
Economic & Community Development

Testimony in support of LD 1167
Resolve, to Create a Pilot Program to Assist Nonprofit Housing Developers
in Rehabilitating Existing Aging Housing Stock for First-time Home Buyers
Sponsored by Rep. McCabe

Senator Curry, Representative Gere, and members of the Committee on Housing and Economic Development:

I write in support of Rep. McCabe's bill for piloting a practical and timely solution to one of our most pressing challenges—rehabilitating aging housing stock and expanding homeownership opportunities for first-time buyers.

Lewiston, like many mill towns, has one of the oldest housing stocks in the state, with nearly 80% of its units built before 1950. Many of these homes were not designed to stand for 100 years and need some level of structural, safety, and efficiency upgrades to remain as housing stock and not face demolition. The cost, complexity, and lack of economies of scale for rehabbing many of these downtown multi-unit properties often make them unattractive investments for developers and out of reach for first-time homebuyers.

But this resolve, inspired by success stories in Lewiston, creates an opportunity to test an affordable, efficient model broadly across our state, and create real, tangible opportunities to reduce blight, improve housing stock, and offer affordable entry to homeownership to people at all income levels.

Homeownership as the American dream and the primary pathway for working class people to build wealth is slipping out of reach for many Americans as housing cost inflation outpaces income growth. According to the US Treasury, since 2000, inflation adjusted house prices rose by 65%. In the same period, inflation adjusted income was nearly flat.¹

Increasing homeownership rates in low- to moderate-income areas is an important part of improving housing quality, reducing blight, improving community safety, and building vibrancy and pride in neighborhoods. This pilot program not only helps make attainment of the American dream possible for working people, but it also helps towns and cities deal with all of the neighborhood challenges that arise from income insecurity and unaffordable housing. The program envisioned by this resolve encourages long-term occupancy, protects against house flipping, and ensures that public dollars have a lasting community impact.

Lewiston is proud to have served as the Healthy Homeworks' pilot location for attainable starter homes, and communities like ours are well positioned to pilot this program due to the high number of rehab opportunities and a high demand for affordable entry-level homes.

¹ US Treasury, "Rent, House Prices, and Demographics," June 24, 2024,
<https://home.treasury.gov/news/featured-stories/rent-house-prices-and-demographics>

LD 1167 is worthy of your time and attention. I urge the Committee to seriously consider this bill as a practical way to develop a replicable model for sustainable homeownership across Maine.

Regards,

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

Nate Libby
Director, Economic and Community Development
City of Lewiston, Maine