

Addressing the
Demand: The Critical
Need for Affordable
Housing - Housing
Opportunity Program
Informational Session
October 2, 2024



The Housing Opportunity Program

The Housing Opportunity Program was established within the Department of Economic & Community Development to encourage and support the development of additional housing units in the State, including housing units that are affordable for low-income and moderate-income individuals.

The Housing Opportunity Program:

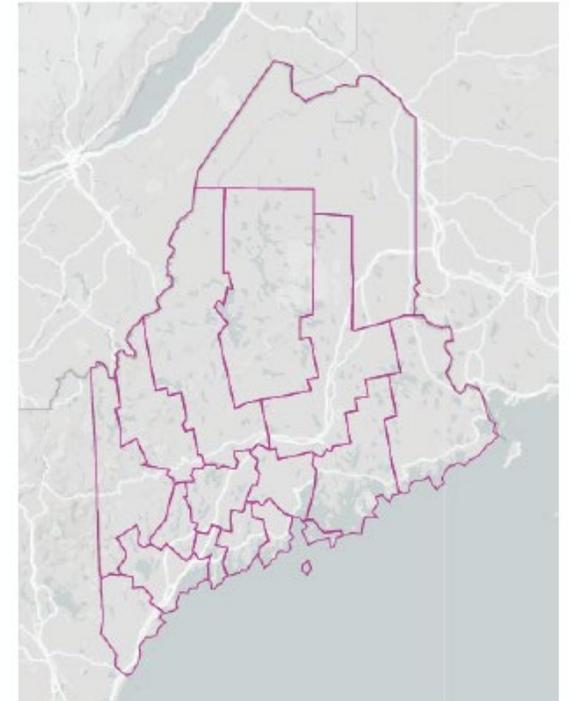
- Provides technical assistance to municipalities to support housing development, including support with municipal ordinance development to comply with P.L. 2021, ch. 672 (LD 2003);
- Provides funding to service providers and municipalities to support municipal ordinance development, planning board and public processes in communities to increase housing opportunities;
- Provides information to the public about housing development and opportunities; and
- Establishes statewide housing production goals.

2023 State of Maine Housing Production Needs Study

- In response to LD 2003's directive to create housing goals, GOPIF, DECD, and MaineHousing commissioned HR&A Advisors to complete a study on Maine's housing needs to help inform future planning
- The report analyzes Maine's housing data to forecast housing needs based on longer-term state demographic trends and economic and workforce projections through 2030.
- Coupled with the report is the [State of Maine Housing Dashboard Portal](#), which allows users to view key housing and demographic information on a municipal, countywide, or statewide basis.



WORKFORCE INVESTMENT REGIONS



MAINE COUNTIES

Supply and Demand-Side Drivers

1. Recent exogenous shocks, including sudden in-migration and a declining labor force, are impacting housing supply needs.

18.6K
out-of-state
households
arriving in 2021

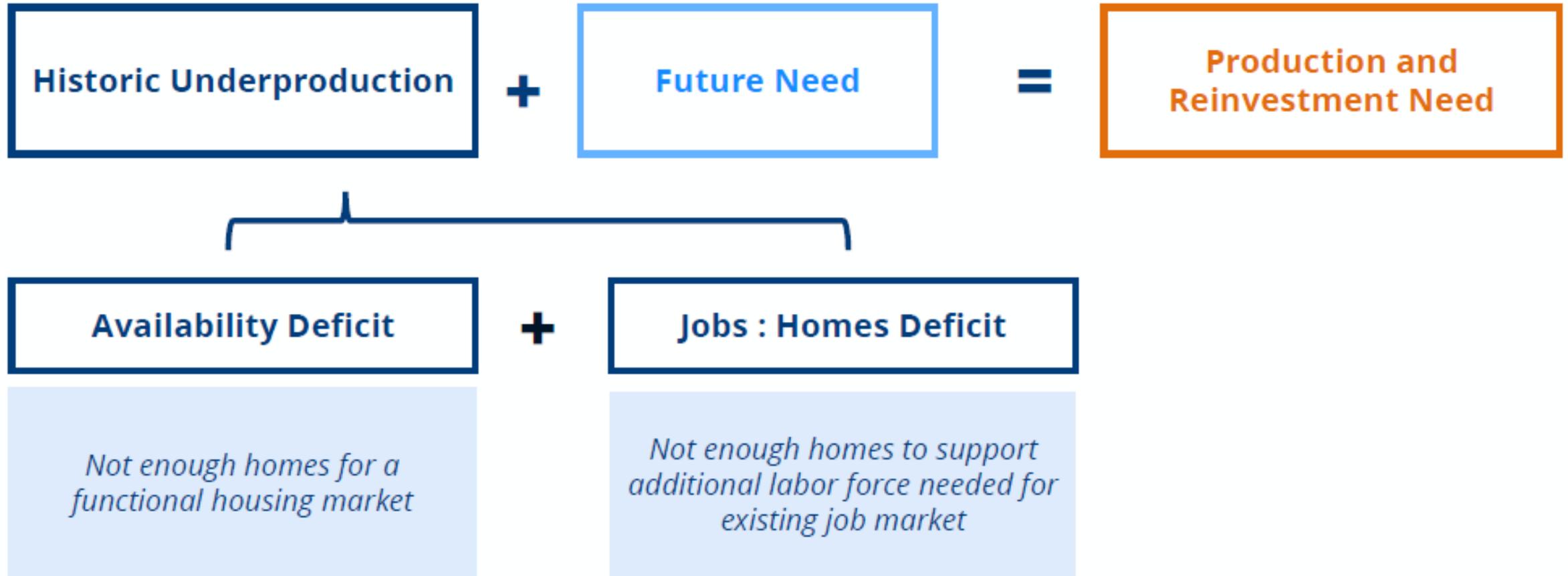
2. These shocks are exacerbated by Maine's aging housing stock and low overall housing production over the past decade.

-3.5%
decline in renter-
occupied units
2016 - 2021

3. As a result, the availability of homes is declining and prices are increasing, making it very difficult to access and afford homes in some parts of the state.

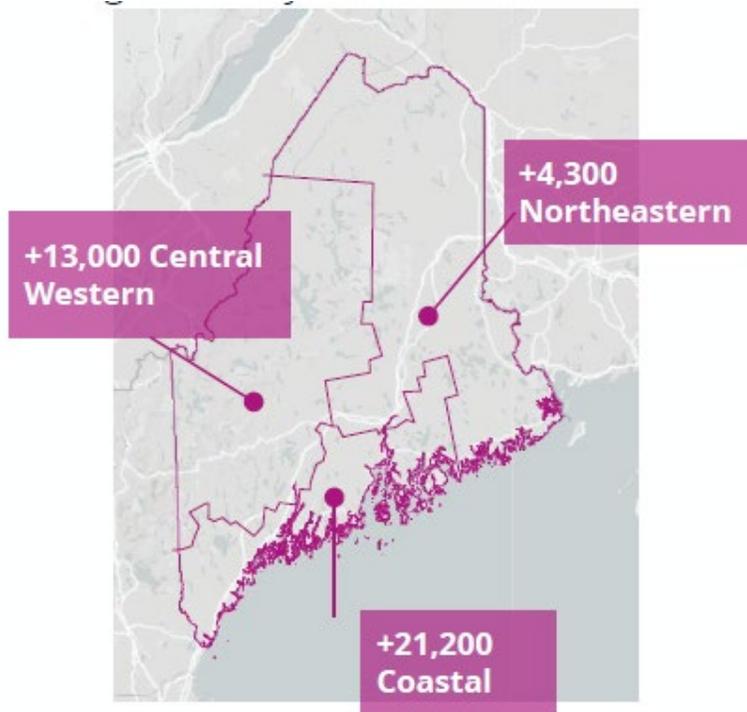
2.6%
average true home
"availability" rate

How is "need" measured?



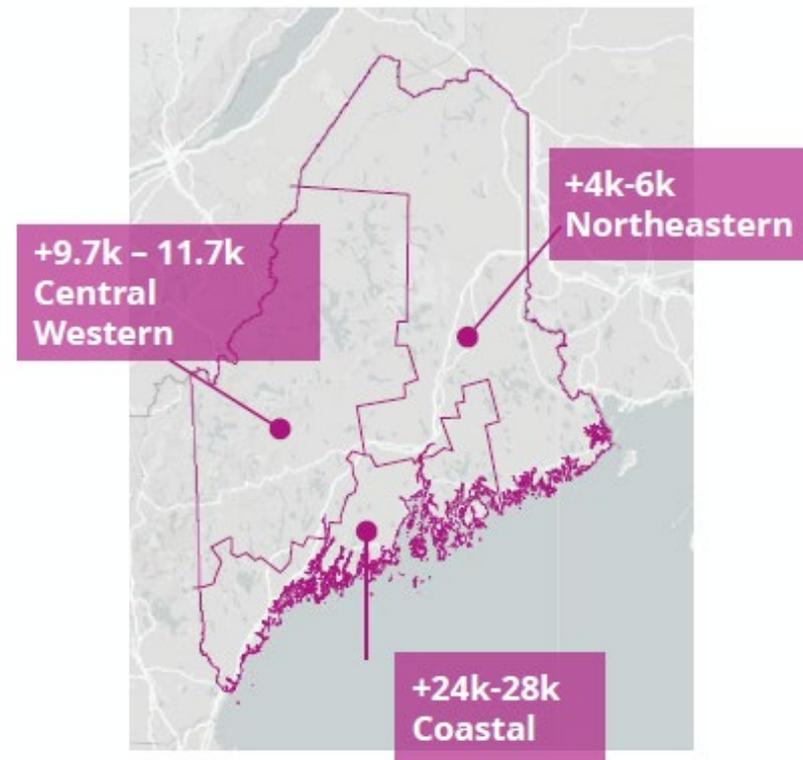
Maine's Housing Production Needs

Historic Underproduction



38,500 total units to meet current needs.

Future Need



38,000-46,000 total units to meet future needs (based on population growth scenarios)

Maine's Housing Production Needs

<i>County</i>	Historic Underproduction	Future Need Low	Future Need High	Total (Historic Underproduction + Future Need High)
<i>Hancock</i>	1,500	1,900	2,200	3,700
<i>Cumberland</i>	10,200	7,200	8,600	18,800
<i>Knox</i>	1,100	1,400	1,700	2,800
<i>Lincoln</i>	870	880	1,100	1,970
<i>Sagadahoc</i>	1,100	770	950	2,050
<i>Waldo</i>	900	2,100	2,300	3,200
<i>York</i>	5,500	10,100	11,100	16,600
<i>Piscataquis</i>	510	-30	110	620

Maine's Housing Production Needs

<i>County</i>	Historic Underproduction	Future Need Low	Future Need High	Total (Historic Underproduction + Future Need High)
<i>Androscoggin</i>	3,800	2,200	2,700	6,500
<i>Franklin</i>	900	820	1,000	1,900
<i>Kennebec</i>	4,600	4,500	5,100	9,700
<i>Oxford</i>	1,700	1,900	2,300	4,000
<i>Somerset</i>	1,500	330	600	2,100
<i>Aroostook</i>	1,100	720	1,100	2,200
<i>Penobscot</i>	2,700	1,400	3,000	5,700
<i>Washington</i>	460	1,700	1,900	2,360

Statewide and Regional Housing Goals

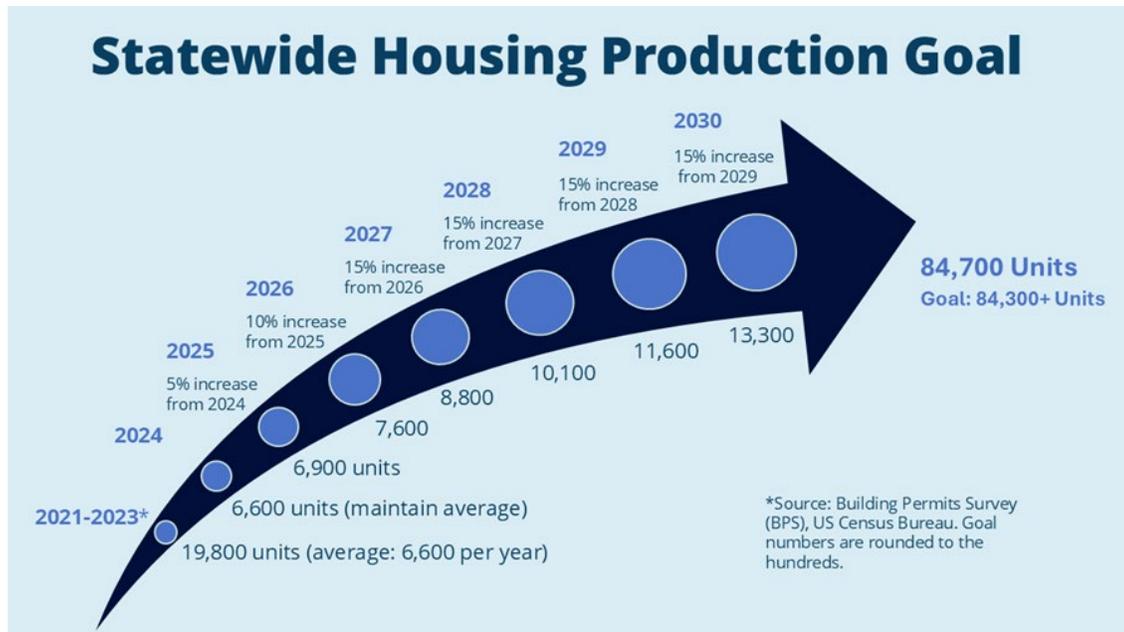


Sec. 3. 5 MRSA §13056, sub-§9 is enacted to read:

9. Establish statewide housing production goals. Establish, in coordination with the Maine State Housing Authority, a statewide housing production goal that increases the availability and affordability of all types of housing in all parts of the State. The department shall establish regional housing production goals based on the statewide housing production goal. In establishing these goals, the department shall:

- A. Establish measurable standards and benchmarks for success of the goals;
- B. Consider information submitted to the department from municipalities about current or prospective housing developments and permits issued for the construction of housing; and
- C. Consider any other information as necessary to meet the goals pursuant to this subsection.

State of Maine Housing Production Goals



- An Advisory Committee was formed in Spring of 2024 to create statewide and regional goals using the housing needs study as a framework. The committee met five times during the Spring of 2024.
- Using the statewide housing needs numbers as a starting point for discussion, the Advisory Committee recommended that a statewide goal reflect the higher production needs numbers outlined in the housing needs study.
- The Advisory Committee also recommended creating regional housing goals for each of the sixteen counties in Maine.

What supports are available to municipalities through HOP?

1. Municipal payments to support municipalities with the costs to comply with LD 2003
 - Legal fees, staff and volunteer time, public meetings, etc.
 - Municipalities may be eligible for up to \$10,000
 - Funding requests must be received by October 15, 2024
2. Service Provider Grants:
 - Grants to service providers to assist municipalities with housing planning and implementation
3. Municipal Grants:
 - Grants to municipalities to support housing planning and implementation projects
4. Technical assistance for LD 2003 implementation and other land use changes to increase housing

Contact Information

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<https://www.maine.gov/decd/housingopportunityprogram>