



Gaithersburg
A CHARACTER COUNTS! CITY

Bill: SB315 - Housing Innovation Pilot Program and Housing Innovation Fund - Establishment (Housing Innovation Pilot Program Act of 2023)

Senate Education, Energy, & Environment Committee

February 14, 2023 – 1:00 PM

Position: Support

Dear Chair, Vice-Chair, and Members of the Committee:

The City of Gaithersburg writes to support **SB315 - Housing Innovation Pilot Program and Housing Innovation Fund - Establishment (Housing Innovation Pilot Program Act of 2023)**. If enacted, this legislation would establish a Housing Innovation Pilot Program in the Department of Housing and Community Development to provide funds for certain mixed-income, cross-subsidized housing and to create opportunities to increase the volume of housing production. This would establish the Housing Innovation Fund as a special, non-lapsing fund to be used only to provide low- or no-interest loans to local housing authorities.

According to the University of Maryland's National Center for Smart Growth and Enterprise Community Partners, a nonprofit housing lender and advocacy organization, Maryland must add thousands more housing units by 2030 to accommodate a swelling population of low-income residents, while also meeting unmet demand from moderate-income residents, seniors and people with disabilities. As of 2021, the state was in need of an additional 85,000 rental units for low-income households. Unfortunately, this shortage will continue to exacerbate unless the state creates and preserves more affordable homes.

Expanding funding opportunities to Housing Commissions across the state, such as the Housing Opportunities Commission of Montgomery County, will undoubtedly help our communities to better respond to the need for affordable housing. If passed, this legislation would allow for dollar-for-dollar matches for loans under this program through housing innovation projects, empowering local governments to take the steps necessary to ensure their residents have access to affordable housing and a higher quality of life. Therefore, we respectfully request a favorable report on SB315.

Should you have any questions, please feel free to contact me at 301-466-5350 or our government relations consultant, Therese Hessler, at therese@ashlargr.com. We appreciate your support.

Respectfully submitted,

Jud Ashman
Mayor

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