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January 21, 2026

Senator Nicole Grohoski
Representative Dan Sayre
Taxation Committee
c/o Legislative Information Office
100 State House Station
Augusta, ME 04333

Subject: Testimony in Support of LD 2116-- An Act to Make Permanent the Affordable Housing Income Tax Credit

Senator Grohowski, Representative Sayre, and members of the Taxation Committee--

My name is Brian Sites, and I am the VP of Business Development at Volunteers of America Northern New England, a housing-driven agency that works across the intersections of homelessness, mental health, community justice, and affordable housing for diverse populations across Maine. Thank you for the opportunity to testify in support of LD 2116, which would remove the sunset on Maine's Affordable Housing Tax Credit.

Simply put, these tax credits are mission-critical for our agency. Whether developing new units or preserving existing affordable housing stock, affordable housing tax credits are a vital tool for agencies like VOA who, by virtue of their non-profit design, are not cash-rich organizations.

Affordable housing tax credits are lifelines for affordable housing in rural Maine. In 2023, VOA worked with Genesis Community Loan Fund to access Maine's Affordable Tax Credits for the preservation of 28 USDA Rural Development units with rental assistance in beautiful Thomaston, Maine.

In the transfer of the Pine Street and Water Street apartments, VOA secured \$500,000 and \$454,000 in tax credits respectively toward the acquisition of these long-standing affordable properties. Along with acquisition, these funds were used toward the rehabilitation of the properties, which improved resident safety, reduced operating overhead, and added decades of life into these aging units.

Not only was VOA able to keep the units from going market rate and make substantial improvements for the residents, but the affordable housing tax credits also allowed the agency to preserve the Rental Assistance provided by the federal government. To



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purposefully belabor the point—without the Maine Affordable Housing Tax Credits, the community of Thomaston would have lost these affordable units--as well as the rental assistance--forever. Once the rental assistance is gone, it never comes back.

Funds for development and preservation are hard to secure in small rural towns, thus State programs like the Maine Affordable Housing Tax Credit are crucial. Interested buyers for properties like Pine and Water Street are often mission-driven organizations that, without the support of the credit, would not be in a cash position to entertain purchasing, renovating and maintaining these properties.

For these reasons, **Volunteers of America Northern New England** strongly supports LD 2116 and asks the Committee to remove the sunset on Maine's Affordable Housing Tax Credit. This proven tool is essential to preserving housing stability and supporting healthy communities across Maine.

Thank you for your time and consideration.

Respectfully Submitted,

Brian Sites
VP of Business Development and Implementation
Volunteers of America Northern New England