



131st Legislature
Joint Select Committee on Housing

Testimony of Laura Mitchell, Executive Director of the Maine Affordable Housing Coalition on April 11, 2023
in favor of LD654 - Resolve, Directing the Finance Authority of Maine to Establish a Pilot Program to Encourage the Development of Accessory Dwelling Units

Good afternoon, Senator Pierce, Representative Gere, and members of the Joint Select Committee on Housing. My name is Laura Mitchell, I serve as the Executive Director of the Maine Affordable Housing Coalition. We are a nonprofit membership organization representing over 140 Maine development, engineering, design, construction, and housing services organizations. MAHC's mission is the advocate for the creation and preservation of affordable housing so all Maine people have a home.

Thank you for this opportunity to speak to you in favor of LD654 a *Resolve, Directing the Finance Authority of Maine to Establish a Pilot Program to Encourage the Development of Accessory Dwelling Units sponsored by Senator Pouliot.*

This resolve directs the Finance Authority of Maine to establish a 2-year pilot program to encourage the development of accessory dwelling units in the State. The program must buy down interest rates to levels below market rates for up to 100 community bank loans for accessory dwelling units until the program ends. The authority must submit annual reports on the outcomes of this pilot to this committee.

This is a critical pilot program that levels the playing field for individual land owners to build desperately needed housing in Maine, while earning income. We are lacking 20,000 plus units of housing for those who need it most.

This bill helps people create an accessory dwelling unit on their property for an aging parent, a child just starting out in work and life, or others in need of affordable housing. Creating these rental units expands entrepreneurship opportunities for property owners to become landlords, creates small construction jobs throughout the state, can be critical income for seniors trying to stay in their home, and helps preserve old homes or farmhouses by creating an income stream to pay for maintenance.

This isn't possible in the current high interest market and this pilot program provides a much need opportunity for low interest loans.

FAME is the right partner for this work as they have the relationships with banks, provide excellent customer service, and can leverage others for any potential housing expertise that might be needed.

I am testifying today in favor of LD 654 and urge you to support this resolve that levels the playing field so all Maine property owners can participate in addressing our housing crisis, while earning an income. Thank you.