Climate Assessment

Office of Legislative Oversight

Bill 18-24: Housing Policy – Standards and Procedures – Amendments

SUMMARY

The Office of Legislative Oversight (OLO) anticipates Bill 18-24 could have a small positive change on the County's community climate resilience as increased access to affordable housing increases community resilience. The proposed change is intended to increase the supply of affordable housing locally by streamlining the development process for affordable housing projects proposed by the Housing Opportunities Commission (HOC). However, it cannot be predicted how much affordable housing will be created as a result of this change.

BACKGROUND AND PURPOSE OF BILL 18-24

The purpose of Bill 18-24 is to eliminate the Housing Opportunities Commission's (HOC) current requirement to issue a public notice and hold public hearings for proposed affordable housing developments. By eliminating this requirement, the Bill aims to streamline the development process for affordable housing projects and increase the supply of affordable housing locally.

HOC is a public housing agency that provides affordable housing and supportive services for low- to moderate-income families in Montgomery County. Established in 1974, HOC is authorized to administer federal, state, County, and private affordable housing programs. The Commission may own, lease, and operate housing, provide for the construction or renovation of housing, and obtain funding.²

Generally, HOC must hold a public hearing on any affordable housing it proposes and report in writing the findings and conclusions from the hearing. At least 15 days before the hearing, HOC must give notice of the hearing by a display advertisement in two newspapers of general circulation in Montgomery County.³

Bill 18-24 mirrors recent legislation passed by the Maryland General Assembly, House Bill 424 - Montgomery County – Housing Opportunities Commission – Alterations, that remove the additional requirement for public hearing notices related to affordable housing.⁴ Specifically, the Bill would redefine "agency" to exclude HOC. However, the Bill would maintain the requirement for the Department of Housing and Community Affairs and any other governmental entity to provide notice and hearing for affordable housing projects.⁵

The Council introduced Bill 18-24 on September 17, 2024.

ANTICIPATED IMPACTS

The Housing Opportunities Commission (HOC) provides affordable housing and other services to 20,000+ residents. HOC can provide funds for construction of affordable housing, in addition to owning, leasing, and operating housing.⁶ The intention of the bill is to streamline the development process for affordable housing projects proposed by HOC and ultimately, increase the supply of affordable housing.⁷

The affordability of a community's housing stock has a direct correlation to the overall resilience of a community, and on its ability to prepare for current and future risks. 8 It can do so through two ways:

- Increasing housing stability which can increase community resilience by building community ties and enabling residents to stay better connected during emergencies; and
- Alleviating cost-burdened households¹ by providing more affordable housing options, which allows
 these households to have more cash on hand to weather shocks, such as extreme weather events.⁹

If the bill does increase the supply of affordable housing locally through the elimination of requiring HOC to issue public notices and hold public hearings for proposed affordable housing developments, it could have a small positive impact on the County's community climate resilience. However, it cannot be predicted how much affordable housing will be created as a result of this change.

RECOMMENDED AMENDMENTS

The Climate Assessment Act requires OLO to offer recommendations, such as amendments or other measures to mitigate any anticipated negative climate impacts. OLO does not offer recommendations or amendments as Bill 18-24 is likely to have a small positive change on the County's contribution to addressing climate change, including the reduction and/or sequestration of greenhouse gas emissions, community resilience, and adaptative capacity.

CAVEATS

OLO notes two caveats to this climate assessment. First, predicting the impacts of legislation upon climate change is a challenging analytical endeavor due to data limitations, uncertainty, and the broad, global nature of climate change. Second, the analysis performed here is intended to inform the legislative process, not determine whether the Council should enact legislation. Thus, any conclusion made in this statement does not represent OLO's endorsement of, or objection to, the bill under consideration.

¹ Cost-burdened households are defined as households that spend over 30% of income on housing. Source: <u>U.S. Department of Housing and Urban Development (HUD)</u>

PURPOSE OF CLIMATE ASSESSMENTS

The purpose of the Climate Assessments is to evaluate the anticipated impact of legislation on the County's contribution to addressing climate change. These climate assessments will provide the Council with a more thorough understanding of the potential climate impacts and implications of proposed legislation, at the County level. The scope of the Climate Assessments is limited to the County's contribution to addressing climate change, specifically upon the County's contribution to greenhouse gas emissions and how actions suggested by legislation could help improve the County's adaptative capacity to climate change, and therefore, increase community resilience.

While co-benefits such as health and cost savings may be discussed, the focus is on how proposed County bills may impact GHG emissions and community resilience.

CONTRIBUTIONS

OLO staffer Kaitlyn Simmons drafted this assessment.

Bill 18-24: Housing Policy – Standards and Procedures – Amendments, Introduced September 17, 2024.

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¹ Memorandum from Ludeen McCartney-Green, Legislative Attorney to County Council,

² Memorandum from Ludeen McCartney-Green, Legislative Attorney to County Council,

³ Ibid

⁴ Ibid

⁵ Ibid

⁶ HOC by the Numbers; Housing Opportunities Commission, Accessed 10/7/2024.

⁷ Memorandum from Ludeen McCartney-Green, Legislative Attorney to County Council,

⁸ The Community Resilience Benchmarks; Alliance for National and Community Resilience, January 2020.

⁹ Resilient Affordable Housing, Anti-Displacement & Gentrification, Georgetown Law Climate Center, Accessed 10/7/2024; Community Resilience: A Social Justice Perspective, Community and Regional Resilience Initiative, September 2008.

¹⁰ Bill 3-22, Legislative Branch – Climate Assessments – Required, Montgomery County Council, Effective date October 24, 2022