



Testimony In Support of L.D.s 483, 690, 1424 and 25

April 09, 2025 – Senator Rotundo, Representative Gattine, and honorable members of the Joint Standing Committee on Appropriations and Financial Affairs, my name is Patrick Hess, and I serve as the Director of Real Estate Development at Avesta Housing. Avesta is the largest nonprofit developer of affordable housing in northern New England. I'm here to offer our organization's strong support for several proposals before you today.

Avesta Housing has been dedicated to developing safe, quality, affordable housing for Maine's low-income individuals and families for 53 years. We see firsthand the challenges that Mainers face due to a lack of affordable housing options. Maine needs approximately 84,000 additional homes by 2030 to meet demand, and the rate of housing production must double to achieve this goal. In order to make substantial progress towards bringing Maine's housing supply-demand into balance, Maine must commit to a once-in-a-generation investment in housing development.

L.D.s 483 and 690 would make that possible. As proposed, these bills would issue \$100M+ bonds to support housing production for affordable multifamily and single-family housing. For context regarding the significance of this potential investment, in November 2024, MaineHousing issued awards for the Low-Income Housing Tax Credit (LIHTC). There were 16 applicants, and 7 very worthy developments were awarded. As a result, however, 9 proposed developments with municipal approvals in-hand fell short, including an Avesta development for older adults in Biddeford. Avesta started the design and municipal approvals process for that development in Fall 2023 and received approval from the city in Summer 2024. We will now apply to MaineHousing for funding again when the application becomes available in Fall 2025. If awarded, construction would likely begin in Summer 2026 with occupancy not anticipated until Fall 2027 at the earliest. I share this to demonstrate how long it can take to bring affordable housing to fruition. There are many communities with housing needs, and every year applications for MaineHousing funding exceed available resources. L.D.s 483 and 690 would significantly boost those resources and result in more housing than would otherwise be possible.

Avesta is also offering support for L.D. 1424, which would support funding for MaineHousing's Affordable Homeownership program. Although we have not used this program, we recognize the importance of increasing homeownership opportunities in our communities. We also support L.D. 25 and the aspect of L.D. 483 related to upgrading public water and sewer infrastructure. Access to this infrastructure is critical to building more housing in Maine.

For these reasons and many more, Avesta asks the committee to support these housing and public infrastructure bonds. The need for more housing is critical and these bold proposals would meet the urgency of the moment.

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