



CITY OF HAYRE DE GRACE

OFFICE OF THE MAYOR

William T. Martin

February 15, 2024

The Honorable Wes Moore
100 State Circle
Annapolis, MD 21401

Re: Proposed Housing Expansion and Affordability Act of 2024

Dear Governor Moore,

I share your concern about the housing shortage in our state. However, I disagree that the proposed *Housing Expansion and Affordability Act of 2024* (Senate Bill 484 and House Bill 538) (the “Act”) will adequately address that challenge. As the mayor of a unique and diverse city, I have seen that solutions to problems like housing shortages (which have multiple causes) are best addressed at the local level, taking into account the interests of all stakeholders, rather than through top-down, one-size-fits-all legislation. *The Housing Expansion and Affordability Act of 2024* is flawed because it prescribes an unrealistic approach to affordable housing that ignores local conditions, and will undermine the local land use and zoning authority granted under Maryland’s Land Use and Local Government Articles. Most importantly, if passed, this Act would jeopardize the safety, well-being and quality of life for all Marylanders, by allowing non-compliance with our current regulations, which have served our citizens well for the past thirty years. The Act will also set our state back from the strides made using successful managed growth and best practices through comprehensive plan development and sensitivity to environmental issues.

For the following reasons I urge you to request that the *Housing Expansion and Affordability Act of 2024* be withdrawn from the Maryland General Assembly:

The *Housing Expansion and Affordability Act of 2024* prescribes unreasonable requirements with undefined terms and thus would damage local communities such as Havre de Grace:

- **Property being formerly State-owned or owned by a non-profit does not mean that it is appropriate for high-density development. For example, State-owned National Guard property is located in the City’s industrial district, while “non-profit” owned property previously operated by Harford Memorial Hospital lies in the middle of the City and a few blocks from the**

Susquehanna River where parking is at a premium. Other areas may not have access to City water and sewer services. This focus on who owns the property and when is completely arbitrary.

- Indiscriminately allowing “middle housing” regardless of the location could deeply affect property values in the surrounding neighborhoods and negatively affect the fabric of the community, particularly those which are historically single family neighborhoods. While reduced property values may be viewed as “code” for others, from a municipal standpoint this is the City’s bread and butter. Our primary source of revenue is through property taxes – so a decrease in property values affects the bottom line and could mean higher tax rates down the road.
- The City of Havre de Grace was recently granted Certified Local Government status from the Maryland Historical Trust. The City would potentially lose its historic character with limited Historic Preservation Committee design reviews under this legislation.
- “Viability of an affordable housing development” is not defined and gives developers a lot of opportunity to usurp local zoning controls for their own profit motive.
- Allowing a 30% increase in density for a “qualified project” is unreasonable and does not take into consideration the ability to provide public services and may impact quality of life for local residents by overburdening parking, schools, roads, water and sewer, and fire and EMS services.
- Allowing residential development in areas where residential land uses are not allowed does not take into consideration the ability to provide services and transit options to residents.
- “Unreasonable limitation or requirement” is not defined and allows a developer to usurp local zoning controls arbitrarily.

The *Housing Expansion and Affordability Act of 2024* proposes a 60% Area Median Income threshold with 50% of units dedicated to affordable housing for a 40-year period - this is an arbitrary and capricious threshold:

- The Governor's office has not provided any rationale for arriving at the income and unit set-aside thresholds.
- The Maryland unit set aside, and income provisions are arbitrary and lack a rational basis.

The *Housing Expansion and Affordability Act of 2024* negates Adequate Public Facilities Ordinances:

In the supporting Memo titled *Governor Moore’s 2024 House Package*, it is stated that Adequate Public Facilities Ordinance are “barriers to the construction of new affordable housing.” I respectfully disagree; Adequate Public Facilities Ordinances are barriers to *all* housing if a developer cannot show that adequate public facilities are available to service the residents.

These laws are necessary controls to ensure essential public facilities such as water and sewer, schools, roads, and emergency services, can be provided to local citizens to maintain certain minimum standards everyone is entitled to receive in modern society. Adequate public facilities allow a local government to postpone or halt development until such time as these services can become available, are built and/or are provided by third parties.

For example, in the City of Havre de Grace:

- Two elementary schools serving the City are above or near capacity. Roye-Williams Elementary will be at or near capacity in the next three years based on committed development in the City of Havre de Grace and the City of Aberdeen.
- The Havre de Grace Middle/High School will be at or near capacity in the next three years.
- Harford County Board of Education redistricting will not be able to alleviate these known school capacity issues.
- The School Board has no plans to construct any new schools serving the City and even if they did, construction would not be funded and completed within the next three to five years.
- Dense development, as allowed in the proposed *Housing Expansion and Affordability Act of 2024*, will exacerbate school crowding and reduce educational opportunities for the very populations which the Act seeks to serve.

The *Housing Expansion and Affordability Act of 2024* would reverse the progress Maryland has made toward creating mixed-income communities, thus creating a new generation of housing projects and concentrated pockets of poverty which have not worked to lift people out of poverty in the past:

The Act explicitly states that developments under this proposal are, in fact, “qualified projects,” which would reverse the current model of affordable housing in our State and re-establish pockets of concentrated poverty.

If passed, the *Housing Expansion and Affordability Act of 2024* will do the following:

- Relax standards below federal standards for the development of housing for households at 60% of the Area Median Income or less. The United States Department of Housing and Urban Development defines “low income” as 80% of the area's median income and “very low income” as 50%.
- Relax standards below what the State requires local communities to examine as part of their Comprehensive Plan—workforce household incomes in the 60% - 120% Area Median Income range.
- Will require at least 50% of the housing units that fall under its requirements to be available for mostly very low-income families.

- Promote the development of concentrated pockets of poverty and the negative effects on families that are forced to live in those high-density environments.

The Housing Expansion and Affordability Act of 2024 negates local Comprehensive Plans:

If passed, the *Housing Expansion and Affordability Act of 2024* would reverse local governments' progress toward addressing the affordable housing shortage. For example, pursuant to Chapter 713 of *the 2019 laws of Maryland*, Havre de Grace is required to and is in the process of preparing a housing analysis as part of its Comprehensive Plan. Local governments should be given the opportunity to make affordable housing fit into the fabric of their community, not have it forced on them at arbitrary high density with a corresponding loss of taxable property. If passed, the *Act* would undo much of the work the City has already done to create a desirable quality of life that is accessible to residents of all income levels.

As part of this process, the City of Havre de Grace is taking the following steps:

- Developing quality policies that locate affordable housing near transit, employment, and services.
- Promoting the development of mixed-income communities as part of the comprehensive plan that would recognize the harms of concentrated poverty.
- Working with groups such as Habitat for Humanity to assist lower income families achieve home ownership.
- Developing policies to discourage blighted and vacant properties which diminish neighborhoods and which tend to affect lower income neighborhoods disproportionately by holding landowners accountable.

The House and Expansion and Affordability Act of 2024 would have prevented the recent Cheverly, hospital redevelopment project:

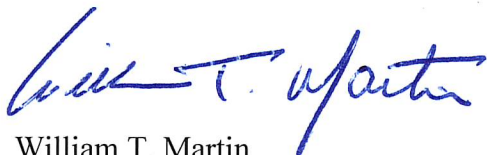
- The redevelopment project was not required to meet affordable housing set-aside requirements or the very low-income requirements listed in the *Housing Expansion and Affordability Act of 2024* in order to receive the funding.
- The redevelopment will have a “complete streets” focus, which is not required in the *Housing Expansion and Affordability Act of 2024*, but is important in connecting this site to the rest of the Town.
- The Cheverly redevelopment proposes a mix of housing types; on the other hand, the *Housing Expansion and Affordability Act of 2024* would allow developers to build any type of unit as they wish (meaning, what is best for their pocketbooks and not necessarily for the people who will be living in the housing or surrounding neighborhoods).
- The redevelopment project is located near transit, including the Cheverly Metro Station. This is not a consideration in the *Housing Expansion and Affordability Act of 2024*.

- Centralized public green space is included in the redevelopment plans (typically required by most local zoning laws and comprehensive plans). The *Housing Expansion and Affordability Act of 2024* does not allow local governments to plan for open space if it will affect the “viability” of the project.
- This project provides for 40,000 square feet of retail and 70,000 square feet of medical offices. This provides for services and employment opportunities near the housing development. The *Housing Expansion and Affordability Act of 2024* would not require the development of mixed uses and focuses solely on residential development for very low-income households.
- The Cheverly project had an intensive community engagement process. The *Housing Expansion and Affordability Act of 2024* limits public hearings and opportunities for the public to shape the project and is being pushed forward on an emergency basis without data to back up the immediate need for such housing on the properties to which it applies.

While I respectfully disagree with the Act for the reasons stated above, I do agree with your intention to ensure availability of affordable housing for Marylanders. It is unacceptable that our state is experiencing a shortage of 96,000 units. As a mayor and public school teacher who has spent my entire professional and elected career serving communities along the Route 40 Corridor which has its fair share of lower and middle income residents, I am reminded every day that this is a very real problem and witness daily the struggles of my students and their families.

The shortage of 96,000 housing units means that tens of thousands of families, veterans, and other hard-working Marylanders are being deprived of their dignity because they are unable to access housing. The uncertainty and disruption this housing shortage creates for the people we serve devastates the education system and the local communities. But waiving local land use and zoning requirements developed through local legislation and well thought out comprehensive plans which have served our communities well is not the answer.

In closing, I urge you to request that the *Housing Expansion and Affordability Act of 2024* be withdrawn from the Maryland General Assembly. Instead, I respectfully request that you set up a task force composed of local government leaders who have boots on the ground experience in responding to this housing issue in real time. These local leaders can assist in developing a proposal that would enable local governments to do what they do best - quickly respond to problems – , while allowing the state to provide necessary resources and funding. Together we can create livable communities where adequate public facilities laws, local land use and zoning, and environmental laws are applied equally to all residents, regardless of income.



William T. Martin
Mayor, City of Havre de Grace

cc: The Honorable Sen. Bill Ferguson, President of the Maryland Senate
The Honorable Del. Adrienne A. Jones, Speaker of the Maryland House of Delegates
The Honorable Sen. Brian J. Feldman, Chair Education, Energy, and the Environment
Committee
The Honorable Del. Marc Korman, Chair Environment and Transportation Committee
The Honorable Members of the Senate Education, Energy, and the Environment
Committee
The Honorable Members of the House of Delegates Environment and Transportation
Committee
The Honorable Members of the Harford County Delegation
The Honorable Robert Cassilly, Harford County Executive
The Honorable Members of the Harford County Council
The Honorable Members of the Havre de Grace City Council
Mayor John Carroll, President of the Maryland Municipal League
Mayor Michael O'Connor, President Elect of the Maryland Municipal League
Theresa Kuhns, Chief Executive Officer of the Maryland Municipal League