



TOWN OF BEL AIR MARYLAND

39 N. Hickory Avenue · Bel Air, MD 21014

BOARD OF COMMISSIONERS

Mary F. Chance
Steven T. Chizmar
Paula S. Etting
James B. Rutledge, III
Jakob D. Taylor

Administration 410-638-4550
410-879-2711
Administration Fax 410-879-9225
www.belairmd.org

TOWN ADMINISTRATOR

Edward Hopkins

February 29, 2024

The Honorable Brian J. Feldman
Education, Energy, and the Environment Committee
2 West
Miller Senate Office Building
Annapolis, Maryland 21401

RE: Senate Bill 484 - Housing Expansion and Affordability Act of 2024

Dear Chairman Feldman:

As the Mayor of Bel Air, I am writing in opposition to Senate Bill 484 as currently written. Providing affordable housing to Marylanders is an admirable goal but it should not be done at the expense of local zoning laws, well thought out comprehensive plans, or those residents who have worked hard and achieved homeownership.

If passed, Senate Bill 484 will do the following:

- **Allow manufactured (mobile) homes in single family neighborhoods.** At the hearing before the House on February 20, 2024, Delegate Anne Healey asked Secretary Day about manufactured versus modular homes. Secretary Day and his team were not clear in their response.

A “manufactured home” is a mobile home. It is not a modular home.

A manufactured home is designed to be moved from site to site. A modular home is not designed to move from site to site once set on a permanent foundation. While all manufactured homes built after 1976 are built to Housing and Urban Development (HUD) standards, modular homes are constructed to the same building codes as site-built homes. See attached.

Senate Bill 484 permits mobile homes “in a zone that allows single-family residential uses . . .” (Page 4, lines 1-5)

- **Eliminate single family zoning for any “qualified project” as defined in the bill.** (Page 7, lines 15-16; Page 8, lines 22 and 23; Page 10, lines 4-5 “In an area zoned exclusively for single-family residential use, a qualified project may include middle housing units.”) This is going to change the character of any single-family neighborhood where middle housing units are built, resulting in depressed real property values for those who have worked hard to own a single-family home. For most families, their home is their most valuable asset. For governments, it is their greatest source of revenue.
- **Introduce uncertainty into the development process.** This bill contains several vague and undefined terms – such as “unreasonable limitation or requirement,” “substantial adverse impact,” “viability,” and “degree of affordability.” Page 6, lines 17-23; page 10, lines 20-28.

On February 20, 2024, Secretary Day admitted in his testimony before the House that we will have to look to the courts to determine what these terms mean. Litigation is expensive and time-consuming for all parties. This will result in delays while the developer and the local government litigate in the courts the meaning of these terms – wasting both money and time that neither of us can afford.

The Town of Bel Air has limited open land remaining for development. It is older and poorer than the surrounding county or the State of Maryland. Our older single-family neighborhoods of modest homes will be the obvious targets of the redevelopment encouraged by this bill. The likely result of this legislation will be the destruction of existing older homes to build new higher density housing units in modest already established single family neighborhoods.

- **Exempt State funded affordable housing projects from adequate public facility laws.**

On February 20, 2024, Secretary Day testified before the House Committee that “the bill does not prohibit APFOs from being applied.”

Senate Bill 484 specifically states that “in making a decision on a permit application for a State funded affordable housing project, a local jurisdiction may not use an element of an adequate public facility law to deny the permit.” Page 13, lines 5-8.

Adequate public facilities laws serve the best interests of ALL the residents of the Town by ensuring that there is adequate water and sewer capacity available, and that our schools have the resources to educate the students that show up at their door. Overcrowded schools will have a negative impact on those that need it the most – students who are struggling. A good education is the best path to a good

job and out of poverty. All schools in the Town of Bel Air are over 100% capacity – with one currently at 115%. Overcrowding is likely to worsen with the addition of mandatory preschool. The Town needs to be able to manage its growth so that our schools are not flooded with students whose needs cannot be met.

- **Incentivize the creation of nonprofits to build affordable housing.** I have attached a map showing in blue all the real property in our town that is not on the tax rolls. As the county seat, we have county buildings as well as both the circuit and district courthouses within municipal limits. The State has recently purchased (or is in the process of purchasing) several properties in town for a new district court, resulting in the loss of an additional \$76,000 in tax revenue. The hospital is within town limits. Many churches also call Bel Air home. To incentivize more non-profits to purchase property in town is courting fiscal disaster.

The bill also gives no consideration to the location of the property owned by a nonprofit. Focusing on who owns the property has never been a factor in how a property can be developed – and with good reason.

All nonprofit housing does not have the same impact. Bel Air has a 20% poverty rate among its seniors. Senior housing has no impact on our school capacity – and is therefore exempt from that factor under the Town’s adequate public facilities law. Other nonprofit housing projects would seriously impact Bel Air’s already overcrowded schools. School capacity must remain a factor in the development process.

There are valid concerns about how nonprofit organizations might try to take advantage of this bill’s provisions. It is remarkably simple to set up a nonprofit under the broad rules established by the IRS. A key measure of a charitable nonprofit is how much of its funds are spent on its mission – serving people in need. According to the Charities Review Council, at least 65% of a charity’s funds should be spent on program expenses, with 35% allocated to fundraising and administration combined. Charity Watch considers a charity to be “highly efficient” if it spends at least 75% of its funds on its mission. Some measure of a nonprofit’s spending on its program is critical to ensuring that the benefits of this bill go to nonprofits who have shown a commitment to using their funds responsibly by spending it on programs.

This bill will make it impossible for the Town to direct and plan its growth, strain our schools and teachers, and reduce property values in neighborhoods by overriding local zoning and permitting mobile homes and middle housing in areas zoned for single family homes. It will also introduce ambiguous language which will be challenged in the courts for years to come, stressing fiscal resources which are already limited.

Approaches to affordable housing need to be adapted to local conditions. The small Town of Bel Air with 10,700 residents and a land mass of 3 square miles is very different from Baltimore City with over 500,000 residents in an area of 81 square miles. The Town of Bel Air, as the local government and closest to its community, is best able to serve the needs of its residents.

I urge the Committee to issue an unfavorable report on Senate Bill 484.

Sincerely,



Paula S. Etting
Mayor, Town of Bel Air
410-937-6154

What is a Modular and a Manufactured (Mobile) Home? - Building Code Administration

WHAT IS A MODULAR HOME?

- A Modular Home is an Industrialized/Modular building.
- The state of Maryland definition of an Industrialized/Modular building:

"Industrialized building" means a building assembly or system of building subassemblies manufactured in its entirety, or in substantial part, off site and transported to a site for installation or erection, with or without other specified components, as a building or as part of a finished building that comprises two or more industrialized building units.

"Industrialized building" includes the electrical, plumbing, heating, ventilating, insulation, and other service systems of the building assembly or system of building subassemblies if the service systems are installed at the off site manufacture or assembly point.

"Industrialized building" **does not** include:

- (i) open frame construction that can be completely inspected on site; or
- (ii) a manufactured home

- A modular home is built with or without a chassis and is transportable in one or more sections.
- A modular home is designed to be used as a dwelling with a permanent foundation when connected to the required utilities.
- The modular homes are built in a factory to state standards and enforced by the State using State laws and regulations. For the state of Maryland, the state Department of Labor, Licensing and Regulation regulates the home's design and construction, strength and durability, transportability, fire resistance, energy efficiency and quality control by using Maryland regulations. The state of Maryland regulates by using a Model Performance Code which includes International Codes (published by International Code Council) and National Electrical Code (published by National Fire Protection Association).
- The Maryland state standards pre-empt local jurisdiction building codes for modular homes.
- Modular homes are transported and delivered to home sites in one or more sections.
- The sections of the modular home are joined at the site, with minimal finish work completed by the installer.
- A modular home is not designed to move from site to site once set on a permanent foundation.
- A modular home may be placed on a private property just as a site built home.
- In Maryland, a modular home displays green certification labels provided by the state in the interior of the home, generally inside the cabinets under the kitchen sink.

WHAT IS A MANUFACTURED (MOBILE) HOME?

- The federal U.S. Housing and Urban Development (HUD) definition of a Manufactured (Mobile) Home:

"Manufactured home" means a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width or forty body feet or more in length, or, when erected on site, is three hundred twenty or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, airconditioning, and electrical systems contained therein; except that such term shall include any structure which meets all the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the Secretary and complies with the standards established under this chapter; and except that such term shall not include any self-propelled recreational vehicle.

- A manufactured home is built on a permanent chassis and is transportable in one or more sections.
- Manufactured homes are designed to be used as dwellings with or without permanent foundations when connected to the required utilities.
- The homes are built in a factory with federal standards enforced by the Department of Housing and Urban Development (HUD Code). The HUD regulates the home's design and construction, strength and durability,

- transportability, fire resistance, energy efficiency and quality control.
- The HUD code pre-empts local building codes relating to federal construction codes for manufactured homes.
 - Manufactured homes are transported and delivered to the home sites in one or more sections.
 - If a home has multiple sections, the sections are joined at the site, with minimal finish work completed by an installer.
 - A manufactured home may move from site to site or may be set on a foundation permanently.
 - A manufactured home may be placed on private property or in a manufactured home community called manufactured (mobile) home park.
 - A manufactured home displays a red certification label provided by the HUD (HUD label) on the exterior of each transportable section.
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For additional information, contact:

Department of Labor

Division of Labor and Industry

Building Codes Administration

10946 Golden West Drive, Suite 160

Hunt Valley, MD 21031

410-767-2227

e-mail: dldlibuildingcodes-labor@maryland.gov

(53) "Lien creditor" means:

- (A) A creditor that has acquired a lien on the property involved by attachment, levy, or the like;
- (B) An assignee for benefit of creditors from the time of assignment;
- (C) A trustee in bankruptcy from the date of the filing of the petition; or
- (D) A receiver in equity from the time of appointment.

(54) "Manufactured home" means a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width or 40 body feet or more in length, or, when erected on site, is 320 or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. The term includes any structure that meets all of the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the United States Secretary of Housing and Urban Development and complies with the standards established under Title 42 of the United States Code.

(55) "Manufactured-home transaction" means a secured transaction:

- (A) That creates a purchase-money security interest in a manufactured home, other than a manufactured home held as inventory; or
- (B) In which a manufactured home, other than a manufactured home held as inventory, is the primary collateral.

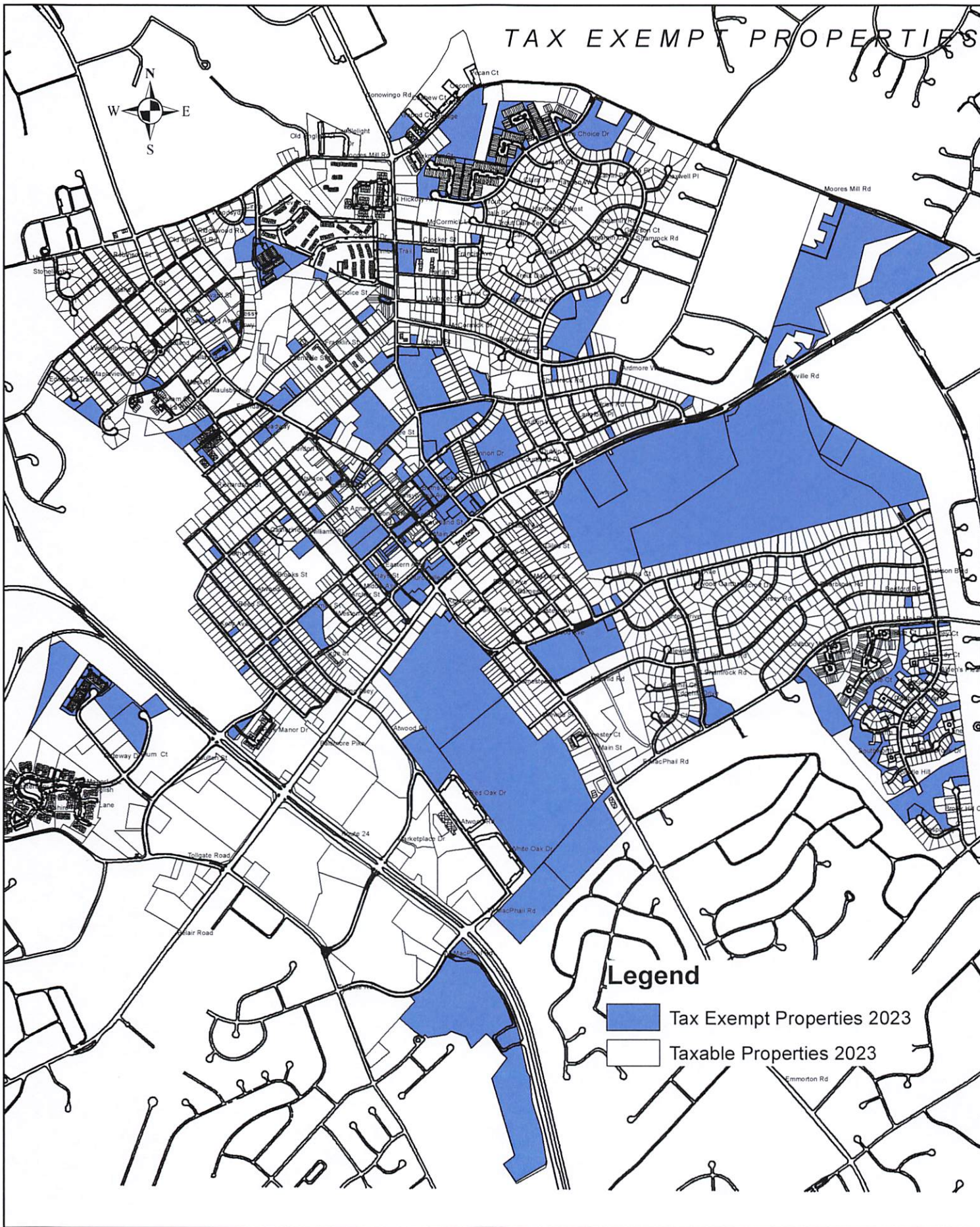
(56) "Mortgage" means a consensual interest in real property, including fixtures, which secures payment or performance of an obligation.

(57) "New debtor" means a person that becomes bound as debtor under §9-203(d) by a security agreement previously entered into by another person.



(58) "New value" means

- (i) money,
- (ii) money's worth in property, services, or new credit, or
- (iii) release by a transferee of an interest in property previously transferred to the transferee. The term does not include an obligation substituted for another obligation.

TAX EXEMPT PROPERTIES



Legend

-  Tax Exempt Properties 2023
-  Taxable Properties 2023