

MCDA Wake Me Up Wednesday – 1.22.25

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Weekly newsletter: <https://mainehousingcoalition.org/news/>

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Nonprofit with 140 member organizations in the housing development, engineering, design, construction, finance, advocacy, and shelter fields.

MISSION

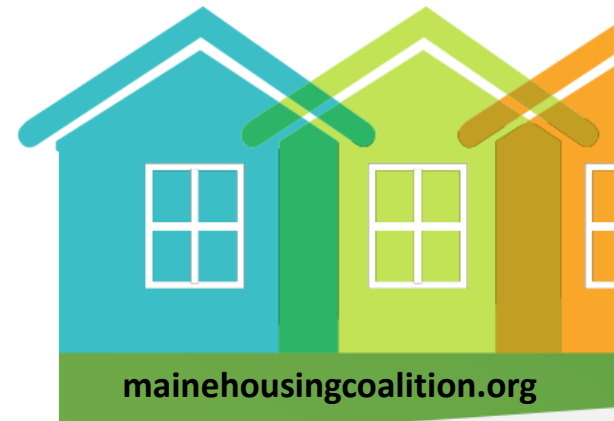
MAHC advocates for the creation and preservation of affordable housing so all people in Maine have a place to call home.

VISION

Homes for all people in Maine.

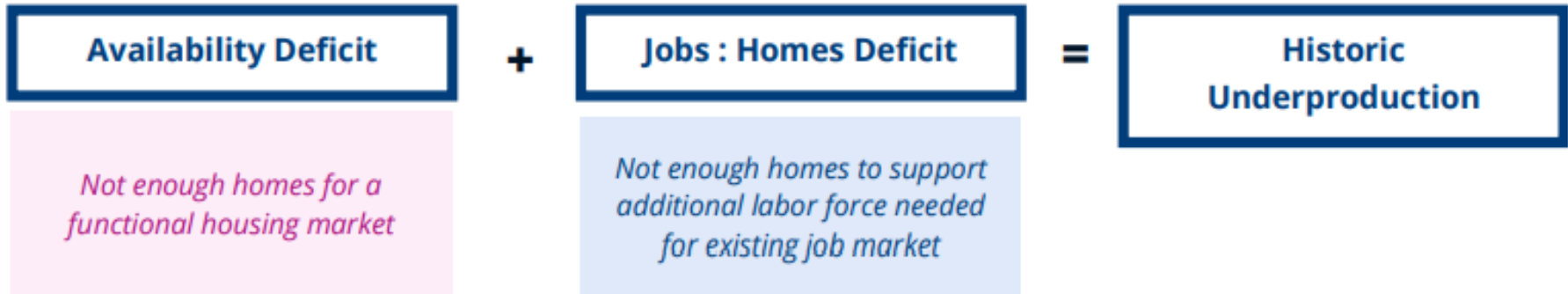


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Need for Housing in Maine

- Maine needs 80,000+ new homes by 2030 to meet population and future workforce needs.
- Housing is the top issue for Maine voters



Need for Housing in Maine



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<i>Region</i>	<i>Historic Underproduction</i>	<i>Future Need (2021 - 2030)</i>	<i>Total</i>
<i>Coastal</i>	21,200	24,200 - 28,000	45,400 - 49,200
<i>Central Western</i>	13,000	9,700 - 11,700	22,700 - 24,700
<i>Northeastern</i>	4,300	4,000 - 6,100	8,300 - 10,400
<i>Maine</i>	38,500	37,900 - 45,800	76,400 - 84,300



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

Table 9: Workers and Homes Needed to Address Jobs : Homes Deficit

	<i>Required Workers</i>	<i>Target Jobs Housing Ratio</i>	<i>Additional Homes Needed</i>
<i>Coastal Region</i>	13,700	1.15	11,900
<i>Central Western Region</i>	8,400	1.03	8,100
<i>Northeastern Region</i>	2,000	1.01	2,000
<i>Statewide</i>	24,100		22,000

Housing Market is Broken For Most Maine People

< 1%

**Maine home sale inventory
(healthy is 5-10%).**

2.9%

**Maine ranks 2nd among
states with lowest rental
vacancies.**

Need for More Housing in Maine



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- Housing production goals have been set for State and Region

Table 2: Annualized Production Needs Compared to Annual Building Permits by Region

	<i>Total Annual Production Need</i>	<i>5-year average (2016 - 2021)</i>	<i>% Change in Permits</i>	<i>Net Change in permits</i>
<i>Coastal</i>	5,100 - 5,500	3,400	50% - 62%	1,700 - 2,100
<i>Central Western</i>	2,500 - 2,700	1,000	150% - 170%	1,500 - 1,700
<i>Northeastern</i>	900 - 1,100	400	128% - 175%	510 - 700
<i>Maine</i>	8,500 - 9,300	4,800	77% - 94%	3,700 - 4,500

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.*

That's why Federal, State, and Local support is needed to build these homes.

Estimated Development Cost Gap



■ Rental ■ Ownership

Source: ConsultEcon, Inc.

Table 15: Allocation of Jobs : Homes Deficit to Household Incomes Based on Wages of Open Job Listings³⁹

<i>Household Income</i>	<i>Coastal</i>	<i>Central Western</i>	<i>Northeastern</i>
<i>Regional Totals</i>	11,900	8,100	2,000
<i>Less than 20K</i>	70	50	10
<i>20K - 35K</i>	660	360	170
<i>35K - 50K</i>	1,230	640	210
<i>50K - 75K</i>	2,000	1,400	410
<i>75K- 100K</i>	2,300	1,600	380
<i>100K - 150K</i>	3,200	2,300	470
<i>150K+</i>	2,500	1,700	350

But Just Who Are We Talking
About?

Average Wages In Maine

Pharmacy Tech...	\$31,990
Bank Teller.....	\$36,310
Medical Asst.....	\$41,400
Firefighter.....	\$44,920
Police Officer.....	\$56,930
Teacher.....	\$57,520
Nurse.....	\$73,630

What Can They Afford?

Many in Bangor Can't Afford Housing

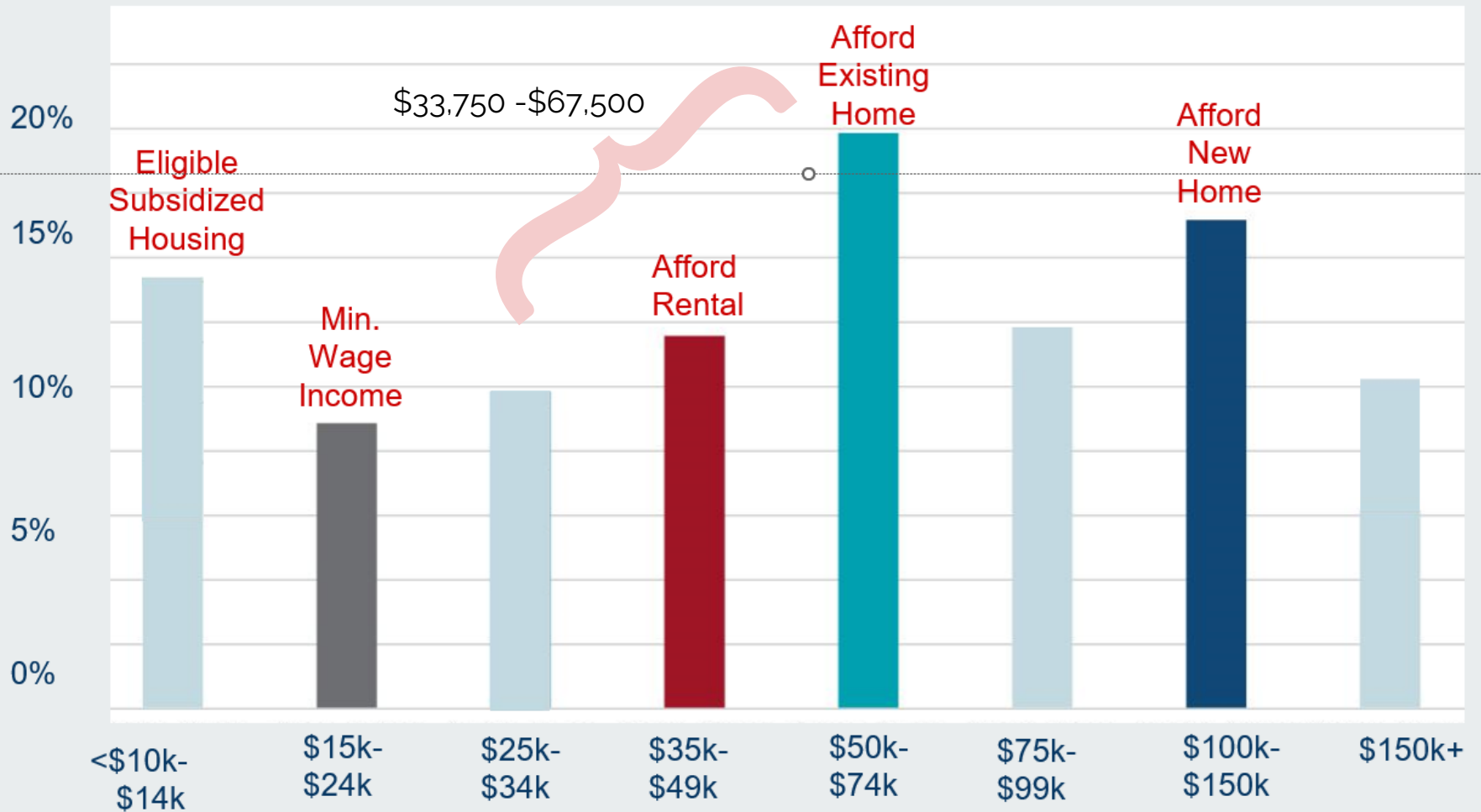


Table 11: Affordable Rent and Home Prices by Income Group, 2023

<i>Income Range</i>	<i>Affordable Monthly Rent³⁵</i>	<i>Affordable Home Price</i>
<i>Less than 20K</i>	< 80	N/A
<i>20K - 35K</i>	81 - 430	< 36,500
<i>35K - 50K</i>	431 - 780	36,501 - 90,700
<i>50K - 75K</i>	781 - 1,360	90,701 - 180,900
<i>75K- 100K</i>	1,361 - 1,950	180,901 - 271,200
<i>100K - 150K</i>	1,951 - 3,110	271,201 - 451,700
<i>150K+</i>	3,111 +	451,701 +

What Housing Do We Need?



Senior Housing To Open Single Family Homes and Family Housing



Number of housing units needed in Maine, by county

The state issued a report Tuesday that estimates the number of homes and apartments that need to be built by 2030 based on historic underproduction and future needs.

County	Historic underproduction	Future need low	Future need high	Total (Historic underproduction + future need high)
Hancock	1,500	1,900	2,200	3,700
Cumberland	10,200	7,200	8,600	18,800
Knox	1,100	1,400	1,700	2,800
Lincoln	870	880	1,100	1,970
Sagadahoc	1,100	770	950	2,050
Waldo	900	2,100	2,300	3,200
York	5,500	10,100	11,100	16,600
Piscataquis	510	-30	110	620
Androscoggin	3,800	2,200	2,700	6,500
Franklin	900	820	1,000	1,900
Kennebec	4,600	4,500	5,100	9,700
Oxford	1,700	1,900	2,300	4,000
Somerset	1,500	330	600	2,100
Aroostook	1,100	720	1,100	2,200
Penobscot	2,700	1,400	3,000	5,700
Washington	460	1,700	1,900	2,360

SOURCE: Maine Department of Economic and Community Development

STAFF GRAPHIC | JAKE LAWS

Table 23. Annual Production Needs Benchmarked to Historic Permitting

	<i>Total Annual Production Need</i>	<i>5-year average (2016 - 2021)</i>	<i>% Change in Permits</i>	<i>Net Change in permits</i>
<i>Coastal</i>	5,100 - 5,500	3,400	50% - 62%	1,700 - 2,100
<i>Central Western</i>	2,500 - 2,700	1,000	150% - 170%	1,500 - 1,700
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Which Maine counties need to build housing at the fastest rate

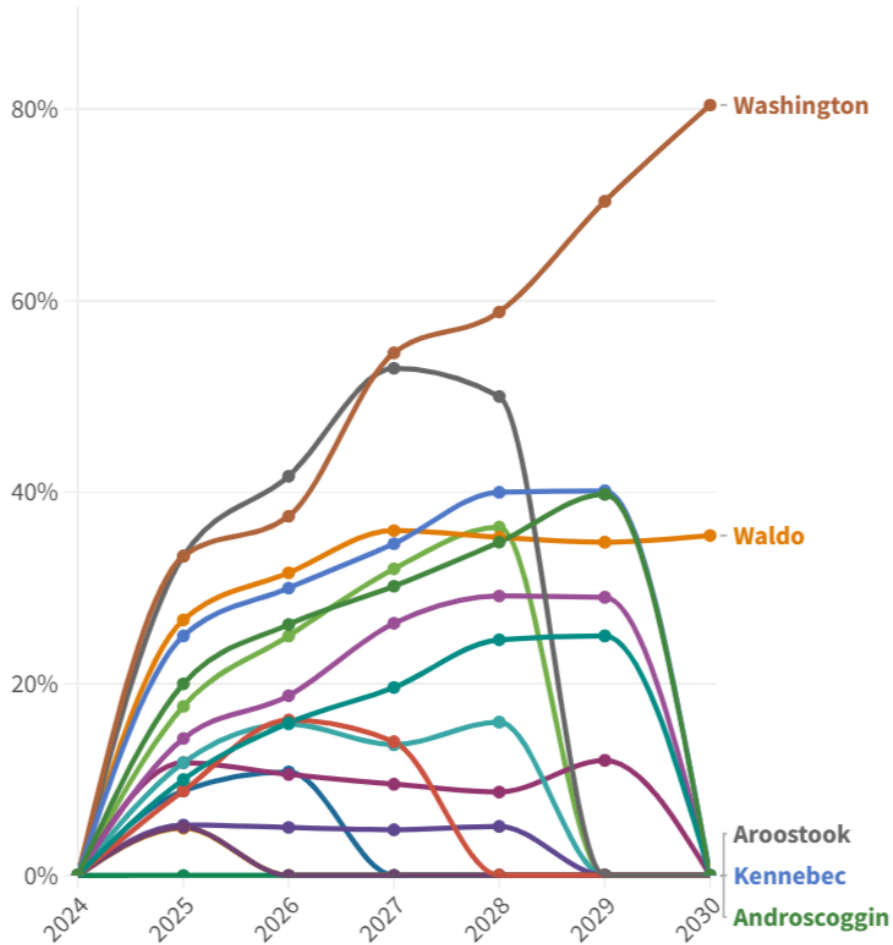
Every county except Piscataquis needs to construct more housing by 2030, according to a new report. Some will have to build faster than others to meet state targets.

Click a county to focus on:

- Androscoggin
- Aroostook
- Cumberland
- Franklin
- Hancock
- Kennebec
- Knox
- Lincoln
- Oxford
- Penobscot
- Piscataquis
- Somerset
- Waldo
- Washington
- York

SOURCE: Maine Department of Economic and Community Development

% increase in building permits needed



Statewide Housing Production Goal

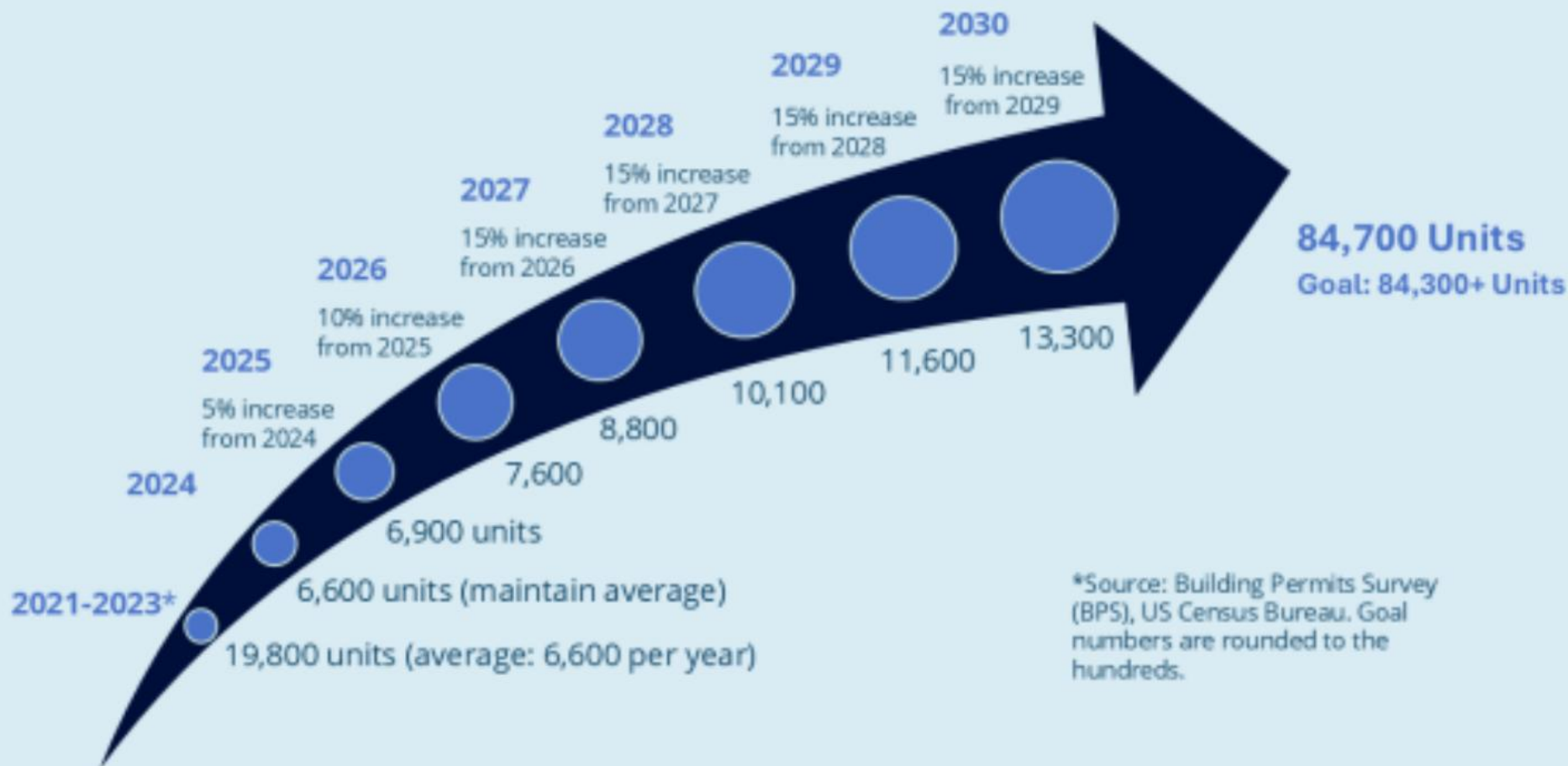


Figure 3: Piscataquis County Housing Goal

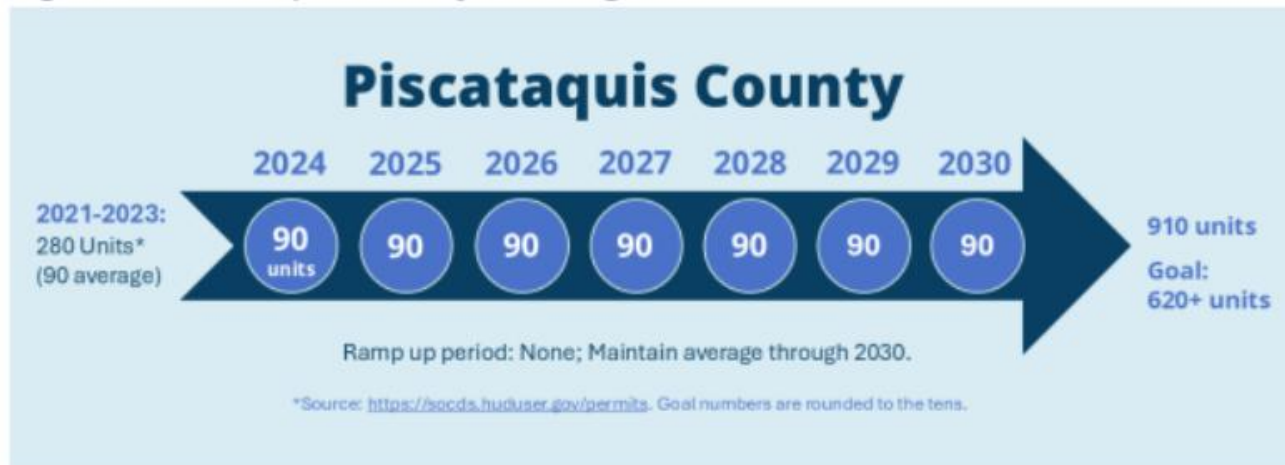


Figure 4: Franklin County Housing Goal



Figure 18: Washington County Housing Goal



What can communities do? Change the narrative

- Language matters
- Housing affordability vs. Affordable housing
- Homes vs. housing units
- Homes = economic development
- Homes = where jobs go home to sleep
- Homes = health
- New people and homes in your community is a BENEFIT, not something to be scared of. People to wave to on their front porch, people to open a new business/keep a business open, kids to fill school declining enrollment, \$1,710 in town tax benefit for each home

What can communities do? Engage diverse stakeholders

- Businesses – they need workers, they have resources
- Realtors – they market your community
- Builders and developers – ask them what they need to build more
- Schools – in rural parts of Maine, they want to grow enrollment
- Elected officials – they are the decision makers on land use
- Your local Council of Government – provide technical assistance
- Municipal staff – they facilitate land use change and are the front door to development
- And more...
- <https://www.nmdc.org/aroostook-county-affordable-housing-toolkit/>

What can communities do? Assess what's there.



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2022: Bangor Region Health & Housing Continuum of Services

	Crisis Intervention	Outreach, Access and Assessment	Warming Centers	Emergency Shelter (& Food)	Housing Navigation	Housing Vouchers/Rental Assistance	Transitional Housing	Supportive Housing	Affordable Housing
CHCS	Crisis Services	PATH Program			ACT, CRS, PATH, BHH	PATH, BHH, ACT and CRS: Shelter+Care & BRAP			Penob. River Apts (12- 1 bd)
PCHC		PCHC HH Housing Triage Line		PCHC Hope House	PCHC Hope House	PCHC Hope House	PCHC Hope House		
City	Bangor PD w/ LCSW	BPH Homeless Outreach Caseworker	CDBG	Gen. Assist.	BPH Homeless Outreach Caseworker	BPH	General Assistance		CDBG
BAHS/ Shaw House		Shaw House	BAHS Shaw House	BAHS Shaw House	Shaw House	BAHS	Shaw House	BAHS	
Penquis					Housing Counseling Financial Coaching & Capability	Rental Assistance	McAuley House Journey House T-Housing for victims of violence in collaboration with Partners for Peace	Journey House	Affordable Housing: Ernst Manor Northside FH Penquis FH Mooers Village Newton Place Second Street
Hospitals /Other	EDs: St Joes, NLEMMC 2-1-1 and 9-1-1	Health Equity Alliance	Brick Church		NL Acadia Hospital BHH St Joseph Hosp. case management			BARN Wellspring CHOM	Bangor Housing Authority CHOM

What can communities do? Address gaps

Emergency housing and transitional housing

- Connect with your regional hub coordinator via Maine Housing
- McKinney Vento resources for youth
- Shelters across Maine
- Are there warming centers in your region?

What can communities do? Understand resources

Financing

- Maine Housing - Rural Affordable Rental Housing Program; Affordable Homeownership Program; Recovery Housing Program
- Genesis Community Loan Fund
- Maine Redevelopment Land Bank
- Municipality

Municipalities Play a Critical Role



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- Financial investment
- Land donations
- Denser zoning – think village centers, set backs, parking
- Residential in Commercial
- TIFs
- Fast track approval processes -Town reviews and permitting
- This is your workforce - teachers, police officers, fire fighters, EMTs, office staff



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Opportunities For Municipalities

- Missing middle housing
 - Zoning adjustments – triplexes; residential in commercial & agricultural; manufactured housing
 - Incentives – density bonuses, reduced parking requirements, fund infrastructure improvements
 - Streamline permitting/approvals for missing middle/mid-size developments
 - Preapproved building types – modular and manufactured housing
- Public/Private Partnerships
 - Public land for housing development, or long-term lease
 - Offer low-interest loans, or guarantee loans
- Low Cost Investments -TIFs or Bond for Housing Trust Fund
- Increase Rural Density
 - Alternative infrastructure – decentralized or alternative water/sewer - cluster septic, rainwater harvesting, greywater systems
 - Cluster housing that share common infrastructure
 - Tiny homes on small plots of land w/o extensive infrastructure

2025 State Policy Priorities



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 a. Expand State Historic Tax Credit

 b. \$100 Million To Build Affordable Housing

 c. Reduce Regulatory Barriers to Housing

Other: Support modular development, reduce regulatory barriers, and more



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2025 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 broader interpretation of HUD Choice Limiting Actions
- c. Delay BABA Implementation or increase waiver efficiency
- d. Seek Treasury Clarity on GSEs not being Tax-Exempt Controlled Entities

2. Address Local Control Land Use Barriers

- a. Reducing Regulatory Barriers to Housing Act ([S.4460](#), [H.R.8604](#))

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

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



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