CITY OF BALTIMORE COUNCIL BILL 05-0097R (Resolution)

Introduced by: Councilmember Harris, President Dixon, Councilmembers Young, Curran, Holton, Mitchell, Reisinger, Clarke, Kraft, Rawlings Blake, D'Adamo, Conaway, Welch, Branch

Introduced and read first time: October 17, 2005

Assigned to: Education, Housing, Health, and Human Services Committee

REFERRED TO THE FOLLOWING AGENCIES: Department of Housing and Community Development

A RESOLUTION ENTITLED

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Investigative Hearing – Public Housing – Moving to Work

FOR the purpose of requesting the Baltimore City Housing Commissioner to address the City Council on the proposed changes to Baltimore City's public housing program as permitted by participation in Moving to Work, a federal pilot program that grants local officials more control over the allocation of expenditures previously earmarked for Section 8 vouchers and other specific public housing programs.

8 Recitals

Officials of the U.S. Department and Housing and Urban Development describe Moving to Work (MTW) as a demonstration program authorized under the <u>Omnibus Consolidated Recessions and Appropriations Act of 1996</u> that offers public housing authorities the opportunity to design and test innovative, locally-designed housing and self-sufficiency strategies for low-income families by allowing exemptions from existing public housing and tenant-based Housing Choice Voucher rules and permitting the authorities to combine operating, capital, and tenant-based assistance funds into a single agency-wide funding source, as approved by the federal government.

The purposes of the Moving To Work program are to give public housing authorities and the federal government the flexibility to design and test various approaches for providing and administering housing assistance to accomplish 3 primary goals:

- 1. Reduce cost and achieve greater cost effectiveness in Federal expenditures;
- 2. Give incentives to families with children where the head of household is working, seeking work, or is preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and
- 3. Increase housing choices for low-income families.

EXPLANATION: <u>Underlining</u> indicates matter added by amendment.

Strike out indicates matter deleted by amendment.

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Recently the Housing Authority of Baltimore City joined housing authorities in 27 other cities, counties, and states in participation in the program that reportedly will give officials the ability to speed the planned demolition of more than 600 vacant public housing units and would allow the City to keep \$48 million in unused Section 8 voucher funds it would otherwise have had to return to the federal government because money formerly earmarked for that program can now be redirected to developing new low income housing or making existing housing units accessible to the disabled.

While City housing officials herald Baltimore's inclusion in the program as an opportunity to escape federal bureaucratic restrictions and to ultimately tailor a program more responsive to the needs of Baltimore's 9,830 public housing and over 10,000 Section 8 residents, many of those affected have expressed concern about changes in the City's housing for low income residents. Particularly worrisome are regulations that would require credit checks, assess late fees, and restrict Section 8 voucher participation to rental properties within the City.

In <u>Testing Public Housing Deregulation: A Summary Assessment of HUD'S "Moving to Work" Demonstration</u>, a publication of the Urban Institute states that allowing local variation poses risks as well as provides potential benefits. Some agencies... made mistakes that reduced the resources available for them to address low-income housing needs, and some implemented changes that disadvantaged particular groups of needy households previously served under federal program rules.

The Urban Institute also cautions that allowing significant variation across agencies inevitably results in some loss of program uniformity across communities and could also reduce the portability of Section 8 housing choice vouchers — as will be the case in Baltimore City. Whether a good idea or bad, the City's participation in the Moving to Work pilot program needs to be more transparent to those who will benefit or lose most under its administration.

Now, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Baltimore City Housing Commissioner is requested to address the City Council on the proposed changes to Baltimore City's public housing program as permitted by participation in Moving to Work, a federal pilot program that grants local officials more control over the allocation of expenditures previously earmarked for Section 8 vouchers and other specific public housing programs.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor, the Baltimore City Housing Commissioner, the organizations listed in the Planning Department Directory of Community Associations, and the Mayor's Legislative Liaison to the City Council.