



HEALTH CARE FOR THE HOMELESS TESTIMONY
FAVORABLE
HB 571 – Nonprofit Housing Corporations - Tax and Enforcement of Judgment
Exemptions - Alterations

House Economic Matters Committee
February 19, 2026

Health Care for the Homeless supports HB 571, which would expand the definition of “nonprofit housing corporation” and makes subsidiary entities of nonprofit housing corporations exempt from State and local taxes in the same manner as subsidiary entities of housing authorities are currently exempt. The bill also exempts property of a nonprofit housing corporation that is used for low income housing from procedures for enforcement of a judgement against the nonprofit housing corporation. As a nonprofit affordable housing developer dedicated to ending homelessness, reducing the property tax liability of our projects saves us resources to invest in the stability of Baltimore’s most vulnerable families and improves the financial feasibility of prospective projects to allow us to continue our work.

Health Care for the Homeless is Maryland’s leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness. We deliver integrated medical care, behavioral health services, dental care and harm reduction interventions for more than 11,000 people annually at multiple clinic sites in Baltimore City and Baltimore County and through a Mobile Clinic and Street Medicine team. We also support more than 800 highly vulnerable Baltimoreans in more than 550 units of permanent supportive housing.

From over 40 years of experience, Health Care for the Homeless understands that housing in Maryland is unaffordable. 1 in 3 Maryland families are cost burdened by their monthly rent or mortgage payment, including 53% of Maryland renters who pay more than 30% of their income on rent.¹ Very low-income households (those making less than 50% AMI) have difficulty finding affordable options in Maryland. The National Low-Income Housing Coalition reports that there are there are less than 4 affordable units for every 10 very low-income household.²

In response to rising housing costs and insufficient affordable housing supply, Health Care for the Homeless formed a subsidiary non-profit organization known as HCH Real Estate Company, Inc. HCH Real Estate Co, Inc. develops affordable and supportive multifamily rental housing in Baltimore. Our projects are designed to maximize number of units that will end homelessness. We have one completed project with 70 apartments in the Oliver neighborhood of Baltimore City – a mix of one-, two- and three-bedroom units—where 35 apartments are reserved for people exiting homelessness

¹[United States Census Bureau](#)

² The Gap: A Shortage of Affordable Homes (2024), available at <https://nlihc.org/gap>; see also National Low Income Housing Coalition's 2025 Out of Reach Report, available at <https://nlihc.org/oor/state/md>, detailing Maryland's affordable housing shortage data.

and the other 35 are for households making 50% of the Area Median Income (AMI). We have two projects in the pipeline that are in the heart of Baltimore that will produce another 159 apartments, with 120 reserved for people exiting homelessness.

As both a developer of affordable housing and provider of supportive housing services, our experience has taught us that many of the households we serve are navigating with disabilities, have histories of trauma and other chronic health conditions that increase the need for supportive services. We also see income instability among those working and those with low, fixed incomes (such as income from disability assistance).

To appropriately serve the households in our projects, we need to invest in skilled property management staff, trainings for those staff, along with resident services and direct assistance like providing furnishings, covering utility and providing no-cost or very low-cost laundry facilities. These measures reduce the daily cost of living for our residents, but increase our operating costs.

As a nonprofit affordable housing developer, we experience the same rising operating expenses as our nonprofit housing colleagues, driven by raising insurance and utilities costs. At the same time our costs are rising, we are working to push down rent rates and increase access to housing for some of Maryland's most vulnerable populations – including people experiencing homelessness, people with disabilities, veterans, youth aging out of foster care and other populations we serve.

Eliminating property taxes from our operating expenses would strengthen the financial health of Maryland's nonprofit housing providers. This body has recognized the dire need to increase housing production to meet the housing demand of Maryland's residents. This high-impact tool would accelerate affordable housing production and preservation across Maryland and provide local governments with an easy way to support more affordable housing development to address the affordable housing crisis we're facing.

A reduction in property taxes to a Health Care for the Homeless project is a significant investment in the public good. In addition to furthering our shared goal of ending homelessness, the Permanent Supportive Housing model³ we follow – subsidized housing paired with voluntary access to social services – has been shown to reduce health care costs, criminal justice costs and reliably reduce the number of households relying on emergency shelter for housing.⁴

From a mission standpoint – reducing the property tax liability of our projects saves resources for what we know most impacts the stability and quality of life of low-income Marylanders. A reduction in property tax liability also improves the financial feasibility of more of prospective projects I'm investigating for the future.

³ Permanent Supportive Housing (PSH) is an evidence-based model that combines low-barrier affordable housing, health care, and supportive services proven to help individuals and families lead more stable lives. See <https://nhchc.org/clinical-practice/homeless-services/permanent-supportive-housing/>.

⁴ See, for instance, Hilltop Institute study on outcomes of the Assistance in Community Integration Services (ACIS) pilot program operated under a Medicaid waiver, providing supportive services to experiencing homelessness or housing insecurity. A 5-year study of the pilot found a statistically significant decline in the average number of ED visits, avoidable ED visits, and inpatient admissions for ACIS participants. <https://hilltopinstitute.org/wp-content/uploads/publications/SummaryReportACISProgramAssessment-September2023.pdf>.

HB 571 is an important action that the Maryland General Assembly can take that will help to increase the supply of affordable housing throughout the state. We strongly urge a favorable report.

Our Vision: Everyone is healthy and has a safe home in a just and respectful community.

Our Mission: We work to end homelessness through racially equitable health care, housing and advocacy in partnership with those of us who have experienced it.

For more information about our agency and affordable housing development subsidiary, visit www.hchmd.org and www.hchreco.org.