



Senate Bill 483

Maryland Community Investment Corporation – Establishment (Housing and Community Development Financing Act of 2024)

MACo Position: **SUPPORT**

To: Education, Energy, and the Environment
and Budget and Taxation Committees

Date: February 22, 2024

From: Dominic J. Butchko

The Maryland Association of Counties (MACo) **SUPPORTS** SB 483. This bill establishes the Maryland Community Investment Corporation and expands the uses of the Strategic Demolition and Smart Growth Impact Fund.

For the 2024 Maryland General Assembly Session, MACo has made it a priority – one of the Association’s four legislative initiatives – to *Advance Comprehensive Housing Solutions*. Much like climate change and sea level rise, the challenges surrounding affordable housing are vast and call for a large, multipronged effort. While in other policy areas, it may be easy to deduce a simple cause-and-effect relationship, housing is a complex web of multifaceted factors. Addressing challenges like workforce, financing, interest rates, broad economic trends, supply chain, and large out-of-state corporate interests – among many other obstacles – requires an all-hands-on-deck effort from policy makers at all levels.

MACo is working with sponsors to cross-file legislation to target several components of this crisis: abandonment/blight disincentives, corporate owner transparency, and short-term rental oversight. Additionally, under this initiative, counties will be supporting other pro-housing legislation which helps to advance the conversation, balances local flexibility, and ensures more Marylanders can afford a place to call home.

A major obstacle to unlocking additional housing production is financing. At the mercy of higher interest rates, state and county governments are limited in tools to offer more attractive financial incentives. If enacted, SB 483 would provide another “tool in the toolbox” by establishing the Maryland Community Investment Corporation. The Corporation would be tasked with using federal incentives, such as New Market Tax Credit, to offer more attractive financing for affordable housing development. Additionally, the bill broadens the flexibility of the Strategic Demolition and Smart Growth Impact Fund to include debt payments and credit enhancement.

A central element of the housing crisis is driven by financing, and SB 483 offers innovative approaches to enable more housing projects to become financially viable. For this reason, MACo urges the Committee to issue SB 483 a **FAVORABLE** report.