

**In Favor of LD 2212: An Act Making Supplemental Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027**

Senator Rotundo, Representative Gattine, members of the Joint Standing Committee on Appropriations and Financial Affairs and members of the Joint Standing Committee of Housing and Economic Development:

My name is Tim Reinken, and I am the president of ReinCorp. We are a real estate development, construction, and property management company based in Sanford, Maine. We have been in business since 1986 and have focused on residential, multi-family, and commercial development.

I am writing to express my strong support for the housing investments included in LD 2212. York County is currently experiencing a housing crisis unparalleled to anything our company has experienced. We are seeing an overall lack of housing availability, but most noticeable is the lack of affordable housing. You will hear testimony from several organizations this afternoon focusing on the numbers and extent of the housing shortage. I would like to focus on solutions.

Historically, our business has catered to market rate housing. But today, we are seeing hard working individuals like teachers, service workers, and government employees who cannot afford market rate rents. We have seen unprecedented inflation in operating costs on our existing housing units including utilities, maintenance, and increased interest payments. These costs translate to rent increases that outpace wage growth and cause hardships for our tenants. Newly constructed market rate housing units will necessitate even higher rents due to increases in construction costs and high interest rates. We see this trend continuing for the foreseeable future stifling our local economies.

Our company would like to commend the efforts by MaineHousing to address these issues. We believe the Rural Affordable Rental Housing Program is an excellent opportunity to provide housing units across the state in a timely manner. Any solution to the housing crisis will require an extensive investment from the State. The systems currently in place are based on a private public partnership. MaineHousing leverages the local knowledge, relationships, and capital of developers to provide cost efficient housing construction. MaineHousing can provide a subsidy to reduce the debt service of a project allowing a developer to reduce rents from market rate to an affordable rent.

Our company recently completed an 18-unit workforce housing development funded through the 2023 Rural Affordable Housing Rental Program. The Central Park Residences project created new housing opportunities in the heart of Sanford and chipped away at the state wide housing deficit. These units would not have been possible without your prior support and investment in housing. Our company, and others throughout the state, have committed extensive resources to develop solutions addressing the housing crisis. State funding is the final step to make these housing units a reality. LD 2212 is a major step towards addressing the housing needs in Maine and will provide a real impact on thousands of people's lives.

Thank you for your consideration.

Sincerely,

Timothy Reinken, President