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## Carl L. Sheline Mayor

January 24, 2024

Senator Grohoski, Chair  
Representative Perry, Chair  
Joint Standing Committee on Taxation

RE: LD 2106, An Act to Accelerate the Production of Affordable Housing and Strengthen the Historic Property Rehabilitation Tax Credit

Dear Sen. Grohoski, Rep. Perry and members of the Taxation Committee:

As the mayor of Lewiston, I would like to voice my support for LD 2106, "An Act to Accelerate the Production of Affordable Housing and Strengthen the Historic Property Rehabilitation Tax Credit."

When I first took office, I announced the creation of the Mayoral Committee on Economic Development. The Committee's aim was to take a comprehensive view of how to create and incentivize economic development in Lewiston. As you know, the city's economic history mirrors much of Maine's; we have had booming success, but have also seen downturns as manufacturing has waned throughout the years, forcing mill closures.

Fortunately, over the past several years, we have begun to see the redevelopment of the historic Continental Mill. The Continental Mill consists of over 600,000 square feet in the heart of Lewiston.

In June of 2023, I was proud to attend the groundbreaking of the Picker House housing project there. The project, which uses 85,000 square feet, will create 72 apartment units at a time when our city is struggling so much for housing. Projects like Picker House are only economically viable because of programs like the Maine Historic Property Rehabilitation Tax Credit. And due to rising construction costs, it has become necessary to increase the credit. As construction costs have risen and risen, it has gotten harder and harder for developers to make their numbers work under the 16-year old cap of \$5 million per year.

Rehabilitating historic structures like the Continental Mill is essential to Lewiston's comeback story. Imagine the amount of construction jobs and property taxes that would come to Lewiston if the rest of the mill was developed. And imagine what it would do for the housing crisis in the region if even half of that space was turned into affordable housing.

Cities and towns all across Maine have historic mills, schools, and churches, and increasing this credit will allow them to be rehabilitated into afforded houses and other critical uses.

The Legislature has rightly prioritized housing over the past several years, and it would be wise to continue that work by passing LD 2106. Cities like Lewiston are counting on you.

I appreciate being here and I appreciate the committee's time.

Sincerely,

Carl L. Sheline