



Testimony of
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Before
The Joint Standing Committee on Housing and Economic Development (132nd)

LD 1170: An Act to Make the Maine Redevelopment Land Bank Authority Responsible for the Transfer and Development of State-owned Surplus Land

Senator Curry, Representative Gere, and members of the Joint Standing Committee on Housing and Economic Development, I am Erik Jorgensen Senior Director of Government Relations and Communications at the Maine State Housing Authority (MaineHousing) and I am submitting this testimony in support of **LD 1170: An Act to Make the Maine Redevelopment Land Bank Authority Responsible for the Transfer and Development of State-owned Surplus Land**.

MaineHousing has been helping Maine people own, rent, repair, and heat their homes since 1969. We are an independent state authority (not a state agency) created to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing. We are authorized to issue bonds to finance single family mortgages for first time homebuyers and for affordable multi-family housing.

We are also authorized to administer a number of state and federal programs, including rental subsidies, weatherization, fuel assistance, two housing block grants, the low-income housing tax credit program, and homeless grant programs. We receive state general fund revenue for homeless programs and receive a dedicated portion of the real estate transfer tax for the Housing Opportunities for Maine (HOME) Fund.

We would characterize this as a small but important bill. MaineHousing is grateful for Representative Julia for introducing it, and for the majority of this committee for appearing as co-sponsors. LD 1170 helps to realign an important state function, the process of disposing surplus property, with the new state agency better designed for that purpose. Currently, surplus land parcels are offered to MaineHousing as potential locations for affordable housing. This has rarely resulted in success, most often these parcels prove not suitable for that purpose.

State surplus property comes in many forms and likely has value for many purposes, including but not limited to, housing. The Redevelopment Land Bank Authority has a stated goal of assessing potential uses and strategically facilitating redevelopment of any properties, including those from government, that are underutilized. Their focus and broad expertise would assure that they'd find the best solutions to the puzzles that are always presented with surplus land.

As this committee knows, Maine has a severe housing shortage, and it would be appropriate for you to question whether a change such as is proposed here might negatively affect housing. I would like to assure you that this has been thought through. MaineHousing's director is a statutory member of the Land Bank Authority board, so the voice of housing will always be clearly present at the land bank table.

This is a smart bill that will increase efficiency while professionalizing the proper handling of state surplus property to assure that each asset, whether its potential is for housing or something else, is deliberately considered in terms of its highest and best potential use.

Thank you.