Robin Carter Chairperson, Board of Commissioners Janet Abrahams President | Chief Executive Officer



March 5, 2024

TO: Members of the Environment & Transportation Committee

FROM: Janet Abrahams, HABC President & CEO

RE: House Bill 1295 - Real Property - Residential Rental Apartments - Air-Conditioning

Requirements

POSITION: Letter Of Information

Members of the Environment and Transportation Committee, please be advised that the Housing Authority of Baltimore City wishes to submit Information on HB - 1295 - Real Property - Residential Rental Apartments - Air-Conditioning Requirements. HB 1295 requires a landlord to provide air-conditioning in apartment buildings from June 1 to September 30 except for properties listed on the National Register of Historic Places beginning June 1, 2024, for newly constructed residential rental units and starting October 1, 2024, for residential rental units that undergo a renovation that includes the replacement of electrical systems or heating systems.

The Housing Authority of Baltimore City (HABC) is the country's 5th largest public housing authority and Baltimore City's largest provider of affordable housing opportunities. HABC serves nearly 44,000 of Baltimore City's low-income individuals through its Public Housing and Housing Choice Voucher programs. HABC's public housing inventory currently consists of approximately 6,000 units located at various developments and scattered sites throughout the city. HABC is federally funded by the U.S. Department of Housing and Urban Development (HUD) and is subject to federal regulation that pertain to the operation of its housing programs.

HABC's Capital Funding is appropriated annually by Congress and is subject to change, and is sometimes reduced significantly, each year. Our public housing sites have an average age of 80 years and immediate capital needs estimated at approximately \$120 million. In addition, the aging infrastructure at some of our sites would need a complete overhaul to support the installation of air conditioning. In general, non-emergency electrical and heating system replacements are identified in advance and built into HABC's annual Capital budget.

For example, HABC has contracted with BGE for the design, planning, and cost of replacing the electrical system at one of our public housing sites, Cherry Hill, which consists of 1300 units. This replacement will be done separately from any redevelopment that may also be planned for Cherry Hill. Heating overhauls and upgrades are not tied to the installation of air conditioning systems, thus, the two would not necessarily happen at the same time. The heating system at Cherry Hill is fed by a heating water loop around the development, and there is no connection between the loop and the electrical system within the units. Therefore, having a requirement to install air conditioning for units in which

electrical or heating systems are replaced would add a substantial cost.

Further, HUD has specific requirements about how public housing units are to be maintained, and all public housing authorities must comply with these requirements. HUD regulations do not require that HABC provide or install air conditioning units for residents. HUD requires a "reasonable accommodation" for air conditioning usage if the resident demonstrates a need. This accommodation would be reflected in the utility allowance provided to the resident and would be above and beyond what a resident receives for a baseline utility allowance.

HABC's public housing residents can purchase and install window air conditioner units within their dwelling units when central air conditioning is not provided. The window where the air conditioner is to be installed must not be used for an emergency exit. If an air conditioning unit is installed in a residence with only one emergency exit, it would be considered a blocked egress, violating HUD regulations. This would result in a finding on our yearly HUD inspections, potentially impacting our funding and our ability to provide housing.

We respectfully request an exemption for public housing authorities on House Bill 1295.

Respectfully submitted:
Janet Abrahams, HABC President & CEO