

STATE OF MAINE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



JANET T. MILLS

HEATHER JOHNSON COMMISSIONER

February 6, 2024 Testimony of Victoria Foley Neither For Nor Against LD 2169 An Act to Support the Development of Workforce Housing to Promote Economic Development in Maine

Good Afternoon Senator Pierce, Representative Gere, and distinguished committee members.

My name is Victoria Foley and I am the Director of Legislative Affairs and Communications for the Department of Economic and Community Development. I am testifying today neither for nor against LD 2169.

The Department appreciates and shares the sponsor's interest in expanding housing options for individuals and families in Maine who struggle to find housing that is within their household budgets. As proposed, the loan fund outlined in the bill would support development of housing for individuals whose household income is up to 120% of Area Median Income. This is currently higher than many of the existing programs. Our Department consistently works with businesses who see housing as a barrier to expanding their workforce. We have seen many collaborative efforts over the last few years led by the private sector and nonprofits to test ideas for housing for their workforce. For example, Saddleback created a new Single Room Occupancy facility that will allow seasonal employees to live there and work in the immediate area. Other projects like the one in Millinocket led by the Maine Forest Center purchase unoccupied homes, invest in renovation and now rent them to people wanting to live and work in the area. While business owners and nonprofits are willing to participate in the solutions, often they don't have and can't access the resources to develop the needed units alone.

Governor Mills and her Administration remain committed to responding to Maine's unprecedented housing crisis with urgency and action through meaningful and impactful use of state resources. We recognize and take seriously the challenge of finding housing here in Maine.

We would also like to note for the Committee that the department does not have expertise in commercial lending like our colleagues at MaineHousing and the Finance Authority of Maine.

We are happy to continue to work with the sponsor and other stakeholders on this and other initiatives to expand housing options for Maine people. Thank you for the opportunity to share this testimony and I would be happy to take questions or requests for information that we can provide for the work session.