



POSITION STATEMENT

Bill: SB 0430/ HB 503 Land Use – Regional Housing Infrastructure Gap (Housing for Jobs Act)

Position: Support with Amendments

Date: March 4, 2025

Contact: Debra Borden, General Counsel

Jordan Baucum Colbert, Government Affairs Liaison

Dear: Chair Brian J. Feldman,

The Maryland-National Capital Park and Planning Commission (“M-NCPPC” or the “Commission”) has voted to support this bill with amendments.

What this Bill Does. This bill requires the Department of Housing and Community Development and the Department of Planning to calculate certain regional housing infrastructure gaps. It also provides for the apportionment of regional housing infrastructure gaps to counties and incorporated municipalities, authorizing local jurisdictions to reduce local housing infrastructure gaps in a certain manner. It establishes that certain local jurisdictions have an affirmative obligation to expeditiously approve housing development project applications and prohibits certain local jurisdictions from denying certain housing development project applications without certain justifications; and generally relating to housing development and land use.

Commissions Housing Goals. Planning staff believe the current bill as written will not have much impact on Prince George’s and Montgomery Counties. Within the Commission, both Prince George’s Planning and Montgomery Planning Departments have housing targets and are actively trying to meet their housing goals. It is important to note that both Planning Boards rarely deny projects and if they do, the Board’s reasonings are valid and justified based on evidence in the record. Instead of denial, our Planning Boards rely upon extensive conditions of approval to ensure compliance with the various provisions of our zoning ordinances and subdivision regulations. However, the question becomes whether an applicant could argue that certain conditions of approval altered a project’s cost

projections or rendered a project infeasible, according to the applicant, encouraging endless litigation. Also, the bill as written does not provide a clear understanding of whether the law would only apply to decisions by the planning departments and/or the permitting agencies. Would the current bill also apply to the review of conditional uses by the hearing examiners, the approval of variances by boards of appeal, the approval of zoning map/text amendments by legislative bodies?

Bill Recommendations to Consider

(A) Consider using BLS data rather than BEA data as it is more accurate.

- a. Note that Montgomery County's job-to-housing ratio is much more in line with BLS data.

(B) Consider using occupied housing units instead of the total number of units.

- a. Baltimore City is included in the Baltimore region, which has a jobs-to-housing ratio above 1.5 but according to the most recent ACS data, has nearly 36,000 vacant units (12% of housing stock). Montgomery County's vacancies are so low that this will not significantly impact our ratio (vacancy rate of around 3.5%).

(C) Page 7: 12-202 (A)(6)(II) A Rail Station shall be considered "planned" if it is on a finalized rail route with completed development approvals.

- a. It's unclear why this provision links finalized rail stations with development approvals. It's more typical to link them to rail projects that are fully funded for construction or tied to an approved master plan (project delivery in the long term).

(D) Page 7: 12-202 (B)(2) For everyone housing unit built within three quarters of a mile of a rail stations, 1.5 housing units may be subtracted from the local housing infrastructure gap.

- a. How is a unit considered "built"? Using census data (how it appears the ratio is calculated) would be difficult, given that you get a "bonus" for units built inside a rail station buffer. The data would likely need to come from the Department of Permitting Services' use and occupancy data.
- b. How is the 3/4th distance being measured?

(E) Page 8: 12-202 (D)(1) In order to reduce a local housing infrastructure gap under subsection (b) of this section, a local jurisdiction shall submit documentation to the Department of Housing and Community Development (DHCD).

- a. Note that in Montgomery County to submit this documentation requires close coordination between Planning, the Department of Permitting Services (DPS), the Department of Housing and Community Affairs (DHCA), and Office of Zoning and Administrative Hearings (OZAH). What agency will take the lead for submission?

(F) Page 9: 12-203 (A)(5)(II) To deny a housing development project application includes requiring that a housing development project wait a period of one or more years to receive a building permit.

- a. How are we measuring that a project wait a period of one or more years to receive a permit? From what starting date? Submittal of plans? Approval of plans? Submittal of permit?

(G) Page 9: 12-203 (A)(8) Housing development permit applications means an application for building permit, variance, waiver, conditional use permit, special permit, certification,

authorization, site plan approval, subdivision approval, or other determination by a local jurisdiction relating to a housing development project.

- a. These list out multiple types of applications. Many projects are required to go through multiple of the listed. Does each step get 1 year, or cumulatively does the whole process start to finish need to take less than 1 year?

(H) *Page11: 12-203 (1)(i): The housing development project as proposed would have a specific adverse impact upon the public health or safety to the residents that would live in the project.*

- a. Define “adverse impact upon the public health or safety of the residents that would live in the project”.

The Commission recently pulled the QCEW vs the BEA data for the jurisdictions on the list so you can see the differences in the spreads and included some source information. We have identified a few considerations:

- (A) The BEA is no longer producing County-level employment data due to budget constraints, so this is not a good data source to use in the legislation because jobs numbers will need to be updated to track progress vs the targets. See the note here:<https://www.bea.gov/data/employment/employment-county-metro-and-other-areas>
- (B) The 1.5 ratio target seems to reflect the state average today, but not what may be needed in the future. As you know, given the aging population, we will need more housing per job on an average basis since fewer people will be working.

We therefore urge this committee to give a favorable report with the suggested amendments.