

STATE OF MAINE GOVERNOR'S OFFICE OF POLICY INNOVATION AND THE FUTURE 181 STATE HOUSE STATION AUGUSTA, MAINE 04333-0181

Testimony In Support of

L.D. 1016, An Act to Establish the Manufactured Housing Community and Mobile Home Park Preservation and Assistance Fund

March 25, 2025

Senator Curry, Representative Gere, and distinguished members of the Joint Standing Committee on Housing and Economic Development, my name is Greg Payne and I serve as the Senior Advisor on Housing Policy in the Governor's Office of Policy Innovation and the Future. I am here today to offer testimony in support of L.D. 1016, An Act to Establish the Manufactured Housing Community and Mobile Home Park Preservation and Assistance Fund.

There are 476 mobile home parks in Maine which include roughly 20,000 home sites and are home to about 45,000 people. These parks represent an enormously important source of naturally occurring affordable housing and are often the only homes available to low and moderate income Mainers, many of whom are living on fixed incomes.

For decades, these parks have changed hands in due course among local buyers and sellers. In recent years, however, the marketplace has changed considerably, with outside corporate entities becoming a more frequent purchaser in such transactions. This is a shift that is not unique to Maine by any means, but the risks are just as high for Maine people as they are elsewhere.

Many large corporations and equity investors see our mobile home parks — and the people who live in them - as profit centers. They see low lot rents, and residents with little to no other options on the market who would have to pay thousands of dollars to move their homes to a different site, and recognize that they can squeeze those residents and earn a handsome return for themselves. This scenario has played out repeatedly in Maine and across the country after corporate entities take over: rents are increased repeatedly on residents, who are frequently older or disabled Mainers living on fixed incomes.

The Administration is deeply committed to addressing this problem, and we have welcomed the opportunity to work with the Legislature in recent years to take action. The enactment of Maine's Opportunity to Purchase law in 2023, and the creation and funding of the mobile home park preservation fund in the FY25 Supplemental Budget have together already helped hundreds of Maine households protect the affordability of their homes. Just yesterday, we joined residents of Cedar Falls Mobile Home Park in Bangor at a celebration of their recent purchase of the park – a move necessitated by the attempted purchase of that park by a foreign equity firm.

We recognize, however, that the existing tools to help preserve these homes are not sufficient. Just in the past year and a half since the Opportunity to Purchase law went into effect, owners of

STATE OF MAINE

GOVERNOR'S OFFICE OF POLICY INNOVATION AND THE FUTURE

181 STATE HOUSE STATION AUGUSTA, MAINE 04333-0181

28 mobile home parks from Berwick to Bucksport to Belfast – comprised of more than 1,600 households - have filed the required notice of their intent to sell. Many were sold to corporate entities despite the recent tools we have provided to help protect Maine people.

The Administration supports LD 1016 because it is targeted in a way that makes it more difficult for outside corporations and investors to harm Mainers living in mobile home parks. It also ensures that such entities play a role in future contributions to the mobile home park preservation fund.

We admire the recent successes of resident cooperatives around the state who have purchased their parks and now themselves control the future affordability of their homes. We are also grateful to our partners in the community development, finance and philanthropic sectors for their work in helping those residents achieve those successes. But we recognize that more tools are needed to ensure that mobile home park residents in Maine do not continue to fall victim to corporate profiteers. This bill proposes what we believe would be a highly valuable such tool, and we strongly urge the Committee to support it.

Thank you for your consideration of our testimony. I would be happy to answer any questions.