



Testimony HB 39
Appropriations Committee
January 25, 2022
Position: FAVORABLE

Dear Chairperson McIntosh and Members of the Appropriations:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

HB 39 requires the Department of Planning and the Department of General Services, in partnership with the Department of Housing and Community Development, to report to the Board of Public Works and the General Assembly on strategies for the public or private development and use of surplus real property and excess real property retained for possible future use by the State as affordable housing.

In February 2021, the University of Maryland's National Center for Smart Growth and Enterprise Community Partners released the Maryland Housing Needs Assessment and 10 Year Strategic Plan. The report was commissioned by the Department of Housing and Community Development in 2019 in response to a request from the chairs of the Maryland General Assembly's Senate Budget and Taxation and House Appropriations committees.

According to the Assessment, despite efforts by the state to create more affordable housing, high construction costs, barriers to development and a lack of public/private investment have led to a deficit of affordable homes in rural and urban areas alike.

Key Findings include.

- People of color, individuals with disabilities and seniors—who represent 14% of all Maryland families—face significant hurdles such as inflexible standards used by landlords when screening tenants and high down payments. These disparities have been made worse by the pandemic;
- A shortage of 85,000 affordable apartments for families and individuals earning less than 30% of median income, representing the most serious gap in supply for people at all income levels;
- An additional 97,200 families and individuals earning less than 50% of median income are expected to move to the state by 2030, highlighting the need to dramatically increase affordable housing supply over the next 10 years; and

The state will need to explore all available options for the production and preservation of affordable housing in the near future. This is essential for economic growth as well as health and education in the state of Maryland.

We urge your favorable report for HB 39.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network