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November 28, 2023

Testimony of Rep. Kristen Cloutier introducing
**LD 1505, An Act to Amend the Maine Cooperative Affordable Housing
Ownership Act**
Before the Joint Select Committee on Housing

Good morning, Senator Pierce, Representative Gere and esteemed colleagues of the Joint Select Committee on Housing. My name is Kristen Cloutier, and I represent House District 94, which includes a portion of my hometown of Lewiston. I am here today to introduce **LD 1505, An Act to Amend the Maine Cooperative Affordable Housing Ownership Act**.

Simply put, this legislation amends the Maine Cooperative Affordable Housing Ownership Act to include group equity cooperatives and provides that a housing assistance program must be made reasonably available to residents of housing cooperatives.

The purpose of cooperative affordable housing corporations is to provide affordable housing options on a not-for-profit basis to people who wish to have more control over their housing conditions and who, in most cases, would otherwise be tenants of commercial rental housing. As such, cooperative affordable housing corporations allow residents to both act as the renters of their housing from a corporation, as well as cooperative owners of the corporation, allowing them greater autonomy and decision-making in their housing choices and circumstances.

As you know, the current housing crisis in Maine, compounded by the effects of COVID-19, has left many Mainers struggling to find and secure housing. Group-equity housing provides a solution to house our community members that is both affordable and equitable. In this model, assets are owned by the whole group. Members either pay a deposit to move in or pay a share of the cost. Upon moving out, members do not profit from their time in the co-op, but rather receive their deposit or share returned to them. This means that the cost to get into a group equity co-op is generally much lower than the cost of other co-ops.

Following me, you'll hear from Craig Saddlemire, a cooperative development organizer at Raise-Op, a Lewiston-based organization focused on providing safe, quality, affordable and energy-efficient housing. Craig's developments in Lewiston have already proven to be wildly successful and we look forward to the expansion of these cooperative housing developments throughout our downtown.

While I am happy to answer any questions, Craig is a wealth of knowledge and can provide you with additional details regarding this proposal. Thank you for your time and consideration.