

Ten Years of Affordable Housing Policy: Is Maine Making Progress

A Symposium

by Elizabeth H. Mitchell, Dennis P. King, James B. Hatch & Jay Hardy

In December 1987 Governor McKernan appointed a thirty-member, statewide Task Force to address the issue of affordable housing in Maine. The Task Force was charged with the tasks of investigating the quality and cost of affordable housing for lower- and middle-income families, and recommending a set of actions to improve the quality of existing housing as well as to increase the supply of housing. In September 1998 the Task Force issued a groundbreaking report that prescribed a number of local and regional—as well as private and public—solutions to the problem of affordable housing. 🐉 More than ten years later Maine housing advocates note that the state’s “crisis” in affordable housing has returned. Once again, housing markets are tight and, particularly in southern Maine, there is a shortage of affordable housing options for middle- and low-income families. In dealing with the current dearth of affordable housing, policymakers may find it useful to reflect back on the recommendations put forward little more than a decade ago. In this symposium, MPR asked four individuals with long-standing commitments to the issue of housing to comment on the recommendations put forth by the 1988 Task Force: Did Maine accomplish what it said was important ten years ago? Does the Task Force’s recommendations offer sound advice now?

Maine Housing Policy:

Legacy of the 1998 Affordable Housing Task Force

by Elizabeth H. Mitchell

The problem of adequate affordable housing rises and falls in the public consciousness. Because the problem is often invisible, it floats in and out of public view and debate. Unless there is a shocking story about homelessness or about the mentally ill wandering the streets, the public does not seem to focus on the issue. In response to public demand, policymakers seek solutions when housing markets grow tight, and housing for the middle class and for needed local workers becomes too expensive and too scarce.

In the 1994 Maine State Housing Authority's (MSHA) annual report celebrating its twenty-five years of providing housing, former Governor Kenneth Curtis states why he proposed legislation to create the Authority. "There exists in urban and rural areas of the state unsuitable, unsafe and overcrowded dwelling accommodations...a shortage of suitable dwelling accommodations at rents, prices or financing terms which many residents of the state can afford." Twenty-five years later, the mission of the agency remains the same. The 1997 annual report's introduction states: "From the troubled homeless people in Maine's largest cities to the poor living in substandard trailers in rural areas, housing needs of Maine people are many and varied." Although the problem seems intractable, much progress has been made and efforts continue. Over the years governors and leaders acknowledge the problem with differing degrees of commitment. Others work quietly, year in and year out, to use all the tools at their disposal to provide needed housing.

In the 1980s Maine and New England experienced housing inflation greater than many parts of the country. Interest rates were high and the real estate boom in southern Maine priced most moderate income families out of the housing market. In response to public pressure surrounding this issue, Governor John McKernan established a task force in 1988 and charged it to find solutions that involved local governments as well as state, federal, and private partners. Thirty men and women representing diverse perspectives on housing needs and solutions met for six months, holding five public hearings. Their conclusion: "In the emerging Maine, affordable housing stands as the number one priority." The report often uses the word "crisis" to highlight the plight of the elderly trying to stay in their homes, young families trying to buy a home,

and rental pressures forcing many out of decent housing.

Ten years ago Governor McKernan's task force highlighted four major areas for action: state initiatives which focus on alliances for the delivery of housing, technological innovations to help lower costs, financing techniques and incentives to encourage production, and a renewed federal role.

Reviewing MSHA's annual reports of the ten years following the Task Force's recommended legislation shows that after an initial flurry of activity on land use and an alliance designed to coordinate housing efforts, public attention waned. Efforts to deliver housing reverted to the old reliable tools: mortgage revenue bonds for the first-time home buyer, the Housing Opportunities for Maine Fund (generated by the real estate transfer tax), the Low Income Housing Tax Credit from the federal government, as well as a series of bond issues to finance housing for special needs populations. Although the need for non-profit housing developers remain great, Maine, unlike its neighboring New England states, still suffers from a lack of sufficient seasoned non-profits on a statewide basis.

The Affordable Housing Partnership Act of 1989 grew out of the Task Force. The Act required a plan for the development of affordable housing for lower and moderate-income households. The governor introduced that plan in May of 1990. The plan allocated \$15 million of the 1989 bond issue for acquiring and preserving land for affordable housing. Part of the money went to MSHA and part went to the other partner, the Maine Department of Economic and Community Development. Both agencies were required to work together with the advice of a newly created Affordable Housing Advisory committee. Also to be consulted was the newly created Task Force on Homelessness.

Prices of land had begun to fall by the time the money was finally available, but the purchase of land was eventually completed. There are several successful land trusts in existence today. The overly bureaucratic mandate for agencies to work together died under its own weight, as each agency reverted to what it did best. Interest in state land use policies and comprehensive planning, at its height at the time of the report, receded somewhat in the public debate. Today's debate continues the discussion about urban sprawl, driven by cheaper land prices outside towns and cities. Today's policy conversations feature concerns about transportation and school construction more than affordable housing.

Ten years ago Governor John McKernan brought to center stage the housing issue. The weight of his important office gave full voice to the needs of Maine people for affordable rental and home

ownership opportunities. “Few needs are as basic as the need for a job and a home,” the governor said to almost three hundred interested community leaders gathered to hear the results of the Task Force’s work. He noted that this complex problem required many complex solutions, ranging from federal to state to local. Although the most ambitious of the state financial solutions fell victim to Maine’s severe recession, the principles enunciated by the Task Force remain as true today as they were then.

We need a new generation of state and federal leadership to focus on providing housing. The southern Maine market again is growing “hot,” forcing housing prices beyond the means of working families. Rental units are becoming scarce and expensive for the elderly and for the young. Maine has the highest rate of homeownership in the nation, but much of our housing stock is very old and substandard. The tools are in place but they need the right tool box. Leadership can provide it. 🐟



Elizabeth Mitchell is former Speaker of the Maine House of Representatives (1996-1998), where she served a total of nine terms. She was director and chair of the Maine State Housing Authority from 1986-1990. Currently, she is chair of the board of directors of the Federal Home Loan Bank of Boston and the Council of Federal Home Loan Banks.

Off the Shelf and into Action

by Dennis P. King

In what seems like light years ago, Maine public policymakers idealized a methodology to address both housing and growth issues in 1988.

Looking back from a very similar set of circumstances a decade later, it is useful to revisit the 1988 Governor’s Task Force on Affordable Housing to evaluate what we have accomplished and learned, and to suggest future policy initiatives to meet the new challenges Maine now faces. The Task Force went beyond the complexities of affordable housing by tying growth management strategies to any successful, long-range, affordable housing solutions.

It is important to reflect on the economic environment at the time the report was drafted. Maine was undergoing unprecedented economic growth and real estate prices were climbing steeply. Housing pressures were significant: housing costs were increasing faster than inflation; immigration and people “moving up” to more expensive homes caused heavy demand; and the trailing end of the baby boom with its bulging numbers all created significant competition in virtually every housing price level. At the same time, federal housing assistance was declining rapidly and interest rates were climbing steadily, resulting in a crisis for low-income people with housing needs. Then, as now, there was growing concern that lack of affordable housing would cause a constriction in the availability of labor, precipitating an economic downturn. A scant eighteen months later, nationwide economic forces would cause a dramatic reversal in Maine’s economic fortunes.

Nevertheless, at the time of its release, the Task Force report set into motion a policy discussion in the Maine State Legislature with four major foci:

1. *Creation of an Affordable Housing Alliance* marshaling the forces of those state agencies with housing and economic development missions.
2. *Development of technological innovations* emphasizing new approaches to cost-effective construction and rehabilitation codes.
3. *Promotion of more housing production* by the creation

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of new methods of financing, supporting demonstration programs and other funding innovations.

4. *Expansion of the federal role* by endorsing the National Housing Task Force Report and fostering partnership of federal, state, and local governments to forge creative solutions in light of declining federal funds.

Here is what happened to these major recommendations: First, subsequent legislative action resulted in the creation of the Maine Affordable Housing Partnership combining the strengths and talents of several state departments and the Maine State Housing Authority (MSHA). The Legislature also allocated a \$15 million bond issue to provide grants and loans to municipalities to preserve and to acquire land for affordable housing, to restore deteriorating areas, and to create a mortgage fund for purchasers of affordable housing. While the appropriation was put to good use in acquiring properties, critics have pointed out that, in retrospect, the enabling legislation probably was too restrictive and did not anticipate the degree of flexibility needed when the economic setback occurred only months later. The Maine Housing Alliance disbanded only three years after its creation and its responsibilities transferred back to the respective alliance member departments. The Department of Economic and Community Development shepherded the growth management recommendations, and housing policy supplemental issues were given back to MSHA particularly since the centralized decision-making process on both housing and growth matters did not achieve optimum results.

Secondly, throughout the last decade, federal funds continued to decline to the point that the Fed is a minor player in housing development (but not in housing subsidies to qualified low-income people) and the funding torch has largely passed to the state, municipalities and quasi public non-profit housing agencies. It is interesting to note that today, the largest pool of federal money made available in Maine development is through the IRS. The tax code, through its low income housing tax credit program, encourages private investment in new housing options.

Thirdly, the 1988 recommendations to exploit new technologies and innovations in order to gain the most efficiencies from financial and material resources were not acted upon by the Legislature.

Revisiting the growth management aspect of the 1988 Task Force, more focused action has occurred only in the last few years, as the Maine State Planning Office has released compelling data regarding the effects that unmanaged growth has had on encouraging sprawl. The data show that people have been encouraged (or felt compelled due to high urban land costs) to relocate to rural areas. The resultant flight from urban "service center" cities has created demand for vital public service decentralization (i.e., police and fire services, schools).

This population shift causes the relative shrinking of the tax base resource for the service center cities, causing taxes to rise to support increasing concentration of regional social service, state services and education costs, thereby exacerbating migration and the cycle is repeated. This discussion will likely lead to an attempt by the state to refocus growth to avoid these unintended dislocations.

The economic parallels with ten years ago are compelling: housing prices are rising, the economy is booming in the more populated areas of the state, and arguably improving in the balance of the state. Once again, the concern is being raised about the lack of affordable housing, particularly in the areas of the state with the most robust economies.

Several differences are worth noting as well. In 1996 Maine gained the status of the state with the highest percentage of homeownership and has consistently stayed in the top three states with such distinction. The United States has record low interest rates bringing down the cost of borrowing. Unemployment is at its lowest point in over ten years. The median income has risen by 45% while the median home price has risen only 33%. On the face of it, housing should be more available than ever.

However, several key populations remain out of the mainstream of the economic largesse. Specifically, persons with mental retardation and mental illness still face considerable obstacles as they return to local communities. In many areas, the

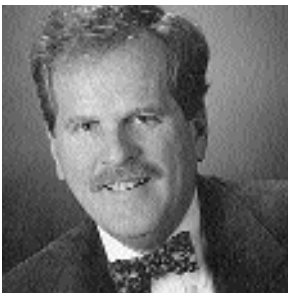
service infrastructure required by special needs populations to lead safe and healthy community life are not yet in place. Larger cities and towns have raised concerns about an over-concentration of people with special needs in more urban areas where services are in place.

Similarly, the ever-growing senior population will continue to demand non-institutional living arrangements and community support programs. This population will begin growing exponentially by the end of the first decade of the new millennium.

Future state policymakers would be well advised to acknowledge and take advantage of the economic cycles as they relate to housing. In the last ten years, we've seen that the trend appears to be counter-cyclical. As times improve, the demand for housing increases, leaving low- and moderate-income people paying greater proportions of their income for housing, which causes further migration to more affordable real estate in rural areas, and fosters a corresponding demand for services, thus raising taxes.

Clearly, funding mechanisms must be created similar to the real estate transfer tax, which was doubled in 1985 to provide a dedicated source of revenue to MSHA. This tax is raised by charging a percentage of the value of real estate transferred and is paid by the buyer and the seller. The transfer tax is designed to take advantage of these cycles. When times are good more property is sold and more taxes are realized, which are then applied to assist the very people who are burdened by a strong housing demand. It is a flexible funding source and can be applied to address housing problems arising unexpectedly. For example, it can be directed to an area that is particularly growth-pressured and can assist renters.

It is innovation like this funding mechanism that can be employed to meet both short- and long-term needs. Clearly, as the eventual housing responsibility becomes local, more creative local initiatives will need to be tried. Funding for these initiatives will need to be supported at the state level, particularly for special needs populations. 🐉



Dennis King is currently vice president of Behavioral Health at Maine Medical Center and serves as vice chair of the board of commissioners of the Maine State Housing Authority.

Affordable Housing in Maine: 1988-1998

by James B. Hatch

The 1980s were a heady time for everyone involved in housing, with developers scrambling to keep pace with what appeared then to be an unlimited demand for new housing. During the boom years, the price of housing grew at three times the rate of growth in household income. The middle class began to feel the impact of the affordable housing problem that historically had been reserved for low-income folks. In response to the demands of this growing constituency, Governor McKernan established the Task Force on Affordable Housing in 1988. I had the privilege of serving on the Task Force, and was proud of the far-reaching recommendations we made to the governor.

Ten years later, what has become of the recommendations of the Maine Task Force on Affordable Housing, and what is the status of housing policy in Maine? The years have certainly provided an object lesson in the cyclical nature of the housing market. Many of the developers who served on the Task Force have since gone bankrupt and moved to Florida. During the economic downturn, housing prices in some Maine communities dropped by 30% or more. With the middle class no longer directly impacted, the affordable housing problem seems to have disappeared from the arena of public debate.

Most of the Task Force initiatives that did not come to fruition have since faced the same fate as housing developers in the recession. They were bankrupted or eliminated in response to government belt tightening. The Affordable Housing Alliance of Maine, the cornerstone of the Task Force's recommendations, was downsized out of existence. The real estate transfer tax, a primary source of funds for affordable housing, was raided by the Legislature to make up for revenue short falls in the general fund.

Many of the Task Force recommendations were never acted upon. No interagency task force was ever established to develop and implement a formal State Housing Policy. Nor am I aware of any substantive work done on the technological innovations recommended by the Task Force. In the area of innovative financing techniques, the key Task Force recommendation of establishing the Maine Mortgage Insurance Fund died for lack of a general fund appropriation to establish the necessary loss reserve.

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is worse than I have ever seen it.

The impetus to get serious about affordable housing was lost when the economy went south.

Did the recession solve the affordable housing problem, and thereby eliminate the need for an Affordable Housing Alliance and a State Housing Policy? By lowering the demand for housing, the recession took the pressure off the middle class, relegating the housing problem back to its traditional place as a low-income issue. Even so, the marketplace is unable to provide housing at a price that is affordable to as many as one-quarter of Maine households. These families must rely on the inadequate supply of federally subsidized rental housing, pay an unreasonable portion of their income for housing, or end up homeless. The affordable housing problem doesn't go away; indeed, the percentage of the population affected by the problem just changes with the economic cycles. The free market can never address the basic housing needs of all the people of Maine; affordable housing is an ongoing problem. Since the federal government has abdicated its role in housing, I believe it is critical that Maine address the problem with a comprehensive state policy initiative.

As the Task Force discovered, housing is a complex and multifaceted issue. It is closely linked with land use issues, and in Maine land use issues are played out on the municipal stage. The Affordable Housing Alliance of Maine, as recommended by the Task Force, was set up within the Department of Economic and Community Development to provide resources and incentives to local communities. The Growth Management Law, also a reaction to the booming 1980s, provided important tools for the Alliance. It required that each municipality set specific affordable housing goals within its comprehensive plan. The requirements of the Growth Management Law have since been gutted.

Ten years ago, many Maine towns had local affordable housing committees. I served as a consultant to many of these affordable housing committees, conducting surveys and drafting affordable housing plans. With a few notable exceptions (Freeport and Swan's Island), the affordable housing plans are gathering dust on shelves next to the Task Force report.

My consulting work takes me to communities across Maine. Over the past few years I have worked from Biddeford to Cutler,

with many stops in between. I regret to report that the climate for affordable housing, or for that matter for housing development of any kind, is worse than I have ever seen it. Municipal governments are hard at work setting up barriers to housing development: increasing lot sizes, cutting back the areas where multi-family housing is allowed, and enacting impact fees on housing development. There is nothing new about negative neighborhood reaction to low-income housing, but today's climate in most communities is against all housing development.

What is causing this negative climate? Communities all over Maine are in revolt over the property tax burden. To local officials, more housing means more children and they directly equate more children with increased school costs. Taxpayers are convinced that more housing will increase their property taxes. As long as Maine continues to rely on property tax to fund education, local communities will continue to oppose new housing development.

There have been some bright spots in housing over the past ten years. The Maine State Housing Authority (MSHA) continues to maximize the use of Mortgage Revenue Bonds to provide financing for first-time home buyers. Partly as a result of the program, Maine was recently honored for having the highest percentage of homeownership in the nation. Hiding behind this honor is the fact that Maine also has one of the oldest housing stocks in the nation, and many of these older homes are woefully substandard.

Another program administered by MSHA that has provided positive results is the Low Income Housing Tax Credit (LIHTC). Many units of affordable rental housing have been developed through the use of this federally sponsored program. A serious limiting factor on both Mortgage Revenue Bonds and Low Income Tax Credits is the less than adequate caps set on these important programs. Maine housing policy needs to include continued lobbying to increase the annual state ceiling on Mortgage Revenue Bonds and Tax Credits. Also noteworthy is the collaborative work being done between MSHA, the Department of Mental Health, Mental Retardation and Substance Abuse, and local service provider agencies. This collaboration has created much-needed community-based housing for various special needs populations across the state.

This is an area where federal and state legislative mandates have overridden the tendency of municipalities to zone against the siting of special-needs housing in residential neighborhoods.

Housing policy is inextricably linked with land use policy and tax policy. While the Task Force on Affordable Housing made many laudable recommendations, most of which are as relevant today as they were ten years ago, the initiatives proposed by the Task Force will not have much impact until underlying land use and tax policy issues are addressed. As the economy continues to grow, the pressure is once again heating up on housing supply and costs in southern Maine. Perhaps we can use this coming “affordable housing crisis” as the impetus to make real structural change in Maine housing policy. 🐟



For the past eleven years Jim Hatch has worked as a consultant on housing issues to non-profit organizations and municipalities. In 1988 he served on Governor McKernan's Affordable Housing Task Force.

Ten Years On: Affordable Housing For an Emerging Maine

by Jay Hardy

Every so often certain public policy issues, like bellbottom pants, make a fashionable appearance on the scene. When John McKernan, Jr. assumed the governor's office in 1987, one of his early undertakings was to fulfill a campaign promise appointing a blue ribbon commission of Maine leaders to look at the state's economic development needs and create a strategy. In 1987, the McKernan Economic Development Strategy Task Force developed its recommendations against the backdrop of a booming economy and a growing sense that the fabric of life in Maine was slowly changing—and not necessarily for the better. Late in Governor Joseph Brennan's last term, State Planning Office Director Richard Barringer, working with the Natural Resources Council of Maine and the Maine Audubon Society, began leading the parade for a comprehensive Growth Management Program. Fueled by anecdotes about out-of-state developers with the desire to build condos on every available inch of Maine's coast and lake shores, this initiative continued to take shape. This legislative program was passed even as the McKernan Economic Development Strategy Task Force met and the Democratic legislature disposed of the new Republican governor's budget and programs.

One result of this confluence of events was the appointment of the Governor's Task Force on Affordable Housing. Affordable Housing became an important point of intersection between the business oriented Economic Development community and the environmentally oriented Growth Management community. In short, the emerging Maine needed to preserve a cherished feature of our state's heritage: affordable places for workers to live.

From the perspective of a business-oriented Economic Development Strategy Task Force, this discussion was a winner. Expanding the housing stock is a good way to drive employment in the economy; construction is a leading indicator of economic prosperity. At the same time, important sectors of the burgeoning economy were feeling the labor pinch because of housing costs. Especially hit were the seasonal hospitality business (the coast in the summer; the ski mountains in winter). The growth of second

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homes had made real estate values skyrocket in these areas which depended upon low-wage seasonal workers to serve the tourists.

While the argument was framed with an example of police officers and teachers in Cape Elizabeth being unable to live in the community where they work, the pressure of increased housing costs was making recruitment and retention of lower-paid workers more and more difficult. Affordable housing seemed an essential area of exploration. The attention of the state became focused on housing, since on the national level President Reagan had spent the preceding several years dismantling many of the federal housing programs often associated with the "Great Society." The Affordable Housing Task Force report, which was issued in September 1998, was far-ranging, and grounded in an extensive process of examining alternatives. Through a priority-setting process, program initiatives and budget estimates were developed and presented in the final report. The Task Force recommended an aggressive program that included a \$25 million Municipal Infrastructure Bond, several million dollars for one-time programs, and new annual activities which would cost between \$2 million and \$15 million of state resources.

The McKernan administration reluctantly embraced a minimally funded program package. On a political level, the affordable housing debate was dominated by competition between the Republican-controlled state agencies (such as the Department of Economic and Community Development) and the Democratic-controlled Maine State Housing Authority, then headed by Elizabeth Mitchell, who has just retired as Speaker of the Maine House. This was an intriguing issue, since it was difficult for Democrats to vote against any housing initiatives, even those proposed by Republicans. Once a package was assembled, Dick Davies, a former Democratic legislator who was serving as Deputy Director of the Maine State Housing Authority, began deftly guiding the initiatives through the legislative process.

The state government budget in 1989, which contained these new housing initiatives, ran into changing economic realities. By the end of the 1989 legislative season, the administration was scrambling to shore up the budget in the face of the impending economic downturn, and had eliminated

almost all new funding of program initiatives. Affordable housing was one of the casualties. In the area of housing, there were some new programs created, such as the Alliance, but no significant new funding by state government.

In the ten years since this last affordable housing scare, the economy has cycled once more. As proof of the psalmist's lament that there is nothing new under the sun, I recently listened, at a meeting of community leaders in Bethel, to a number of concerns expressed about the need for affordable housing. In that discussion, affordable housing emerged as a major issue, especially for those businesses seeking hospitality workers.

Given our economic, social, and political situation, will we likely repeat the experience of a decade ago? Will affordable housing once again capture our attention?

Before answering these questions, we must pose a more basic query. Have we made progress in the area of affordable housing in the last decade? Certainly, affordable housing does not get the attention that it was receiving a decade ago. Is this lack of attention because we have better housing programs that have started addressing this issue?

While it would be hard to argue that the relatively small amount of state money invested in housing has made an appreciable difference, a number of factors have combined to de-emphasize the affordable housing question. Affordable housing has always been considered a second tier economic issue. In many ways, affordable housing appears as a symptom of our economic situation—the result of coupling a per capita income well below the national average with highly desirable real estate in selected markets. By some standards, Maine housing has continued to be affordable, at least compared to many other nearby markets. This has been one reason for the growth of the second home market in Maine. At the same time, the lower per capita income of many Maine workers has been the fundamental in keeping them out of the housing market.

The problem is not universal. Compared to national averages, there are many Maine communities where housing is quite affordable and available. Unfortunately, too often there are few job opportunities—especially jobs paying a living wage—in those

communities with an affordable housing pool. It is this mismatch, this lack of diversity and availability in specific markets, that has been a source of concern.

The economic realities of 1999 are quite different from those of just over a decade ago. Per capita income has increased marginally, narrowing the gap in housing affordability. Other factors have eased the housing market as well. The low prevailing interest rate has made homeownership more accessible. Even the present low cost of petroleum has had an impact. With heating oil costs at least temporarily lower, overall housing costs have been reduced. Similarly, the lower cost of gasoline has made commuting longer distances more economically feasible for moderate-income Maine people.

In the last decade, the persistence of programs from the Maine State Housing Authority has opened the door to homeownership to many Maine citizens. While certain businesses, especially those dependent upon low-wage second workers, continue to see housing as an issue, low unemployment rates and higher wages have eased the situation.

Given the faltering and subsequent recovery of the economy in the early 1990s, the emphasis has stayed fixed on larger development issues—employment, per capita income, and infrastructure. Political attention has been focused on issues such as international trade, new tourism programming, and a host of other business retention and development initiatives.

It is not only the nexus of economic factors that has diminished the concern for affordable housing. Maine's infatuation with growth management, pervasive in the late 1980s and early 1990s, has not been revived in the last few years. After a spasm of promoting local comprehensive planning, the statewide program was largely dismantled. While many communities used the opportunity to create comprehensive plans with zoning laws to implement them, other communities have been less than rigorous in approaching these issues. Many of Maine's largest communities focused on the affordable housing issues as a component in their comprehensive planning progress. Some of those other communities aggressively pursued diverse housing stock as a local goal. For other communities, affordable housing was a code word for "mobile homes" and as such was resisted or zoned into the least desirable areas within the municipal boundaries. Without the emphasis on local comprehensive planning from the state, accompanied by state review of plans and the authority to impose sanctions, affordable housing has remained an issue only in select local communities.

The solutions proposed in 1988 were specific to that time and place. Factors have changed, and our economic realities are different. Some of the ideas contained in the report still have merit, but chances of reviving a major interest in state investment in housing seem remote. As we head into the twenty-first century, issues such as an east-west highway, or expansion of access to affordable health care seem to capture much more attention.

Affordable housing is a classic "rising tides lift all boats" issue. In an area of less government, emphasis on growth per capita income make a better political argument than direct intervention in the housing market. The mixed success of federal housing programs, especially in urban areas, has cast doubt on government's ability to truly impact this intractable problem. Politically, the wisest course has seemed to be leaving the matter for the rising tide.

Since the issuance of the 1988 report, state policies have focused much more on the economic development basics. With the fundamental changes in the makeup and operation of the Maine State Legislature as a result of term limits, that trend is likely to continue. If there were no other lessons learned, one thing became clear. Housing is a complicated, difficult and expensive proposition, as the almost \$20 million annual price tag on the initial report indicated. Unless there is a significant cadre of committed legislators, or a governor who makes affordable housing a keystone issue, it will probably continue in the background, never rising to the status of a significant state policy.

While the availability of a diverse affordable housing stock is one element in a healthy economy, it has not subsequently been singled out as a dominant factor. The 1988 Affordable Housing Task Force raised a range of important questions, some of which remain on the table today. Most importantly, the Task Force revealed the enormity, complexity and cost of addressing the housing issue, reinforcing our state policy that remains to this day—an approach to housing with many more elements of "avoidance" than "engagement."

Maybe next time. 🐸

Jay Hardy served as deputy commissioner for Community Development at the Maine Department of Economic and Community Development when the 1988 Task Force on Affordable Housing was undertaking its work. He left the Department shortly after the 1989 legislative session. Since that time, he has been a principal in NEW Solutions, a consulting firm that works at the interface between business and government.