



CITY OF TAKOMA PARK, MARYLAND

**SB 462
Support**

February 16, 2021

Senate - Finance

SB 462: Public Utilities – Low–Income Housing – Energy Performance Targets

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The City of Takoma Park supports, and urges favorable consideration of, this bill, which sets a modest target for reducing energy use in lower-income residential buildings. This bill's programs would contribute to the state's goal of reducing climate-changing greenhouse gas emissions, and address inequities in the impact of energy costs.

Lower-income Marylanders who rent, including those in Takoma Park, must use a much greater portion of their limited income for energy services. In the Washington DC area, for example, low-income multifamily households pay an average of 5.2% (of household income), more than 2 ½ times the area median. And ¼ of low-income households have an energy burden more than 7 times the area median.

Current energy efficiency programs largely benefit homeowners and those with greater incomes and ability to take advantage of incentives. This bill would address these glaring inequities. Building residents would directly benefit, through improved home comfort and safety and reduced energy costs.

This bill would apply to a significant number of residents in the City of Takoma Park, a densely developed, largely residential municipality of almost 18,000 in Montgomery County, Maryland. Nearly 40% of Takoma Park residents are housing cost burdened, and utilities are part of this housing cost burden. The City's residential housing stock is about half multi-family rental buildings, and 70% of residential buildings are older structures built before 1940 with a strong need for energy efficiency improvements.

This bill supports our city's climate change, housing and equity priorities. The City has committed to aggressive measures to achieve net zero greenhouse gas emissions by 2035, and to an aggressive housing and economic development plan that prioritizes protecting affordable housing in our community. Achieving these goals requires attention to multifamily residents and their housing, and few tools are available to do this. This bill would provide an effective mechanism to deliver energy efficiency services to this difficult to reach group. We urge a favorable report.