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HOUSE OF REPRESENTATIVES

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**Testimony of Representative Traci Gere on LD 1246,
“Resolve, To Study Best Practices and Different Area Needs for Development of Affordable
Homes and Expanding Home Ownership in Maine Communities”
April 16, 2021**

Good morning Senator Hickman, Representative Sylvester, and esteemed colleagues of the Committee on Labor and Housing. I am Representative Traci Gere, and I represent House District 9. I live in Kennebunkport. I am testifying in support of LD 1246.

Several years ago, my town of Kennebunkport started to realize the extent of our affordable housing challenge. Enrollment in our elementary school was declining rapidly, prices for land and homes were rising dramatically, and there was a noticeable shift in the economic diversity of our population.

Our town officials commissioned a study, held focus groups, and charged a firm with creating design options for a “model” affordable home using traditional development assumptions. The cheapest single family home design they could come up with had a price tag of \$350,000 - not “affordable housing” by anyone’s standards, and certainly not for a young family, a first time home buyer, or a retiree looking to downsize.

The town, recognizing that we were not alone in this challenge, researched strategies for creating affordable homes in high cost areas, identifying several other New England communities that were taking innovative approaches, including Mount Desert Island, ME, Scarborough, ME, and Provincetown, MA.

Learning from the existing models, the town created the Kennebunkport Heritage Housing Trust, with the mission “to acquire land and properties for the purpose of building permanently affordable community housing and to provide ongoing stewardship of properties through a ground leasing model to ensure their perpetual affordability.” By using donated land, efficient design, modular construction, and several grant and incentive programs, the Trust is able to build homes with more affordable prices.

The Trust focuses on building attractive homes affordable to teachers, first responders, lobstermen, civic volunteers, year-round workforce members, families, and Kennebunkport retiring residents. The Trust recently sold its first six homes, with three in the income eligibility range of <80% of HUD Area Median Income (AMI), and three in the 80%-120% of HUD AMI. Construction is beginning and the new owners are eagerly awaiting occupancy later this year. The Trust has a goal of building 25 affordable homes by 2025.



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Kennebunkport is starting to tackle its affordable housing challenges, along with a number of Maine communities, but the problem is only getting worse and spreading to more parts of Maine. Young families ready move from renting to owning struggle to find homes available and are often getting outbid. They are having to decide whether to increase their budgets and take on more financial risk in order to achieve the dream of owning their own home. And if they decide to continue renting, that further constrains the rental market, since they won't be leaving a unit that can be filled by new renters. As a result, the rental market continues to tighten. Just this week, I heard from four constituents who are looking to rent in our area and can find nothing available. What are people to do when they simply can't find a place to live within commuting distance of their job?

We were fortunate in Kennebunkport when Pat Clancy moved to town in 2017. An attorney with a more than forty year career leading and building a major regional nonprofit community development and affordable housing firm (The Community Builders) that began in Boston and today works across the Northeast, Midwest and Midatlantic, Mr. Clancy has led the construction of over 25,000 units of affordable housing in several states. Mr. Clancy joined the board of Kennebunkport Heritage Housing Trust and has brought his significant expertise and experience to bear on its mission. You will hear from Mr. Clancy today.

In recognition of the affordable housing challenge Maine faces, Mr. Clancy brought forward the idea of convening a group of affordable housing leaders and experts from across the state to identify ways to enhance the capacity for affordable home ownership creation, and to increase the velocity and volume of affordable home construction. The commission, as presented in LD 1246, would define the needs and scope of the problem in various parts of the state, identify best practices and effective models in addressing it, and make recommendations to the Legislature for changes in laws or programs needed to propagate and expand on successful strategies.

I am happy to address any questions.

I ask for your support and for your vote Ought to Pass on LD 1246.

Respectfully,

A handwritten signature in cursive script that reads "Traci Gere".

Traci Gere
State Representative