



MAINE AFFORDABLE HOUSING COALITION

131st Legislature - Joint Committee on Taxation

Laura Mitchell, Executive Director, Maine Affordable Housing Coalition - January 24, 2024
in favor of LD2106 An Act to Accelerate the Production of Affordable Housing
and Strengthen the Historic Property Rehabilitation Tax Credit

Good afternoon, Chair Grohoski and Chair Perry, and the honorable members of the Joint Taxation Committee. My name is Laura Mitchell, I serve as the Executive Director of the Maine Affordable Housing Coalition, a nonprofit organization of more than 140 Maine housing development, building, design, shelter, and housing organizations. We work to address Maine's housing crisis by advocating for the creation and preservation of housing for all people in Maine.

Thank you for this opportunity to speak to you in favor of LD2106, An Act to Accelerate the Production of Affordable Housing sponsored by **Senator Rotundo**. The State Historic Tax Credit is used to fund the rehabilitation of run-down historic sites such as unused former schools, mills, and grange halls in communities throughout Maine. It recreates these beloved locations into vital community assets that provide housing and catalyze economic opportunity.

Maine is in a housing crisis, and this is a straightforward housing bill. Finding affordable housing is at the top of mind of all people in our state. Seniors trying to downsize, employers in need of housing for workers, young families trying to get a start building assets, and people living outside. *This fall's state housing study showed we are need 80,000 new homes in order to maintain and grow our economy by 2030.*

LD2106 is a critical piece in addressing our housing crisis. More than 2/3 of state historic tax credit projects use it to build housing. More than 20% of all new affordable homes in Maine have used this credit.

This bill begins to right size the state historic tax to meet inflation and current costs so it can fulfill its intended use – of building new housing and revitalizing already developed sites. These rehab projects are extensive, requirements for energy usage have become tighter, and the cost of construction and materials for these projects has doubled since the credit was capped in 2008. The current credit simply doesn't cover the level of redevelopment that it used to, decreasing the number of towns it can help, reducing the number of housing units it builds, and leaving historic sites to become eye sores rather than bright spots of hope and growth in communities.

As lawmakers I'm sure you want to focus on proven, effective strategies for addressing Maine people's challenges. The State Historic Tax Credit is just that. Tax credits are an extremely efficient way for our State to help build housing, because credits bring in, and leverage further investment from outside of Maine. An OPEGA study of the current credit showed that it has paved the way for hundreds of new homes across the State. **Its time to expand the program.**

There's no better place to build new housing in Maine than in already developed locations, that revitalize and add decades of use to run down historic properties. Maine is decades behind investing in housing and needs to be building thousands of new homes a year to meet this backlog. **I hope you will support this bill as it is one of the most tangible things you can do to boost housing production in Maine this legislative session.** Thank you.

- 3i Housing of Maine
- 55 Weston Avenue
- AARP Maine
- ABG Consulting, Gray
- Acan Engineering, Inc.
- Aired Cook Construction, Portland
- Anew Development LLC, Portland
- Apartments for People LLC, Belfast
- Archetype Architects, Portland
- Associated General Contractors of Maine
- Auburn Housing Authority
- Augusta Housing Authority
- Avesta Housing, Portland
- Bangor Area Homeless Shelter
- Bangor Housing
- Bangor Savings Bank
- Bank of New Hampshire, Falmouth
- Bath Housing
- Bath Savings Institution
- Belknap Enterprise
- Benchmark Construction, Westbrook
- Boston Financial Investment Management
- Bowman Constructors, Newport
- Brunswick Housing Authority
- Camden National Bank
- Carpenter Associates
- Catholic Charities of Maine
- CEI, Brunswick
- CHA Architecture, Portland
- City of Portland Department of Housing
- Clark Insurance, Portland
- Community Concepts, Lewiston
- Community Housing of Maine, Portland
- Canigh Construction Co., Inc.
- Cooperative Development Institute, South Freeport
- Cooperative Fund of the Northeast
- CREA, LLC
- Crescere Associates, Westbrook
- Cross Financial Corp., Portland
- Cumberland County
- Curtis Theater, Portland
- CWS Architects, Portland
- Developers Collaborative, Portland
- Division Services of New England, Freeport
- Daveta I Consulting
- Drummond Woodsum, Portland
- Ducas Construction, Inc.
- Dunbar & Brown Construction
- Eagle Point Development, LLC
- Eaton Realty Consulting Group, Augusta
- Eric Burmeister
- Evernorth, Portland
- Fairfax, Town of
- Fort Fairfield Residential Development Corp.
- Four Directions Development Corporation, Orono
- Freeport Community Services
- Freeport Housing Trust
- Furniture Friends
- Gannett Construction, Augusta
- Gavron Turgeon Architects, Scarborough
- Genesis Community Loan Fund, Brunswick
- Gorham Savings Bank
- Great Falls Construction, Gorham
- Grimmes Pulosi Consulting LLC, Portland
- Greensmart Maine
- Habitat for Humanity of Greater Portland
- Habitat for Humanity York County
- Harold Lumber, Casco
- Healthy Androscoggin, Lewiston
- Hebert Construction
- Home Start, Peaks Island
- Homeless Voices for Justice, Portland
- Housing Foundation, Orono
- Housing Initiatives of New England, Portland
- Housing Partnership, Portsmouth, NH
- Hunt Capital Partners LLC, El Paso, TX
- Island Institute, Rockland
- Itezhara Affordable Property
- Jensen Baird Gardner & Henry, Portland
- John Anton, Consultant, Portland
- Kaplan Thompson Architects, Portland
- Kennebec Savings Bank, Augusta
- Kennebec Valley Community Action, Waterville
- Kennebunk Savings
- KryBank
- Lebanon Affordable Housing Coalition
- Late City Investments, LLC
- Lansdy/French Construction, Scarborough
- Lafayette Consulting, LLC, Augusta
- Lassel Architects, South Berwick
- LB Development Partners, Portland
- LeadingAge Maine & New Hampshire
- Lewiston Housing Authority
- NBT Bank
- Nashua Savings Bank
- Maine Bureau of Veterans' Services
- Maine Community Action Partnership
- Maine Community Bank
- Maine Department of Health & Human Services
- Maine Equal Justice
- Maine Immigrants' Rights Coalition
- Maine Public Health Association
- Maine Real Estate Managers Association
- Maine State Building & Construction Trades
- Maine Workforce Housing LLC, Portland
- Mano en Mano, Milbridge
- Mare Development LLC, Yarmouth
- Mascota Bank
- Midcoast Regional Housing Trust
- NBT Bank
- Nickerson & O'Day, Inc., Bangor
- North Haven Sustainable Housing
- Northeast Rental Housing
- Harway Savings Bank
- Old Town Housing Authority
- Ortiz Albel CPAs, South Portland
- Penobscot General Contractors
- Penquis, Bangor
- People's United Bank
- PM Construction
- Portland Builders
- Portland Housing Authority
- Preble Street, Portland
- Preservation Management, South Portland
- Presti Fisheries, Portland
- Raise-Up Housing Cooperative, Lewiston
- Really Resources Management
- Rental Housing Alliance of Southern Maine
- Rick Whiting
- Rumford, Town of
- Sanford Housing Authority
- Scott Simons Architects, Portland
- Sea Coast Management Company, Topsham
- Shore House, Portland
- Silver Street Development Corporation, Portland
- South Portland Housing Authority
- Spauld Group, Yarmouth
- St. Germain
- Sunrise Opportunities, Machias
- S & W Cole Engineering, Gray
- Santon Company
- TD Bank
- Teaford Housing, Brunswick
- The Coleb Group, Saco
- The Eagle Point Companies, South Portland
- The Housing Foundation
- The Park Danforth, Portland
- Thornton Tomasetti, Portland
- Through These Doors, Portland
- Total Construction Management, Winterset
- TPD Construction Co., Sanford
- United Way of Greater Portland
- Ultrix, Inc.
- Veterans Inc., Lewiston
- Volunteers of America of Northern ME
- Washington County Assoc for Ret. Citizens
- Westbrook Housing Authority
- Western Maine Community Action, E. Wilton
- Winton Scott Architects
- Wishcamper Companies, Portland
- WJC & Associates
- Wright-Ryan Construction, Portland
- Yarmouth Housing Collaborative
- Year-Round Housing Corp., Long Island
- York County Community Action, Sanford
- York Housing Authority
- Zachow Construction, Freeport
- Zero Energy Design