



**Testimony to the House Environment & Transportation Committee
HB 538 – Land Use – Expedited Development Review Processes for Affordable
Housing - Requirements
Position: FAVORABLE
February 20, 2024**

HB 538 is landmark legislation that would improve the development review and approval process for affordable housing and prevent local governments from overburdening these projects with red tape. According to the National Low Income Housing Coalition, as of 2023 Maryland had a shortage of 146,000 rental units available to extremely low-income renters. Maryland is experiencing a true housing crisis, and the only way to solve it is to build more affordable housing units. This will take time, creativity, financing, and cooperation among State and local governments. This bill would help to expedite the review and approval process and remove unnecessary barriers to allow affordable housing developments to proceed. It would also give developers more incentives to build more affordable housing.

Our members are told by policymakers at the state and federal level to locate affordable housing developments in “communities of opportunity” with well-funded schools and available services. This is sound public policy. Unfortunately, these areas often have schools that have been deemed overcrowded under local Adequate Public Facilities Ordinances (APFO). This creates a self-perpetuating system of exclusion whereby well-performing schools attract new families, drive up housing prices, and box out new affordable housing.

The irony here is that our members provide the workforce housing that makes Maryland communities great. The Governor’s legislation will ensure that our members can continue to provide cohesive communities in which the “janitor lives next to the CEO”.

We appreciate the concern expressed by some that abrogating Adequate Public Facilities Ordinances will have a detrimental impact on their local communities. We want this committee to know that the ultimate impact of the Housing Expansion Act as it relates to this provision will be small. Our members routinely need to seek exemptions from APFO in counties that prohibit new development in “closed” schools. Although these exemptions add significant expense and substantially delay much needed affordable housing developments, their impact on local school capacity is limited. Based on past experience, the HB538 exemption would benefit just 2-3 projects per year in any given county, with a de minimis impact on local schools.

We support HB 538 to expand the ability to develop affordable housing across the State as we work collaboratively to solve the housing crisis.



MAHC is the leading organization for the affordable rental housing industry in Maryland and represents over 185 member organizations, including nonprofit and for-profit developers, State and local housing authorities, property management companies, financial institutions, community development organizations, contractors, tax credit investors, consultants and individuals.

Respectfully submitted on February 20, 2024 by Miranda Darden-Willems, Executive Director, on behalf of the MAHC Board of Directors.

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