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Environment and Transportation  
Committee

Subcommittees

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Land Use and Ethics



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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of HB 60**

**The Housing Innovation Pilot Program Act**

Testimony by Delegate Vaughn Stewart

January 31st, 2023 | Environment & Transportation Committee

**What the Bill Does**

HB 60 creates a Housing Innovation Pilot Program to provide matching dollars to public housing authorities using innovative ways to build affordable housing. Projects would need to have affordable set-asides and remain in public ownership. Priority would be given to projects that don't use federal tax credits and commit to prevailing wage requirements.

**Why the Bill is Important**

The goal of HB60 is twofold. First, we want to reward local and county governments on the frontlines of the battle to erase the state's housing shortage. Montgomery County's Housing Opportunities Commission, in particular, has been a national leader. HOC is on track to build nearly 10,000 new publicly owned, mixed-income apartments over the coming years, by leveraging relatively small amounts of public money to create a revolving fund that can finance short-term construction costs. HOC has turned a \$3 million annual county funding into \$250 million of housing investment. At its current funding levels, HOC projects that it can contribute between 6% and 14% of the county's annual housing production target from the Metro Washington Council of Governments. With matching funds, it could produce up to 28% of the annual COG target.

Second, we want to encourage other public housing authorities to be more aggressive about adding more housing. Montgomery County's efforts have inspired similar efforts across the country, from Seattle to Rhode Island. And other housing authorities across Maryland are interested in replicating their model. This bill would help them do so.

**Why the Committee Should Vote Favorably**

**A quarter of Maryland households are extremely low-income, and nearly all of them are housing cost burdened.** In fact, even 15% of middle-income Marylanders are cost burdened. According to the National Low Income Housing Coalition, the state lacks more than 125,000 rent

homes affordable for extremely low-income renters, a number expected to get worse over the next ten years. Affordable housing allows families to plan for their futures and create stability. When Marylanders from all socioeconomic backgrounds have access to a safe, stable, and affordable home, they are less likely to face the hardships related to illness or food insecurity.

**With relatively few dollars, the state can make a huge dent in eliminating our housing shortage. Maryland cannot waste this unique opportunity to mitigate our affordable housing crisis. I urge a favorable report.**