

Testimony on behalf of County Executive Marc Elrich on the Amendment to the FY21-26 CIP and Supplemental Appropriation #22-74 to the FY22 Capital Budget, Department of Housing and Community Affairs - \$40,000,000 for Preservation of Naturally Occurring Affordable Housing Fund

Tuesday, April 19, 2022
1:30pm

Good afternoon, Council President, and Councilmembers, I am Aseem Nigam, Director of the Department of Housing and Community Affairs. I am speaking on behalf of the County Executive regarding our proposed \$40 million for the Preservation of Naturally Occurring Affordable Housing Fund.

Our \$140 million housing budget recommendation is the highest level of funding for affordable housing in County history.

The \$40 million Preservation of NOAH Fund represents a one-time use of FY22 receipts that we propose using for critical affordable housing capital projects.

We have more than 20,000 households earning less than \$31,000 a year who are paying more than half their income for rent. Montgomery Planning consultants estimate we risk losing up to 11,000 NOAH housing units due to expected rent increases. The Purple Line Corridor Coalition identified 6,500 affordable housing units where rents are expected to increase based on proximity to transit.

The County needs to provide dedicated funding sources to meet the challenge of preserving our supply of naturally occurring affordable housing for the long-term, which protects tenants from displacement and maintains the communities they have created. This new funding source will leverage the work of mission focused developers, financial partners, and service providers who work so hard on affordable housing projects.