



Montgomery County Community Action Board Testimony  
County Council Bill 5-25: Demolition Tax for Affordable Housing Production  
March 18, 2025  
**SUPPORT**

The Montgomery County Community Action Board, the County's local, state, and federally designated anti-poverty group, is in support of County Council Bill 5 – 25, which would require an owner to pay an excise tax prior to receiving a permit to demolish their home.

As advocates for economically disadvantaged and marginalized communities, our board understands that there is an affordable housing crisis in the County. About half of all renters in the County are now cost-burdened, with nearly all households earning 50% of AMI or less cost-burdened.<sup>1</sup> We hear from participants in our board's advocacy training program for economically disadvantaged residents, the Community Advocacy Institute, about their challenges finding affordable housing. Many report that they have few options or are barely able to cover their rent, with the threat of eviction always looming. We hear the same thing from the Community Action Agency's staff at the Takoma-East Silver Spring (TESS) Community Action Center and Navigation Program. Staff working directly with residents often find it nearly impossible to find housing options for families with modest incomes, leading to a great deal of housing instability. We need more creative solutions to address this issue, including new opportunities to raise revenue for affordable housing construction through taxes like the one proposed in this bill.

It is important to note that the lack of affordable housing is particularly concerning in an area like Montgomery County where the cost of living is so high. According to the 2023 Montgomery County Self-Sufficiency Standard, a household with two working adults, one preschooler, and one school-age child would need to earn \$122,943 annually to cover their basic necessities, over four times the federal poverty level.<sup>2</sup> Housing represents a significant expense for families. Policies that aim to provide more affordable housing options, like Council Bill 5-25, can help families move towards the Self-Sufficiency Standard.

In addition to this bill, our board asks the Council to continue to explore other opportunities to expand affordable housing. We need more affordable housing throughout the County, so that residents with modest incomes have more options and to end segregation by socio-economic status.

The Community Action Board strongly supports County Council Bill 5 – 25 and asks the Council to vote in favor of this bill.

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<sup>1</sup>[https://montgomeryplanning.org/wp-content/uploads/2017/07/RHS\\_Strategy-Document.pdf](https://montgomeryplanning.org/wp-content/uploads/2017/07/RHS_Strategy-Document.pdf)

<sup>2</sup>[https://www.montgomerycountymd.gov/HHS-Program/Resources/Files/MDMontCo2023\\_SSS.pdf](https://www.montgomerycountymd.gov/HHS-Program/Resources/Files/MDMontCo2023_SSS.pdf)