

Testimony of the Midcoast Council of Governments in Support of
DECD's Housing Opportunity Program

a part of LD 258, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government for the Fiscal Years Ending June 30, 2023, June 30, 2024, and June 30, 2025.

February 9, 2023

Senator Rotundo, Representative Sachs, and members of the Appropriations & Financial Affairs Committee, and Senator Pierce, Representative Gere, and members of the Joint Select Committee on Housing, I am Brian Dancause, Deputy Director of Midcoast Council of Governments (MCOG). I am here today to speak in strong support of full funding for the Department of Economic and Community Development's Housing Opportunity Program, contained in the Governor's biennial budget.

MCOG serves over 62 communities stretching from Brunswick to Belfast, including the counties of Sagadahoc, Knox and Waldo. While Lincoln County has its own planning services, we collaborate with Lincoln County Regional Planning Commission and also provide direct planning services to multiple communities who are dues-paying members of MCOG. In that role, MCOG provides municipal planning and development services including transportation, land use, economic and community development, and GIS services. Within that context, MCOG also provides housing planning and development services to its member communities. An affordable housing subdivision in Boothbay Harbor and redevelopment of a former school into housing units in Union are but two examples.

We face housing supply shortages across all workforce groups throughout the Midcoast region. We are experiencing significant housing displacement of our local working community, particularly along the coastline. Our communities are concerned and in need of assistance. We have chronicled stories from our regional businesses, such as BIW, as well as our medical and research institutions, which have lost recently-hired employees because of the inability to find housing. In our own profession, a recently hired planner resigned, partly because of the inability to secure local housing.

With these challenges in mind, MCOG has begun the development of a series of studies in the region, including zoning barriers to housing, supply and demand challenges, and assisting communities in meeting the challenges of implementing LD 2003. We encourage you to our website: www.midcoastcog.com, to experience a series of story-maps on housing shifts in the Midcoast region, a preliminary examination of the underlying issues of housing shortages. These maps, which are based on publicly-available data, show the following decline in just a 5-year period: a reduction of 18 "somewhat affordable" or better communities in 2016 to just two such communities in 2021.

Given these pressures, the MCOG Board of Directors launched a strategic planning process in the fall, in which housing was identified as one of seven primary goals:

Implement a regional program that addresses the short term and long-term housing shortage in the MCOG region.

To that end we have identified strategies to address housing needs. They include additional data analysis to understand the housing issues better at the local level and subregional level. They involve providing direct assistance to communities in adding to their housing stock or amending their zoning ordinances to be more flexible in responding to workforce housing demand. They include adding to the development capacity of the region and assisting the further development of housing trusts throughout the region.

The funding contained in the Governor's budget will enable DECD to implement its Housing Opportunity Program through the work of regional planning agencies such as MCOG. This funding will enable us to reach out directly to our member communities for necessary planning and implementation assistance. It will also enable us to focus our study and solutions on subregional patterns, as we look to ensure that each of the Midcoast's five labor market areas are providing the housing supply to meet the needs of our growing businesses.

With full funding MCOG is confident we can provide the necessary assistance at multiple levels to address these housing shortages. Like each of the regional agencies, failure to provide this support will stretch our staff's capacity to meet growing municipal housing demand; our local and regional economies will suffer.

For all these reasons we urge you to vote to support full funding for DECD's Housing Opportunity Program as proposed in the Governor's budget.

Thank you for the opportunity to testify today and please let me know if MCOG can help you with your important work on the Governor's budget, and the implementation of state housing policies.