

Intent informs outcomes. In the case of the Dollar House Program it was designed “..to help stimulate interest to those who could afford it back into failing areas of a city”, it was not intended for those harmed by the policies listed in the recitals for Baltimore City Council Bill 21-0172.

Other cities have tried Dollar House program reboots to encourage investment in disinvested neighborhoods. St Louis did so in 2019 making 600 properties available yet only 4 were sold in its first year ([5 On Your Side](#)). There are several reasons for why reboots like this are less than impactful. One main issue is that the program isn't designed for its intended purpose. And, that is a major concern with the housing legislation in front of the council. Here are a few of the issues with the bills as designed:

1. The eligibility criteria for the programs don't match with the residents; the bill states redress should be given because of racist policies.

Suggested solution: Instead of solely using the “Legacy Resident” and income criteria, eligibility should also require:

1. Resident has experienced a displacement resulting from mortgage, reverse mortgage, tax sale, ground rent foreclosure, lease or contract loan eviction, eminent domain or condemnation action since age 18, or
2. Resident has interest in an heirs property with a tangled title or unresolved estate administration action

2. There is no measure that will ensure that the houses made available for this program will be affordable for the residents in need.

Suggested solution: The houses made available should be those with a total renovation cost of \$175,000 or less.

3. The definition of “Designated Impact Investment Neighborhoods” puts the focus on developing around “assets” and “revitalization efforts” for investors not based on community needs or repair of damage done by racist policies .

Suggested solution: The neighborhood eligibility should be any neighborhood that was redlined (or yellow lined) and meets any three or more of the following criteria:

1. Vacancy rate of 15% or more
2. Residential Tax Lien Certificates Sales 10% or more
3. SDAT Neighborhood Subset has more than 50% rental housing (thus neighborhood classed as Rental Dwelling)
4. Lost 500 or more public housing units since 1990
5. Number of Demolition Permits per 1,000 Residential Properties greater than 20%
6. Median Price of Houses sold \$75,000 or less
7. Affordability Index of greater than 30%

4. The program doesn't include availability of low cost and low interest mortgages for program participants.

Suggested solution: Identify a set of local banks and lenders with a demonstrated practice of equitable mortgage lending to act as preferred lenders for this program who will provide low interest and cost loans to participants that include a forgivable booster grant of between \$25,000 (for renovations of \$125,000 or less) and \$50,000 (for renovations above \$125,000).

Also, the Homestead Tax Credit has been lifted up as a shield that can be used against gentrification in Designated Impact Investment Neighborhoods. In truth the tax credit's utilization rate is low in communities at risk of gentrification. For example in Harlem Park, Sandtown Winchester, Upton and Druid Heights less than 20 of every 1000 residential units have the credit today. A main reason for this is that many properties in those communities have tangled titles. If the credit is going to be effective as a shield the city must help heirs with deed disentanglement and with securing available tax credits.

There are a few other concerns with 21-0173 and 21-0174. For instance there are programs like LIGHT and HUBS that could be expanded instead of recreated by the proposed Home Repair Grant program. And, why is the Senior Home Owners Grant program limited to 5k in funding for each participant? Also, why can't a Senior homeowner redeem their home's Ground Rent as a part of this program?

There are ways to make this housing package more effective to its intended purpose which we have detailed in our full written testimony. However, we need a more expansive housing package designed specifically to address the racist housing and community development policies that have created blight, lowered

property values, damaged generational wealth transfer, assaulted communities and harmed people's health. The council should work with those of us doing dope housing work that centers equity to develop such a package.

Nneka Nnamdi

Fight Blight Bmore
Stop Oppressive Seizures Fund