



Testimony
Partnership Rental Housing Program – Mixed Income Housing Developments
(More Homes for Marylanders Act)
Position: Support
March 8, 2022

Chair Barve and Members of the Environment and Transportation Committee:

Habitat for Humanity Metro Maryland (HFHMM) urges your support of HB1330, More Homes for Marylanders Act.

HFHMM is a nonprofit provider of affordable housing, working to provide equitable access to homeownership in Montgomery and Prince George's Counties. While Habitat is focused on access to affordable homeownership, we strongly support housing affordability along the continuum.

We have a critical shortage of affordable housing across Maryland. The Maryland Housing Needs Assessment projects that the State currently lacks roughly 85,000 rental units for households under 30% of Area Median Income and that the State will add an estimated 97,000 extremely and very low-income households by 2030. Those figures don't account for the lack of units for households between 30% and 50% of the Area Median Income.

Moreover, it's estimated that 1 in 7 Maryland households spend half or more of their income on housing when 30% of income on housing is considered affordable. Each day Marylanders are making impossible decisions between paying for housing or healthy food, transportation, education, healthcare and other necessities.

The pandemic has only exacerbated the housing crisis while also highlighting the importance of affordable housing in public health. And at a time when the need for affordable housing is extreme, the cost to build has increased dramatically due to supply chain issues and labor shortages. Habitat is seeing construction cost increases of around 16% due to market constraints. HFHMM already subsidizes the difference between what it costs to build and what homes can be sold for affordably. That subsidy is typically between \$150,000 to \$200,000 per unit. Rising costs mean that affordable housing organizations have to search for even more dollars to fill the gap.

We applaud Delegate Stewart and other members of the Maryland General Assembly for thinking big and thinking creatively about how we can ensure that all Marylanders have access to safe, healthy, and affordable housing. Maryland has a potentially once in a generation opportunity to utilize surplus funds and ARPA dollars to make a major investment in affordable rental and ownership housing that could change the lives of families across Maryland for generations.

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