

February 20, 2024

The Honorable Delegate Marc Korman Chair, Environment and Transportation Committee Maryland House of Delegates

HB 538 Land Use – Affordable Housing – Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024) — Favorable with Amendments

Carrie Kisicki, Montgomery County Advocacy Manager

Dear Chair Korman and Committee Members,

Thank you for the opportunity to testify. Please accept this testimony on behalf of the Coalition for Smarter Growth, the leading organization advocating for walkable, bikeable, inclusive, and transit-oriented communities as the most sustainable and equitable way for our region to grow and provide opportunities for all.

We urge you to support HB 538. As noted in the Comptroller's January 2024 <u>State of the Economy report</u>, Maryland faces an urgent housing shortage and rising housing costs. This lack of available housing harms middle- and low-income families, and threatens our economic competitiveness as households leave Maryland to seek lower costs of living elsewhere.

HB 538 would open up more opportunities to build the housing, both market-rate and affordable, that we must build to meet our state's needs. We are glad to see Governor Moore put forward these measures and ask you to support the bill.

We also note that securing financing for affordable housing projects can be a major—and sometimes even fatal—obstacle to seeing these projects completed and actual housing units built, and this challenge increases at greater levels of subsidy. To make HB 538 even more effective at producing the housing Maryland needs, we recommend lowering the percentage of dedicated affordable housing that projects must contain to qualify for density bonuses, while perhaps providing an additional, higher density bonus to projects that are able to provide higher levels of affordability.

Sincerely,

Carrie Kisicki

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Montgomery County Advocacy Manager