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Ways and Means Committee



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THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB 283 Housing and Community Development – Affordable Housing – Identifying Suitable Property

This legislation is a follow-up to a 2022 law (<u>HB 927/SB 744</u>) that requires the State to assess surplus state-owned property for potential reuse as affordable housing.

Now that we're one year into the implementation of the law, DHCD has requested additional flexibility. This bill allows the Department to have more discretion in identifying properties that are suitable for affordable housing.

Maryland currently lacks 85,000 affordable housing units, with an additional 97,000 units needed by 2030.¹ The State of Maryland owns more than 14,000 pieces of real property. Some of these properties may be suitable for reuse or development for affordable housing. Under the 2022 law, the Department of Housing and Community Development (DHCD) evaluates state-owned properties that go through the excess property disposition process to identify properties that are suitable for affordable housing. Suitable properties may be donated or sold to a non-profit or for-profit developer to create affordable housing.

The 2022 law was based on a recommendation made in a strategic plan commissioned by the State.¹ California, Connecticut, Florida, and Washington states, and the District of Columbia have also passed laws to proactively look for opportunities to create more affordable housing on surplus government properties.

¹ "Maryland Housing Needs Assessment & 10-Year Strategic Plan." National Center for Smart Growth and Enterprise Community Partners, Inc. Report commissioned by the Maryland Department of Housing and Community Development. https://dhcd.maryland.gov/Documents/Other%20Publications/Report.pdf