



Before the Senate Budget and Taxation Committee

SB0953: Housing - Community Development Program Act – Funding

Position: Favorable

submitted via electronic transmission
February 27, 2024

To All Members of the Committee:

I am writing today on behalf of Enterprise Community Partners (Enterprise) **to urge support for \$5 million in Community Development Program Funding as outlined in Senate Bill 0953.** A portion of proceeds from the state's Unclaimed Property Fund could cover this request in its entirety.

About Enterprise:

Founded 40 years ago here in Maryland, Enterprise is committed to make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all.

Our impact and investment in Maryland housing and affordability is one measure of our commitment to the state and its residents. Enterprise's affordable housing production, preservation, and rehabilitation efforts total more than \$1 billion in total portfolio value, including 76 apartment communities and more than 7,500 homes in Maryland. Our work is centered on holistic resident services and environmentally sustainable design, construction and operations.

In addition, we provide millions of dollars each year in loan financing, equity investments and grants to nonprofit and mission-minded community organizations, as well as technical assistance, partnerships, and a variety of federal, state, and local policy analysis.

Enterprise brings substantial first-hand experience of the vital role the state's housing and community development programs play in meeting community needs.

About the Community Development Program Fund:

As you may recall, the state established a Community Development Fund, whose purpose is to provide financial assistance for community development organizations, and community development projects, across Maryland. Eligible purposes may include capital and/or operating grants supporting:

- affordable housing;
- neighborhood revitalization for residential and commercial areas;
- housing counseling, financial counseling, and foreclosure prevention;
- community organizing;
- small business development;
- community services; and

- any other community development purpose

Community-serving organizations are critical partners in meeting the vision and the priorities of Maryland to support residents, small businesses, services and amenities that benefit the overall health and well-being of neighborhoods large and small. As partners to the state, with on-the-ground expertise and knowledge of community need and opportunity, community development organizations create projects support and enhance quality of life for all.

Enterprise works with many community serving organizations across Maryland, from our annual federal Section 4 grantees to Community Development Corporations (CDCs) in Baltimore, and many community-serving partners in the Purple Line corridor and beyond. We see first-hand how investments in both the projects and the organizations themselves are leveraged to garner even greater federal, local, and private sector investments in Maryland communities.

Combined, the state's investments provide a larger economic impact than its own dollars, all of which are used to support Maryland residents and neighborhoods directly. This approach is more effective and more resource-efficient than if the state worked by itself to accomplish the same impact. It also creates and maintains more Maryland jobs in communities, within partner organizations and the additional project employees and contractors they support.

Providing \$5 million in resources to support the work of the Community Development Program Fund can be paid for by a portion of the Unclaimed Property Fund. This designation would also cover the costs to the Department of Housing and Community Development (DHCD) administration costs, as outlined in the Fiscal and Policy Note for this bill and its companion, HB1224.

The total amount of unobligated resources from the state's Unclaimed Property Fund in FY23 was \$153.1 million. This was distributed to the general fund after other obligations for fund proceeds were met. We agree that designating a small percentage of this balance each year to the Community Development Program Fund is both a strategic and equitable use of resources to support Maryland organizations and communities. **We urge you to move favorable this legislation for \$5 million to support the Community Development Program Fund.**

Our team would be happy to answer any questions you may have about our work in Maryland, and we appreciate your consideration of these views.

Respectfully submitted:

Melissa Bondi
Mid-Atlantic State & Local Policy Director

Rev. David C. Bowers, Vice President and Mid-Atlantic Market Leader