



City of Auburn, Maine

Economic Development

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Testimony in Support of LD 1044

An Act to Clarify the Qualifying Use of Tax Increment Financing for Extension of a Development District April 2, 2025

Senator Grohoski, Representative Cloutier and distinguished members of the Joint Standing Committee on Taxation, my name is Jay Brenchick, and I am submitting testimony in strong support of LD 1044 Act to Clarify the Qualifying Use of Tax Increment Financing for Extension of a Development District. This legislation represents an essential step in strengthening Maine's ability to support and sustain affordable housing and transit-oriented development through the strategic use of tax increment financing (TIF).

The proposed changes clarify and ensure that municipalities can effectively utilize TIF revenue for these critical investments, which are fundamental to fostering economic growth, community resilience, and equitable access to housing and transportation.

Key Benefits of This Legislation:

1. **Enhancing Affordable Housing Access:** The housing crisis remains a significant challenge across Maine. Allowing extended use of TIF revenues to develop safe, quality housing for households earning up to 120% of the area median income ensures that more Mainers can find stable and affordable living situations.
2. **Supporting Transit-Oriented Development:** By refining the definition of transit-oriented development to include areas beyond designated districts or nodes, this bill recognizes that transportation infrastructure can serve a broader range of communities and economic development opportunities.
3. **Providing Long-Term Economic Stability:** The ability to extend TIF districts ensures that municipalities can plan and execute long-term investments in housing and transit that align with Maine's economic and environmental sustainability goals.
4. **Strengthening Workforce and Economic Growth:** Ensuring that workers have access to affordable housing and reliable transportation options supports local businesses, attracts new talent, and creates a more vibrant and economically inclusive state.

As Maine continues to address the interconnected challenges of housing affordability and infrastructure development, this legislation provides a crucial tool for municipalities to build stronger, more sustainable communities.

Respectfully submitted,



Jay Brenchick