

Testimony SB 906 Education, Energy and Environment Committee February 20, 2024 Position: FAVORABLE

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

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

SB 906 -Requires each county and Baltimore City to inventory vacant commercial buildings, develop a plan to convert vacant commercial buildings for residential use, and submit a report to the Department of Housing and Community Development. DHCD would establish and maintain a database of vacant commercial buildings in the State that have the potential to be converted for residential use.

According to the Maryland Housing Needs Assessment that was completed in 2021 by the National Center for Smart Growth and Enterprise Community Partners, Maryland will have to make a significant investment in housing over the next 10 years in order to keep up with economic and demographic shifts in the state. The analysis showed that the state is short 85,000 rental units for low-income households. With Maryland expected to add an estimated 97,166 low-income households by 2030, the shortage will worsen unless the state creates and preserves many more affordable homes. Thirteen of the state's 23 counties and Baltimore City don't have enough housing that's affordable to very low-income renters.

Ensuring that all families live in affordable, stable homes will improve community health outcomes, thereby reducing health care and education costs. Housing is an urgent priority for economic growth and full equitable recovery from the pandemic. Building a firm foundation for stable homes begins with policies that increase production of housing affordable to households making less than \$65,000 per year. Finding ways to convert vacant commercial space into residential us is a strategy worth pursuing.

We urge your favorable report for SB 906.

Submitted by Claudia Wilson Randall, Executive Director