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The voice of Maine's forest economy

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Testimony in Support to LD 2169

"An Act to Support the Development of Workforce Housing to Promote Economic Development in Maine"

Tuesday, February 6, 2024 Krysta West, Deputy Director

Good afternoon, Senator Pierce, Representative Gere and members of the Committee on Housing. I'm Krysta West of Readfield, Maine. I'm here testifying today as the Deputy Director of the Maine Forest Products Council. The Council doesn't come before this committee often, so let me take this opportunity to tell you a little bit about us. The Maine Forest Products Council is an organization representing more than 300 members from all facets of the forest products industry from the stump to the mill. Our members include paper mills, sawmills, secondary wood processors and large landowners. Our membership also includes banks and insurance companies. We represent anyone with an interest in promoting a robust and healthy forest products industry.

I am here today to testify in support of LD 2169, "An Act to Support the Development of Workforce Housing to Promote Economic Development in Maine."

As an industry that primarily operates in rural communities throughout the state, workforce housing has been and continues to present a significant barrier that can, at times, limit our operations due to staffing shortages. In response, a number of our members have initiated workforce housing projects, or currently provide housing for some employees. There are two examples that have recently received press coverage, so I will briefly share those with you today.

The first example is in Dixfield where the <u>Irving Forest Products Sawmill is proposing to build</u> four four-bedroom mobile homes on a company owned lot in an effort to attract enough employees to fill its ongoing vacancies, which average 20 per week. This project would be like one the company has done at its Ashland mill to help support its workforce there. When fully staffed, the Dixfield facility has the capacity to be the largest producer of eastern white pine in North America.

The second example is in Kingfield where Stratton Lumber has joined a coalition of local employers under the name of <u>Western Maine Mountain Housing</u> to work towards increasing the availability of housing in the region necessary to support a healthy workforce. For all businesses in the region, from coffees shops to the sawmill, the shortage of affordable workforce housing has presented a significant barrier for employment. The coalition is <u>currently working on a</u> <u>project in Kingfield</u> with plans to also initiate projects in Carrabassett Valley and Stratton.

This is only a small sampling of the work our members are doing around the issues of workforce housing and affordability. We support LD 2169 because we believe that it will help projects like these succeed in meeting the needs of individuals and families. Upon review of this bill, our members provided a few points of feedback.

- It may be more appropriate for Maine State Housing Authority to administer the funds.
- The need for housing appears to be greatest for those earning more than 80% of AMI, as wages have increased in recent years and existing MSHA programs already provide adequate funding for housing below that threshold.

Thank you for your consideration. I would be happy to answer any questions that you may have.