

Megan Hannan, Executive Director Maine Community Action Partnership 176 Washington St. Bath ME 04530 207-831-9893

Jason Parent, CEO/Executive Director Aroostook County Action Program, Inc. PO Box 1116 Presque Isle, ME 04769-1116 207-764-3721

James Martin, CEO Community Concepts, Inc. 240 Bates Street Lewiston, ME 04240 207-739-6553

Rebecca Palmer, Executive Director Downeast Community Partners 248 Bucksport Road Ellsworth, ME 04605 207-610-5904

Suzanne Walsh, CEO Kennebec Valley Community Action Program 97 Water Street Waterville, ME 04901 207-859-1579

Claire Berkowitz, President & CEO Midcoast Maine Community Action 34 Wing Farm Parkway Bath, ME 04530 207-442-7963

Joe Everett, President & CEO Opportunity Alliance 50 Lydia Lane South Portland, ME 04106 207-523-5055

Kara Hay, President & CEO Penquis PO Box 1162 Bangor, ME 04402 207-973-3500

Donna Kelley, President & CEO Waldo Community Action Partners PO Box 130 Belfast, ME 04915 207-338-6809

Jim Trundy, Executive Director Western Maine Community Action, Inc. PO Box 200 East Wilton, ME 04234-0200 207-743-7763

Carter Friend, Executive Director York County Community Action Corporation PO Box 72 Sanford, ME 04073 207-324-5762 Maine Community Action Partnership Supports Housing Sections of LD 258: An Act Making Unified 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, 2023, June 30, 2024 and June 30, 2025

## February 9, 2023

Senators Rotundo and Pierce, Representatives Sachs and Gere, members of the Committees on Appropriations and Financial Affairs and Housing, I am Megan Hannan, Executive Director of Maine Community Action Partnership, and we support several sections LD 258 and the Governor's proposed budget housing priorities.

I spent some time talking about root causes of homelessness and risk of being homeless with the Housing Committee last week, and I will not go through that again, but I reference it to reiterate that being at risk of being unhoused, being a paycheck or car repair away from it, is due to many factors faced by low- and moderate-income families daily. Rents are going up in every town and city, and too many of the people we depend on – teachers, police, plumbers – are being squeezed out.

Compounding the problem in Maine is simply that we do not have enough housing built and move in ready for all who need it, let alone housing specifically for working people and families. The \$30 million proposed to increase the supply of housing is one of the most important pieces of the budget this year, and I hope you will support it. We have public and private companies and community action agencies that want to build more workforce housing, but building new developments is costly and when you are also assuming lower rents, the math doesn't always look good. And that is why the Rural Rental Program and Low Income Housing Tax Credit (LIHTC) Program, both administered by MaineHousing, are critical to our success.

Funding both programs is imperative. The LIHTC program is good for Maine, but as a very rural state its rules and scoring mean rural development is harder to fund. In Waldo County, for example, the local community action agency has land ready to develop for their office and workforce housing, something much needed and very hard to find in the greater Belfast area. The Rural Rental Program makes financing that development much more likely, and there are many more rural areas that could follow that lead.

We also fully support the shelter operating subsidy, something we know now, more than ever, is a life saving intervention for people who are unhoused. My agencies are now including shelters in their menu of services, some for the first time, due to the increasing need.

Thank you very much for your time and consideration.

Megan Hannan