



## House Bill 501

*Revitalizing Neighborhoods Through Homeownership Program and Fund – Established*

MACo Position: **SUPPORT**

To: Environment and Transportation  
Committee

Date: February 21, 2023

From: Dominic J. Butchko and  
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The Maryland Association of Counties (MACo) **SUPPORTS** HB 501. This bill would provide counties with additional resources through the Revitalizing Neighborhoods Through Homeownership Program, opening access to low-cost capital to help revitalize homes purchased under the federal Department of Housing and Urban Development (HUD) Dollar Homes Program.

The economic reverberations from the COVID-19 pandemic are still felt in nearly all parts of the economy, but nowhere more so than in the housing market. Due to a variety of historic and economic factors, the production and preservation of affordable housing stock has lagged behind the growth of our society. Today, the cost of housing has become a significant line item in many household budgets, far exceeding the longtime standard of 30 percent of gross income.

HUD's Dollar Homes initiative helps local governments to foster housing opportunities for low- to moderate-income families and address specific community needs by offering them the opportunity to purchase qualified HUD-owned homes for \$1 each. Dollar Homes are single-family homes that are acquired by the Federal Housing Administration (FHA) as a result of foreclosure actions. Single-family properties are made available through the program whenever FHA is unable to sell the homes for six months.

HB 501 would provide a significant tool for jurisdictions seeking to take direct action in their local housing markets. The program would provide a source of low-cost capital to support the purchase and renovation of houses purchased under the HUD program. These houses would then be sold to low- and moderate-income homebuyers.

HB 501 creates a program that enhances local government's ability to ensure access to affordable housing. For this reason, MACo **SUPPORTS** HB 501 and urges a **FAVORABLE** report.