

MAINE STATE LEGISLATURE

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132nd MAINE LEGISLATURE

SECOND REGULAR SESSION-2026

Legislative Document

No. 2164

H.P. 1453

House of Representatives, January 13, 2026

An Act to Assist Communities with Converting Vacant School Buildings into Housing

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Housing and Economic Development suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative GERE of Kennebunkport.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 30-A MRSA §5158-A** is enacted to read:

3 **§5158-A. Vacant School Housing Conversion Program; fund established**

4 The Vacant School Housing Conversion Program, referred to in this section as "the
5 program," is established within the Maine Redevelopment Land Bank Authority, referred
6 to in this section as "the redevelopment authority."

7 **1. Program.** The program authorizes the redevelopment authority to provide technical
8 and financial assistance to a municipality that chooses to convert a vacant school building
9 that has been closed and transferred to the municipality pursuant to Title 20-A, section
10 4103, subsection 3 into a property that provides residential housing units, a percentage of
11 which as determined in the memorandum of understanding under subsection 2 is dedicated
12 as affordable housing as defined in section 5002, subsection 2.

13 **2. Program elements.** The redevelopment authority shall provide technical and
14 financial assistance to a municipality that applies to the program in a manner determined
15 by the redevelopment authority and meets the criteria as established by the redevelopment
16 authority for participation in the program as determined by the redevelopment authority. A
17 participating municipality shall enter into a memorandum of understanding with the
18 redevelopment authority as a condition of participation. The technical and financial
19 assistance provided by the redevelopment authority pursuant to the memorandum of
20 understanding may include, but is not limited to:

21 A. Overseeing environmental assessment requirements, hazard abatement and clean-
22 up efforts;

23 B. Determining the legal and financial feasibility of the property conversion;

24 C. Navigating zoning and regulatory requirements of development;

25 D. Acting as liaison between a municipality and state and local housing authorities;

26 E. Determining the specific goals of a conversion in alignment with a comprehensive
27 plan or stated community priorities for development of the property;

28 F. Facilitating partnerships between municipalities that may seek to offer school
29 buildings in each respective municipality as part of a package of properties for
30 conversion;

31 G. Structuring a request for proposals from entities seeking to purchase the property;

32 H. Identifying financing strategies, incentive programs and potential funding sources
33 available to a municipality or entity chosen to develop the property; and

34 I. On behalf of a municipality, acting as the administrator of a request for proposals
35 crafted in accordance with the memorandum of understanding and as manager of the
36 contract for development of the property.

37 **3. Maine School Conversion Fund; establishment and use.** The Maine School
38 Conversion Fund, referred to in this section as "the fund," is established within the
39 redevelopment authority to support the development of vacant school buildings into
40 properties that will provide residential housing and that include a minimum percentage of
41 units, as determined by the municipalities and specified in the memoranda of understanding

under subsection 2, dedicated as affordable housing as defined in section 5002, subsection 2. The fund may not lapse but must be carried forward to carry out the purposes of this section. The fund may receive money from any available state, federal or private source. Money in the fund may be used by the redevelopment authority only when acting, pursuant to subsection 2, paragraph I, as the administrator of requests for proposals on behalf of a participating municipality and only for the purposes described in this section. Expenditures from the fund may include, but are not limited to:

A. Design and engineering feasibility studies;

B. Providing access to established utilities for the property to be developed;

C. Property improvements, such as demolition or environmental hazard mitigation necessary to attract requests for proposals from entities bidding to develop the vacant school buildings;

D. Hazardous material removal or abatement and other environmental clean-up efforts for which alternative sources of funding are not available;

E. Subsidies to support costs directly related to the affordable housing units included as part of the development; and

F. Capital investment to leverage matching funds or nonstate grants.

4. Report. Beginning February 1, 2027 and annually thereafter, the redevelopment authority shall submit a report to the joint standing committee of the Legislature having jurisdiction over housing matters. The report must summarize the technical and financial assistance provided to municipalities in accordance with this section for the previous calendar year, the status of school building conversions supported by the program, the number of housing units created and an evaluation of the impact attributed to the program on the economy and housing supply of participating municipalities. The report must also include information collected by the redevelopment authority on the number of vacant school buildings for which conversion to a property that provides residential housing is feasible.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

MAINE REDEVELOPMENT LAND BANK AUTHORITY

Maine School Conversion Fund N562

Initiative: Establishes and provides ongoing funding to the Maine School Conversion Fund to assist municipalities with converting unused school buildings into properties that provide residential housing.

GENERAL FUND	2025-26	2026-27
All Other	\$0	\$5,000,000
GENERAL FUND TOTAL	\$0	\$5,000,000

SUMMARY

This bill establishes the Vacant School Housing Conversion Program within the Maine Redevelopment Land Bank Authority. The program provides technical and financial

1 assistance to municipalities seeking to develop vacant school buildings into properties that
2 provide residential housing, including units dedicated as affordable housing. The bill also
3 establishes the Maine School Conversion Fund, which is used to support the development
4 of vacant school buildings. The bill provides for an ongoing annual appropriation of \$5
5 million to the fund. The redevelopment authority administers the fund, and the fund's uses
6 are limited to supporting development of vacant school buildings in municipalities that
7 have memoranda of understanding with the redevelopment authority that it will act on
8 behalf of the municipality to manage requests for proposals from entities seeking to develop
9 the property. Finally, the bill requires the redevelopment authority to submit an annual
10 report to the joint standing committee of the Legislature having jurisdiction over housing
11 matters regarding the program.