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February 19, 2021

Honorable Kumar P. Barve
Chair
Environment & Transportation Committee
Maryland General Assembly

Honorable Dana Stein
Vice Chair
Environment & Transportation Committee
Maryland General Assembly

**RE: HOC SUPPORTS HB 1090 – DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT –
PARTNERSHIP RENTAL HOUSING PROGRAM – ALTERATIONS**

Dear Chair and Members of the E&T Committee,

I am writing in support of HB1090, sponsored by Montgomery County Delegate Vaughn Stewart, by the Housing Opportunities Commission of Montgomery County (HOC). HOC applauds Delegate Stewart on his efforts and commitment to finding bold, innovative and pragmatic solutions to the housing crisis we face in Maryland and throughout our region.

As Montgomery County's public housing agency, HOC provides affordable housing resources to approximately 15,000 households. Historically, HOC has advocated for more sustainable funding and policy-proven solutions to preserve, develop, and expand access to affordable housing. Even before the COVID-19 pandemic, HOC has seen a continued trend in our community's growing need for affordable housing.

This growing need is not just an issue in Montgomery County, but throughout the state of Maryland and the nation, as a whole. This need is evidenced through the [Maryland Housing Needs Assessment](#). The Assessment supports that household with total income below 65% Area Median Income (AMI) hold the greatest share of the rental market. As this trend continues to project upward, more rental homes are needed to support the affordable housing market demands.

Many HOC customers and other affordable housing residents serve as our nation's frontline workers. They are the folks that have kept our country functioning in the face of the COVID-19 pandemic. We owe it to our customers and the affordable housing community to support the development and preservation of affordable housing. HB1090 helps supporting this through the development of mixed-income units through the Partnership Rental Housing Program.

As our region and nation continues to face economic downturn, we anticipate the need for affordable housing funding and solutions will continue to grow. We urge our state legislators to continue to find and advocate for solutions to preserve and expand the availability of affordable housing for Maryland state residents. With the housing crisis burgeoning, this issue is not going

away and finding solutions now will address the exacerbated problems we will undoubtedly face tomorrow.

As mentioned, HB 1090 supports the development of affordable housing units, with a focus on expanding affordable housing for middle income households. One important feature of the bill is that it adds additional revenue sources for the Partnership Rental Housing Fund. As the need for affordable housing continues to grow, the expansion of revenue sources feeding the Fund is critical in filling the funding gaps that currently inhibit the development of enough affordable housing units to satisfy growing market demand. The Partnership Rental Housing Program is essential in furthering the development of these affordable housing units, particularly through mixed-income housing developments.

HB1090 qualifies by law that mixed-income housing developments consist of at least 70% of units in the development are reserved for residents with less than or equal to 75% of the Area Median Income. HOC is pleased to see this provision included, enforcing the model of mixed-income housing developments as the preferred vehicle for affordable housing development. HB1090 further does so by adding mixed-income housing developments to the menu of qualified Partnership Rental Housing projects.

And most importantly, among all the other provisions in the bill, HB1090 authorizes State partners, like housing authorities, to participate in this program and expand missing middle-income housing.

HOC is proud to support HB1090 in the spirit of its vision to get people housed, keep them housed, and help them reach their fullest potentials.

We thank you for your consideration and appreciate your consideration of supporting this bill.

Sincerely,

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

Stacy L. Spann, Executive Director, HOC