

MAP - SB 764- JCEH Housing Workgroup - Support.pdf

Uploaded by: Jefferson , Stacey

Position: FAV



Member Agencies:

Advocates for Children and Youth
Baltimore Jewish Council
Behavioral Health System Baltimore
CASH Campaign of Maryland
Catholic Charities
Episcopal Diocese of Maryland
Family League of Baltimore
Fuel Fund of Maryland
Health Care for the Homeless
Homeless Persons
Representation Project
Job Opportunities Task Force
League of Women Voters of Maryland
Loyola University Maryland
Maryland Catholic Conference
Maryland Center on Economic Policy
Maryland Community Action
Partnership
Maryland Family Network
Maryland Hunger Solutions
Paul's Place
Public Justice Center
St. Vincent de Paul of Baltimore
Welfare Advocates

Marylanders Against Poverty

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TESTIMONY IN SUPPORT OF SB 764

Workgroup on Adaptive Reuse of Vacant Commercial Spaces

Senate Education, Health, and Environmental Affairs Committee

February 23, 2021

Submitted by Stacey Jefferson and Julia Gross, Co-Chairs

Marylanders Against Poverty (MAP) supports SB 764, which establishes the Workgroup on Adaptive Reuse of Vacant Commercial Spaces that will study the potential for converting vacant commercial spaces into residential spaces in order to increase affordable housing options.

There is critical lack of affordable housing options for low-income individuals and families in Maryland. Maryland is the 8th most unaffordable state for housing. In order to afford the Fair Market Rent (FMR) for a two-bedroom unit in Maryland, a person would have to work over 100 hours per week without paying more than 30% of income on housing-related expenses.¹ Unfortunately, the challenges of residing in a state with high living costs are borne disproportionately by the poor.

MAP strongly encourages investment in efforts to create affordable housing for low-income households, like SB 764. In 2004, DHCD's Office of Research compiled data for Governor Ehrlich's Commission on Housing Policy to highlight the shortage of affordable housing by county.² Overall, DHCD projected a need for 120,486 additional units of affordable housing by 2014. Over a decade later, the State has made inadequate progress towards meeting the needs outlined in the report, as the Department of Legislative Services recently noted federal data showing "there is a shortage of approximately 190,700 affordable rental housing units [in Maryland] for families earning less than 50% of the area median income."³ Given the large and ever growing need for affordable housing in Maryland, coupled with the dire economic ramifications of the COVID-19 pandemic, creating a workgroup to study how to utilize newly vacant commercial spaces to create additional affordable housing units to meet the needs of our community members is a worthy endeavour.

Safe, quality, and affordable housing is the foundation of healthy communities, families, and individuals. **MAP appreciates your consideration, and strongly urges a favorable report on SB 764.**

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

¹ National Low Income Housing Coalition (2020). *Out of Reach*. <https://reports.nlihc.org/oor>

² Governor's Commission on Housing Policy. (2004.) *Innovative Housing and Community Revitalization in Maryland: Solutions for a Positive Change*. www.msa.md.gov/megafile/msa/speccol/sc5300/sc5339/000113/001000/001578/unrestricted/20054454e.pdf

³ Maryland Department of Legislative Services. (2015). *Overview of Homelessness and Homeless Services in Maryland*. http://dls.state.md.us/data/polanasubare/polanasubare_heandhumser/overview-of-homelessness-and-homeless-services-in-maryland.pdf

SB 764 - TF Commercial Vacant Property.pdf

Uploaded by: Jorch, Bill

Position: FAV



Maryland Municipal League

The Association of Maryland's Cities and Towns

TESTIMONY

February 23, 2021

Committee: Senate Education, Health, and Environmental Affairs

Bill: SB 764 - Workgroup on Adaptive Reuse of Vacant Commercial Spaces

Position: Support

Reason for Position:

The Maryland Municipal League (MML) supports SB 764 and its mission to address vacant commercial properties through a stakeholder workgroup.

Vacant properties generally, and vacant commercial buildings specifically, are a significant problem in municipalities. Many of these properties fall into vacancy as a result of foreclosure. Not only do these vacant properties put a strain on municipal revenue but they also represent untapped potential in their reuse. As a proposed member of this workgroup, the municipal representative would be able to provide a unique perspective as to how the reuse of vacant commercial spaces to increase housing opportunities would benefit the community and fit into the housing element of municipal comprehensive master plans.

MML has been involved in many discussions, both formal and informal, that focus on addressing the problem of vacant properties and look forward to continuing this conversation. For these reasons, the Maryland Municipal League supports SB 764 and respectfully requests a favorable committee 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

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

WA - SB 764 - JCEH Housing Workgroup - FAV.pdf

Uploaded by: Klingenmaier, Lisa

Position: FAV



Welfare Advocates

Founded 1979

228 W. Lexington Street — Suite 220 • Baltimore, Maryland 21201-3432

Phone: 667-600-3346 • Fax: 410.889.0203

TESTIMONY IN SUPPORT OF SB 764

Workgroup on Adaptive Reuse of Vacant Commercial Spaces

Senate Education, Health, and Environmental Affairs Committee

February 23, 2021

Welfare Advocates is a statewide coalition of social service organizations, advocacy groups, faith communities, and community members, whose mission it is to educate ourselves, and the wider community and to advocate for an adequate safety net and public policies that support families moving towards economic stability.

Welfare Advocates supports SB 764, which establishes the Workgroup on Adaptive Reuse of Vacant Commercial Spaces that will study the potential for converting vacant commercial spaces into residential spaces in order to increase affordable housing options.

Affordable housing remains one of the most critical – and difficult to secure – needs for low-income Marylanders. Homelessness and housing instability are public health crises, and dire need for additional affordable housing in Maryland has only been exacerbated by the pandemic. COVID-19 has laid to bare longstanding inequities in our systems, and more and more Marylanders are finding their housing options compromised. Lack of permanent and safe housing, in turn, places individuals at risk for other challenges such as finding employment, taking care of their families, and treating critical medical needs.

It is imperative for Maryland to examine all possible avenues for affordable housing, like SB 764. In Maryland, there is a shortage of approximately 132,506 affordable rental housing units for families earning less than 50% of the area median income (AMI), and as such 77% of families under 50% of AMI in Maryland are housing cost burdened.¹ Given the large and ever growing need for affordable housing in Maryland, coupled with the dire economic ramifications of the COVID-19 pandemic, creating a workgroup like SB 764 establishes is a worthy endeavour.

Creating affordable housing out of commercial properties is a sound investment. Homelessness and poverty are extraordinarily expensive to address, and studying how to utilize commercial properties as an avenue to increase affordable housing is a smart investment for the state. Jurisdictions who have undertaken adaptive reuse found it was a cost effective and environmentally friendly solution, both as it reduced the need for new building materials and it does not require an expensive and wasteful demolition. Moreover, moving individuals into safe and reliable housing ultimately saves the state resources that otherwise go to maintain shelters and state-funded safety net programs. We know our individuals and families thrive in economically secure households with stable housing, and thriving families means a thriving economy.

WA appreciates your consideration, and respectfully urges a favorable report on SB 764.

Submitted by Lisa Klingenmaier, Chair of Welfare Advocates

¹ National Low Income Housing Coalition. 2020. Maryland: The Gap. <https://reports.nlihc.org/gap/2018/md>

SB 764.pdf

Uploaded by: Castelli, William

Position: FWA



Senate Bill 764 – Workgroup on Adaptive Reuse of Vacant Commercial Spaces

Position: Support with Amendments

The Maryland REALTORS® supports SB 764 which seeks to create a workgroup examining the reuse of vacant and underutilized commercial properties as mixed-use and residential properties. We believe that a representative of an organization representing real estate agents and brokers should also be a member of the group. In addition, we believe the representative of a commercial developer should be a representative of an organization representing commercial developers.

In a 2020 study, Freddie Mac listed Maryland as the state with the 11th highest housing deficit in the country. The housing deficit cited in the study referred to both residential real estate for purchase and rental. This is reflected in Marylander's attitudes on housing in Maryland too. In a recent poll, a majority of state residents agreed that there is not enough affordable housing to meet current needs.

Other statistics point to challenges in housing supply too. Our average and median housing prices have increased nearly 30% in the last five years. Over 52% (the highest percentage in the last 100 years) of adult children are living with their parents. And the percentage of first-time homebuyers remains at thirty-year lows for the last 4 years.

This undersupply of housing underlies many of the lingering challenges in our housing market. The undersupply of rental real estate leads to higher rents, more competition between tenants finding rental units and more difficulty finding affordable units in neighborhoods where renters want to live. The undersupply leads to higher housing prices, greater competition between buyers (which is a component to increased prices), and ultimately delayed home purchases which sets homebuyers back in creating and growing household wealth.

The commercial real estate market is facing significant challenges due to COVID and other market changes that preceded COVID. Creating additional flexibility for these properties by expanding housing opportunities can return important value to these properties. Our industry has discussed numerous law changes that can help this goal, including expanding development rights through density bonuses, creating by right development opportunities or creating a statewide housing density variance targeted to these underutilized properties.

For these reasons, we recommend a favorable report.

**For more information contact bill.castelli@mdrealtor.org,
susan.mitchell@mdrealtor.org, or lisa.may@mdrealtor.org**

Amendment 1

On page 2, line 4, strike “representative of a commercial real estate developer” and substitute “representative of an organization for commercial real estate developers”

On page 2, after line 12, insert:

“(vi) one representative of an organization representing real estate agents and brokers”

MBIA Testimony SB 764.pdf

Uploaded by: Graf, Lori

Position: FWA

February 23, 2021

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: Support with Amendments, SB 764 (Workgroup on Adaptive Reuse of Vacant Commercial Spaces)

Dear Chairman Pinsky:

The Maryland Building Industry Association, representing 1,100 member firms statewide, appreciates the opportunity to participate in SB 764 Workgroup on Adaptive Reuse of Vacant Commercial Spaces. **MBIA Supports the Act with Amendments**

This bill would establish the Workgroup on Adaptive Reuse of Vacant Commercial Spaces. The State of Maryland is in the midst of a housing crisis. We have a lack of inventory of market rate as well as affordable housing. The Maryland Building Industry Association believes that we need to find creative ways to tackle this issue. One of those creative avenues is to examine ways to create housing out of other spaces such as shopping malls and other commercial space that is being underutilized. There are a lot of examples of various jurisdictions around the country examining these various options. MBIA does, respectively, ask for a Residential Real Estate Developer to be included on the work group. We believe that we can offer unique perspective on the issue.

For these reasons, MBIA respectfully requests the Committee give this measure an favorable report with our amendments.. 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

SB 0764 - Workgroup on Adaptive Reuse of Commercial

Uploaded by: Parts, Chris

Position: FWA



AIA
Maryland

Promoting Maryland Architecture Since 1965

21 February 2021

The Honorable Paul G. Pinsky, Chair
Education, Health, and Environmental Affairs Committee
2 West
Miller Senate Office Building
Annapolis, Maryland 21401

Re: Letter of Support with amendment for SB 0764
Workgroup on Adaptive Reuse of Vacant Commercial Spaces

Dear Senator Pinsky:

I am writing to voice AIA Maryland's support of Senate Bill 0764 with the proposed friendly amendment to the bill. Architects work every day to help create the built environment in which we live. We work to be good stewards of the built environment, and we acknowledge that one of the most sustainable means to build is to re-purpose a building that already exists. We fully agree with the aim of this bill to establish a workgroup to study the feasibility and limitations of converting underutilized commercial spaces into residential and commercial spaces, to increase the availability of affordable housing in the State. The composition of the work group encompasses a good representation of elected officials, staff of relevant agencies and those who build, own and operate buildings, but it did not include an architect who would be a key part of any team to convert such buildings. A change of use in a building will often impact life safety requirements for occupants and when a building is converted to residential use, elements that impact the health, safety and welfare of occupants need to be considered. Architects are the prime point of responsibility for finding means to meet building code requirements for a new use and, implement them in the proposed design. We believe not having an architect on the workgroup was an oversight and one should be added to the member list of the workgroup. We have attached a proposed amendment to the bill that adds an architect to the composition of the group.

Architects are regularly involved in projects to assess opportunities for site and building development, to help assess issues of site capacity and to understand what key infrastructure would need to be modified or replace to accommodate the proposed use. One example of a code requirement that differs between uses is the required travel distance to a fire egress stairwell in a fully sprinklered building. A multifamily residential property would require your travel distance to an exit to be 50 feet shorter than that required of a business occupancy. In some cases, like this example, a building may require an additional stair to meet the travel distance requirements to safely exit a building in case of fire. Planning for a building to be occupied for a use other than its original intended purpose requires the skills of someone who understand implications of building codes and life safety requirements, as well as how to make the space function for those who would occupy the building. Architects are trained and licensed with that unique skill set and they would bring a valuable and objective focus to the proposed work group.

Personally, I have done several office or commercial property conversions to housing in Baltimore alone and each has a unique set of circumstances that requires creative understanding of building codes, structures and systems to make them successful. My experience includes high rise office conversion to

The American Institute of Architects

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housing, conversion of an office building that survived the 1904 Baltimore fire, conversion of a full block deep garment warehouse building east of downtown and a parcel post handling building that was the first air rights structure in Baltimore. It is wonderful to see underutilized structures take on a new life with residential occupants but, understanding how to get there and how to make it safe for those who will live there is critical to their success.

We want to make sure our state can be successful if in finding means to provide affordable housing for all who live in Maryland. We also want to see smart use of our existing structures to re-purpose buildings to support needs and take advantage of critical utility infrastructure that is already in place. We hope you will support SB 0764 and our proposed amendment to enable Maryland to put its best foot forward toward increasing the availability of affordable housing stock for our residents.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Parts', with a long horizontal line extending to the right.

Chris Parts, AIA
Director, Past President, AIA Maryland

cc: Education, Health, and Environmental Affairs Committee:

Cheryl C. Kagan – Vice Chair
Jason c. Gallion
Obie Patterson
Mary Washington

Mary Beth Carozza
Katie Fry Hester
Edward R. Reilly

Arthur Ellis
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sb 764_BOMA_FWA.pdf

Uploaded by: Popham, Bryson

Position: FWA

Bryson F. Popham, P.A.

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February 19, 2021

The Honorable Paul G. Pinsky
Chairman, House Education, Health, and Environmental Affairs Committee
2 West, Miller State Office Building
Annapolis, MD 21401

RE: Senate Bill 764 - Workgroup on Adaptive Reuse of Vacant Commercial Spaces - FWA

Dear Chairman Pinsky, Senator Washington and Members of the Committee,

I am writing on behalf of my client, the Building Owners and Managers Association of Greater Baltimore (BOMA) in support of Senate Bill 764, with amendments.

BOMA, through its nearly 300 members, represents owners and managers of all types of commercial property, comprising 143 million square feet of office, industrial and mixed use space in Baltimore and Central Maryland. BOMA members' facilities support over 19,000 jobs and contribute \$2.5 billion to the Maryland economy each year.

Senate Bill 764 is a timely piece of legislation, and BOMA applauds Senator Washington for its introduction. Massive changes are occurring in the places where Americans live and work – none more so than the office buildings and similar structures that comprise a substantial portion of BOMA members' properties. Adaptive reuse of commercial properties has already begun in many American cities, including Baltimore. BOMA has a distinct interest in public policies affecting that phenomenon.

Among the membership categories in Senate Bill 764 to participate in the workgroup, we note on page 2, lines 4-6, a representative of both commercial real estate development and a "construction agency" engaged in the rehabilitation and renovation of commercial buildings. Those precise categories do not include a representative from a commercial building owner. BOMA strongly believes that commercial building owners should have a seat at the table and a voice in this process.

Accordingly, BOMA respectfully requests the addition to the workgroup of a representative of a commercial building owner. With that addition, BOMA would also respectfully request a favorable report on Senate Bill 764.

Very truly yours,



Bryson F. Popham, Esq.

cc: The Honorable Mary Washington - mary.washington@senate.state.md.us
Kevin J. Bauer

Mary Washington Written Testimony SB764 Adaptive R

Uploaded by: Washington, Mary

Position: FWA

MARY L. WASHINGTON, PH.D
Legislative District 43
Baltimore City

Education, Health, and
Environmental Affairs Committee

Chair
Joint Committee on Ending
Homelessness

Chair
Joint Committee on Children,
Youth, and Families



THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

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SUPPORT – SB 764
Workgroup on Adaptive Reuse of Vacant Commercial Spaces
Senate Education, Health, and Environmental Affairs Committee
February 23, 2021

Chair Pinsky, Vice-Chair Kagan and Members of the Committee,

I respectfully urge you to vote favorably on Senate Bill 764 which stems from the interim work of the Joint Committee on Ending Homelessness and final report and recommendations submitted to the President.

While the Joint Committee has been acutely aware that in pre-pandemic Maryland many low income Marylanders have been struggling with housing insecurity, now in the midst of the Covid-19 crisis, the pandemic has created a “crisis within a crisis” for many housing insecure Marylanders and particularly for our homeless population.

The long awaited Maryland Housing Needs Assessment 10 Year Strategic Plan was recently released and reveals the pre-existing housing inventory shortages:

- A shortage of affordable and available units with an overall deficit of about 85,000 units for extremely low-income households.
- Between 2020 and 2030, Maryland will add nearly 100,000 new households earning less than half of median income. About 49,000 of those will qualify as extremely low-income households, and 47,500 will qualify as very low-income households.
- Out of 167,778 severely cost-burdened renter households in the state, more than 120,000 have extremely low incomes and therefore risk losing housing.

The Joint Committee reviewed many aspects of our housing crisis and made several recommendations, including examining the adaptive reuse of large vacant commercial spaces to address the severe need we have for transitional and affordable housing. The Joint Committee concluded that the accessing of unutilized and underutilized existing structures and creating policies to encourage adaptive reuse for such structures is something Maryland should seek to study in more detail with the creation of a Workgroup.

In an effort to better understand the potential benefits of supporting adaptive reuse policies, the Joint Committee devoted a meeting to gathering testimony from a wide range of participants, including GEDCO, Fair Housing Action, Maryland Multi-Housing Association, the Department of Housing and Community Development and the Lord Baltimore Hotel. County housing agencies across the state were also surveyed and presented the myriad of housing needs across the state. The National Conference of State Legislators also presented on other state initiatives in adaptive re-use.

The Joint Committee reviewed a unique example of adaptive reuse used during the pandemic wherein the Lord Baltimore Hotel in Baltimore City was converted into a free quarantine center for the homeless and provided rooms to over 600 homeless persons. The Hotel's partnership was funded through the \$103 million that Baltimore received through the federal CARES Act.

Due to decreased shelter capacity and impossible conditions for isolation, other counties around the state also have used CARES Act dollars to house positive COVID homeless persons in hotels. Officials from Washington County presented on the crucial role that hotels played in housing and quarantining homeless families and individuals, but again noted that the solution was short term as CARES funding would go away. Accordingly, the creative response to the pandemic by using unutilized hotel rooms, illustrated that when you have the combination of existing infrastructure and supplemental funds, capacity for needed shelter can be created faster and more cost effectively than waiting for the development of newly constructed units.

Highly successful projects around the country include one in Cleveland, Ohio, where a former hospital sat empty for 12 years before being converted to 137 dwellings for low income seniors. In Woodbury, New Jersey, a former opera house was converted to housing for homeless veterans. In Richmond, Virginia, a former lumber yard was converted into 61 affordable housing units. From Ohio, to Virginia to New Jersey policies that support adaptive reuse of structures are leading the way to providing housing for homeless or housing-insecure families and persons.

In addition to other states recognizing the benefit of adaptive reuse policies, since 1988 the Federal Vacant Property Program has accessed vacant federal buildings for housing conversions and long has had a policy to prioritize the re-use of existing infrastructure when possible to address housing insecurity.

SB 764 creates the framework for a Workgroup to study the feasibility, as well as the limitations of converting vacant commercial spaces for residential use, for identifying state funds available to developers interested in developing affordable housing and for identifying and analyzing successful programs and initiatives in other states.

Since initial drafting of the bill, there have been requests for amendments by several advocates that help ensure a more diverse membership for the Workgroup which are worthy of consideration. I have uploaded the amendments with my testimony which reflect those proposed additions to the Workgroup.

The focused study of adaptive re-use of existing vacant commercial properties is a valuable pathway to helping Maryland create innovative solutions to meet our housing needs. For these reasons, I ask you for a favorable report on SB 764.

In partnership,

A handwritten signature in blue ink, appearing to read "Mary Washington". The signature is fluid and cursive, with a large initial "M" and a stylized "W".

Senator Mary Washington, District 43, Baltimore City

SB0764-303721-01 AMENDMENT 2.pdf

Uploaded by: Washington, Mary

Position: FWA



SB0764/303721/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

18 FEB 21
13:57:02

BY: Senator Washington

(To be offered in the Education, Health, and Environmental
Affairs Committee)

AMENDMENT TO SENATE BILL 764

(First Reading File Bill)

On page 2, in line 9, strike “for financial institutions” and substitute “representing credit unions”; in line 10, strike “and”; and in line 12, after “homelessness” insert “;

(vi) one representative of an organization that specializes in low-income housing financing;

(vii) one representative of a residential real estate developer;

(viii) one representative of a veterans rights organization;

(ix) one representative of a nonprofit organization that specializes in rapid rehousing;

(x) one architecture professional with expertise in adaptive reuse or affordable housing; and

(xi) one representative of an organization representing banking institutions operating in the State”.