

Testimony of Erik C. Jorgensen Senior Director of Government Relations & Communications Maine State Housing Authority

> *Before* The Joint Select Committee on Housing

## In Support of LD 611 "An Act to Create the Whole Home Repairs Program"

Senator Pierce, Representative Gere, and members of the Joint Select Committee on Housing, I am Erik Jorgensen Senior Director of Government Relations and Communications at the Maine State Housing Authority (MaineHousing) and I am submitting this testimony in support of LD 611: "An Act to Create the Whole Home Repairs Program"

MaineHousing has been helping Maine people own, rent, repair, and heat their homes since 1969. We are an independent state authority (not a state agency) created to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing. We are authorized to issue bonds to finance single family mortgages for first time homebuyers and for affordable multi-family housing.

We are also authorized to administer a number of state and federal programs, including rental subsidies, weatherization, fuel assistance, two housing block grants, the low-income housing tax credit program, and homeless grant programs. We receive state general fund revenue for homeless programs and receive a dedicated portion of the real estate transfer tax for the Housing Opportunities for Maine (HOME) Fund.

The Whole Home Repairs program meets a need that we know is acute, and we appreciate Representative Malon's willingness to strengthen and expand this new program. His proposal provides additional funding for work that we have recently piloted, dealing with the problem of weatherization readiness.

Over the years of running our federally-funded weatherization program, we have found many cases in which a homeowner meets the income limits for weatherization services, and has demonstrable need for weatherization, and yet the condition of their home precludes us from doing the work. The simple fact is that you can't successfully weatherize a home with major roof leaks or inadequate windows. The problem is that our federal program will not pay for structural or home repairs, and if the homeowner can't afford those the project slides into a state of suspended animation: it can't be weatherized because it can't be repaired. This funding will help with those cases where weatherization projects have been deferred. If this bill moves to the funding stage, the funds provided will be combined with available federal funding and other funds from MaineHousing in order to help the program continue.

There are a few concerns that we would like to have the committee take into consideration:

First, the bill specifies that we supplement and not supplant funding from other sources, including the HOME Fund. We currently provide our pilot weatherization readiness funds from both federal resources and the HOME fund, but that is a source that has been overextended and there is no way to predict whether that source will remain available for this purpose. Just this past year, we had to redirect some weatherization readiness funding to central heating replacement, because the need was acute and there were not additional HOME fund resources available. As I have told this committee on other occasions, MaineHousing can't support programs that require new and ongoing commitments of HOME fund resources. We may be able to use some HOME fund resources for this purpose as we did last year, but there is no guarantee that it can happen in the future. So we would ask that the HOME fund be eliminated as a named funding source for this bill.

Secondly, we would simply request that this program's specifics, if they are to be included in this bill, be designed to match our existing program's income limits and project specifications. We need to be able to assure that this this program, once the details are spelled out, will allow us to use funding consistently, even if it comes from several different sources.

We just saw the proposed sponsor amendment yesterday, and so have not had a chance to fully discuss it with him or with members of our energy and housing services department, but we will be happy to work with Representative Malon and the committee staff to work out any details.

This bill meets a very important need in a state with high homeownership rates, aging housing stock and high levels of poverty. We urge you to support it.