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United Way
of Southern Maine



Good afternoon, Senator Pierce, Representative Gere, Members of the Joint Committee on Housing, Senator Rotundo and Representative Sachs, and Members of the Appropriations and Financial Affairs Committee,

My name is Ali Lovejoy, and I am the Vice President of Mission Advancement at Preble Street.

We at Preble Street deeply appreciate all the work the Joint Housing Committee has done this session in highlighting the importance of significant and sustained funding for all points on the housing continuum, from emergency shelter funding to rent relief to affordable housing. We understand the need for funding for all these elements to address Maine’s housing crisis. Today, we testify as the operators of emergency shelters, including two of the only five low barrier shelters in Maine.

Preble Street is requesting support in the supplemental budget for \$10 million in shelter and \$2.5 million in low-barrier shelter funding. We are asking that this shelter funding be a permanent designation in the budget due to the dire state of emergency shelters in Maine, especially low-barrier shelters, and the critical nature of the services they provide.

Currently, there are only five privately operated low-barrier shelters in Maine, run by four organizations: Hope House in Bangor, operated by Penobscot Community Health Center (PCHC); Mid-Maine Homeless Shelter & Services in Waterville; and in Portland, Milestone Recovery and Preble Street’s Elena’s Way Wellness Shelter and Florence House Women’s Shelter. A low-barrier shelter accepts someone regardless of sobriety, treatment for mental illness, or history of criminal convictions. These shelters generally serve those with the most significant challenges, including acute mental illness, substance use disorder, and severe physical health problems.

These five low-barrier shelters are currently at capacity and are operating at a nearly four-million-dollar cumulative deficit. Low-barrier shelters cost more than other shelters to operate due to significant staffing requirements and the intensity of the work, including regular overdose prevention and response. Low-barrier shelters are the emergency rooms of the shelter-to-housing continuum and play a critical role in the overall health of our communities.

As things stand, Hope House Shelter will close in October 2024 due to the lack of sustainable funding revenue. With its 64 beds, Hope House is Bangor’s largest shelter and Maine’s only low-barrier shelter north of Waterville. Its closure would be devastating to the more than 300 people experiencing homelessness – many with untreated substance use or mental health issues – who find shelter at Hope House each year. Preble Street is exploring the possibility of stepping in and

continuing to operate this vital low-barrier shelter in Bangor, but that cannot happen without sustained state funding. The current deficit at Hope House is \$1 million. Preble Street already is carrying an annual deficit of \$1.4 million for Elena's Way and \$750,000 for Florence House and cannot carry this additional burden without a permanent and sustained solution in place.

PCHC, Preble Street, and other low-barrier shelter providers have been working relentlessly to raise private funds. We're also pursuing opioid settlement funding at the state, county, and municipal levels, and we continue to work with DHHS to identify a revenue stream through that department that works. However, no sustained funding has been confirmed, and even this request for \$2.5 million will not erase the \$3.9 million deficit these five low-barrier shelters face.

The current level of funding for low-barrier shelters is not sustainable. Maine needs to designate a permanent state budget line for low-barrier shelters so that this life-saving resource on the front line of the unsheltered crisis remains available for the most vulnerable people in our state.

I or my colleagues are available for any questions the committees may have.

Thank you.