



Feb 23, 2021

Chairman Dereck Davis and Members
Economic Matters Committee
House Office Building
Annapolis, MD 21401

Re: SUPPORT – HB 1007 – Renewable Energy Portfolio Standard and Geothermal Heating and Cooling Systems (Charkoudian)

Foundation Housing asks that you move favorably on House Bill 1007 -- Renewable Energy Portfolio Standard and Geothermal Heating and Cooling Systems. Foundation Housing is a 501(c)(3) nonprofit committed to creating solutions to address the affordable housing crisis nationwide. In the state of Maryland, Foundation Housing owns over 13 properties representing more than 1500 units with several additional properties planned. All of the properties owned by Foundation Housing meet the definition of “low or moderate income housing” as defined by HB 1007.

Part of Foundation Housing’s mission is to promote federal, state, and local policies that preserve and upgrade the existing inventory of assisted, affordable, multifamily housing. HB 1007 firmly advances our mission by creating a meaningful, dedicated funding source that will allow low or moderate income multifamily housing owners to cost-effectively replace antiquated boilers running on fuel oil or natural gas with clean, efficient, and environmentally friendly geothermal heat pumps.

Replacing outdated heating, cooling, and hot water systems with a geothermal heat pump can reduce total energy bills by 50% or more. Geothermal heat pumps also protect residents from extreme bills by maintaining their efficiency even during the coldest and warmest days of the year. Lowering monthly bills and preventing sudden bill shocks has a huge impact on the monthly and annual budgets of the population that Foundation Housing serves and would provide immediate monetary benefits to low and moderate income residents. In cases where residents do not directly pay for their energy bills, installing a geothermal system will increase property value and allow property owners to better recapitalize and rehab existing units. These improved operating efficiencies are directly correlated with improved living conditions in the future.

Beyond the monetary benefits, replacing fossil-powered heating and cooling systems with geothermal provides residents with tangible health and comfort benefits, since fossil systems increase the likelihood of indoor pollutants building up inside of residences. Providing safe, clean and healthy living to the residents we serve is core to our mission and yet another

reason Foundation Housing is in favor of this Bill.

HB 1007 has the potential to make Maryland a national leader in installing geothermal heating and cooling systems in low and moderate income communities and become a model for other states. Foundation Housing asks that you vote favorably on this legislation.

Sincerely,



Todd Travis

President and Chief Operating Officer Foundation Housing