

February 27, 2025

The Honorable Marc Korman
Chairman, Environment and Transportation Committee
Room 251, House Office Building
Annapolis, Maryland 21401

RE: HB 503 Land Use – Regional Housing Infrastructure Gap (Housing for Jobs Act)

Dear Chairman Korman:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **HB 503 Land Use – Regional Housing Infrastructure Gap (Housing for Jobs Act)**. MBIA supports the act in its current version.

The Housing for Jobs act requires the Department of Housing and Community Development and the Department of Planning to publish the jobs-to-housing ratio in every local jurisdiction. Our state is in a housing shortage of nearly 100,000 units, and a lack of adequate supply has led to a sharp increase in the price of homes. According to the National Association of Homebuilders, 25% of Marylanders spend more than 50% of their income on rent and other housing related expenses. Recently, local jurisdictions have passed Adequate Public Facilities Ordinances (APFO) and other measures to restrict the production of more housing units. This bill will require those jurisdictions to be a part of the solution not the problem. Maintaining a healthy 1.5 jobs-to-housing unit ratio will provide Maryland residents with expanded housing availability among all income levels and give them a chance to live close to where they work. We are also in favor of making it easier to develop units in transit-oriented areas, which aligns with the goals of the Moore Administration.

While MBIA is in support of passing this bill, we would like to offer suggestions to strengthen the bill even more. Most importantly, there needs to be an enforcement mechanism in place if local jurisdictions fail to meet their housing goals, and the bill should clarify which agency has the authority to enforce compliance.

More clarity is needed on the process for denied projects. Each local jurisdiction has their own board of appeals process, and it is unclear if the Circuit Court remedy proposed would now bypass local processes. We would also like to point out that a developer lawsuit in Circuit Court on its own is not an ideal remedy for denied projects. Lawsuits in Circuit Court are costly and lengthy in nature. A better solution would be to add language to the bill that provides an administrative process through the Department of Housing and Community Development or a different government panel. This would reduce costs and put the appeals process in the hands of an agency that is more in-touch with our state's housing issues.

In order to prevent local jurisdictions from capping the number of building permits, language should be added that does not allow these jurisdictions to put them in place. Permit caps are not included in the objective written development standards, and we are concerned that local jurisdictions may institute arbitrary permit caps in response to this legislation.

While the bill as written expands housing availability, we suggest providing bonuses to developers who want to turn existing structures into housing units. There are plenty of opportunities for adaptive reuse in the state of Maryland, and a financial bonus will give developers more of an incentive to take on redevelopment projects that are more difficult to complete. It would also allow local jurisdictions to reach their housing targets faster and use their land more efficiently.

Lastly, we suggest adding language that specifically describes the data that the Department of Housing and Community Development and the Department of Planning will use in assessing the Regional Housing Infrastructure Gap. This will ensure that the data is transparent and accurate.

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Environment & Transportation Committee