



Testimony to the Environment and Transportation Committee
HB007 Housing Innovation Pilot Program and Housing Innovation Fund – Establishment
(Housing Innovation Pilot Program Act of 2024)

Position: Favorable

1/26/2024

The Honorable Delegate Korman, Chair
Environment and Transportation Committee
Room 251
House Office Building
Annapolis, MD 21401

Chair Korman and Honorable Members of the Committee:

My name is Zoe Gallagher and I am a Policy Associate at Economic Action Maryland. Economic Action Maryland (formerly the Maryland Consumer Rights Coalition) is a people-centered movement to expand economic rights, housing justice, and community reinvestment for working families, low-income communities, and communities of color. Economic Action Maryland provides direct assistance today while passing legislation and regulations to create systemic change in the future.

As representative of an organization that works closely with fair and affordable housing at both the policy and ground level, I am writing to ask for your favorable support for HB007, which establishes a Housing Innovation Pilot Program for the purpose of incentivizing mixed-income housing development.

Maryland is desperately behind on the development of affordable housing units, especially those for families with extremely low household incomes. In Maryland, [27%](#) of renter households are classified as extremely low-income, meaning they make 30% or less of the area median income. Of these extremely low-income households that rent, [75% are severely cost-burdened, paying over 50% of their income on housing costs.](#)

Our state must prioritize the development of safe and effective affordable housing as the cost of living continues to soar. This is why I urge you to support HB007, which establishes a program and fund to support the development of mixed-income, cross-subsidized housing in Maryland. The fund provides loans to local housing authorities for housing projects with a focus on affordability and community impact.

Mixed-income housing development is one of the most effective and socially beneficial ways to expeditiously create new affordable housing units. However, without programs such as HB007, private developers have no incentive to include affordable housing units in their complexes. Mixed-income housing development allows for affordable housing to exist in communities that might otherwise oppose solo affordable housing complexes, diversifying neighborhoods and providing new economic opportunities for low-income families. It also ensures that the units that are set aside for the purpose of affordable housing are well maintained, allowing these units to be preserved for future generations of low-income residents.



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Every Marylander deserves to live in a safe home that they can afford to live in. Thus, I urge a favorable report on HB007.

Sincerely,
Zoe Gallagher, Policy Associate