

SB 367 Testimony EHEA.pdf

Uploaded by: McCray, Cory

Position: FAV

CORY V. McCRAY
Legislative District 45
Baltimore City



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Budget and Taxation Committee
Capital Budget Subcommittee
Health and Human Services Subcommittee

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes on Senate Bill 367

Bill Title: Housing and Community Development - Neighborhood Revitalization Programs - Application Requirements

Hearing Date: February 9, 2021 – Education, Health, and Environmental Affairs

Chair: The Honorable Paul Pinsky; Vice Chair: The Honorable Cheryl Kagan

I write to you in **support** of Senate Bill 367. Neighborhood Revitalization Programs strengthens our communities by promoting business retention and attraction, and encouraging homeownership and neighborhood revitalization.

The purpose of Senate Bill 367 is to require an application to a Neighborhood Revitalization Program within the Maryland Department of Housing and Community Development to include a letter of support from the legislative district. This includes the Community Legacy Program, Neighborhood Business Development Program, and the Baltimore Regional Neighborhood Initiative Program.

If enacted, Senate Bill 367 would take effect on July 1, 2021, and would not apply to applications submitted prior to the effective date.

In efforts to involve the community in the application process and provide legislators insight into proposals concerning their districts, we hope that you will move for a **favorable** report of Senate Bill 367.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Cory V. McCray".

Cory V. McCray
State Senator

SB 367_UNF_MML.pdf

Uploaded by: Fiore, Justin

Position: UNF



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 9, 2021

Committee: Senate Education, Health, and Environmental Affairs Committee

Bill: SB 367 – Housing and Community Development – Neighborhood Revitalization Programs – Application Requirements

Position: Oppose

Reason for Position:

The Maryland Municipal League oppose SB 367, which would require State legislative delegation approval on applications to DHCD for the Community Legacy, Neighborhood Business Works, and the Baltimore Regional Neighborhood Initiative programs.

MML is concerned that this requirement could slow or stall local projects that are much needed. Cities and towns use the Community Legacy programs quite extensively each year for projects such as streetscape and walkway improvements, repairs to historic sites, museum restorations, and Façade improvements. Seventy-nine projects in 22 jurisdictions were supported by this program alone in 2019 (for a total of \$8 million).

All applications to these programs are already evaluated based on need, community conditions, project/program scope, proposed timeline, budget, and organizational capacity. We do not believe that adding a legislative veto adds to the evaluation process. Instead, we fear this could open the door for political retribution in jurisdictions where local governments and their delegations do not see eye-to-eye.

For these reasons, the Maryland Municipal League oppose SB 367 and respectfully requests and unfavorable report.

FOR MORE INFORMATION CONTACT:

| | |
|------------------|--------------------------------------|
| Scott A. Hancock | Executive Director |
| Angelica Bailey | Director, Government Relations |
| Bill Jorch | Director, Research & Policy Analysis |
| Justin Fiore | Manager, Government Relations |

1212 West Street, Annapolis, Maryland 21401

410-268-5514 | 800-492-7121 | FAX: 410-268-7004 | www.mdmunicipal.org

sb367_unfavorable_MHP.pdf

Uploaded by: Gillis, Chris

Position: UNF

Testimony to the Senate Education, Health and Environmental Committee
SB367 – Housing and Community Development - Neighborhood Revitalization Programs - Application Requirements
February 5, 2021
Position: UNFAVORABLE

Dear Chairman Pinsky & Members of the Education, Health and Environmental Committee:

On behalf of MHP, I urge the committee to oppose Senate Bill 367 - Housing and Community Development - Neighborhood Revitalization Programs - Application Requirements, which would require an application for DHCD Neighborhood Revitalization programs to include a letter of support from the legislative district in which a proposed project is based.

By way of background, MHP is a non-profit housing provider with apartment communities located throughout Montgomery and Prince George's Counties. Our mission includes preserving and expanding quality affordable housing as well as community development work which is aimed improving conditions in neighborhoods that have suffered from disinvestment and neglect.

MHP regularly applies for funding through DHCD programs such as Community Legacy and the National Capital Strategic Economic Development Fund to support affordable housing and community development projects in Montgomery and Prince George's County. Most recently, we sought funding through Community Legacy to support the rehab of an apartment building in Takoma Park and the restoration of a historic building in the Long Branch neighborhood of Silver Spring.

As a matter of course, we always seek community input and support for our projects, whether it be from local residents, neighborhood associations, or elected officials. However, explicitly requiring projects to obtain a letter of support from their legislative district will introduce one more way for opponents of housing to stop much needed affordable housing projects from being built. History has shown us that this requirement will used a way to discriminate against low-income people and people of color.

On its face, the requirement may seem innocuous, but in practice the requirement will likely block many worthwhile projects from moving forward. Local letters of support have had a long history of being used to block affordable housing and tools for local jurisdictions or individual elected officials to have veto power over a project. The Maryland Legislature has taken this requirement off from most DHCD programs and now, in the time of a pandemic and when there is great need for affordable housing and community development projects to proceed, is not the time to reinstate such a requirement.

Local planning, zoning, and building permit processes provide the appropriate means for local residents and local jurisdictions to have input on these projects. Let's not add additional unnecessary barriers to these important projects.

For all the above reasons, we respectfully request an UNFAVORABLE report.

Submitted by Robert Goldman, President of MHP

MBIA Testimony SB 367.pdf

Uploaded by: Graf, Lori

Position: UNF

February 9, 2020

The Honorable Paul G. Pinsky
Senate Education, Health & Environmental Affairs Committee
Miller Senate Office Building,
2 West Wing 11 Bladen St.,
Annapolis, MD, 21401

RE: Opposition to SB 367 (Housing and Community Development – Neighborhood Revitalization Programs – Application Requirements)

Dear Chairman Pinsky:

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in the discussion surrounding SB 367 Housing and Community Development – Neighborhood Revitalization Programs – Application Requirements. MBIA **Opposes** the Act in its current version.

This purpose would require an application for the neighborhood revitalization programs to include a letter of support from the legislative district in which a certain project or plan is proposed. MBIA respectfully opposes this measure. Requiring a letter of support would be an additional expense in an already difficult approval process. Furthermore, this requirement would take projects out of the hands of the entities charged with objectively evaluating their value and place more emphasis on the changeable political landscape while adding no additional fiscal, geographic, population density, or engineering data.

For these reasons, MBIA respectfully requests the Committee give this measure an unfavorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the Senate Education, Health & Environmental Affairs Committee

Testimony--SB367--UNFAVORABLE.pdf

Uploaded by: Proestel, Stephanie

Position: UNF



Housing Initiative Partnership, Inc.
6525 Belcrest Road, Suite 555
Hyattsville, MD 20782
mdillon@hiphomes.org
301-952-1252

Testimony SB 367
Education, Health and Environmental Committee
February 5, 2021
Position: UNFAVORABLE

Dear Chairman Pinsky & Members of the Education, Health and Environmental Committee:

Housing Initiative Partnership (HIP) is an innovative, green nonprofit housing developer and HUD-certified housing counseling agency based in Prince George's County, Maryland dedicated to revitalizing neighborhoods and removing blight. With over 30 years' experience, HIP creates housing and economic security for persons of low- and moderate-income and provides services that improve the quality of life in the communities we serve. HIP has developed over 460 affordable units of rental housing as well as over 95 single-homes sold to homebuyers earning 80% or less of AMI. HIP is a HUD-approved counseling agency providing a wide range of housing counseling services from placing homeless families in permanent housing to rental counseling to homebuyer education to foreclosure counseling to financial capability counseling.

SB 367 requires a letter of support from the legislative district in which an application is submitted for the Community Legacy Program, the Neighborhood Business Development Program, the Baltimore Regional Neighborhood Initiative Program (BRNI), and the National Capital Economic Strategic Fund within the Department of Housing and Community Development to include a letter of support from the legislative district in which a certain project or plan is proposed; and applying the Act prospectively.

Since 2013, HIP worked with a Coalition of partners to remove application requirements that would bring approval of specific DHCD funded projects into the political process. We are deeply concerned that this bill would endanger our efforts to provide affordable housing opportunities. We believe the Department of Housing and Community Development should equitably review all applications based on DHCD's established priorities and criteria. Currently, DHCD has a notification process for the local jurisdictions for any applications submitted. We suggest that DHCD create a similar notification process for the legislative districts.

We respectfully request an UNFAVORABLE report.

Submitted by,

Maryann Dillon
Executive Director

MAHC testimony_SB367_Letter of support for NR.pdf

Uploaded by: Willems, Miranda

Position: UNF



**Testimony to the Environment Health and Education Committee
SB 367 – Housing and Community Development – Neighborhood
Revitalization programs – Application Requirements
Position: OPPOSE**

MAHC Opposes SB 367

The Maryland Affordable Housing Coalition (MAHC) is a strong advocate for affordable rental housing programs in Maryland and works closely with the Maryland Department of Housing and Community Development (DHCD) to create affordable housing across the state. Several years ago, we worked with our industry partners and the Legislature to remove similar letter of support requirements from DHCD programs and to make the application requirements uniform across all DHCD programs. Housing and community development project applications should be reviewed based on criteria established by DHCD to further their goals and ensure an equitable and fair review process and should not include any political approval process. SB 367 would re-instate these requirements for certain programs by requiring a letter of support from the legislative district where the project is located. We would suggest that DHCD simply notify the legislative district when applications are received, similar to the notification process already in place for local jurisdictions.

MAHC is the leading organization for the affordable rental housing industry in Maryland and has over 185 member organizations, including non-profit and for-profit developers, community action groups, state and local housing authorities, property management companies, financial institutions, community development organizations, contractors, investors, consultants and individuals.

Respectfully submitted on February 5, 2021 by Miranda Darden-Willems, on behalf of the MAHC Board of Directors.

MAHC Board of Directors

Jessica Zuniga, Foundation Development Group, President
Maryann Dillon, Housing Initiative Partnership, Vice President
Catherine Stokes, Homes for America, Secretary
Nicole Doye Battle, GEDCO, Treasurer
Tom Ayd, Green Street Housing
Miles Cary, Bank of America Merrill Lynch
Ivy Dench-Carter, Pennrose Properties
Mike Cumming, CohnReznick, CFO
Kathy Ebner, Past President
Peter Engel, Howard County Housing Commission
Chickie Grayson, President Emeritus
Christine Madigan, Enterprise Community Development
Clif Martin, Housing Commission of Anne Arundel County
Dan McCarthy, Episcopal Housing
Willy Moore, Southway Builders
Ninette Patrick, Habitat America
Myles Perkins, AGM Financial
Mike Pitchford, Past President
David Raderman, Gallagher, Evelius & Jones, Of Counsel

CDN SB367 UNFAVORABLE.pdf

Uploaded by: Wilson Randall, Claudia

Position: UNF



Testimony SB 367
Education, Health and Environmental Committee
February 5, 2021
Position: UNFAVORABLE

Dear Chairman Pinsky & Members of the Education, Health and Environmental Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

SB 367 requires an application for the Community Legacy Program, the Neighborhood Business Development Program, and the Baltimore Regional Neighborhood Initiative Program (BRNI) within the Department of Housing and Community Development to include a letter of support from the legislative district in which a certain project or plan is proposed; and applying the Act prospectively. We believe there are unintended negative consequences to this bill.

For both for-profit and non-profit partners in community development, best practice includes getting the input of community stakeholders for every project they may take on. This may include meetings with schools, civic associations and other appropriate partners in the community. Our partners appreciate the need for local jurisdictions and project sponsors to engage with the community in planning community revitalization projects. We support the significant effort that goes into developing Sustainable Community plans, local Consolidated Plans and local land use plans.

Since 2013, CDN and our partners have worked hard to remove application requirements that would bring approval of specific DHCD funded projects into the political process. We are deeply concerned that this bill would endanger our members' efforts to provide affordable housing opportunities in urban, suburban and rural jurisdictions.

Further, we suspect that this legislation will open our state to Fair Housing challenges. While we understand the requirement for community input, Fair Housing laws prevent communities from requiring permission or notification of elected officials.

We respectfully request an UNFAVORABLE report.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network of Maryland

CDN SB367 UNFAVORABLE.pdf

Uploaded by: Wilson Randall, Claudia

Position: UNF



Testimony SB 367
Education, Health and Environmental Committee
February 5, 2021
Position: UNFAVORABLE

Dear Chairman Pinsky & Members of the Education, Health and Environmental Committee:

The Community Development Network of Maryland (CDN) is the voice for Maryland's community development sector and serves nearly 200 member organizations. CDN—focuses on small affordable housing developers, housing counseling agencies and community-based non-profits across the state of Maryland. The mission of CDN is to promote, strengthen and advocate for the community development sector throughout Maryland's urban, suburban and rural communities. CDN envisions a state in which all communities are thriving and where people of all incomes have abundant opportunities for themselves and their families.

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For both for-profit and non-profit partners in community development, best practice includes getting the input of community stakeholders for every project they may take on. This may include meetings with schools, civic associations and other appropriate partners in the community. Our partners appreciate the need for local jurisdictions and project sponsors to engage with the community in planning community revitalization projects. We support the significant effort that goes into developing Sustainable Community plans, local Consolidated Plans and local land use plans.

Since 2013, CDN and our partners have worked hard to remove application requirements that would bring approval of specific DHCD funded projects into the political process. We are deeply concerned that this bill would endanger our members' efforts to provide affordable housing opportunities in urban, suburban and rural jurisdictions.

Further, we suspect that this legislation will open our state to Fair Housing challenges. While we understand the requirement for community input, Fair Housing laws prevent communities from requiring permission or notification of elected officials.

We respectfully request an UNFAVORABLE report.

Submitted by Claudia Wilson Randall, Executive Director, Community Development Network of Maryland

CH Testimony_SB 367 UNFAVORABLE.pdf

Uploaded by: Wilson Randall, Claudia

Position: UNF



Testimony SB 367
Education, Health and Environmental Committee
February 5, 2021
Position: UNFAVORABLE

Dear Chairman Pinsky & Members of the Education, Health and Environmental Committee:

Coalition Homes (CH) owns, develops and manages permanent supportive housing for families struggling with homelessness across Montgomery County. CH is an affiliate to the Montgomery County Coalition for the Homeless (MCCH) and is fully focused on serving the needs of families with no or very low incomes and therefore vulnerable to losing stable and affordable housing.

CH understands that SB 367 would require an application for the Community Legacy Program, the Neighborhood Business Development Program, and the Baltimore Regional Neighborhood Initiative Program (BRNI) within the Department of Housing and Community Development to include a letter of support from the legislative district in which a certain project or plan is proposed; and applying the Act prospectively.

CH understands the community impact of redevelopment projects it undertakes; we believe in community partnerships. Our partners appreciate the need for local jurisdictions to finance and engage with the community in planning community revitalization projects. We support the significant effort that goes into developing Sustainable Community plans, local Consolidated Plans and local land use and master plans.

We agree with CDN and our other member partners who have worked hard to remove application requirements that would bring approval of specific DHCD funded projects into the political process. We fear that this bill would endanger our efforts to provide affordable housing opportunities in communities across the County that most need them.

We also agree that this legislation may open our state to Fair Housing challenges. While we understand the requirement for community input, Fair Housing laws prevent communities from requiring permission or notification of elected officials.

We respectfully request an UNFAVORABLE report.

Submitted by Jeffrey Mosley, Director, Coalition Homes and Chief Real Estate Officer, Montgomery County Coalition for the Homeless

DH SB 367 UNFAVORABLE .docx.pdf

Uploaded by: Wilson Randall, Claudia

Position: UNF



DRUID HEIGHTS
Community Development Corporation

Druid Heights Community Development Corporation

2140 McCulloh Street Baltimore, Maryland 21217

**Testimony SB 367 –
Education, Health and Environmental Committee
February 5, 2021
Position: UNFAVORABLE**

Dear Chairman Pinsky & Members of the Education, Health and Environmental Committee::

Druid Heights Community Development Corporation (DHCDC) is a community-based, 501 (c)(3) non-profit community development corporation. DHCDC is located in zip code 21217 in Baltimore City, within Census Tract 1403 a designated Urban Renewal Area. Our mission is to cause, encourage and promote community self-empowerment, through the development of economic, educational, employment, and affordable housing opportunities.

The overall goal of the organization is to eliminate blight and accelerate the revitalization of the neighborhood by preserving (where feasible) and improving existing housing and developing new affordable housing that will attract and meet the needs of low to moderate-income families. To accomplish this goal, DHCDC has implemented a number of community development initiatives that have proven to strengthen the fabric of the community. Although its core competency is housing and community redevelopment, it is also very aware of the importance of human service programs that address the needs of children and families. All programs and activities benefit low to moderate-income residents of Druid Heights and surrounding communities.

SB 367 requires an application for the Community Legacy Program, the Neighborhood Business Development Program, and the Baltimore Regional Neighborhood Initiative Program (BRNI) within the Department of Housing and Community Development to include a letter of support from the legislative district in which a certain project or plan is proposed; and applying the Act prospectively.

For the past 40+ years, DHCDC has continued to work hard to advocate for affordable housing development projects for the community. We are deeply concerned that this bill would endanger our efforts in providing affordable housing opportunities for the greater Baltimore community. DHCDC has a deep understanding of the need for community input as our development plans continue to get support from our community residents, city officials, and state legislators.



Druid Heights Community Development Corporation

DRUID HEIGHTS

Community Development Corporation

2140 McCulloh Street Baltimore, Maryland 21217

DHCDC continues to face many challenges with funding for development projects that assist with creating affordable housing. One important factor for community development organizations is the lack of funding. With increased requirements such as a letter of support from the legislation, we feel that this will further delay our efforts in gaining adequate funding for the development projects that assist so many individuals in need of adequate housing. We appreciate the funding as with this continued funding, our organization will be able to continue to create homeownership opportunities that will assist in reducing blight, reducing crime, and help to create a healthier environment for the residents within Baltimore City.

We respectfully request an UNFAVORABLE report.

Respectfully Submitted: Ms. JohnDre Jennings, Director of Real Estate Development

SB 367 Written Testimony - Senate (2-9-2021).pdf

Uploaded by: Pickels, Hunter

Position: INFO

DATE: February 9, 2021

BILL NO.: Senate Bill 367

COMMITTEE: Senate Committee on Education, Health, and Environmental Affairs

TITLE: Housing and Community Development - Neighborhood Revitalization Programs - Application Requirements

SPONSORS: Sen. McCray

Letter of Information

Description of Bill:

Senate Bill 367 would amend the Housing and Community Development statute to require applications for funding to include a letter of support from the legislative district in which the project is located for (1) Community Legacy, (2) Neighborhood BusinessWorks, and (3) the Baltimore Regional Neighborhood Initiative.

Background:

Current notice and comment requirements for the affected programs are in accordance with U.S. Department of Housing and Urban Development (HUD) rules and are supported by advocates who view the “approval” requirements as potentially discriminatory, by effectively allowing a third party to subvert necessary housing and community development projects.

HUD’s disparate impact rule provides that liability may be established under the Fair Housing Act when a challenged practice actually or predictably results in a disparate impact on a protected class of persons, even if the practice was not motivated by a discriminatory intent. Per *Texas Department of Housing and Community Affairs v. Inclusive Communities Project, Inc.*, this allowance “permits plaintiffs to counteract unconscious prejudices and disguised animus that escape easy classification as disparate treatment.”

It has been interpreted that “approval,” such as requiring letters of support or local resolutions, may result in disparate impacts to protected populations, whether through unconscious bias or malintent, and should be avoided. We believe the requirement for a letter of support may constitute a violation of this principle as declining to provide such a letter is effectively a veto of programmatic funding.

In addition to being a violation of the Fair Housing Act, we believe that this may be a violation of prohibitions on legislative veto and the anti-aggrandizement principle, as the character of this action is not legislative in nature, but is adjudicative. See *INS v. Chadha* and *American Fed’n of Gov’t Employees v. Pierce*. This bill would effectively allow an individual legislator or group of legislators, by right of their position in the legislative branch, to be able to individually or collectively subvert executive actions

otherwise permissible under program statutes and to determine the “final disposition of the rights of persons outside the legislative branch.”