



*Testimony of*

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*Before*

The Joint Standing Committee on Housing and Economic Development (132<sup>nd</sup>)

**In support of**

**LD 2164: An Act to Assist Communities with Converting Vacant School Buildings into Housing**

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 2164: An Act to Assist Communities with Converting Vacant School Buildings into Housing.**

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.

Although this bill does not directly touch MaineHousing, projects involving school-to-housing conversions have been and will likely continue to come before our agency. There are schools in many parts of Maine that are redundant, and as Maine's population continues to shift, it's likely that more of them will become available for redevelopment in the future. MaineHousing already has around 20 of these converted schools in its portfolio, and there are many others that have been rehabilitated into market-rate properties. There's no question that these buildings can provide great, community-centric housing, as they are often centrally located, and frequently hold significance as community landmarks.

As successful as some of these projects have been, it is not always easy for a developer to undertake school conversions. LD 2164 would build on work that is now being done to identify these properties and establish best practices for their re-use. Essentially the bill would create a flexible tool kit for municipalities to facilitate these conversions by dealing with specific issues that often derail projects like this. This funding could be used to address challenges such as hazardous material abatement, utility upgrades and predevelopment work (to name a few) which, if fixed, would make these properties more attractive to a developer who might not otherwise be willing to take on the financial risk.

Two years ago, when Maine Redevelopment was created, this sort of work, of shepherding underutilized state and municipal properties into new and productive use formed the core of the vision. This bill represents an important step toward

realizing the potential of this new quasi-state entity. It harnesses the technical skill of Land Bank Authority staff and directs resources toward a significant statewide need.

We see this as a community development bill as much as a housing bill, and one that will be relevant in small towns as well as larger ones. It will also be useful in preserving the fabric and built environment of communities which, when a school is abandoned, are often at risk. We hope the committee will support it.