

December 20, 2021

Baltimore City Council
Committee of the Whole
100 N. Holliday St. Suite 400
Baltimore, MD 21202

Re: Senior Homeowners Grant Program
Council Bill 21-0174

Dear Council Members,

We at Partners for Dignity & Rights have worked with the Baltimore Housing and Fair Development Roundtables on successful community-driven development initiatives such as the Affordable Housing Trust Fund, Community Land Trusts, and Housing Trust funding.

We support Council Bill 21-0174, but prefer that the Senior Homeownership Grant program be a component of a new *Baltimore City Housing Preservation Fund*. This fund would complement the City's Affordable Housing Trust Fund (AHTF), which provides capital for affordable housing production, much like the District of Columbia's Housing Preservation fund complements its separate Housing Production Trust Fund.

Developing a separate fund for housing preservation would enable it to take advantage of federal and other resources to underwrite and support new programs like this Grant Repairs program and the Home Repairs Grant proposed in City Council 21-0173. It could also support current programs, such as the City's Deferred Loan program, Emergency Roof Repair program, the Owner-Occupied Improvement Deferred loan, Housing Upgrades to Benefit Seniors (HUBS), and the Tenant's Right of First Refusal (Art. 13, §6-1 et. seq.). This would allow Baltimore's AHTF to focus the *creation* of low-income affordable housing in the City, and the strategies most effective for that mission.

Like D.C.'s Housing Preservation Fund, the Baltimore fund could be a private-public preservation fund, able to receive federal, state, and local appropriations, as well as private and philanthropic investments. The District's fund began with a \$10 million D.C. commitment. The fund now has three managers and private partners: (1) Capital Impact Partners, a Certified Community Development Financial Institution (CDFI) based in Arlington, Virginia, that has provided more than \$28.2 million in financing; (2) LISC-DC, another CDFI which has provided \$35.3 million in financing, and (3) Low-Income Investment Fund (LIIF), a national CDFI, dedicated to creating pathways of opportunity for low income people and communities in the District.

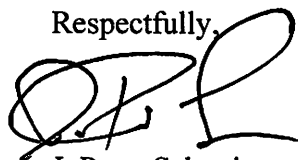
**PARTNERS FOR
DIGNITY & RIGHTS**

FORMERLY **NESRI**

A City housing preservation fund would, in accord with this legislation, revitalize and stabilize neighborhoods by providing home repair grants, as well as grants to seniors who are vulnerable to the loss of their home from reverse mortgages, inability to pay property taxes, insurance, or other maintenance that makes them vulnerable to speculators.

I provide attached a rough draft of such a fund and look forward to working with Council members to make it reality.

Respectfully,



J. Peter Sabonis
Director of Human Rights Development
Partners for Dignity & Rights

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1 A BILL ENTITLED

2
3 AN ORDINANCE concerning

4
5 **Baltimore City Affordable Housing Preservation Fund**

6
7 FOR the purpose of establishing a non-lapsing fund; specifying the purpose of the fund;
8 specifying the assistance provided the fund; specifying the source of revenue of the fund;
9 defining certain terms, and generally related to the Baltimore City Affordable Housing
10 Preservation Fund.

11
12 By adding

13 Article 13- Housing and Urban Renewal
14 Sections

15
16
17 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF**
18 **BALTIMORE,** That the laws of Baltimore City read as follows:

19
20 **Baltimore City Code**

21
22 **Article 13. Housing and Urban Renewal**

23
24 **SUBTITLE 6-E. AFFORDABLE HOUSING PRESERVATION FUND**

25
26 **§6E-1 Affordable Housing Preservation Fund Established**

- 27
28 (A) There is a continuing, nonlapsing fund to be used to preserve affordable housing and
29 homeownership in Baltimore by providing equity and/or debt to finance housing
30 preservation activities, including, but not limited to
- 31 a. Emergency repairs for health, safety, building, fire, or property code remediation;
 - 32 b. Accessibility accommodations for a person with a disability, as defined by 42 USC
33 §2102;
 - 34 c. General repairs for the purpose of energy efficiency, environmental sustainability or
35 regeneration, or for general appearance;
 - 36 d. acquisition bridge loans;
 - 37 e. redevelopment expenses;
 - 38 f. environmental remediation;
 - 39 g. assistance to abide by reverse mortgage requirements or to avoid default under such
40 mortgages;
 - 41 h. tenant purchase of existing resident under city right of first refusal; and
 - 42 i. other activities necessary to preserve the affordability of housing units.
- 43

44 **§6E-2 Fund Revenue**

- 45 (A) The fund established under this section may comprise of
46 (1) Money appropriated to the fund in the annual Ordinance of Estimates

- 1 (2) Grants or donations made to the fund;
- 2 (3) Mandatory or voluntary payments made pursuant to policies established by ordinance;
- 3 (4) Other sources established by ordinance.

4

5 **§6E-3 Continuing Nature**

- 6 (A) Notwithstanding any other provision of law, unspent portions of the fund established under this
- 7 section, repayments of principal and interest on loans provide from the Fund, and interest earned
- 8 from the deposit or investment of monies from the fund .
- 9 (1) shall remain in the fund, to be used exclusively for the purposes set forth in
 - 10 Section 6E-1 of this article;
 - 11 (2) do not revert to the general revenues of the City; and
 - 12 (3) any appropriations do not lapse.
- 13

14 **§6E-4 Fund Administration**

- 15 (A) The Fund shall be administered by the Baltimore City Department of Housing or by Community
- 16 Development Finance Institutions (CDFI) as defined by 12 U.S. §4702, and overseen by a
- 17 Commission of nine members, who shall be appointed, must be confirmed, and shall serve,
- 18 pursuant to Article IV, Section 6.
- 19

- 20 (B) Unless amended by the Mayor and City Council, the Commission shall include:

- 21 (1) The director of the Baltimore City Department of Planning or their designee.
 - 22 (2) The director of the Baltimore City Health Department's Division of Aging or
 - 23 their designee.
 - 24 (3) The Comptroller of Baltimore City or their designee;
 - 25 (4) A representative of a CDFI;
 - 26 (5) A representative of non-profit community development entity;
 - 27 (6) A representative of the disability rights community;
 - 28 (7) Three homeowners who have received grant or loan assistance with home
 - 29 improvement or housing preservation through a government program.
- 30

- 31 (C) The Commission shall

- 32 (1) advise and direct the administrator of the fund
 - 33 (2) submit an annual report to the Mayor and City Council on the activities and usage
 - 34 of the Preservation funds;
 - 35 (3) recommend changes to the fund to further racial, gender, class or gender equity;
 - 36 (4) ensure an audit of the fund every four years by a certified public accounting firm.
 - 37 (5) exercise any additional duty related to the fund as directed by the Mayor and City
 - 38 Council
- 39

- 40 (D) For or any property benefited by an expenditure of funds pursuant to this subsection, a covenant
- 41 may be recorded with respect to affordability, the terms and conditions of which shall be
- 42 determined by the Department of Housing & Community Development, subject to review and
- 43 amendment by the Mayor and the City Council.