MLU Support Letter - SB890.pdf Uploaded by: Carlos Orbe, Jr.

Position: FAV

February 21, 2025

The Honorable Brian J. Feldman

Chair, Education, Energy, and the Environment Committee Maryland General Assembly 11 Bladen Street Annapolis, MD 21401

Support for Senate Bill 890 – Housing and Community Development - Division of Just Communities - Establishment

Dear Chair Feldman and Esteemed Committee Members,

At Maryland Latinos Unidos (MLU), we are dedicated to promoting equity, justice, and community empowerment for Latino and immigrant populations across our state. We recognize that systemic disparities have long hindered these communities from accessing essential resources and opportunities. Senate Bill 890 presents a pivotal opportunity to address these inequities by establishing the Division of Just Communities within the Department of Housing and Community Development.

This legislation aims to transfer the authority to designate areas as Just Communities from the Governor to the Department, thereby streamlining the process and ensuring that underserved areas receive the attention and resources they urgently need. By altering the criteria for such designations, SB 890 ensures a more inclusive and comprehensive approach to community development. Furthermore, the bill proposes transferring the administration of the Community Health and Safety Works Grant Program to the newly established Division, promoting cohesive and targeted efforts to uplift marginalized communities.

For Maryland's Latino and immigrant populations, the implications of SB 890 are profound. By focusing on historically underserved areas, this legislation promises to channel resources into communities that have long been overlooked, fostering economic growth, improving housing conditions, and enhancing access to essential services. The establishment of the Division of Just Communities signifies a commitment to rectifying past injustices and building a more equitable future for all Maryland residents.

MLU is committed to collaborating with the Department of Housing and Community Development to ensure that the voices of Latino and immigrant communities are heard and that their unique needs are addressed. Through outreach, education, and advocacy, we will work diligently to connect community members with the opportunities and resources facilitated by this legislation.

We strongly urge the Education, Energy, and the Environment Committee to issue a favorable report on SB 890. Passing this bill is a decisive step toward dismantling systemic barriers and fostering inclusive growth and development throughout Maryland.

Sincerely,

Carlos Orbe, Jr. Communications and Public Affairs Specialist Maryland Latinos Unidos corbejr@mdlatinosunidos.org

SB 890 Housing and Community Development - DivisioUploaded by: Crystal Hypolite

Position: FAV

Robin Truiett-Theodorson Chairperson | Board of Commissioners Janet Abrahams President | Chief Executive Officer



SB 890

February 21, 2025

TO: Members of the Education, Energy and Environment Committee

Janet Abrahams, Chief Executive Officer FROM:

SB 890 – Housing and Community Development - Division of Just Communities -

Establishment

RE:

POSITION: Support

Chair Feldman, Vice Chair Kagan, and Members of the Committee, please be advised that the Housing Authority of Baltimore City (HABC) supports Senate Bill 890 – Housing and Community Development - Division of Just Communities - Establishment, Senate Bill 890 Establishes the Division of Just Communities in the Department of Housing and Community Development; transfers the authority to designate an area as a Just Community from the Governor to the Department; and alters the criteria for designating an area as a Just Community.

HABC is Baltimore's largest provider of affordable housing opportunities, serving over 20,000 households (nearly 43,000 individuals) through our Public Housing and Housing Choice Voucher programs. HABC serves low- to extremely low-income families and individuals that consist of some of the city's most vulnerable populations, including those at risk of homelessness, the elderly, persons with disabilities, veterans, and children. Historically, in Baltimore, public housing sites were built in segregated areas of the city with high concentrations of poverty. Generally, in these neighborhoods, there has been and continues to be limited access to quality schools, green space/recreation areas, grocery stores, healthcare facilities, financial institutions, transportation, etc. These areas also have high rates of unemployment and crime, high concentration of poverty and minority populations, and lower lifeexpectancy rates than in more affluent areas of the city.

Many of our public housing sites are in areas of the city that have suffered from decades of disinvestment, and much of our housing portfolio is aging and becoming obsolete. Therefore, HABC has undertaken several redevelopment projects including the Perkins, Somerset, Old town (PSO) Transformation Plan, Transform Poe and the revitalization of O'Donnell Heights. HABC is also in the process of reviewing and prioritizing redevelopment plans for our remaining public housing sites.

Housing Authority of Baltimore City | 417 East Fayette Street, Baltimore, MD 21202

Annually, HABC has sought state funding from DHCD to move forward with current and future redevelopment efforts. It is our goal to replace and transform our public housing sites into mixed-income communities which includes infrastructure improvements, public safety strategies, and supports services designed to help our families increase economic self-sufficiency and improve educational outcomes.

Prioritizing State funding in areas designated as Just Communities would provide HABC with the opportunity to revitalize our public housing stock without displacing those we serve and the possibility of bringing much needed economic development to these historically neglected neighborhoods.

HABC supports the legislation of Division of Just Communities – Establishment as it will be used to prioritize state funding to increase racial, economic, and health equity in the state and particularly in Baltimore City. We respectfully request a favorable report on Senate Bill 890.

Respectfully submitted:

Janet Abrahams, HABC President & CEO

SB890_DHCD_INFO.pdf Uploaded by: Chuck Cook Position: INFO



WES MOORE Governor ARUNA MILLER Lt. Governor JACOB R. DAY Secretary JULIA GLANZ Deputy Secretary

DATE: February 25, 2025

BILL NO.: Senate Bill 890

TITLE: Housing and Community Development – Division of Just Communities - Establishment

COMMITTEE: Senate Education, Energy, and the Environment Committee

Letter of Information

Description of Bill:

Senate Bill 890 establishes the Division of Just Communities (DJC) within the Housing and Community Development article in statute. The legislation transfers authority to designate an area as a "Just Community" from the Governor to DHCD. The criteria to designate an area as a Just Community is altered and expanded. The legislation also defines the scope of how DHCD can utilize the DJC to identify and prioritize funding to address challenges in Just Communities that involve the rental housing market, mortgage lending, housing valuation practices, disparities with housing infrastructure, foreclosures, and intergenerational wealth. Additionally, the DJC is to "ensure coordination with activities funded through" the CORE Partnership Fund and the Community Health and Safety Works Grant Program.

Background and Analysis:

In 2024, House Bill 241 and Senate Bill 308 were passed into law, creating the JC designation, authorizing the Governor to designate an area, and providing for the prioritization of state funding to accomplish the mission of the division. This bill was passed with the intent that the DJC would grow and add staff as needed from DHCD's yearly operating and capital budgets. However, many of the provisions of SB 890 would require additional staff to accommodate the shift in scope or are outside of the range of activities of which our current team has expertise. Further, requirements to coordinate with other programs within the agency necessitate additional staff for the DJC to assess which programs are most relevant on which to coordinate.

To identify communities with eligible criteria for the JC designation, the DJC has been developing a geographic data layer under the 2024 legislation's criteria for prioritization. This data layer would be used to ultimately assign a weighted value to each data source (disparities in housing/neighborhood conditions) with the goal of developing a composite Just Community Score for identified areas. This requires GIS-based analyses on the data in the geographic data layer, and for the DJC/DHCD to build a publicly accessed Just Community Score Viewer/Tool. This is currently accomplished with staff time from a GIS analyst from another division within DHCD. However, Senate Bill 890 would alter the criteria by which a Just Communities designation would be made and would require additional staff to update the existing maps. For example, criteria like a "hazardous" classification from the Homeowner's Loan Corporation, or for an area to be subject to an extended list of environmental hazards are not data points currently sought by the DJC and would require enough staff-time to necessitate another GIS analyst for the DJC specifically to map and collect necessary data.





Under the 2024 bill, the DJC was given the statutory intent to prioritize state funding "to increase racial, economic, and health equity in the state". Further, as stated in the fiscal note for HB 241/SB 308, and along with the recently hired assistant secretary, the intent is to "actively hire staff to...assist in the designation of Just Communities". Last year, this was operationalized through the hiring of our Director of the DJC. Under SB890, the DJC would have additional challenges to address, such as the rental housing market, mortgage lending, housing valuation practices, disparities with housing infrastructure, foreclosures, and intergenerational wealth. Some, such as housing valuation practices and disparities with housing infrastructure, are within the current scope of the DJC and would not require additional staff to implement. However, expertise on the rental housing market and mortgage lending are outside of the expertise of the two current division staff and would necessitate an additional program manager to support the division.

The requirement in Senate Bill 890 for the DJC to coordinate with activities funded through the CORE Partnership Fund and the Community Health and Safety works program would also require additional staff to implement. While the CHSW and CORE programs are within DHCD, the DJC is not in the same division as those two programs – which are currently within the Division of Neighborhood Revitalization. This poses a challenge in coordination as not all activities eligible for funding for the CHSW and CORE programs are applicable to the six categories outlined in 5.5-102 (b) (1) (I-VI). For example, the Community Health and Safety works program has an eligible use of funds for allowing the purchase and installation of camera equipment and other security measures on a property. To coordinate activities with the Division of Neighborhood Revitalization's programs, any staff from the DJC would require a background in similar programs. DHCD estimates that this level of expertise would require two additional staff to coordinate activities for each program. DHCD also estimates that an additional administrative position would be required to facilitate communication between divisions and assist the DJC in coordinating activities.

SB 890 also places a mandate on the division to "identify and secure grants and funding to administer initiatives and programs". This differs from the coordination required between DHCD's internal divisions and would necessitate a grant specialist with expertise in the same program categories on which DJC does not have expertise: the rental housing market at large, and mortgage lending.

The legislation also requires DHCD to provide technical assistance to local public agencies, nonprofit organizations, and other local organizations that aim to achieve a purpose in line with the DJC. To liaison with any groups that require technical assistance, DHCD estimates a need for a Community Assistant to be the primary lead.





MBIA Letter of Concern SB 890.pdf Uploaded by: Lori Graf Position: INFO



February 20, 2025

The Honorable Brian J. Feldman Chairman, Senate Education, Energy, and the Environment Committee 2 West Miller Senate Office Building Annapolis, MD 21401

RE: SB 890 Housing and Community Development – Division of Just Communities – Establishment

Dear Chairman Feldman:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding SB 890 Housing and Community Development - Division of Just Communities - Establishment

This bill establishes the Division of Just Communities in the Department of Housing and Community Development (DHCD) and transfers the authority to designate an area as a Just Community from the Governor to DHCD. MBIA does not support this measure.

The establishment of the new division proposed in the bill will force DHCD to have to increase their budget to account for the hiring of additional staff and setting up the proposed programs. The State of Maryland is operating at a near \$3 billion budget deficit, making this an inopportune time to add additional costs associated with hiring new staff and increasing responsibilities for the Department.

Developers and property owners that are in Just Communities will now face increased scrutiny from the newly-created division. This could lead to higher compliance costs and make new projects in those areas more difficult to complete. The communities covered under SB 890 need more available housing options, and the bill could bring unintended consequences that lead to making housing options less available for low-income residents.

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.

Members of the Senate Education, Energy, and the Environment Committee cc: