



MAINE AFFORDABLE HOUSING COALITION

Testimony of Laura Mitchell, Executive Director, Maine Affordable Housing Coalition

IN FAVOR of 1755 - An Act to Increase the Maine Historic Property Rehabilitation Tax Credit in Rural Areas

31 Housing of Maine
 55 Weston Avenue
 AARP Maine
 ABO Consulting, Gray
 Acorn Engineering, Inc.
 Allied Cook Construction, Portland
 Anew Development LLC, Portland
 Apartments for People LLC, Belfast
 Archetype Architects, Portland
 Associated General Contractors of Maine
 Auburn Housing Authority
 Augusta Housing Authority
 Ave Itta Housing, Portland
 Bangor Area Homesless Shelter
 Bangor Housing
 Bangor Savings Bank
 Bank of New Hampshire, Farmouth
 Bath Housing
 Bath Savings Institution
 Bathwater Enterprise
 Benchmark Construction, Westbrook
 Boston Financial Investment Management
 Bowman Contractors, Newport
 Brunswick Housing Authority
 Camden National Bank
 Carpenter Associates
 Catholic Charities of Maine
 CEI, Brunswick
 CHA Architecture, Portland
 City of Portland Department of Housing
 Clark Insurance, Portland
 Community Concepts, Lewiston
 Community Housing of Maine, Portland
 Consign Construction Co., Inc.
 Cooperative Development Institute, South Freeport
 Cooperative Fund of the Northeast
 CREA, LLC
 Creta Associates, Westbrook
 Cross Financial Corp., Portland
 Cumberland County
 Curtin Theater, Portland
 CVS Architects, Portland
 Developers Collaborative, Portland
 Development Services of New England, Freeport
 Dovefall Consulting
 Drummond Woodburn, Portland
 Duca Construction, Inc.
 Dunbar & Brown Construction
 Eagle Point Development, LLC
 Eagle Peabody Consulting Group, Augusta
 Eric Burmeister
 Evermore, Portland
 Fairbank, Town of
 Fort Fairfield Residential Development Corp.
 Four Directions Development Corporation, Orono
 Freeport Community Services
 Freeport Housing Trust
 Furniture Friends
 Gannett Construction, Augusta
 Gawron Turgeon Architects, Scarborough
 Genesis Community Loan Fund, Brunswick
 Genesis Savings Bank
 Great Falls Construction, Gorham
 Grommes Puzoski Consulting LLC, Portland
 GrowSmart Maine
 Habitat for Humanity of Greater Portland
 Habitat for Humanity York County
 Henscock Lumber, Casco
 Healthy Androscoggin, Lewiston
 Hebert Construction
 Home Start, Peaks Island
 Homesless Voices for Justice, Portland
 Housing Foundation, Orono
 Housing Initiatives of New England, Portland
 Housing Partnership, Portsmouth, NH
 Hunt Capital Partners LLC, El Paso, TX
 Island Institute, Rockland
 Isleshare Affordable Property
 Jensen Bold Gardner & Henry, Portland
 John Anton, Consultant, Portland
 Kaplan Thompson Architects, Portland
 Kennebec Savings Bank, Augusta
 Kennebec Valley Community Action, Waterville
 Kennebec Savings
 KeyBank
 Knox County Homesless Coalition
 Lake City Investments, LLC
 Landry/French Construction, Scarborough
 LeRoche Consulting, LLC, Augusta
 LeRoche Architects, South Berwick
 LB Development Partners, Portland
 LeadingAge Maine & New Hampshire
 Lewiston Housing Authority
 M&T Bank
 Machias Savings Bank
 Maine Bureau of Veterans' Services
 Maine Community Action Partnership
 Maine Community Bank
 Maine Department of Health & Human Services
 Maine Equal Justice
 Maine Immigrants' Rights Coalition
 Maine Public Health Association
 Maine Real Estate Managers Association
 Maine State Building & Construction Trades
 Maine Workforce Housing LLC, Portland
 Mono en Mano, Millbridge
 Monx Development LLC, Yarmouth
 Mousam Bank
 Midcoast Regional Housing Trust
 NBT Bank
 Nickerson & O'Day, Inc., Bangor
 North Haven Sustainable Housing
 Northeast Rental Housing
 Norwey Savings Bank
 Old Town Housing Authority
 Oils Aweil CPAs, South Portland
 Palaces of General Contractors
 Penquis, Bangor
 People's United Bank
 PM Constructors
 Portland Builders
 Portland Housing Authority
 Public Street, Portland
 Preservation Management, South Portland
 Pratt Hickey, Portland
 Raise-Up Housing Cooperative, Lewiston
 Realty Resource Management
 Rental Housing Alliance of Southern Maine
 Rock Whiting
 Rumbold, Town of
 Sanford Housing Authority
 South Simons Architects, Portland
 Sea Coast Management Company, Topsham
 Shalom House, Portland
 Silver Street Development Corporation, Portland
 South Portland Housing Authority
 Sparhawk Group, Yarmouth
 St. Germain
 Sunrise Opportunities, Machias
 S.W. Cole Engineering, Gray
 Stanion Company
 TD Bank
 Tedford Housing, Brunswick
 Telleb Group, Saco
 The Eagle Point Companies, South Portland
 The Housing Foundation
 The Park District, Portland
 Thornton Tomasetti, Portland
 Through These Doors, Portland
 Total Construction Management, Winterport
 TPD Construction Co., Sanford
 United Way of Greater Portland
 Ullie, Inc.
 Veterans Inc., Lewiston
 Volunteers of America of Northern ME
 Washington County Assoc for Ret. Civilians
 Westbrook Housing Authority
 Western Maine Community Action, E. Wilton
 Weston Scott Architects
 Wishcomper Companies, Portland
 WNC & Associates
 Wright-Ryan Construction, Portland
 Yarmouth Housing Collaborative
 Year-Round Housing Corp., Long Island
 York County Community Action, Sanford
 York Housing Authority
 Zachou Construction, Freeport
 Zero Energy Design
 Zeno Energy, LLC

Chair Grohoski, Chair Cloutier, and Members of the Joint Standing Committee on Taxation. On behalf of the Maine Affordable Housing Coalition, a nonprofit with 140 business and more than 2,000 individual members, we ask that you support LD1755. It meets the recommendation in the State's 2025 HR&A Housing Production Roadmap to provide financial tools for housing development, particularly leveraging private investment.

LD1755 builds on an existing Maine program, that already operates as a model public-private partnership efficiently building housing. Only after private capital has been invested and a project is complete, does the state tax credit kick in. No up front speculative investment required by the state.

So LD1755 is a cost-effective step the state can take to address the state's shortage of 80,000 homes by 2030. It builds on a program that already works, encourages private capital to invest in our rural downtowns, and repurposes the buildings that define the character of our small towns—while not requiring the higher subsidies needed for new housing construction.

Maine's rural towns are rich with historic buildings that were once anchors of community life but now sit vacant or underutilized, and are wasting resources invested in public sewer and water that serve them. LD 1755 gives us the opportunity to transform these buildings into vibrant assets, leverage past investment in the roads, water and sewer to serve them, and create desperately needed housing. All while not adding a new program. This is about improving what already works—and making it work better for Maine's rural communities.

Investment in rural communities in Maine is hard to come by. Rental rates and purchase prices on homes are lower than in more urban areas, making the return on investment for rehabbing a property lower. Incentiving these projects so private capital can flow into small Maine communities helps everyone – small local developers that will under take these projects, residents that need housing, and municipal tax bases. We cannot separate housing from economic development. In rural Maine, housing is often the #1 barrier to growth for local employers. When we create new housing, particularly downtown in historic areas with cost effective adaptive reuse - we support the small businesses, the schools, and the health care systems that are the backbone of rural Maine.

Every new resident who moves into one of these revitalized buildings brings with them purchasing power and civic life. Main Street storefronts are activated. Blight is reduced. Tourism and community pride increase. And crucially, the tax base expands.

With this historic tax credit boost, we can make the thin return on investment numbers work in rural communities and empower dozens of small Maine developers across the state to rehab properties in their home towns.

This bill requires no new agency. No new oversight structures. It simply expands the impact of a program we already trust, while aligning it with Maine's pressing need for rural housing. It creates the right incentives in the right places: small towns, historic buildings, private capital, and housing.

LD 1755 is not just a housing bill. It is a rural revitalization bill. It is a jobs bill. It is an economic development bill. And it is an efficient, highly visible way for the state to support the communities that too often feel left behind.