



10400 Detrick Avenue  
Kensington, MD 20895-2484  
(240) 627-9400



February 23, 2021

Honorable Maggie McIntosh  
Chair  
Appropriations Committee  
Maryland General Assembly

Honorable Mark S. Chang  
Vice Chair  
Appropriations Committee  
Maryland General Assembly

**RE: HOC SUPPORTS HB 1065 – BOND AUTHORITY – MARYLAND STATE CEILING AND HOUSING BOND ALLOCATIONS**

Dear Chair and Members of the Appropriations Committee,  
On behalf of the Housing Opportunities Commission of Montgomery County (HOC), my name is Stacy Spann. As Executive Director of HOC, I am here today to express the support of HOC for HB1065, as amended.

As Montgomery County's public housing agency, HOC provides affordable housing resources to more than 15,000 households. Historically, HOC has advocated for more sustainable funding and policy-proven solutions to preserve, develop, and expand access to affordable housing. I am here today to affirm that HB1065 is a positive step forward in better equipping Housing Authorities for financing the development and preservation of affordable housing units.

In support of this bill, I would be remiss if I did not comment on how COVID-19 has deeply impacted the customers HOC serves. Our customers continue to face decreased household incomes, increased need for social service supports, and, demographically, they are representative of our nation's most vulnerable populations. As our nation continues to confront an economic downturn in an ongoing pandemic, we will continue to see our customers face adverse and inequitable impacts.

As one of the most affluent counties in the state of Maryland, Montgomery County continues to face an overwhelming demand for affordable housing. Our HOC Housing Path Waitlist has more than 30,000 applicants waiting for services. The number of applicants has grown throughout the pandemic and continues to grow. This growing need is reflective of the burgeoning affordable housing crisis. We, now, more than ever, need additional funding and financing solutions for developing and preserving affordable housing throughout Maryland.

We applaud Delegate Holmes in his efforts to improve the governance of a key financial device utilized by housing authorities: housing bonds, as allocated through the Maryland State Ceiling. Housing authorities empower the state in responding to the demand for affordable housing. Financing development activities through housing bonds allows housing authorities to develop with low-interest and tax-exempt debt instruments. Thus, the actual development of affordable

housing becomes more affordable for housing authorities. Housing bonds are a common-sense approach for budget conscience financing, and it is critical to reinforce through code the authorization of housing authorities to receive and transfer bond allocations from the Maryland State Ceiling.

In addition, the bill allows for housing authorities to carryforward unused bond allocations into future years. HOC commends this provision, which allows housing authorities to better plan for and fortify the establishment of development activities. By building more robust development pipelines, housing authorities will have an increased ability to help the state respond to the affordable housing crisis and better the state's equipment to respond to the need over time.

HOC is proud to support HB1065 in the spirit of its vision to get people housed, keep them housed, and help them reach their fullest potentials. This legislation truly improves housing authorities' ability to address the affordable housing crisis through greater access to an effective, proven state financing tool: housing bonds.

We thank you and appreciate your consideration of supporting this bill and urge legislators to pass the bill, as amended, out of committee.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Stacy L. Spann', with a stylized flourish extending to the right.

Stacy L. Spann, Executive Director, HOC