, and were able to realize housing costs that were below market rent at the time, and it has remained well below market since that time.

While the state is making essential investments in subsidized and rent-restricted low-income and workforce housing, there is a growing need to create and preserve other forms of housing affordability, or else the wait list for the newly constructed affordable housing will outpace the units we create. Self-managed cooperative housing is one way this can be done, and incentivizing property owners to convert their real estate to cooperative ownership is an effective strategy to help meet that goal. In Maine, there is no public funding program that supports housing cooperatives. The proposal in LD 554 will help to realize a unique benefit to sellers who wish to sell to housing cooperatives, which in turn helps to lower startup costs for those new housing cooperatives. It's a win-win for both parties, creates long-term housing affordability, and requires very little administration on the part of the state. It also benefits rural, suburban, and urban communities alike, because the cooperative model is applicable both to manufactured housing parks as well as multi-unit buildings. For these reasons, I sincerely request that you move LD 554, "Ought to pass".

Sincerely,

A handwritten signature in black ink that reads "Craig Saddlemire". The signature is written in a cursive, flowing style.

Craig Saddlemire

Cooperative Development Organizer

Raise-Op Housing Cooperative