

Maryland Municipal League The Association of Maryland's Cities and Towns

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March 4, 2025

Committee: House Environment & Transportation

Bill: HB 503 - Land Use - Regional Housing Infrastructure Gap (Housing for Jobs Act)

Position: Support with Amendments

Reason for Position:

The Maryland Municipal League ("MML") appreciates the Administration's intent with House Bill 503: safe and affordable housing is a fundamental component of a healthy, thriving community, and municipalities have a vested interest in promoting policies and initiatives that ensure housing affordability for all current and future residents. However, this interest must be balanced with the pragmatic challenges of running a local government. To meet these challenges, MML requests amendments addressing the following concerns.

Gap Calculations

Local governments do not have an opportunity for meaningful participation in calculating or apportioning regional housing gaps. We ask that the Department of Housing and Community Development and the Department of Planning be required to collaborate with municipal/county planning boards when apportioning regional housing gaps to counties and municipalities.

Denials - Review Process & Standard of Review

The Circuit Court is far less familiar with local planning and zoning issues/laws/dynamics than other review boards. This is also inconsistent with the traditional process for reviewing administrative agency decisions. The proposed bill language would significantly limit public notice and engagement opportunities, limit government transparency, and likely create a significant fiscal burden as litigation against local governments is likely to increase exponentially. Additionally, this section may have the reverse effect of its intent, as drastically increasing the number of cases before Circuit Courts will likely slow their deliberations, furthering slowing approvals. This section should be removed or adopted to match the existing process for reviewing administrative agency decisions throughout the state.

The bill also imposes a clear and convincing standard of review, rather than the substantial evidence standard of review applicable to the review of administrative decisions throughout the state. This should also be made consistent with the standard for administrative agency review.

The Maryland Municipal League uses its collective voice to advocate, empower and protect the interests of our 160 local governments members and elevates local leadership, delivers impactful solutions for our communities, and builds an inclusive culture for the 2 million Marylanders we serve.

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Denials - Justifications

There are numerous circumstances where review criteria must be more subjective in order to account for the variability of individual applications. Design review is a required process and necessarily has some subjective nature to it.

The bill also does not allow a jurisdiction to deny a project due to either inadequate transportation infrastructure or a development project's inconsistency with the jurisdiction's comprehensive plan. Further, many municipalities have pre-approved development/planning/zoning plans that were the result of comprehensive review and public input. The bill should include a justification for these plans if they address housing needs.

Finally, multiple justifications require a local government to determine "feasibility." Local jurisdictions do not have the proprietary information or resources necessary to determine whether a particular modification to a development project will render it financially infeasible, nor should it be the local government's burden to determine whether a method for mitigating a public health or safety impact will make a project financially infeasible. The list of justifications for denying a project should be expanded and redefined to account for these practical realities.

Timeline

The bill requires local governments to render a final decision on any development application within one year, but does not make it clear from what date the one-year period begins (e.g., from the submittal of the first development application, from the submittal of a building permit application, etc.), and it does not make it clear what "requiring" a project to wait entails. This provision may also have the inadvertent effect of encouraging local jurisdictions to formally deny more applications, rather than less, in an effort to avoid hitting the one-year deemed denial date. Further, the physical construction that is necessary to build stormwater management facilities, bring

water/sewer and other utilities to the site, construct internal streets, meet Forest Conservation Act requirements, etc., cannot reasonably be accomplished 12 months from the date of the first development application (subdivision or site plan). This provision also neglects consideration of the developer's responsibility to address agency comments, meet code requirements, and install necessary infrastructure in a timely manner. Local governments should not be liable for delays caused by the developer. This timeframe should be removed or clarified.

MML appreciates the Administration's collaboration on this issue, and we look forward to continuing the conversation. For these reasons, the League respectfully requests that the Committee adopt these amendments before granting House Bill 503 with a favorable report. For more information, please contact Angelica Bailey Thupari, Director of Advocacy and Public Affairs, at angelicab@mdmunicipal.org or (443) 756-0071. Thank you for your consideration.

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