

Dear Senator Curry, Representative Roberts, and esteemed members of the Joint Standing Committee on Innovation, Development, Economic Advancement, and Business:

My name is Kara Wilbur and I am pleased to speak in support of LD 1694 - An Act to Create the Maine Redevelopment Land Bank Authority. I am a developer that works on community-focused projects and the chair of Build Maine.

Beginning in August 2019, Build Maine initiated a "call to action" focused on addressing patterns of development that our State cannot sustain financially and that are at odds with our quality of life, sense of identity, tourism economy, efforts to attract a workforce, housing and transportation needs, and environmental goals. This work brought together a diverse group of leaders from across the state and from varied disciplines; people who understand the current system and who are in a position to help make lasting changes. This incredible group of people contributed time, energy, ideas, and critique and included housing advocates, state officials, municipal staff and elected officials, lawyers, bankers, relators, developers, transportation professionals, environmentalists, planners, and economic development professionals.

During the initial process we worked to gain a shared understanding of our state's collection of procedures, rules, and cultural forces that ultimately produce our existing patterns of land development. A draft <u>"system map"</u> was the culmination of months of work involving over 70 individuals.

This system mapping work led to a subsequent effort to identify policy solutions that would produce better fiscal, economic, environmental, and quality of life outcomes for our communities and the state. The Land Bank and Development Ready Community working group that emerged brought in additional voices and perspectives from across Maine, including municipal staff from Sanford, Rumford, and Caribou, regional planning organizations from northern, central, and southern Maine, state agencies, and a number of other stakeholders.

The Maine Redevelopment Land Bank Authority legislation was drafted as a result of a robust, dynamic, open, and transparent process. It demonstrates what can happen when people with different backgrounds and experience come together around a shared interest in solving a difficult problem. This legislation is a big step forward and is a model for how we can work together to address complex systems head-on.

This proposal was driven by people who work closely for or with municipalities. It is based on a deep understanding of the technical challenges and the capacity limitations that effect many Maine communities. While this legislation creates a new state authority, what it really does is provide tools, resources, funding, and technical support to municipalities so they can better do their work and implement their local objectives.



I do want to weigh in specifically on one area of the bill. As a developer I have looked closely at the impact of this bill on my potential to find and create viable projects that give back to Maine communities. I have analyzed the proposed Redevelopment Authority fee structure and it is clear that the financial benefits of the fee far outweigh the costs.

In order to fund the program, the legislation proposes a fee on construction and demolition debris in the amount of \$3 per ton, which is a nominal amount of money for an individual project or when compared to the usual cost per ton of around \$80. As an example, consider a project that involves 300 tons of demolition debris, which would be the complete demolition of a fairly sizable building. If we apply a slightly above average cost of \$100 per ton, the cost for that demolition disposal is going to be \$30,000 for the developer. If you then add the fee of \$3 per ton, the new increased total price per ton would be \$103, which means the disposal would now cost the developer \$30,900. This is a difference of \$900. The cumulative benefits of this fee will be significant and will help create more viable projects across the state.

This legislation also helps to address many of the State's highest priority goals related to climate change, housing, economic development, transportation, and financial stability by making it easier and more cost effective to invest in the parts of our communities where we have made previous investments. I urge support of this bill as a way to coordinate and target funding toward critical locally identified projects, create additional housing and commercial space, and help address financial gaps that preclude the private market from engaging in many regions of our state.

Thank you for your time and service to our communities and the State of Maine.

Sincerely,

Kara Wilbur Portland