



Testimony of John Egan, Senior Program Officer for Strategic Initiatives, Genesis Community Loan Fund, in Support of LD 690, *An Act to Authorize a General Fund Bond Issue to Provide \$100,000,000 for Affordable and Low-income Housing Programs*, Before the Joint Standing Committee on Appropriations and Financial Affairs

April 9, 2025

Thank you, Senator Rotundo, Representative Gattine, and distinguished members of the Committee:

My name is John Egan, and I serve as Senior Program Officer for Strategic Initiatives at the Genesis Community Loan Fund, a certified nonprofit Community Development Financial Institution (CDFI) working across Maine and northern New England. We provide flexible capital and expert guidance to help create affordable housing and other critical community projects. We see, up close, the power of public investment to unlock projects that otherwise couldn't happen, especially in rural areas.

Today, I'm here to testify in strong support of LD 690, a bond proposal that would provide \$100 million to expand affordable housing opportunities across our state.

One of the ways Genesis works is through our contract with MaineHousing to help housing developers plan projects and obtain financing. Since I work directly with developers, I can tell you this with certainty: there are high-quality, shovel-ready affordable housing projects in communities across the state just waiting for funding so they can get started. Developers and communities have done the hard work of local engagement, site planning, and permitting. Projects are ready to go that are well-conceived, deeply needed, and aligned with local priorities.

But the current level of funding isn't enough to meet demand. In the most recent round of MaineHousing's Rural Affordable Rental Housing program, more proposed projects will go unfunded than will receive support. The same is true for the Affordable Homeownership program—viable, community-backed development won't move forward, simply because there's not enough funding available.

If we don't change that, we'll continue to see homes priced at multiple millions sell within hours, while modest-income Mainers face years-long waits for affordable units and homeownership opportunities.

And you and all of us here today know how that hurts communities across the state:

- When workers can't afford to live nearby, businesses can't grow. In fact, we see them closing, even in our larger cities.

- Young families as well as older Mainers are struggling to find decent housing in their own hometowns.
- Rural and coastal island communities hollow out, and then we see threats to local schools, public safety departments, and local economies.

The impacts of unmet housing needs are especially severe for Maine's most vulnerable residents—seniors, people with disabilities, workers with lower incomes, and individuals experiencing homelessness. Finding support and stability is entirely dependent on finding a place to live that is affordable.

LD 690 proposes a transformational investment in Maine's housing future. Bond funds would support the MaineHousing programs that are the backbone of our state's affordable housing delivery system:

- \$35 million to build rural affordable rental housing—meeting the needs of small towns where the private market cannot build affordably without subsidy.
- \$35 million to support multifamily rental housing with the low-income housing tax credit—our most important tool for creating high-quality, energy-efficient affordable homes for working families, seniors, and individuals.
- \$15 million to support affordable homeownership—opening the door for first-time buyers and helping families build financial equity and stability.
- \$15 million for critical home repair and accessibility upgrades—allowing low-income homeowners, especially older adults, to remain safely housed.

Importantly, 20% of the funding in three of these categories will be available for projects using modular construction, helping to incentivize Maine's manufacturers and increase the pace and cost-effectiveness of new construction—especially in areas with limited access to the traditional trades workforce.

The funding that will result from LD 690's passage will help meet today's acute needs while building a foundation for Mainers' long-term stability and prosperity. It will enable smart, strategic, deeply necessary investment that leverages private investment and federal dollars. Building thousands of new homes will help Maine grow good-paying jobs in construction and manufacturing and boost economic activity that can strengthen the local tax base.

Thanks to leadership from the Legislature, Maine has begun building the capacity and momentum to address our statewide housing crisis. But we cannot hesitate in pushing forward, and this bond is timely and essential.

We urge you to support LD 690 to give Maine people the opportunity to live, work, and thrive in the communities they call home.