

MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Natawna Austin, Executive Secretary

From: Alice Kennedy, Housing Commissioner



Date: February 16, 2022

Re: President Mosby Amendments to City Council Bill 21-0173 Baltimore City Home Repairs Grant Program

DHCD appreciates the opportunity to provide comment on President Mosby's proposed amendments to City Council Bill 21-0173 which were received by the agency during the Committee of the Whole hearing held on Monday, February 14, 2022.

Amendment No. 1

Removes the unconstitutional length of residency requirement from the legislation and would broaden the eligibility requirements for program participation to include people with medical, tuition or bankruptcy debt, those receiving housing subsidies or waiting for them, those evicted from rental properties or people who have an income at or below 130% of the city's median income.

By removing the proof of residency requirements from the bill and substituting them with other eligibility criteria the amendment does little to address the agency's concerns about the ambiguity and confusion that may be caused around the verification and prioritization of program participants.

DHCD continues to have concerns around the additional staffing capacity the program would require to evaluate applications and complete eligibility verifications based on the modified requirements laid out in the amendments. **DHCD does not object to the removal of the proof of residency requirements but objects to the substitution of criteria which only add confusion and additional layers of review.** DHCD would recommend removing the eligibility requirements all together and truly give the department discretion in prioritizing applicants based on equity considerations developed in the rules and regulations, not codified in a new program.

Amendment 1 also codifies that returning citizens and their families may not be excluded from the Home Repairs Grant Program for periods of incarceration, parole, and probation if they are otherwise eligible to participate. **DHCD takes no position on this portion of the amendment.** DHCD does not currently evaluate applications for home repair assistance programs based on an applicant's criminal record or status. We currently offer several programs, all geared towards assisting low- and moderate-income residents through both deferred loans and grant opportunities.

Amendment 1 also increases the Household Income threshold from at or below **80%** of the City's median income to at or below **130%** of the City's median income. Our programs prioritize residents 50% AMI and below, with a high priority on residents 30% AMI and below. Increasing the threshold may come at the expense of low-income vulnerable individuals already on wait lists for repairs. By increasing the Household Income to at or below 130% of the City's median income this amendment sets a much **higher** threshold than the one currently used by DHCD. **DHCD objects to this portion of the amendment.**

Amendment No. 2

Adds a requirement that the participant reside in the property for a period of 5 years and would necessitate repayment of the grant funds should the participant not be able to satisfy that continuing residency requirement. It is still unclear if the intent of this Bill is to provide grants for home repairs to Baltimore City Homeowners or if eligible Baltimore City residents that are renters can apply. As written, proof of principal residence is open to tenants that could provide sufficient documentation. **DHCD does not object to the continuing residency amendment however it does not impact the agency position on the Bill.**

Conclusion

While DHCD does not object to any of the amendments proposed by the Council President and appreciates the Sponsor's attempt to incorporate some of the areas of concern outlined in the various agencies Bill reports, the amendments do not change DHCD's opposition to the Bill.

Additionally, the amendments do not go far enough to address some of the additional concerns laid out in the agency's Bill report.

- The legislation requires that DHCD identify Designated Impact Investment Neighborhoods that meet certain criteria for grant support through the program.



DHCD has already identified 4 Impact Investment Areas in East, West, Southwest and Park Heights that have been historically overlooked by investors and revitalization initiatives and that have assets that can provide a central focus for revitalization. **DHCD suggests deleting the criteria on page, 2 lines 15 through 25 to designate neighborhoods and meet certain criteria identified in the Bill.** DHCD is already focused on community development work throughout the City, by further limiting neighborhoods eligible for participation in this program we run the risk of excluding vulnerable individuals throughout the City.

- As drafted the Legislation calls on the Department to administer the Baltimore City Home Repairs Grant Program and provide grants of varying amounts to eligible residents in need of general repairs, accessibility repairs, emergency repairs and mobile home repairs. **Mobile homes are not currently defined nor allowed in the City's Zoning, Building or Housing Codes. Mobile home repairs should be deleted from page 5, lines 8-14 of the Bill.** DHCD already provides assistance to eligible residents for accessibility repairs, emergency repairs and in some instances, general repairs through its Housing Rehabilitation and Repairs Program.
- As written the legislation would take effect on the 30th day after the date it is enacted and remain in effect until November 30, 2024. **DHCD would recommend and amendment to move the effective date to 180 days after enactment to allow the agency time for additional hiring and program design.** DHCD does not presently have the funding or organizational capacity to stand up and implement the Baltimore City Home Repairs Grant Program in a 30-day time period.

Keeping low-income homeowners & Legacy Residents in their homes is a key strategy to preserving affordable housing in our city. DHCD supports the intent of this legislation however the proposal laid out in this Bill represents an unfunded mandate which is duplicative of work already underway by the Department. DHCD is committed to seeking additional funding to revitalize and stabilize Baltimore's Neighborhoods by providing grants for home repairs to eligible Baltimore City Homeowners.