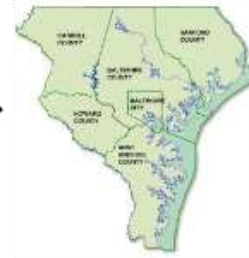




Beyond the Boundaries



Council Bill 22-0195 – Inclusionary Housing for Baltimore City

Committee of the Whole Hearing, November 17, 2022

Position: Support with Sponsor Amendments

Beyond the Boundaries requests that the City Council pass CB 22-1095, Inclusionary Housing for Baltimore City, with amendments offered by Council Member Odette Ramos. *Beyond the Boundaries is a member of the Inclusionary Housing Coalition, a wide array of local groups, individuals and organizations dedicated to affordable housing in Baltimore City.*

Beyond the Boundaries is an Archdiocese of Baltimore program with members from churches throughout Maryland, advocating and raising awareness of the need for justice and equity in housing. We recognize the need for Catholic organizations to advocate for social justice, especially as it relates to stable and permanent housing—be it rental housing or owner-occupied housing.

The United States Conference of Catholic Bishops has repeatedly stated that to effectively love our neighbor, we must care for the conditions in which they live, and we must acknowledge decent housing as a human right.¹ “Since decent housing is a human right, its provision involves a public responsibility.”²

Inclusionary Housing is an essential tool to building more affordable, integrated neighborhoods in Baltimore City. If a developer is receiving a major public subsidy or significant zoning change, they should make at least 10% of those units affordable to households earning no more than 60% of Area Median Income (AMI), plus an additional 5% of units affordable at even lower incomes if the city offers the developer additional subsidy to do so.

There are no waivers or exceptions that plagued the city’s prior inclusionary law and made it ineffective. Our coalition estimates that CB 22-1095 with sponsor amendments would create over 1,000 new affordable units over the next decade. With CB 22-1095, Baltimore has a chance to break with development policies that subsidized segregation and separate-and-unequal development and create a more equitable, integrated future.

¹ <https://www.usccb.org/resources/right-decent-home-pastoral-response-crisis-housing>

² See above footnote 1.

The coalition supporting CB 22-0195 urges you to reject weakening amendments:

1. **Do not reduce the very limited affordability required – no rental units above 60% AMI.** 60% AMI (\$55,740 for a family of two) is already based on a *regional* assessment of income – average incomes in Baltimore City are already much lower than the region. 60% AMI allows frontline workers and persons who use vouchers to access the affordable units. Raising this threshold to 80% AMI would place those units beyond the reach of voucher holders and many frontline workers.
2. **Maintain strong oversight and accountability.** The inclusionary housing board should remain in the bill. The prior inclusionary law suffered from weak oversight and implementation.
3. **No Fee-In-Lieu.** CB 22-0195 creates affordable housing opportunities that are integrated into communities. Allowing developers to opt out of the law by paying into a fund would facilitate the creation of affordable units that are not well integrated into communities – thereby repeating the mistakes of our City’s long history of subsidizing segregated affordable housing.
4. **Maintain Strong Affirmative Marketing.** Sponsor amendments will ensure that developers affirmatively market the affordable units to groups that have historically been excluded from the benefits of new development and then hold the developers accountable for doing so.

Baltimore City spent \$38 million in tax subsidies for market rate development in Fiscal Year 2022 and got zero affordable units in return. Baltimore will have given \$73 million from one special tax break alone to multi-family housing developers from Fiscal Year 2014 through Fiscal Year 2023. Almost all 6,621 units created with this subsidy are luxury, non-affordable units located in predominantly white, high income neighborhoods. **Virtually none of the units are affordable.**

How is this equitable?

Maintaining all inclusionary units at **60% AMI or lower is critical to advancing the goals of inclusionary housing:**

- 1) Only 60% AMI (\$62,700 for a family of three) affordability allows voucher holders to access those units. Rent for a 60% AMI unit may not exceed \$1,567. The voucher for a 2-bedroom only pays up to \$1,857, while a unit affordable to individuals at 80% AMI allows for rent to be set at \$2,090.
- 2) Families with income at 80% AMI, or \$83,600 already have sufficient means to access properties in most neighborhoods in Baltimore and do not need additional assistance.
- 3) Bill must also maintain additional 5% affordable at 50% AMI or lower if developer is offered additional housing subsidy.

There is no evidence that reasonable inclusionary housing laws reduce development and CB 22-0195 with sponsor amendments is modeled on best practices from around the country.

Inclusionary housing laws in the United States have created 110,000 housing units in 258 programs, mostly since 2000.

CB 22-0195 with sponsor amendments is more reasonable and less restrictive on development than successful ordinances in Pittsburgh, Philadelphia, Chicago, Washington D.C. and Montgomery County.

Please issue a FAVORABLE COMMITTEE REPORT on Council Bill 22-0195 with sponsor amendments. If you have any questions, please contact:

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