



SOUTHEAST

community development corporation

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Testimony HB 58

House Economic Matters

February 5, 2021

Position: FAVORABLE

Dear Chairman Barve & Members of the House Environment and Transportation Committee:

On behalf of Southeast Community Development Corporation (Southeast CDC), I write today in support of HB 58, which establishes a Workgroup on Minority Homeownership, Neighborhood Revitalization, and Household Wealth Equity.

Southeast CDC is a 45-year-old community development organization that revitalizes neighborhoods and strengthens homeownership in partnership with residents in Southeast and East Baltimore. We are dedicated to growing and supporting thriving, socioeconomically and racially diverse neighborhoods where residents share in the success and improvement of their communities.

While some neighborhoods in Southeast Baltimore have experienced considerable investment, others—primarily minority communities—remain challenged by predatory investment, vacant and blighted properties and declining homeownership. In some neighborhoods, homeownership rates have decreased by 40% since 2000, representing a significant loss of Black homeownership. Now these neighborhoods are also facing disproportionate impact from the financial crisis resulting from the pandemic.

It has been widely reported that one of the drivers for wealth disparities between Black and White residents is homeownership. Owning an affordable home—especially in Baltimore where residents can apply for a property tax credit—offers families stability and the chance to build wealth. But residents of color regularly face barriers to building credit and accessing affordable mortgages, so they continue to rent, often at prices that exceed a mortgage payment for a similar house.

It is Southeast CDC's mission to promote a healthy, dynamic and diverse Southeast Baltimore. For Southeast Baltimore to truly thrive in a way that provides equal outcomes for all our residents, we must increase our support for the organizations and programs that grow homeownership and create wealth-building opportunities for minority households and revitalize communities through targeted investments in homeownership, especially for the residents who currently live in these communities.

We respectfully request a favorable report for HB 58.

Submitted by Kari Snyder
Executive Director
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