



January 29, 2025

Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
3 West Miller Senate Office Building  
Annapolis, Maryland 21401

Re: SB327/HB390 – Affordable Housing Payment In Lieu of Taxes Expansion Act - Support

Dear Chair Guzzone and Members of the Committee,

On behalf of The Arc Central Chesapeake Region and Chesapeake Neighbors, we write in support of ***SB327/HB390 – Affordable Housing Payment In Lieu of Taxes Expansion***.

The Arc Central Chesapeake Region empowers people with disabilities to live the lives they choose by providing services, advocating for change, and working to remove barriers to community access. Our goal is to create inclusive communities where everyone is welcome and has access to the resources they need. One way we foster inclusivity is through our subsidiary, Chesapeake Neighbors, which provides beautiful, safe, and accessible affordable rental housing for tenants ranging from low-income to market-rate renters.

During the 2024 legislative session, the state enacted the Housing Expansion and Affordability Act of 2024 (HEAA), a comprehensive housing package proposed by the Governor aimed at reducing barriers to affordable and attainable housing. The enactment of HEAA marks a significant step toward achieving these goals by incentivizing increased density, expanding affordable housing options, and preserving the ability of county and local governments to strengthen existing zoning ordinances to enhance housing affordability and attainability.

SB327/HB390 further supports the state's goals by allowing counties and property owners to enter into payment-in-lieu-of-taxes agreements, provided that at least 50% of the rental housing units covered under the agreement are designated as affordable for a minimum of 15 years. This approach incentivizes affordable housing development by reducing financial burdens on developers, making it more feasible to build and maintain affordable housing units while ensuring long-term affordability for residents.

For these reasons, we respectfully urge the committee to issue a favorable report on SB327/HB390.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Jonathon Rondeau', is written over a light blue circular stamp.

Jonathon Rondeau  
President & CEO