

SB643 – Housing – Community Development Fund Program Act - Funding

Appropriations Committee

April 4 , 2023

Position: FAVORABLE

Dear Chairman Barnes and Members of the Appropriations Committee:

For 40 years, Habitat for Humanity of the Chesapeake has been a catalyst for moving low-income families out of poverty toward more prosperous, stable futures through affordable homeownership. By bringing people together to build homes, communities, and inspire hope, we settled 789 families into energy-efficient, affordable homes with zero-interest mortgages. This positively impacted the lives of more than 3,000 partner family members (more than half of whom are children), involved more than 1,200 volunteers annually and impacted hundreds of other community residents who benefit from safer, more vital communities as homeownership rates increase.

Our key services include:

- Home Construction and Rehabilitation
- Homeowner Services
- HabiCorps, Workforce Development
- Financial Literacy Education
- Credit Remediation
- Tax Preparation
- Volunteer Engagement
- Community Engagement
- Community Revitalization
- ReStore, a Social Enterprise

During the next year, Habitat Chesapeake will work on 20 homes and rehabilitate properties that stand vacant or abandoned in Baltimore area neighborhoods including Milton-Montford, Orchard Ridge, Sandtown, and Curtis Bay.

Our work with future homebuyers includes an extensive homeownership education program of fifty hours, inclusive of the HUD homeownership counseling provided by various Maryland

homeownership counseling agencies. In addition to the curriculum, we also work one-on-one with our future homebuyers on their budgeting and finances, including at least once per month sessions. This work, as well as the work in our other programs, such as workforce development training, community engagement, and more, is part of what the operating dollars provision within the Community Development Fund could help support. We see this work, as well as the work of other non-profit partners, as critical for the success of so many good programs aimed toward the success of the health, economic development, and improved quality of life of our most vulnerable neighbors. Many, like Habitat homebuyers, simply need a hand up.

Habitat Chesapeake urges this committee to vote a favorable report for **SB643 – Housing – Community Development Fund Program Act – Funding.**

SB643 creates a permanent funding source for the Community Development Fund which was created in 2018. The funding is a critical source of operating dollars for community-based organizations to use for affordable housing, neighborhood and commercial revitalization, housing and financial counseling, small business development, community services, and more.

We are seeking \$5 million from the Unclaimed Property Fund after usual disbursements have been made.

Funding for the Community Development Fund is an investment well-made in the people of Maryland. Efforts like the homeownership affordability—and homeowner readiness—that Habitat Chesapeake provides create an immediate return to the community, through generating new homeowners, property tax revenue, and stabilized neighborhoods.

Please vote a favorable report for SB643.

Respectfully,



Mike Posko,
Chief Executive Officer