



Council Bill 22-0195 – Inclusionary Housing for Baltimore City

Committee of the Whole Hearing, November 17, 2022

Position: Support with Sponsor Amendments

Baltimore Renters United (BRU) requests that the City Council pass CB 22-1095, Inclusionary Housing for Baltimore City, with amendments offered by Council Member Ramos.

Baltimore Renters United is a coalition of non-profit organizations, legal service providers, tenants' associations and community-based organizations who collaborate to create a Baltimore with safe, sustainably affordable housing in communities that accurately reflect their members.

Inclusionary Housing is an essential tool to building more affordable, equitable and 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.

BRU takes seriously the sworn obligation of elected officials to serve the best interest of their constituents. These responsibilities include supporting, sponsoring and implementing legislation which promotes an equitable environment conducive to the success of individuals, families and communities. A necessary component is having the capacity to secure and maintain ones basic needs. Establishing, implementing and overseeing a robust Inclusionary Housing law has been proven a significant factor in the equation that builds a municipality's affordable housing stock. With Baltimore's renters being both rent burdened and option impoverished, the solution to our housing crisis must incorporate a multi-factor approach. An IH law can greatly contribute to resolving this public health issue.

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. A robust board is needed to maintain transparency and accountability.
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 FY 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 FY 2014 through FY 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?

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., & Mont. County.

Inclusionary housing provides ALL Baltimore residents the opportunity to participate in Baltimore's redevelopment as the integrated, equitable City that we deserve.

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

Tisha Guthrie, Steering Committee member, Baltimore Renters United
zigtgut@gmail.com
410-948-8898