

Committee On Housing and Economic Development
Testimony of Laura Reading, Developers Collaborative
April 3, 2025

Testimony in favor of LD1082 - An Act to Invest in Maine's Families and Workforce by Amending the Real Estate Transfer Tax

Senator Grohoski, Representative Cloutier, and Members of the Joint Standing Committee on Taxation,

My name is Laura Reading, and I am the Director of Affordable Housing at Developers Collaborative, a leading developer of affordable housing in Maine, and the Chair of the Board for the Maine Affordable Housing Coalition. I strongly support LD 1082, which establishes a sustainable funding source for workforce housing development to address Maine's critical housing shortage.

The cost of land, materials, permits, and financing has made new housing unaffordable for most Mainers. Without financial support, the cost of new housing is simply unattainable to the majority of people who live and work in our state. While Maine has made historic one-time investments in support of housing development, those funds have been fully committed, and key programs face expiration without additional funding sources. To meet the state's goal to develop over 80,000 new homes in the next five years, essential programs at risk of expiration, like the Rural Rental and Affordable Homeownership programs require a source of stable funding.

The Rural Rental program is crucial to support housing development outside Maine's major metropolitan areas. The program incentivizes smaller-scale workforce housing development in rural towns, strengthening local economies and communities by providing workers with affordable places to live. Additionally, redevelopment opportunities that preserve the character of Maine's small towns – such as repurposing smaller-scale historic or underutilized buildings into housing – do not fit within the Low-Income Housing Tax Credit (LIHTC) program but are well-suited for the Rural Rental or Rural Homeownership programs. These types of projects help maintain the traditional features of Maine's rural towns while providing high-quality housing for their residents – that's the way life should be.

For example, in rural Knox County, we are working with a town to convert an underutilized but historic school near the town center into much-needed senior housing. For years, the town has sought a way to restore the vacant building, but financial feasibility has been a barrier. After months of collaboration, we have been able to help the town identify the Rural Rental program as the best path forward. Without this program, the town tells us that demolition is likely the only remaining option, erasing a valuable historic and community asset. LD 1082 ensures that projects like this one can move forward.

I strongly believe that LD 1082 is a necessary step toward solving Maine's housing crisis by creating long-term, stable funding for housing development. Without this investment, we risk losing not only our ability to meet the growing demand for housing but the opportunity to sustain communities across our state. Housing is more than just a place to live – it is the foundation of economic growth, workforce retention, and community well-being. I urge you to pass this legislation and take a critical step toward a stronger Maine.

Thank you for your time and consideration.

Sincerely,

Laura Reading

Laura Reading

Director of Affordable Housing, Developers Collaborative