

Committee: Education, Energy, and the Environment

Testimony on: SB315 – "Housing Innovation Pilot Program and Housing Innovation

Fund – Establishment (Housing Innovation Pilot Program Act of 2023)"

Position: Support with Amendments

Hearing Date: February 14, 2023

The Maryland Chapter of the Sierra Club strongly supports SB315 and believes the bill would be improved with two amendments. The bill would create a Housing Innovation Fund that would provide low or no-interest loans for local housing authorities to develop mixed-income, cross-subsidized housing to address the large shortage of rental units for low-income families that is expected to get even worse over the next decade. With rents continuing to rise, the state will see many more families facing housing insecurity and potentially homelessness unless much more housing assistance is provided and the volume of housing production greatly increases.

SB315 would create a five-year pilot program to provide matching funds for housing innovation projects in which at least 20% of units are set aside for residents with a household income of not more than 50% of the area median income (AMI), and at least 40% of units are for residents with a household income of not more than 60% of the AMI.

We propose amendments which would specify two additional requirements for housing innovation projects to qualify for funding. First, the new housing must be built in walkable and bikeable areas with easy access to buses and ideally trains. Many lower-income residents don't even own a car and rely on transit. Walking and biking are healthy modes of travel, or residents could use transit to get to jobs, schools, shopping and services. Use of public transit and reduced reliance on cars would help Maryland meet its rigorous climate goals, reduce health-damaging emissions from vehicles, and thereby improve local air quality.

The second amendment to the requirements for housing innovation projects to qualify for funding would specify that new mixed-income, cross-subsidized housing be built that is environmentally sustainable. The housing should include solar panels or green roofs, windows that are at least double pane, good insulation, and energy-efficient electric heating and appliances, all of which would save money for income-burdened individuals while helping the environment. Having native trees and vegetation in green spaces incorporated into the design of new housing areas would reduce heat islands and make life more pleasant as well as being good for the environment. Such amenities should not be exclusive to affluent communities.

This bill would help Maryland to meet its equity and environmental objectives, and with our amendments, deserves passage. We urge this committee to issue a favorable report on it.

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Founded in 1892, the Sierra Club is America's oldest and largest grassroots environmental organization. The Maryland Chapter has over 70,000 members and supporters, and the Sierra Club nationwide has over 800,000 members and nearly four million supporters.