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SB 430 - Land Use - Regional Housing Infrastructure Gap (Housing for Jobs Act)

Hearing of the Education, Energy, and Environment Committee, Mar. 5, 2025

Position: SUPPORT (FAV)

Public Justice Center urges you to move favorable on SB 430. The Public Justice Center (PJC) is a nonprofit public interest law firm that stands with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing. The PJC represents or advises over 800 renters and their families each year. Renters in Maryland are in desperate need of additional housing opportunities. As the Moore Administration has pointed out, Maryland is experiencing a severe shortage of housing units. For working class families, the need is even more acute. The state lacks 146,085 units of affordable rental housing for families earning 50% or less of the state median income (appx. \$60,000). Over the last decade, housing costs have far outpaced inflation and wages. As overall costs have increased by 24%, median rents have increased 36% and median home prices have increased by 48%.

At Public Justice Center, we see the impact of this shortage daily. Our clients often cannot find affordable, habitable replacement housing – now more than ever. This lack of housing mobility forces them to remain in uninhabitable units, lose out on job opportunities that require a move, or even become homeless when they are evicted and cannot find a new place. We recognize that the current affordable housing crisis requires both adding to the supply of affordable housing and strengthening the rights of renters to maintain safe, affordable housing.

SB 430's targeted approach only applies to jurisdictions with a housing infrastructure gap. Local jurisdictions with a housing infrastructure gap have an obligation to approve new housing units unless there is a reason for denial that outweighs the community's need for housing. This obligation includes finding ways to allow a version of a project that mitigates concerns to move forward. This requirement is intended to maximize the housing produced under existing local rules and does not require jurisdictions to increase allowed residential density outside of their own processes.

These reforms are a critical component of any plan to create more affordable housing, and, ultimately, prevent homelessness. The research is clear: the answer to homelessness is affordable housing. The lack of affordable housing affects also increases fiscal burdens on the state including: higher costs for state-funded shelters, increased costs for foster care, reduced tax revenue from lost employment and education instability. A recent study by Stout, Risius, Ross in Maryland found that every dollar invested by the State in eviction prevention returns \$2.39 in costs and fiscal benefits.

The need to clear unnecessary regulatory hurdles is exemplified by recent issues in Baltimore County, where PJC has been involved in advocacy. A modest, proposed 56-unit affordable housing development in Towson known as Red Maple has been the subject of more than 5 years of litigation based on zoning and regulatory disputes. While the project now appears to be moving forward, the delay and increased costs have significantly undermined the financial viability of the project and created additional uncertainty about actual completion. More recently, a proposed transit-oriented, mixed use development in Lutherville directly on the light rail is facing significant community pushback using zoning and regulatory provisions to anchor their opposition.

Baltimore County is under a <u>HUD Voluntary Compliance Agreement and is obligated to produce 1,000 new affordable housing units in Opportunity Areas by 2027 to remedy decades of discriminatory land <u>use and zoning policies</u>. These discriminatory land use and zoning policies had perpetuated segregation in the County and had a disparate impact on the housing choices available to Black households, households with children and persons with disabilities. The County is lagging far behind in meeting the benchmarks in developing the required affordable units in part because of restrictive zoning and regulatory provisions that have impeded developments such as Red Maple.</u>

In short, Maryland cannot dismantle decades of segregation, right the racial wrongs, and lift children out of poverty without reducing zoning and land use barriers to the development of affordable housing.

Public Justice Center urges the Committee's report of Favorable on SB 430.