

**HEARING DATE:** February 20<sup>th</sup>, 2024

**BILL NO:** HB 538

**COMMITTEE:** House Environment and Transportation Committee

**POSITION:** Support

**FOR INFORMATION CONTACT:** Andrew Wilson (443) 366-4224

---

**TITLE: Land Use – Affordable Housing - Zoning Density and Permitting (Housing Expansion and Affordability Act of 2024)**

**BILL ANALYSIS:**

HB 538 includes amendments to the §4–104(c), §7–105; and §7–501 through §7–506 of the Land Use Article of the Maryland Code to facilitate development of affordable housing around existing and planned fixed rail transit stations, as well as targeted affordable housing opportunities, through the application of density bonuses in specific instances.

**POSITION AND RATIONALE:**

The Maryland Department of Planning (MDP) supports HB 538 and is providing testimony specific to the density bonus provisions. MDP is the primary state agency tasked with both supporting local governments in their implementation of the Land Use Article and with the State’s oversight of smart growth land use policy such as the Priority Funding Areas. MDP also partners with DHCD and MDOT to align community revitalization goals with transportation planning using data and geospatial mapping in developing interactive tools to assist in local decision-making regarding land use and development. One such tool is the [Transit Station Area Profile Tool](#) (TSAPT) that displays socioeconomic, employment, median housing sales and ridership data around Maryland’s rail transit stations. This tool is used by local governments, interest groups and the private sector to explore transit-oriented development (TOD) opportunities in their community. MDP is working on other tools to help identify affordable housing opportunities as well as other state and local land use concerns.

The density bonus approach proposed in HB 538 retains the underlying zoning and simply allows for added number of units or square foot if a residential project is located within 1-mile of a transit station and includes affordable housing in the project plans. Density bonuses are a common approach to incentivizing development that is desired and require an added boost to stimulate the market response. The application proposed in HB 538 is serving to stimulate the development of affordable housing through streamlining of process and increasing the amount of development that may occur. These reduce the per unit development cost that will in turn enhance affordability.

The density bonuses outlined in HB 538 have been reviewed by the MDP planning team and are considered appropriately scaled to ensure there are no significant conflicts with area context and properties adjacent to the 1-mile zones. These bonuses include:

- Permitting “middle housing” in areas zoned for single-family;
- Permitting “mixed-use” and 30% greater density in areas zoned for multifamily;
- Permitting 30% greater density in areas zoned for “mixed-use”; and
- Permitting residential uses in areas zoned nonresidential that is aligned with highest density residential area of the jurisdiction.

Focusing the density bonus within a 1-mile distance of rail stations allows for an adequate area to be considered for infill development. It also is consistent with research and actual case studies that indicate ½ mile walk distances from transit to be acceptable for the avoidance of cars or other vehicles to connect people from their home to transit centers. Application of these walk distances will of course also depend on quality of pedestrian (or cycle) paths, safety, and overall experience of the pedestrian to ensure alternative to cars are used for this “last mile” connection. Increasing the number of residents living within walking or cycling distance to transit stops also reduces overall carbon footprint, improves health, increases access to employment centers connected by transit and supports social connectivity to enhance community well-being. All these factors are also well documented contributors to community resiliency.

Density bonuses targeted around transit centers also works to optimize the transit investments to benefit the maximum number of people which has the added potential to increase overall ridership leading to improved financial viability of the transit systems. Additionally, providing a density bonus will also attract other public and private investment in the area, leading to great economic and community development around the rail stations. Clearly, this approach as proposed in HB 538 provides multiple benefits that have been outlined above.

MDP stands ready to support local jurisdictions with the interpretation and implementation of HB 538 and will continue to develop data driven tools to inform decision making. We are confident that this landmark bill will have a positive impact on communities and support the sustainable growth of Maryland for generations to come.