



**Testimony to the House Appropriations Committee in Support of HB 500
March 7, 2023**

Homes For America supports House Bill 500, Maintenance Support for Affordable Housing Act of 2023.

Homes for America is a nonprofit housing organization headquartered here in Annapolis, with a mission to build and preserve quality affordable housing enhanced with services. We serve the mid-Atlantic region including Maryland, PA and VA. We have developed over 80 rental communities and currently serve over 5,000 households – the majority of which are here in Maryland.

As we approach our 30th year since our founding, we now have a portfolio of properties that are aging and in need of investment. In particular, we have many smaller properties (under 50 apartments) that do not have sufficient reserves or cash flow to fund significant repairs. Because we are committed to and, in many cases, required to keep rents affordable, it is difficult for property owners like HFA to make major investments in these properties. The rents barely cover the annual operating costs like staffing, utilities, regular maintenance and insurance. The cost of all of these operating expenses has been escalating quickly in the last 2 years which leaves little cash for a major replacement like a new roof or new HVAC equipment.

The availability of funding that this bill would provide would be very impactful to maintain the existing stock of affordable apartments in Maryland. As I am sure you know, there is a shortage of over 100,000 units of affordable housing in the state. Just as we need major state investment to enable the construction of new units, we also need state investment in the preservation of the existing stock to ensure that those apartments are well maintained and not lost.

Respectfully submitted:

Dana Johnson, President & CEO