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## **Baltimore City Council Bill 21-0004**

## Office to End Homelessness – Establishment, Administration and Permanent Voucher Program

Hearing before the Economic and Community Dev. Committee, Feb. 23, 2021

**Position: SUPPORT** 

The Public Justice Center strongly supports Council Bill 21-0004. The creation of a Local Voucher Program to assist persons who are homeless is a proven mechanism for immediately addressing the root cause of homelessness – the lack of affordable housing for extremely low-income families. The 2019 Point-In-Time Count found approximately 2,300 people who are homeless in Baltimore City. This is a significant undercount because it does not include those individuals doubled up with friends and family.

Providing at least 100 vouchers to persons who no longer need permanent supportive housing will allow that same number of permanent supportive housing vouchers to be redeployed to those 2,300 persons in desperate need of housing. Nothing could have greater moral urgency than establishing this program in the midst of a global pandemic in which over 600 households have been evicted and hundreds of homeless persons are consigned to shelters and hotels. The City must immediately prioritize the creation of permanent, affordable housing opportunities for persons who are homeless. Council Bill 21-0004 will do so more quickly than any other plan or potential program.

The underlying lack of affordable housing options is well documented in Baltimore City. Even before COVID-19, 57 percent of renter households in the City were housing cost burdened, paying more than 30 percent of their income on housing. Approximately 33 percent of all renters in Baltimore spent 50 percent of their income on housing, making these households severely housing cost burdened. Housing vouchers, as proposed in this bill,

<sup>&</sup>lt;sup>1</sup> Garboden, Philip M.E. "The Double Crisis: A Statistical Report on Rental Housing Costs and Affordability in Baltimore City, 2000-2013." The Abell Foundation. May 2016.

narrow that gap so that individuals pay no more than 30% of their income toward housing, thereby creating sustainable housing that benefits families and neighborhoods.

Creating an Office to End Homelessness will place new focus and a level of Council oversight on this important goal – not to provide "services" to homeless people but to end homelessness.

The Local Voucher Program also meets a critical need in the Affordable Housing Trust Fund's priorities as the only allocation specifically designated to meet the needs of persons who are homeless. DHCD has proposed – with input from the Trust Fund Commission – approximately \$1.3 million for a "rent supplement" program. The intent of that allocation is to fund a local voucher program, and members of the Commission, including myself, have expressed our strong desire that the voucher program be targeted to assist persons who are homeless and have legislative guardrails to ensure that participants are treated fairly and provided constitutionally required due process. The proposed legislation meets these objectives. A number of Trust Fund Commission members have expressed support for the legislation.

Revenue dedicated annually to the Affordable Housing Trust Fund has sufficient stability for the proposed \$1.3 million allocation to the Local Voucher Program. The Trust Fund received revenue from the dedicated real estate surtax in the amount of \$7.1 million in FY 2020 (\$9.1 million total in revenue for FY 2020 including General Obligation bond contributions) and is on course to realize a similar amount for FY 2021 – both in the middle of a global pandemic that has ground much real estate development to a halt. When the legislation creating the real estate surtax passed this Council, the Finance Dept. estimated that is would yield \$13 million annually. While we strongly urge the Council to consider expanding the sources of dedicated revenue for the Trust Fund, there is no plausible course of events in which the surtax does not generate sufficient revenue to cover the \$1.3 million annual allocation proposed

Thank you for the opportunity to testify.

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