

Housing Development Is Economic Development



MAINE AFFORDABLE
HOUSING COALITION

March 26, 2024 - Windham, ME

Laura Mitchell, Executive Director
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Nonprofit with 145 member organizations in the housing development, engineering, design, construction, finance, advocacy, and shelter fields.



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MISSION

MAHC advocates for the creation and preservation of affordable housing so all people in Maine have a place to call home.

VISION

Homes for all people in Maine.



In the competitive labor market we find ourselves in, lack of housing options has been a significant constraint that has limited our ability to recruit staff at all levels to the Bangor area.

Paul Bolin

SVP, Chief People Officer, Northern Light Health

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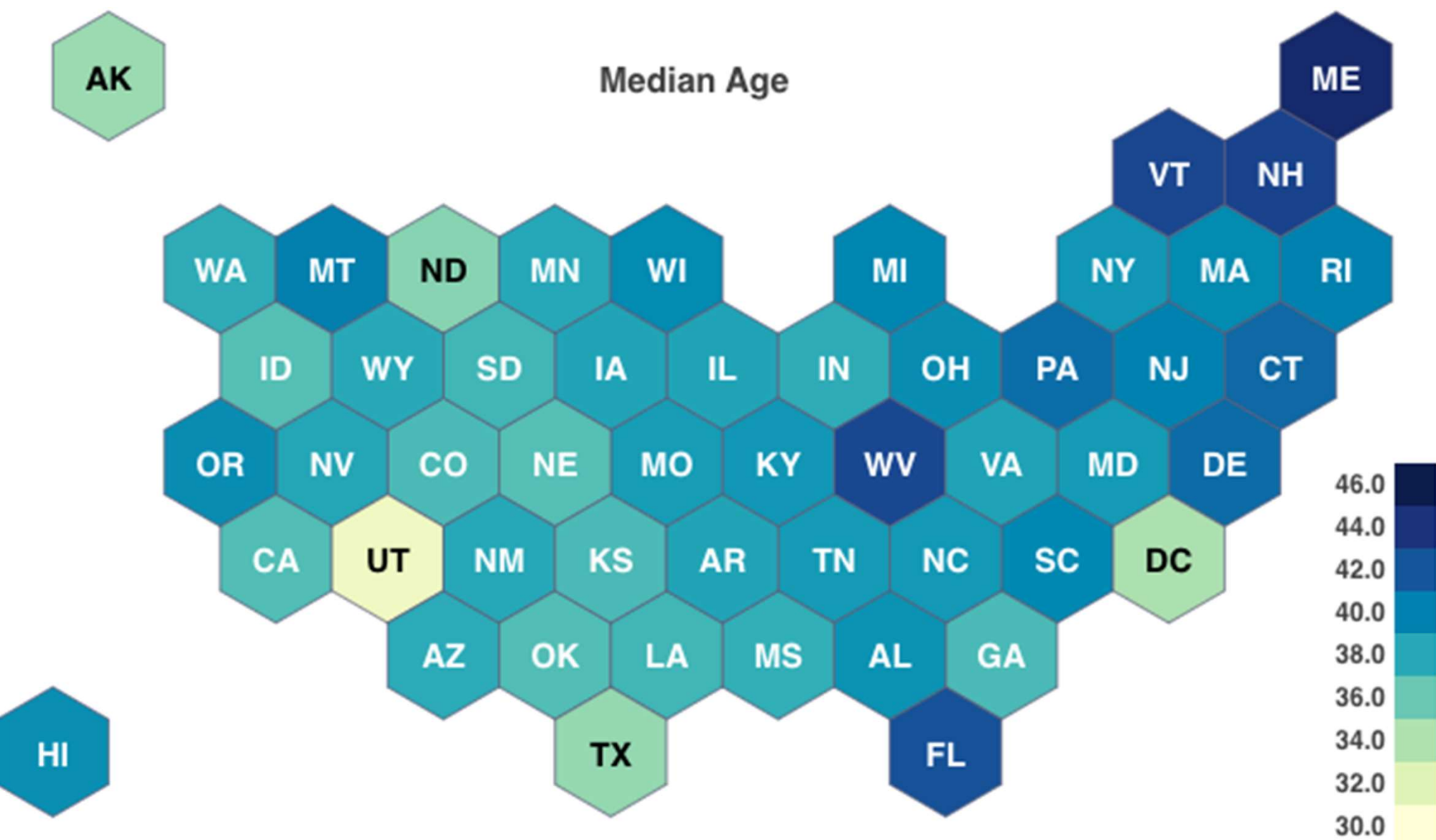


The Need for Workforce Housing In Maine

*The rate at which Maine residents are **leaving** the workforce is greater than the rate at which we are **gaining** new residents.*

Maine is the *oldest* state
in the nation.

30% of Mainers are over 60.



We Need *New* Residents to Grow
Our Workforce.

They Need A Place To Live.



A Growing Economy = A Larger Workforce

- Maine's Housing Study Shows we are SHORT 38,000 homes NOW.
- Need ADDITIONAL 38,000+ by 2030

<1%

Maine's vacancy rate, based on landlord information, is less than 1% in urban areas.

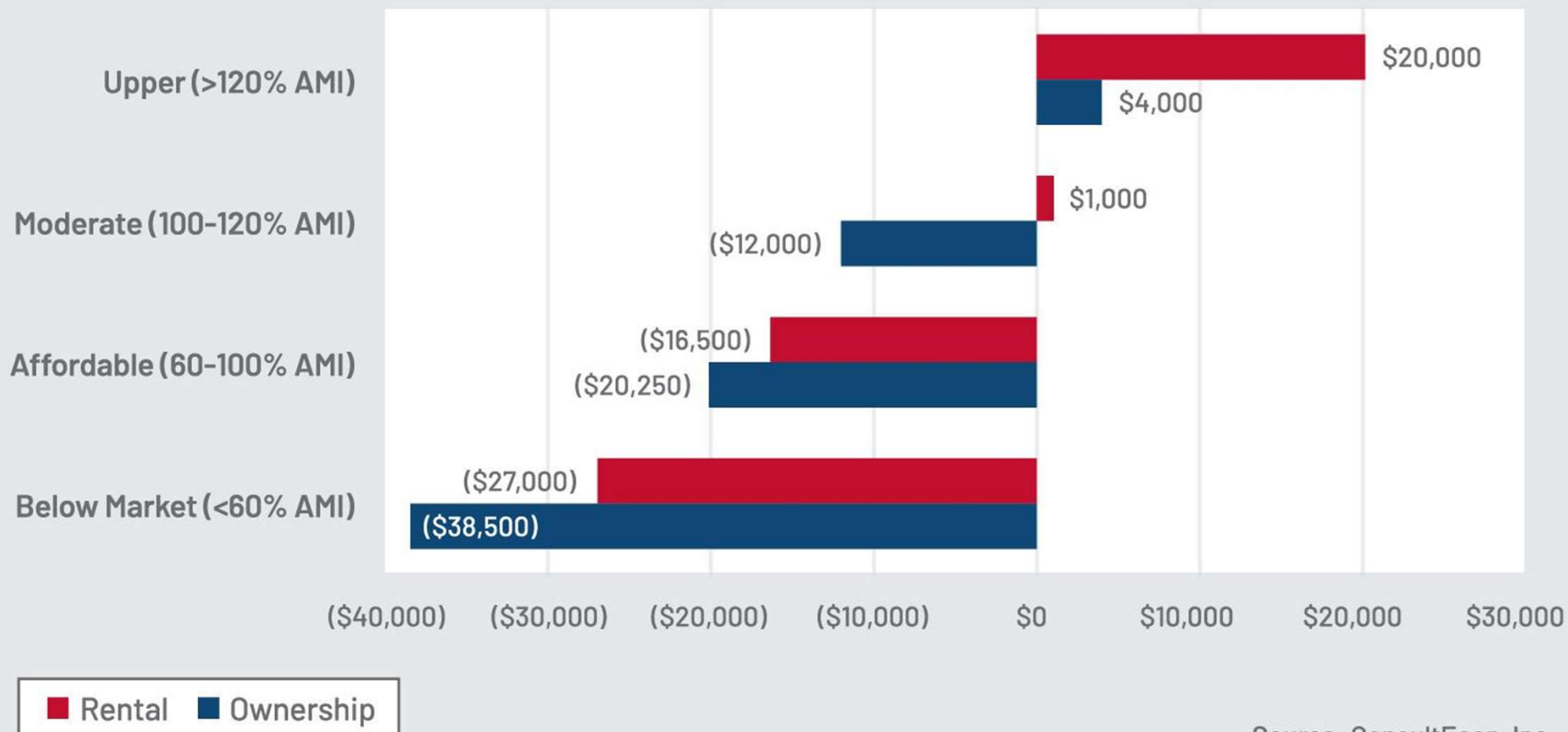
Maine ranks 2nd among states with lowest rental vacancies.

Affordable Workforce Housing *Isn't* Affordable to Build

A Growing Economic Concern

*Developers **lose** money building properties that are affordable for the majority of our region's workforce.*

Estimated Development Cost Gap



Source: ConsultEcon, Inc.

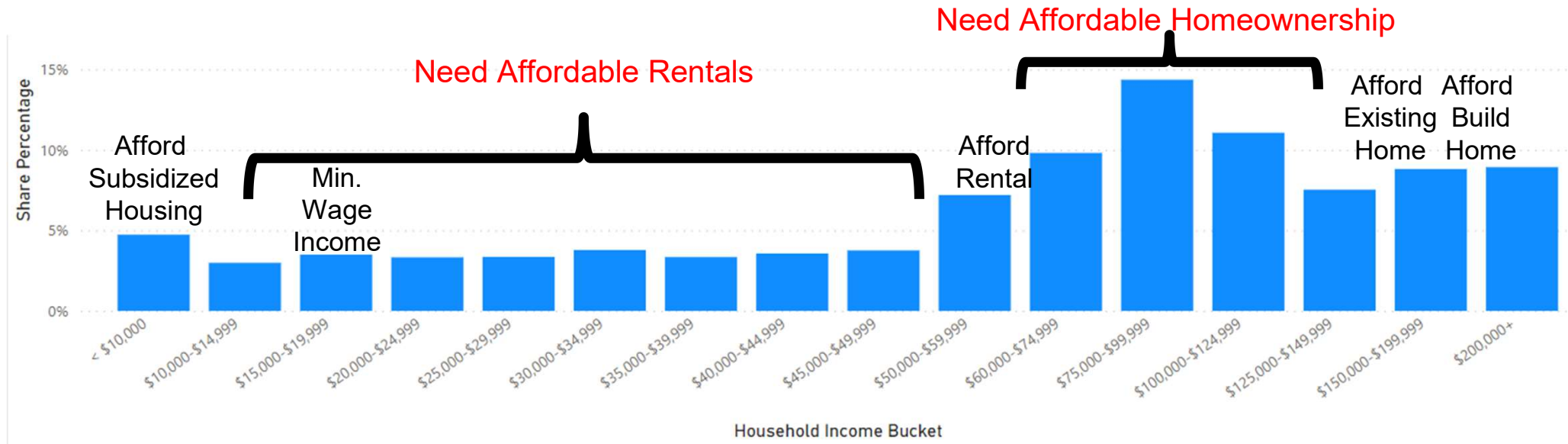
But Just Who Are We Talking
About?

Average Wages In Cumberland County

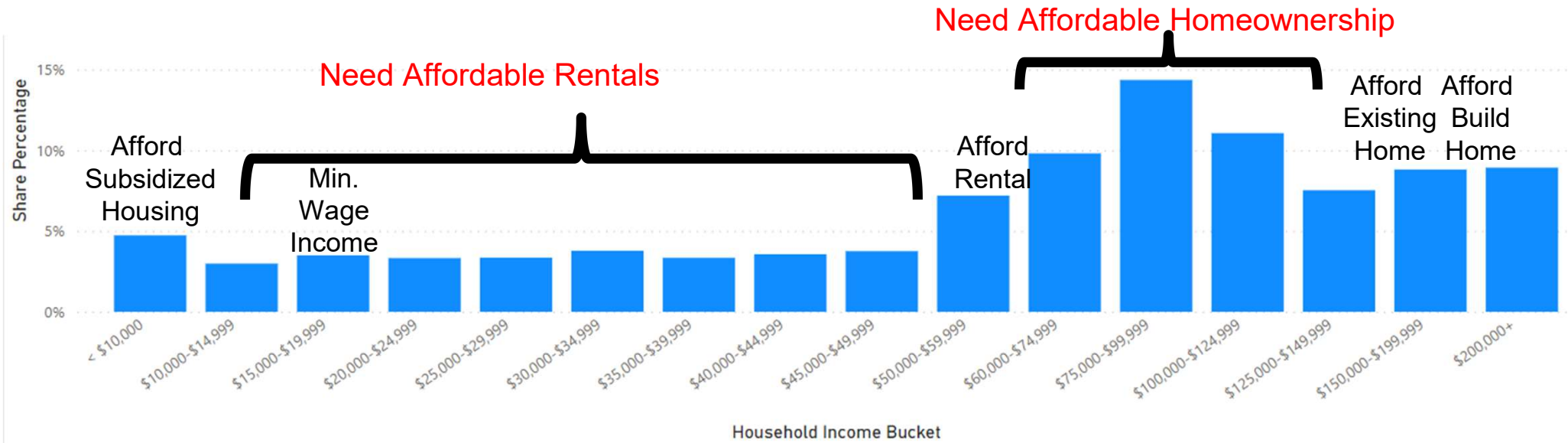
Pharmacy Tech...	\$41,400
Bookkeeper.....	\$48,310
Medical Asst.....	\$43,140
Firefighter.....	\$44,790
Police Officer.....	\$61,400
Teacher.....	\$62,100
Nurse.....	\$79,600

What Can They Afford?

% of Cumberland County Population By Income and Ability to Afford Housing Types



% of Cumberland County Population By Income and Ability to Afford Housing Types



County	Housing Type	Housing Cost & Monthly Rent	Income Needed	% of those who cannot afford
Cumberland	FMR	\$1,478	\$59,120*	39.5%
	Median Sales Price	\$455,200	\$182,080**	82%
	New Construction	\$400,000	\$160,000***	82%

Windham Median Sales Price	\$328,000
Windham Area Median Income	\$92,475
120% AMI	\$110,969
80% AMI	\$73,981

What Housing Do We Need?

Affordable Home Ownership Program Maine Housing Project



\$249,900

2 bds | 1 ba | 1,400 SF

Senior Housing To Open Single Family Homes and Family Housing



Municipalities Play a Critical Role

- Financial investment
- Land donations
- Denser zoning
- Residential in Commercial
- TIFs
- Fast track approval processes

2024 State Policy Priorities



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1. Meet the Demand for All of Maine: Production & Supply

- a. LD2106 - Increase State Historic Tax Credit cap from \$5 to \$10M, and align fiscal years
- b. Support long-term funding for housing production (add \$20M in Supplemental)
- c. Expand elevator inspection resources in Maine (Supplemental Budget)
- d. Energy efficiency policy and program monitoring



2. Cut Red Tape: Change Zoning to Increase Production

- a. LD 337 - Allow manufactured housing in all single-family housing zones
- b. LD 772 - Stop changes to zoning after completed land use permit application submitted



3. Stability Matters: Housing Stability to End Crisis

- a. Monitoring LD 1540 and LD1710 to provide rental assistance



2024 Federal Policy Priorities



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1. Expand Resources to Spur Production

- a. Support Tax Relief for Americans Act (12.5% LIHTC increase from Affordable Housing Credit Improvement Act (AHCIA))
- b. Seek Treasury Clarity on Fannie Mae and Freddie Mac (Government Sponsored Enterprises) as not being Tax-Exempt Controlled Entities
- c. Seek broader interpretation of HUD Choice Limiting Action



2. Support Rehab of Federally Funded Affordable Housing (HUD, Rural Development)



3. Expand access to rental supports to keep people in their home, or access affordable housing



2024 Research Priorities

- A. Why is Affordable Housing So Expensive to Build?**
- B. Serve on DECD committee as they develop Statewide Housing Production Plan**
- C. Impact of Electrification on Affordable Housing Development**



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2024 Housing Policy Conference



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Wed, Nov. 13, Doubletree, Portland

Full day conference with national and state housing policy experts.

Sponsorship opportunities and registration:

mainehousingcoalition.org

