

## Testimony For L.D. 2214

Senator Rotundo, Representative Sachs, and honorable members of the Joint Standing Committee on Appropriations and Financial Affairs; and Senator Pierce, Representative Gere, and members of the Joint Select Committee on Housing, my name is Nate Howes, Senior Development Officer at Avesta Housing. Avesta Housing is the largest non-profit developer of affordable housing in northern New England.

Thanks to you and Governor Mills, Maine has made historic investments in housing since 2019. The creation of the state's Low-Income Housing Tax Credit (LIHTC), the Rural Affordable Rental Housing program, and emergency rental assistance programs have led to hundreds of new homes for Mainers and their families. Of course, we know those investments are not enough to resolve the crisis. Last year, Avesta received more than 6,500 applications for 420 vacancies. In other words, we were only able to meet the housing needs of every 1 in 15 applicants. Avesta is, of course, not alone. Rental properties—both big and small—face strong demand due to low supply.

**Avesta Housing urges the committee to appropriate an additional \$10M to the LIHTC program and \$10M to the Rural Rental program. We must maintain our housing momentum to in turn build more homes for Mainers.**

In addition, Avesta Housing asks the committee include the necessary funding for L.D. 2106, *An Act to Accelerate the Production of Affordable Housing and Strengthen the Historic Property Rehabilitation Tax Credit* in the supplemental budget. L.D. 2106 received a strong vote out of the Taxation Committee. The bill simply increases the project cap from \$5M to \$10M in any given year to reflect today's construction costs. Without this change, projects will be delayed and thus housing opportunities.

Avesta has 200 units in preconstruction right now, meaning we are in the process of obtaining municipal approvals funding. These units are not currently funded. They are applications, some with highly detailed conceptual drawings, pending new MaineHousing programs. These MaineHousing programs, for example the 4% tax credit program, require additional funding. The additional funding we are requesting and the increase in the historic tax credit cap under L.D. 2106, will help ensure these units move into production.

Thank you for your consideration of our testimony. We appreciate your support for housing and doing your part to meet this moment of extraordinary need. I am happy to answer any questions.

Sincerely,

*Nathaniel Howes*

Nate Howes  
Senior Development Officer  
Avesta Housing