

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 3 (Delegate Stewart)
Environment and Transportation

Land Use - Expedited Development Review Processes for Affordable Housing - Requirements

This bill requires a local jurisdiction to establish and implement an expedited development review process for specified proposed affordable housing developments. The requirement may be waived for a local jurisdiction, by the Department of Housing and Community Development (DHCD), under specified circumstances. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: DHCD expects to implement the bill with existing resources. Revenues are not affected.

Local Effect: Local government expenditures may increase in some jurisdictions, as discussed below. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: Minimal.

Analysis

Bill Summary:

Expedited Development Review Process

The bill requires a local jurisdiction to establish and implement an expedited development review process for proposed affordable housing developments, specifically: (1) a charitable organization proposing to develop affordable housing on land owned by the organization or (2) a public housing authority proposing to develop affordable housing on

land owned by a charitable organization or a governmental entity. As part of an expedited development review process, a county may:

- shorten the length of processing time for an application;
- prioritize an application ahead of other applications;
- provide a consolidated application process for all project permits regardless of the agency issuing the permit;
- accept a self-certified proposed plan submission from a qualified architect or engineer certifying that the proposed plan complies with applicable codes and standards;
- provide enhanced customer support for applications; or
- implement any other process determined by the local jurisdiction to expedite the review of affordable housing development applications.

“Affordable housing development” means a residential development where at least 50% of the dwelling units are reserved for individuals whose household income is less than or equal to 80% of the area median income.

“Expedited development review process” means an expedited process for (1) planning review or (2) the consideration of zoning changes.

Waiver

A local jurisdiction may request a waiver from DHCD if the local jurisdiction has a good-faith belief that it cannot meet the requirements of the bill. DHCD may grant a waiver only if the department finds that the local jurisdiction has a legitimate impediment to implementing an expedited development review process.

Current Law: Title 7, Subtitle 1 (Development Mechanisms) of the Land Use Article of the Maryland Code (to which the bill’s provisions are added):

- authorizes a local jurisdiction – in order to encourage the preservation of natural resources or the provision of affordable housing and to facilitate orderly development and growth – to enact local laws providing for or requiring: (1) the planning, staging, or provision of adequate public facilities and affordable housing; (2) off-site improvements or the dedication of land for public facilities essential for a development; (3) moderately priced dwelling unit programs; (4) mixed use developments; (5) cluster developments; (6) planned unit developments; (7) alternative subdivision requirements that meet minimum performance standards set by the local jurisdiction and reduce infrastructure costs; (8) floating zones; (9) incentive zoning; and (10) performance zoning;

- authorizes a legislative body that exercises authority granted by Division I of the Land Use Article to enact local laws providing for the transfer, with or without consideration, of real property belonging to the local jurisdiction to a public or private entity, to use in developing or preserving affordable housing; and
- establishes that the authority granted under the subtitle is not intended to limit a local jurisdiction's authority to (1) exercise any planning and zoning powers not expressly authorized under the subtitle or (2) adopt other methods to facilitate orderly development and growth, encourage the preservation of natural resources, or provide affordable housing.

Local Fiscal Effect: Local government expenditures may increase in some jurisdictions to implement an expedited development review process for proposed affordable housing developments; however, the extent of any impact cannot be reliably estimated, in part because the bill gives local jurisdictions the discretion to determine what an expedited development review process consists of. Based on information received from several jurisdictions, it appears that most jurisdictions already have an expedited development review process that they believe meets the bill's requirement or they can implement an expedited development review process with existing resources. At least one jurisdiction and the Maryland Association of Counties, however, have indicated the potential for increased costs to comply with the bill's requirement.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 356 (Senator Muse) - Education, Energy, and the Environment.

Information Source(s): Baltimore City; Anne Arundel, Baltimore, Frederick, Montgomery, and Somerset counties; City of Bowie; Town of Thurmont; Maryland Association of Counties; Maryland Municipal League; Department of Housing and Community Development; Maryland Department of Planning; Department of Legislative Services

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