



CITY OF TAKOMA PARK, MARYLAND

**SB 524
Support**

Senate Finance Committee

SB 524 Public Utilities - Low-Income Housing - Energy Performance Targets and Low-Income Housing

City Contact: Cindy Dyballa, Ward 2 City Council Member

cindydy@takomaparkmd.gov

The City of Takoma Park supports and urges favorable consideration of this bill.

This bill sets a modest target for reducing energy use in lower-income residential buildings, which will help low-income households with their significant energy burden. The programs set in motion by this bill would address inequities in the impact of energy costs, improve the quality and comfort of lower-income housing, and contribute to the state's goal of reducing climate-changing greenhouse gas emissions.

This bill would apply to a significant number of residents in communities across the state with a mix of renters and homeowners across the income spectrum, such as the City of Takoma Park, a densely developed municipality of almost 18,000 in Montgomery County, Maryland. Nearly 40% of Takoma Park residents are housing cost burdened, with energy services a part of this burden. The City's residential housing stock is about half multi-family rental buildings, and 70% of these residential buildings are older structures built before 1940 with a strong need for energy efficiency improvements.

Lower-income Marylanders who rent, including those in Takoma Park, must use a much greater portion of their limited income for energy services. In the Washington DC area, for example, low-income multifamily households pay an average of over 2 ½ times more of their income for energy than households with the area median. And a quarter of low-income households have an energy burden more than 7 times the area median.

Current energy efficiency programs largely benefit homeowners and those with greater incomes and ability to take advantage of incentives. This bill would address these glaring inequities. Multifamily building residents would directly benefit from the energy efficiency targets in this bill, through improved home comfort and safety and reduced energy costs.

This bill supports Takoma Park's climate change, housing and equity priorities. Our City has committed to aggressive measures to achieve net zero greenhouse gas emissions by 2035, and to an aggressive housing and economic development plan that prioritizes protecting local affordable housing. Achieving these goals requires attention to multifamily residents and their buildings, and few tools are available to do this. This bill would provide effective mechanisms to deliver energy efficiency services to this difficult to reach group, with all the attendant benefits.

In sum, the City of Takoma Park supports SB 524, and encourages a favorable vote.