



House Bill 7, Housing Innovation Pilot Program and Housing Innovation Fund - Establishment
(Housing Innovation Pilot Program Act of 2024)

Before the House of Delegates Environment & Transportation Committee

January 30, 2024

Favorable

My name is Kristin Mink, and I represent District 5 on the Montgomery County Council. As a local elected official, opportunities for working families to find safe, affordable quality housing is a top priority for constituents in my district. I urge the Committee to deliver a favorable report for House Bill 7, titled "Housing Innovation Pilot Program and Housing Innovation Fund - Establishment" or the "Housing Innovation Pilot Program Act of 2024." I want to commend Delegate Vaughn Stewart for his years of leadership on housing issues, and thank Senator Waldstreicher for his sponsorship of the Senate crossfile (Senate Bill 203) of this important legislation.

This legislation addresses one of the most pressing issues in our state and in our country: access to quality, affordable housing. In Montgomery County, it will build upon nationally recognized partnerships between Montgomery County government, our Housing Opportunities Commission, and private development to rapidly build high quality, mixed income housing with levels of affordability much greater than found in comparable private sector developments. It will create good-paying, recession-proof jobs at prevailing wages, allowing skilled tradespeople opportunities to help us build a housing system that works for every single one of our residents.

I do not need to establish the severity of our housing shortage in Maryland, especially for the lowest-income Marylanders. As a former educator, I know that housing cost burdens have a devastating impact on educational outcomes for our young people and are a major social determinant of health. We need to support new ideas that quickly build affordable units of housing while efficiently maximizing the use of state and local revenues. Montgomery County via the Housing Opportunities Commission has demonstrated that bond-financed, mixed-income projects are a powerful tool to produce affordable housing with minimal outlays by local and state governments. Once up and running, revolving funds like the Housing Innovation Fund can continue to support new projects in perpetuity without any additional outlays by state and local governments.

During last year's debate on rent stabilization in Montgomery County, both advocates and opponents, including tenants organizations and development interests, agreed on the need to expand efforts like Montgomery County's innovative Housing Production Fund. There is recognition across Montgomery County that models like the Housing Production Fund are a key

tool to addressing our housing crisis. While federal action is needed to tackle the full scale of our housing crisis, the State of Maryland can work with local governments to offer a nationally innovative policy intervention with this legislation.

This bill also advances stability and resiliency from economic recessions. The pilot program encourages the creation of good paying prevailing wage jobs, allowing well-trained, unionized workforces to compete for new construction projects. During economic downturns in the private sector, skilled tradespeople will find a source of good paying employment in construction projects across Maryland building new housing that is more affordable for working families.

The Housing Innovation Pilot Program Act of 2024 offers an unprecedented, cost-effective tool to address our housing crisis in Montgomery County and across Maryland. It builds upon nationally recognized partnerships between Montgomery County government, our Housing Opportunities Commission, and private development to rapidly build high quality, mixed income housing with levels of affordability much greater than found in comparable private sector developments. It will create good-paying, recession-proof jobs at prevailing wages, allowing skilled tradespeople opportunities to help us build a housing system that works for every single one of our residents. I want to thank you for your time and consideration of my testimony and respectfully urge you to report this legislation favorably to the full House of Delegates without delay.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kristin Mink', written in a cursive style.

Councilmember Kristin Mink
Montgomery County Council, District 5