

Committee On Housing and Economic Development
Testimony of Laura Reading, Developers Collaborative
March 24, 2025

Testimony in favor of LD970 - An Act to Prioritize Affordable Housing by Expediting Reviews for Affordable Housing Projects Applying for Funding from the Maine State Housing Authority

Representative Malon, Senator Bennett, and esteemed members of the Committee on Housing and Economic Development,

My name is Laura Reading, and I am a leading developer of affordable housing in Maine. I also serve as the Chair of the Board of Directors for the Maine Affordable Housing Coalition. I am submitting this testimony in strong support of “An Act to Prioritize Affordable Housing by Expediting Reviews for Affordable Housing Projects Applying for Funding from the Maine State Housing Authority.” This legislation is a crucial step toward addressing our state’s housing crisis by ensuring that much-needed affordable housing projects can move forward without unnecessary delays.

As an affordable housing developer, I have firsthand experience navigating the municipal and state review processes. When delayed, these processes add time and cost to projects, potentially jeopardizing the delivery of much-needed affordable homes for Mainers. The highly competitive Low-Income Housing Tax Credit program, administered by MaineHousing, is the primary funding source for most affordable housing developments. MaineHousing’s Qualified Allocation Plan prioritizes projects that have secured all necessary municipal and state approvals by a strict deadline, awarding critical points that often determine whether a project receives funding. Without an allocation, a project must wait for another year for the next funding round, while predevelopment costs accumulate, approvals risk expiration, and construction costs continue to rise, threatening the project’s viability. By establishing clear, reasonable timelines for municipal and state reviews, this bill helps accelerate affordable housing development while maintaining rigorous oversight and ensuring projects can compete effectively for funding.

The provision requiring the Department of Environmental Protection to approve or disapprove site location permits within 30 days is critical. While I fully recognize the importance of environmental reviews in protecting our natural resources, I have firsthand experience with prolonged and costly delays in common DEP permit reviews. While not specifically addressed in LD970, stormwater permits, in particular, often create delays in the crucial predevelopment phase, risking the ability of projects to secure MaineHousing’s competitive funding. As previously discussed, delays in stormwater permitting can put projects at serious disadvantage, making it harder to secure funding and move forward to construction.

Delays in DEP permits sought during the construction period can also harm projects. Over the past year, the review of beneficial use permits for two of my affordable housing developments exceeded the statutory 180-day timeline. One permit remains unresolved 231 days after the application was deemed complete, despite no further comments or concerns. These delays have significantly impacted our construction timeline and added costs to our project. With such long delays, we must carefully consider whether to pursue projects requiring these permits, even when those projects provide clear public benefits – such as cleaning up contaminated sites and keeping excess clean soils out of landfills. I urge the legislature to expand this provision to other common DEP permits required for projects seeking MaineHousing funding or tax credits. Establishing firm review timelines for stormwater and beneficial use permits will help ensure that environmental safeguards remain in place while preventing unnecessary delays that threaten the viability of much-needed housing projects.

In summary, this bill represents a balanced and thoughtful approach to accelerating the development of affordable housing in Maine to address our housing crisis. By providing greater predictability in the permitting process, it will encourage investment, create jobs, and, most importantly, provide safe and stable homes for Maine residents. I urge you to support this bill and help ensure that all Mainers have access to affordable housing.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Reading". The signature is fluid and cursive, with the first letter "L" being particularly large and stylized.

Laura Reading
Director of Affordable Housing
Developers Collaborative