



Joint Standing Committee on Taxation

Testimony of Cynthia Lacasse, Evernorth, April 15, 2025

in favor of LD1082 - An Act to Invest in Maine's Families and Workforce by Amending the Real Estate Transfer Tax, Sponsored by Speaker Ryan Fecteau

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

My name is **Cynthia Lacasse**. I am the Executive Vice President and Chief Program Officer of Evernorth, a nonprofit organization serving the low and moderate income people of Maine, New Hampshire and Vermont with affordable housing and community investments over the past 37 years. During this time, Evernorth and its predecessor organizations have invested \$1.6 billion, approximately 35% of this amount has been invested in Maine.

We support LD1082 because it meets the identified need and recommendation in the State's HR&A Housing Roadmap report to provide financial tools for housing development.

Building housing that is affordable for Maine people requires incentives and funding. Right now, the market is broken for building anything but luxury housing without this funding. The cost of materials and land, and the difficult and long regulatory process to permit housing has made housing out of reach for the majority of Maine people. This small change creates a long term funding source to incentivize building new housing.

While the State has made historic investments in housing over the last several years, these were one time investments and these funds have already been distributed to projects. Several housing programs are going to end without more funding. The Rural Rental and Affordable Home Ownership programs have projects in small towns across Maine that are shovel ready, but not funding to move them forward. Housing is the SOLUTION for Maine's economy and health, and we need to find long-term, sustainable sources of funding to invest in the housing solution.

According to the State of Maine Housing Production Needs Study release in October 2023, Maine needs to create approximately 84,000 new homes by 2030. This shortage impacts the quality of life for all Mainers. Evernorth brings local and regional investors together to provide LIHTC equity to support the development of affordable multi-family housing across the state. These private dollars are leveraged by State funds from the Housing First Fund and the new Housing Production Fund. We have a robust pipeline that cannot move forward without these additional funds.

Evernorth is currently working with 15 unique Maine developers on projects that are in pre-development stages, including 104 new homes in Lewiston, and two developments in Penobscot that will create 90 new affordable apartments. Funding from resources such as the increase in the Real Estate Transfer Tax is critical to ensure the financial feasibility of these projects. Notably, if they move forward, these projects would be eligible to receive over \$100 million in PRIVATE equity investment from Low Income Housing Tax Credit (LIHTC) investors with whom our organization works.

Maine is decades behind investing in housing and needs to be building thousands of new homes a year to meet this backlog. **I hope you will support this bill as it is one of the most tangible things you can do to boost housing production in Maine this legislative session.** Thank you for your consideration in support of LD1082.

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