



# MAINE AFFORDABLE HOUSING COALITION

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## **132nd Legislature - Joint Committee on Taxation**

*Testimony of Laura Mitchell, Executive Director of the Maine Affordable Housing Coalition – 2.5.25*

**in favor of LD146** An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year

Good afternoon, Chair Grohoski and Chair Cloutier, and the honorable members of the Joint Taxation Committee. My name is Laura Mitchell, I am the Executive Director of the Maine Affordable Housing Coalition, a nonprofit organization of more than 140 Maine housing development, building, design, shelter, and housing organizations. We work to create and preserve housing that is affordable for all people in Maine.

**Thank you for this opportunity to speak to you in favor of LD2146, An Act to Increase the Maximum Amount of the Historic Property Rehabilitation Tax Credit That May be Taken in a Year** sponsored by **Senator Rotundo**. The State Historic Tax Credit is used to fund the rehabilitation of run-down historic sites such as unused former schools and mills, in communities throughout Maine. It recreates these beloved locations into vital community assets that provide housing, rejuvenate municipal tax bases, and catalyze economic opportunity.

We all know that finding affordable housing is top of mind for all Maine people. Seniors trying to downsize, employers in need of housing for workers, young families trying to get a start building assets, and people living outside.

More than 2/3 of state historic tax credit projects are redeveloped into housing in Maine. More than 20% of all new affordable homes in Maine have used the historic tax credit. **LD146 makes a technical change allowing a faster distribution of funding to projects when they need it, without increasing the state investment. LD146 will speed up revitalization to get new homes developed faster and more efficiently. Maine's beloved assets that have fallen in disrepair need your vote in favor of LD146. It's a smart choice that leverages past investments in infrastructure like water and sewer to these old buildings.** Tax credits are also an extremely efficient way for our State to help build housing, because credits bring in, and draw in investment from outside of Maine.

**As lawmakers I'm sure you want to focus on proven, effective strategies for addressing Maine people's challenges. Improving the State Historic Tax Credit was a recommendation from the January 2025 HR&A report providing a Roadmap to Meeting Maine's Housing Goals. LD146 does that. It's time to streamline access to the credit and allow the first year of construction to leverage additional credits to meet increased construction costs without delaying work into subsequent years.**

There's no better place to build new housing in Maine than in already developed locations, that revitalize and add decades of use to run down historic properties. Maine is decades behind investing in housing and needs to be building thousands of new homes a year to meet this backlog. **I hope you will support this bill as it is one of the most tangible things you can do to boost housing production in Maine this legislative session.** Thank you.