

*Testimony of Senator Mattie Daughtry introducing*  
**LD 2169, An Act to Support the Development of Workforce Housing to Promote  
Economic Development in Maine**  
*Before the Joint Select Committee on Housing*  
Tuesday, February 6, 2024

Senator Pierce, Representative Gere, and Esteemed Members of the Joint Select Committee on Housing, my name is Mattie Daughtry, and I proudly represent Senate District 23, which includes my hometown of Brunswick, Freeport, Harpswell, Pownal, Chebeague Island, and part of Yarmouth. Today, I am very pleased to introduce LD 2169, "An Act to Support the Development of Workforce Housing to Promote Economic Development in Maine."

In this Committee, you have heard many distressing numbers and today I am here with more. In my Senate district, the average price of a home is \$599,446. With the median income in Maine being \$68,000, this math simply does not work for renters who get these costs passed on to, or for homebuyers. Looking at these numbers I know that I would not be able to be the Senator for my district if I have not been able to purchase a home in 2015--after 20 submitted offers and years of looking. For most of my friends who grew up with me in Brunswick, most are having to move out of our area, or can not afford to move home. These numbers do not paint the full picture. As more and more Mainers--especially my generation--are unable to purchase homes, it places extreme pressure on our rental market.

Our apartment inventory is sorely lacking. According to the Harvard Joint Center on Housing Studies, between 2011 and 2021, Maine lost almost 40,000 rental units under \$1399. In this moment, many in our state are unable to afford consistent and safe housing, despite having stable employment. The heart of this bill is a desire to address the missing middle of our housing crisis in which over 50% of renters are cost burdened, spending between 30%-50% of their income on rent. These are the folks that make too much to qualify for most housing assistance--but not enough to purchase a home or pay a reasonable amount of rent. These folks are the backbone of our economy and include many of us in this room today.

Many employers in my district--and across our state--are seeing this housing crunch having dire impacts on an already strapped workforce. Some of my friend's farms who have secured summer help, only to have the employees back out of a job offer due to the inability to find housing. Many who are part of the working waterfront in my district have watched the very places where they work become inaccessible due to development and in turn be priced out of the communities in which they make their

living. With large employers like BIW and MaineHealth in my district I have heard that they too have lost out on potential employees--or had employees move over an hour away due to housing. At my own business I have watched all but one of my staff move out of Brunswick. Also at the same time we constantly have folks come into the bar and ask if we have heard of any housing while they are in town for interviews. One of my friends in Brunswick, who is a single mother with two kids, works two jobs and pays \$2000 a month for her place with utilities included. She was just notified the rent is going up \$500 a month with utilities removed. This means she is facing the reality of having to move yet again--she has six times in three years.

Along with my testimony I have passed out a chart from the recent MaineHousing, Governor's Office of Policy and Innovation, and Department of Economic and Community Development study that showed the affordability bands based on salary in out regions<sup>1</sup>.

I have been working with Maine's Housing Authorities on this bill because they see the need firsthand. LD 2169 would create workforce housing for Maine wage-earners who cannot afford the rising costs of renting or purchasing a home. Indeed, for workers who earn 60% to 120% of the area median income (which is currently about \$17 to \$25 per hour), housing is unaffordable. There are various reasons: Maine has a small statewide inventory, including in the Midcoast; there is high buyer demand, which is driving up the prices of homes; and rising interest rates are making homeownership impossible for these workers. In conversations with several stakeholders--including many who have submitted testimony--the bill as drafted does not get full at the intent. I am suggesting instead of the hourly rate that we instead move it to a band considering 120 - 180% AMI.

As we have all learned from a recent MaineHousing report, we need to build 84,000 new homes over the next seven years for the people who already live as well as the people we anticipate will move here. If we break that number down further, we realize that we need 22,000 homes to support the roughly 24,000 workers that Maine needs to fill the number of currently open positions.

That's why I urge the Committee to take this proposal seriously. I have heard from housing authorities, developers, farmers, advocates, fishermen, and workers who will share their personal stories struggling to find affordable housing, support their families, and take care of their needs. Also for those of us who represent Island communities we hear loud and clear how amplified the housing struggle is for them. The housing crisis is

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<sup>1</sup>[https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/State%20of%20Maine%20Housing%20Production%20Needs%20Study\\_Executive%20Summary\\_Final\\_10.3.23.pdf](https://www.maine.gov/future/sites/maine.gov/future/files/inline-files/State%20of%20Maine%20Housing%20Production%20Needs%20Study_Executive%20Summary_Final_10.3.23.pdf)

so pervasive that it threatens to damage the heritage industries – farming, fishing, and forestry – that make Maine unique and special. Without these industries, and the workers who make them viable, we will lose an essential part of who we are. We just cannot allow that to happen.

LD 2169 would create a Loan Fund administered by the Department of Economic and Community Development to create workforce housing and meet this urgent need. This program could also be equally successful housed within Maine Housing. I urge the committee to find the best home for this, with both ease of deployment and affordability for users in mind. I am asking for \$15 million to get this program started but would love to see an allocation of any amount to get this rolling. A pilot may also be a good beginning. As drafted the bill would in turn make these funds available to community banks. I have heard some concerns that the process of going through an intermediary may drive up the final cost for housing authorities and developers. Wherever the program is housed and with whatever funding mechanism this committee decides, it would alleviate the housing crisis and the workforce shortages that impact Maine's economy. It is absolutely critical that we build more workforce housing so that Maine can attract and retain workers now – and into the future.

Thank you for your time, and I would be happy to answer any questions.