



April 10, 2024

Montgomery County Council
Stella Warner Council Office Building
100 Maryland Avenue
Rockville, MD 20850

Testimony regarding the FY25 Operating Budget

Council President Friedson, Vice President Stewart and Members of the Montgomery County Council:

Habitat for Humanity Metro Maryland would like to commend the Council for its commitment to the development and preservation of affordable housing. The proposed capital and operating budgets have record levels of funding for affordable housing programs and we thank the Council for its diligent efforts in increasing housing funds over the past few years.

As you know, our County must add 21,000 housing units by 2030, the majority of which need to be affordable to households with low and moderate incomes. We must also ensure more equitable access to affordable homeownership opportunities allowing more households and particularly households of color to build generational wealth. Home prices have risen quickly and unfortunately so has the racial ownership gap.

The Council's recent land use changes paired with record investments in housing will certainly help move our County towards these goals. That said, the need still far exceeds funds available. We believe there are affordable housing projects in need of more than \$200M in financing. In fact Montgomery Housing Alliance (MHA) members alone have projects totaling \$170M in funding needs.

While we recognize that there are many important priorities, Habitat strongly encourages the Council to pass a budget that funds affordable housing programs as robustly as possible.

Habitat also encourages support for the Department of Environmental Protection's request for funding for under-resourced buildings that are required to comply with Building Energy Performance Standards (BEPS). Funding for audits could help ensure more equitable building

decarbonization, reduce costs for affordable housing owners, and identify opportunities for climate resilient building upgrades.

Habitat also appreciates the Council's efforts to increase funding for the Green Bank. They will play a critical role in helping under-resourced and affordable housing buildings comply with BEPS. We encourage the Council to fully fund the Green Bank with 10% of revenues from the fuel energy tax.

Thank you for your time and consideration. Habitat is happy to answer any questions or provide additional information.

Sincerely,

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