



**TESTIMONY  
HOUSE BILL 3  
Environment and Transportation Committee  
January 30, 2024  
Position: FAVORABLE**

Dear Chairman Korman and Members of the Environment and Transportation Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all neighborhoods are thriving and where people of all incomes have abundant opportunities for themselves and their families.

HB 3 – Requires local jurisdictions to establish and implement an expedited development review process for certain proposed affordable housing developments; applying the process to a charitable organization seeking to develop affordable housing on its own land and a public housing authority proposing to develop affordable housing on land owned by a charity or a government entity; and establishing a good-faith waiver for local jurisdictions that cannot implement an expedited development review process

In February 2021, the University of Maryland's National Center for Smart Growth and Enterprise Community Partners released the Maryland Housing Needs Assessment and 10 Year Strategic Plan. The report was commissioned in response to a request from the chairs of the Maryland General Assembly's Senate Budget and Taxation and House Appropriations committees.

Key Findings include.

- A shortage of 85,000 affordable apartments for families and individuals earning less than 30% of median income, representing the most serious gap in supply for people at all income levels;
- An additional 97,200 families and individuals earning less than 50% of median income are expected to move to the state by 2030, highlighting the need to dramatically increase affordable housing supply over the next 10 years; and
- People of color, individuals with disabilities and seniors—who represent 14% of all Maryland families—face significant hurdles such as inflexible standards used by landlords when screening tenants and high down payments.
- These disparities have been made worse by the pandemic; Today, a variety of factors have set the stage for unprecedented challenges for Maryland renters, most pressing

are incomes that have not kept pace with housing cost increases and a housing construction slowdown. Renters across Maryland have seen the average rents rise more than 18% over the last five years outpacing inflation and sharp increases of all goods and services.

According to the [National Low Income Housing Coalition](#), there is a shortage of rental homes affordable and available to extremely low-income households (ELI), whose incomes are at or below the poverty guideline or 30% of their area median income (AMI). Many of these households are severely cost burdened, spending more than half of their income on housing. Severely cost burdened households are more likely than other renters to sacrifice other necessities like healthy food and healthcare to pay the rent, and to experience housing instability leading to eviction.

This is a significant challenge for the economy in Maryland. In 2023, in Maryland a full-time worker needed to earn an hourly wage of \$31.08 on average to afford a modest, two-bedroom rental home. This Housing Wage for a two-bedroom home is more than two times higher than the state minimum wage of \$13.25.

Further, for a variety of low wage working families as well as people with disabilities and the rapidly increasing population of older adults in Maryland, housing costs are far outpacing their income, benefits and savings. Investments in housing production are an investment in healthcare, education and economic development. Expedited review for non-profit developers is an important step toward increasing the production of housing for households making less than \$50,000 per year.

We respectfully request a favorable report for HB 3.

Submitted by Claudia Wilson Randall, Executive Director