

**SB333\_DHCD\_SUPPORT.pdf**

Uploaded by: Chuck Cook

Position: FAV



WES MOORE  
Governor  
ARUNA MILLER  
Lt. Governor  
JACOB R. DAY  
Secretary  
JULIA GLANZ  
Deputy Secretary

**DATE:** February 8, 2024

**BILL NO.:** Senate Bill 333

**TITLE:** Housing and Community Development - Affordable Housing - Identifying Suitable Property

**COMMITTEE:** Senate Education, Energy, and the Environment Committee

### Letter of Support

#### Description of Bill:

Senate Bill 333 allows DHCD, when determining whether surplus state-owned property is suitable for use or redevelopment as affordable housing, to consider, in addition to other factors, any DHCD-determined criteria necessary for such use. It also repeals a requirement that DHCD identify as suitable for such use any property that meets certain criteria.

#### Background and Analysis:

Under existing law, the Maryland Department of Planning is required to notify DHCD of any excess state property MDP does not dispose of under its own statutory procedures. Within 60 days of receiving such notice, DHCD must determine whether the property is suitable for use or redevelopment as affordable housing, and, if it is, notify the controlling unit of state government, which then puts forth a proposal (in consultation with DHCD and MDP) to donate or sell the property to an organization or private buyer for use or redevelopment as affordable housing.

In making its determination, DHCD is currently required to identify a property as suitable for use or redevelopment as affordable housing if it is located in a priority funding area, does not belong to a category of property acquired for certain conservation purposes under the Natural Resources Article, is adequately sized for residential use, has access to public utilities, and has access to feasible ingress and egress points.

This legislation gives DHCD flexibility in making its determination in two ways: First, by repealing the requirement for DHCD to identify as suitable any property that meets the criteria listed above; and, second, by also allowing it to establish other factors that are necessary for the property to be used or redeveloped as affordable housing. While this bill would still require DHCD to consider size, access to utilities, and ingress/egress, and prohibit it from identifying as suitable properties outside of priority funding areas, allowing DHCD to establish and consider additional factors in making its determination will help the Department better identify properties that are actually well suited for use or redevelopment as affordable housing.

#### DHCD Position:

The Department of Housing and Community Development respectfully requests a **favorable** report on Senate Bill 333.



# **Comments on SB333, Housing and Community Developme**

Uploaded by: Dan Reed

Position: FAV



Chair Brian Feldman  
and Members, Education, Energy, and the Environment Committee  
Miller Senate Office Building  
11 Bladen Street  
Annapolis, Maryland 21401

February 8, 2024

Dear Chair Feldman and Members of the Education, Energy, and the Environment Committee:

My name is Dan Reed and I serve as the Regional Policy Director for [Greater Greater Washington](#), a nonprofit that works to advance racial, economic, and environmental justice in land use, transportation, and housing throughout Greater Washington. **GGWash supports Senate Bill 333, Housing and Community Development - Affordable Housing - Identifying Suitable Property.**

This bill would direct the Department of Housing and Community Development, when looking for state-owned land ideal for affordable housing development, to only identify sites within Priority Funding Areas. PFAs generally represent the most built-up areas within Maryland counties, places with existing infrastructure such as roads and utility lines. These are the places where each county wants development to go, and in turn, the state has agreed to fund new infrastructure where needed.


Adding this criteria accomplishes several goals: it makes the best use of taxpayer resources, including state-owned property and public infrastructure; it directs investment to established communities instead of promoting suburban sprawl; and it gives the future residents of affordable housing easy access to daily needs, such as transportation, jobs, schools, and shopping.

Senate Bill 333 is a small but useful tweak to the state's approach to affordable housing, ensuring that public land can be used for public good. We ask the Education, Energy, and the Environment Committee to give this bill a favorable report.

Sincerely,

A handwritten signature in black ink that reads 'Dan Reed'.

Dan Reed  
Regional Policy Director

The Washington, DC region is great  and it can be greater.

**BaltimoreCounty\_FAV\_SB0333.pdf**

Uploaded by: John Olszewski

Position: FAV



JOHN A. OLSZEWSKI, JR.  
*County Executive*

JENNIFER AIOSA  
*Director of Government Affairs*

AMANDA KONTZ CARR  
*Legislative Officer*

WILLIAM J. THORNE  
*Legislative Associate*

**BILL NO.:**           **SB 333**

**TITLE:**             Housing and Community Development – Affordable Housing –  
Identifying Suitable Property

**SPONSOR:**         Senator Hettleman

**COMMITTEE:**      Education, Energy, and the Environment

**POSITION:**       **SUPPORT**

**DATE:**             February 8, 2024

Baltimore County **SUPPORTS** Senate Bill 333 – Housing and Community Development – Affordable Housing – Identifying Suitable Property. This legislation makes technical changes to the 2022 law Housing and Community Development – Affordable Housing – Excess Real Property intended to help the State administer the legislation as intended. The initial intention of the 2022 legislation was to enable nonprofit affordable housing developers to build new housing at below market prices.

The 2022 law required the Department of Housing and Community Development to determine if excess State properties were suitable for use or redevelopment as affordable housing. For identified properties, the State must develop a proposal to donate or sell the property to a nonprofit that intends to use the property for affordable housing or alternatively to sell the property to another organization that intends to use the property for affordable housing. As the law is currently written, the state agency was unable to identify a significant number of properties for this intended purpose. The technical changes under the current legislation are meant to adjust the criteria and process so that more properties can be identified, ultimately accomplishing the goal of the original legislation. These changes will allow for the continued expansion of attainable housing in Baltimore County.

Accordingly, Baltimore County urges a **FAVORABLE** report on SB 333. For more information, please contact Jenn Aiosa, Director of Government Affairs at [jaiosa@baltimorecountymd.gov](mailto:jaiosa@baltimorecountymd.gov).

# **Position Statement SB 333 Housing and Community De**

Uploaded by: Jordan BaucumColbert

Position: FAV



## **POSITION STATEMENT**

**Bill:** SB 0333 Housing and Community Development - Affordable Housing - Identifying Suitable Property

**Position:** Support

**Date:** February 8, 2024

**Contact:** Debra Borden, General Counsel

Jordan Baucum Colbert, Government Affairs Liaison

Dear Chair Brian J. Feldman and Vice Chair Cheryl C. Kagan

The Maryland-National Capital Park and Planning Commission (M-NCPPC or “the Commission”) has not voted on an official position yet, however, staff has prepared a statement in support of this bill. The Commission respectfully requests that the Education, Energy and Environment, Committee consider this information and include it in the record.

**What this Bill Does.** This bill seeks to reestablish standards for determining if a property is suitable for use or redevelopment as affordable housing and requires appropriate sites to be within a Priority Funding Area. The language in this bill requires the Department of Housing and Community Development to consider; 1) whether a property is adequately sized for any type of residential use; 2) has access to public utilities; 3) has access to feasible ingress and egress points, and; 4) meets any other factors determined by the Department that are necessary for the property to be use or redeveloped as affordable housing.

**Suitability for Use or Redevelopment.** Suitability is important in the redevelopment of affordable housing because it ensures housing is feasible, accessible and safe. Protecting the integrity of neighborhoods is of utmost importance to the Commission. The Commission’s Development Review Divisions are aligned with Maryland’s goal to increase affordable housing during this critical time as our process encourages growth in a way that is sensitive to the needs and values of the community.

For these reasons, the Commission requests favorable vote on SB 0333.



# **MAHC testimony\_SB 333\_Surplus Property clean up bi**

Uploaded by: Miranda Willems

Position: FAV



**Testimony to the Education, Energy & the Environment Committee  
SB 333 – Housing and Community Development – Affordable Housing –  
Identifying Suitable Property  
Position: Support**

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SB 333 would update an existing law that requires DHCD to identify State owned property that could be suitable for the development of affordable housing. The bill would provide more flexibility to DHCD to set the criteria for review and make a determination on which properties may be suitable for affordable housing development. The bill's intent is to clean up existing law to make implementation more practical. MAHC supports the bill and the internal control it will give to DHCD to allow their staff to make these determinations, and we hope it will result in the creation of additional affordable housing units in the near future.

MAHC is the leading organization for the affordable rental housing industry in Maryland and represents over 185 member organizations, including nonprofit and for-profit developers, State and local housing authorities, property management companies, financial institutions, community development organizations, contractors, investors, consultants and individuals.

**Respectfully submitted on February 8, 2024 by Miranda Darden-Willems, Executive Director, on behalf of the MAHC Board of Directors.**

**MAHC Board of Directors**

Christine Madigan, Enterprise Community Development, President

Tom Ayd, Green Street Housing, Vice President

Willy Moore, Southway Builders, Secretary

Miles Perkins, AGM Financial, Treasurer

Mansur Abdul-Malik, NHP Foundation

Marsha Blunt, Pennrose Properties

Mike Cumming, CohnReznick, Chief Financial Officer

Mary Claire Davis, AHC Greater Baltimore

Ivy Dench-Carter, Pennrose Properties, Ex-Officio

Maryann Dillon, Housing Initiative Partnership

Peter Engel, Howard County Housing Commission

Mike Font, New Harbor Development

Chickie Grayson, Retired, Advisor Emeritus

Dana Johnson, Homes for America

Brian Lopez, Osprey Property Company

Dan McCarthy, Episcopal Housing

David Raderman, Gallagher, Evelius & Jones, Of Counsel

Catherine Stokes, Telesis Corporation

Jessica D. Zuniga, Foundation Development Group, Ex Officio

**SB333\_Hettleman\_FAV.pdf**

Uploaded by: Shelly Hettleman

Position: FAV

SHELLY HETTLEMAN  
Legislative District 11  
Baltimore County

Chair  
Rules Committee

Budget and Taxation Committee

Subcommittees

Health and Human Services

Pensions



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THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

TESTIMONY OF SENATOR SHELLY HETTLEMAN  
SB 333 HOUSING AND COMMUNITY DEVELOPMENT – AFFORDABLE HOUSING –  
IDENTIFYING SUITABLE PROPERTY

In 2022, the Assembly passed Senate Bill 744 with the goal of increasing the availability of state and for the development of attainable housing within Maryland.<sup>1</sup> SB 333 seeks to clarify where such housing is appropriate and where it is not.

Maryland is expected to add 97,200 households between 2020 and 2030 with earnings below 50% of the Area Median Income. There is a significant need for attainable housing within the State, especially for low-income and working-class individuals. SB 333 modifies criteria previously laid out for the Department of Housing and Community Development (DHCD) to determine the suitability of state properties for use as affordable housing. The law, as we changed it a few years ago, has not had the intended consequences we had hoped. This bill will provide more flexibility for the department to consider additional factors about a potential property rather than necessitate that a property be identified as suitable if certain criteria are met.

In recent years, multiple states have begun utilizing their excess or underused state lands to construct affordable housing for needed communities.<sup>2</sup> In fact, the US Department of Housing and Urban Development (HUD) has criteria for suitability which resembles those under Maryland current law with several exceptions. Accessibility, documented deficiencies, and location within a floodway are each disqualifying characteristics under HUD's suitability criteria, alongside federal government-specific factors.<sup>3</sup>

SB 333 proposes to consider such property-specific characteristics, as well as many others, but places such considerations into the realm of DHCD and the property-owning State agency as they are the most aware of which properties and criterion are most important to suitability in each location or situation. Updating Maryland's law to ensure that future affordable housing is suitable is crucial for many reasons. The simplest, however, is that it will promote the health, safety, and housing security of Marylanders while repurposing state lands otherwise going unused or underused.

I urge a favorable report on SB 333. Thank you.

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<sup>1</sup> SB 744 (2022).

<sup>2</sup> Brown, A. (2023, October 26). *Western states look to these lands for new affordable housing*. Stateline. <https://stateline.org/2023/10/26/western-states-look-to-these-lands-for-new-affordable-housing/>

<sup>3</sup> 24 C.F.R. 581.6