

Maryland Municipal League The Association of Maryland's Cities and Towns

ΤΕ SΤΙΜΟΝΥ

February 20, 2024

Committee: House Environment & Transportation

Bill: HB 538 - Land Use – Affordable Housing – Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024)

Position: Favorable with Amendment

Reason for Position:

The Maryland Municipal League (MML) appreciates the Administration's intent with HB 538: safe and affordable housing is a fundamental component of a healthy, thriving community, and municipalities have a vested interest in promoting policies and initiatives that ensure housing affordability for all current and future residents. However, this interest must be balanced with the pragmatic challenges of running a local government. To meet these challenges, MML requests amendments addressing the following concerns.

The first of these is limited infrastructure capacity. Increasing density also increases the risk that adequate infrastructure will not be available for those new residents, especially public water and sewer capacity. This is especially true in zones that do not receive high volume water or sewer services, like areas exclusively zoned for single-family homes or commercial use. Granting the State authority to bypass public facilities regulations, even in limited circumstances like LIHTC and State-funded projects, could create a significant burden on infrastructure that local governments will have to navigate alone.

The bill's definition of "unreasonable limitation or requirement," which includes any limitation or requirement that has a substantial adverse impact on the qualified project's viability, the degree of affordability of the qualified project's affordable units, or the qualified project's allowable density, is also concerning. Without access to the project's financing information, how can local governments ensure that their well-intentioned requirements don't impact the project's affordability? Lack of information and lack of clarity can lead to increased and costly litigation, which local governments are eager to avoid.

However, MML appreciates the Administration's collaboration and communication in the drafting of this bill, and since its introduction. The League is confident that continued conversations will lead to solutions that meet the intent of the bill while addressing our members' concerns.

For these reasons, the League respectfully requests that the committee provide House Bill 538 with a favorable report after adopting amendments addressing the issues above.



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