



SB643 – Housing – Community Development Fund Program Act - Funding

BUDGET & TAXATION COMMITTEE

March 8, 2023

Position: FAVORABLE

Dear Chairman Guzzone and Members of the Senate Budget and Taxation Committee:

SB643 creates a permanent funding source for the Community Development Fund which was created in 2018. The funding is critical 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.

Habitat for Humanity Metro Maryland (HFHMM) is a nonprofit provider of affordable housing, working to provide equitable access to homeownership in Prince George's and Montgomery Counties. Habitat builds and rehabilitates homes that it sells to income-qualified families, providing an affordable mortgage financed by our organization. Habitat also runs a home preservation program that helps lower income homeowners make necessary health, safety, accessibility, and energy efficiency improvements in their homes. This program keeps Maryland residents safely and affordably in their homes while preserving wealth for future generations.

General operating support is difficult to come by, but is critical in helping organizations like ours not just sustain day to day operations, but to grow capacity to serve more Marylanders. Habitat has seen a dramatic increase in labor costs over the past few years and it has been a challenge to keep up with the competitive labor market. At the same time, the economic toll the pandemic took on families has only increased the need for Habitat's services. Habitat has been able to identify some additional capital funding to scale up programs, but the commensurate operating dollars are harder to come by. The Community Development Fund would play a vital role in supporting nonprofit organizations to best meet community needs.

Please vote favorably for SB643.

Thank you for your time and consideration.

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