Baltimore Regional Fair Housing Group

Analysis of Impediments to Fair Housing Choice

MARCH 14, 2019

PRESENTED BY
Dan Pontious, BMC
Jeffrey May, IDP
Data Analysis—follow up from January 30 meeting

Fair Housing Enforcement and Capacity

Upcoming Community Outreach

Other Next Steps
Goals of Today’s Meeting

1. Follow up on data analysis (from January 30 meeting)
2. Gain an understanding of progress on regional voluntary compliance agreements and legal settlements
3. Discuss remaining work to be accomplished
4. Clarify next steps in AI process
Work Group Mtgs—Revised

Meeting schedule:

- **Oct 23** – Overview and Initial data on segregation and R/ECAPs
- **Nov 8** – Disparities in Access to Opportunity Part 1 (employment and transportation)
- **Dec 13** – Disparities in Access to Opportunity Part 2 (education, community health)
- **Jan 9** – Disability and Access
- **Jan 30** – Disproportionate Housing Needs, Community Reinvestment, Publicly Supported Housing
- **March 14** – Additional Publicly Supported Housing Analysis, Enforcement
- **April 10** – Initial Solutions Discussion
- **May 22** – Refine Solutions for Draft AI
- **Summer** – Draft AI Released for Comment
- **Sept 17** – Feedback on draft Regional AI

Follows key topic areas of the Assessment of Fair Housing:

- ✔ Demographic Summary
- ✔ Segregation/Integration
- ✔ R/ECAPs
- ✔ Disparities in Access to Opportunity
- ✔ Disproportionate Housing Needs
- ✔ Publicly Supported Housing Analysis
- ✔ Disability and Access Analysis
Data Analysis: Follow up
Questions from January 30 Meeting

- Why does the HMDA map have so many Census tracts with missing data?
- Where do voucher holders live by demographic characteristic?
- What are the outcomes from legal settlements and voluntary compliance agreements? Are these working?
- What has been accomplished since the 2011 AI and 2014 Housing Plan—and what is left to be done?
- What feedback have you received from stakeholder consultation and outreach?
Residential Property Loan Denials, updated map

Source: 2017 Home Mortgage Disclosure Act (HMDA)
Census tracts with No or Few Loans

- Of the 672 Census tracts examined in the HMDA analysis, 11 had no housing units and 23 had fewer than 25 mortgage loan applications between 2015 and 2017. These show up as having "no data" on the map.

- Of the 23 tracts with too few loan apps in the current map, 17 are in Baltimore City, 1 is in Harford County, 2 are in Baltimore County, and 3 are in Anne Arundel County.

- On average, the 23 tracts with too few loan applications to report are 80% rental.
Stakeholder Input on Barriers

Barriers for Renters

- Very high application fees (renter can spend $250-300 to find a unit) without transparency about standards (minimum income and credit) for renters. Landlords knowingly accept fees from unqualified renters. Only digital applications, requiring a credit card.

- Landlords unwillingness to accept or even consider Housing Choice Vouchers.

- Little accountability for onsite management to keep units up to code. Renters do not understand their rights; need access to information, hotline. Response to 311 calls is a ticket for property manager but no follow up to see if problem was addressed. Immigrants are afraid to report condition issues.
Stakeholder Input on Barriers

Barriers to Homeownership

- Lack of homes to buy in the $150,000 to $175,000 range. Critical to retaining region’s core workforce
- Lack of financial literacy. Potential buyers need education early on, even as early as middle or high school. This should include how to recognize and avoid predatory lending
- Discrimination in appraisal values in Baltimore City; seem to always come in under sales price, opposite in suburbs
- Buyers only accepting 203K (bundled home improvement+purchase) loans so homes don’t need to be as high quality to sell. Difficult to qualify except for low debt households. Builders require use of own financing
- Lack of “missing middle,” attached homes to buy
- Perception from county leadership that homes priced less than $300,000 are a net loss (property tax revenues do not adequately cover service costs)
Type of Housing by Opportunity Quintile

REGIONAL TOTALS FOR SUBSIDIZED HOUSING BY OPPORTUNITY QUINTILE

ELDERLY
- Two Lowest Quintiles: 8,611
- Middle Opportunity Quintile: 2,850
- Two Highest Quintiles: 5,794

SPECIAL NEEDS
- Two Lowest Quintiles: 425
- Middle Opportunity Quintile: 183
- Two Highest Quintiles: 251

MIXED (ELDERLY&SPECIAL NEEDS)
- Two Lowest Quintiles: 2,898
- Middle Opportunity Quintile: 644
- Two Highest Quintiles: 505

GENERAL
- Two Lowest Quintiles: 16,629
- Middle Opportunity Quintile: 4,937
- Two Highest Quintiles: 4,652
# Regional Numeric Totals

## Regional Totals for Subsidized Housing by Opportunity Quintile

<table>
<thead>
<tr>
<th></th>
<th>TWO LOWEST QUINTILES</th>
<th>MIDDLE OPPORTUNITY QUINTILE</th>
<th>TWO HIGHEST QUINTILES</th>
<th>TOTAL</th>
<th>TWO LOWEST QUINTILES</th>
<th>MIDDLE OPPORTUNITY QUINTILE</th>
<th>TWO HIGHEST QUINTILES</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELDERSLY</td>
<td>8,611</td>
<td>2,850</td>
<td>5,794</td>
<td>17,255</td>
<td>50%</td>
<td>17%</td>
<td>34%</td>
</tr>
<tr>
<td>SPECIAL NEEDS</td>
<td>425</td>
<td>183</td>
<td>251</td>
<td>859</td>
<td>49%</td>
<td>21%</td>
<td>29%</td>
</tr>
<tr>
<td>MIXED (ELDERLY/ SPECIAL NEEDS)</td>
<td>2,898</td>
<td>644</td>
<td>505</td>
<td>4,047</td>
<td>72%</td>
<td>16%</td>
<td>12%</td>
</tr>
<tr>
<td>GENERAL</td>
<td>16,629</td>
<td>4,937</td>
<td>4,652</td>
<td>26,218</td>
<td>63%</td>
<td>19%</td>
<td>18%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>28,563</td>
<td>8,614</td>
<td>11,202</td>
<td>48,379</td>
<td>59%</td>
<td>18%</td>
<td>23%</td>
</tr>
</tbody>
</table>
Totals by Jurisdiction

JURISDICTIONAL TOTALS FOR SUBSIDIZED HOUSING UNITS BY OPPORTUNITY QUINTILE

- **TWO LOWEST QUINTILES**
- **MIDDLE OPPORTUNITY QUINTILE**
- **TWO HIGHEST QUINTILES**

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th># of Units</th>
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<tbody>
<tr>
<td>ANnapolis</td>
<td>1,014</td>
</tr>
<tr>
<td>ANNE ARUNDEL</td>
<td>1,586</td>
</tr>
<tr>
<td>BALTIMORE CITY</td>
<td>2,826</td>
</tr>
<tr>
<td>BALTIMORE CO.</td>
<td>1,612</td>
</tr>
<tr>
<td>HARFORD</td>
<td>2,518</td>
</tr>
<tr>
<td>HOWARD</td>
<td>2,818</td>
</tr>
</tbody>
</table>

- ANnapolis: 1,014 units (1,376 in the two lowest quintiles, 877 in the middle opportunity quintile, 1,085 in the two highest quintiles)
- ANNE ARUNDEL: 1,586 units (877 in the two lowest quintiles, 1,085 in the middle opportunity quintile, 1,085 in the two highest quintiles)
- BALTIMORE CITY: 2,826 units (2,166 in the two lowest quintiles, 4,509 in the middle opportunity quintile, 3,299 in the two highest quintiles)
- BALTIMORE CO.: 1,612 units (1,612 in the two lowest quintiles, 1,612 in the middle opportunity quintile, 1,612 in the two highest quintiles)
- HARFORD: 2,518 units (2,518 in the two lowest quintiles, 13 in the middle opportunity quintile, 2,818 in the two highest quintiles)
- HOWARD: 2,818 units (2,818 in the two lowest quintiles, 13 in the middle opportunity quintile, 2,27 in the two highest quintiles)
SUBSIDIZED HOUSING UNITS OPEN TO GENERAL (FAMILY) POPULATION BY OPPORTUNITY QUINTILE

<table>
<thead>
<tr>
<th>REGION</th>
<th>TWO LOWEST QUINTILES</th>
<th>MIDDLE OPPORTUNITY QUINTILE</th>
<th>TWO HIGHEST QUINTILES</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOWARD</td>
<td>16,629</td>
<td>4,937</td>
<td>4,652</td>
</tr>
<tr>
<td>HARFORD</td>
<td>1,160</td>
<td>854</td>
<td></td>
</tr>
<tr>
<td>BALTIMORE CO.</td>
<td>794</td>
<td>385</td>
<td>730</td>
</tr>
<tr>
<td>BALTIMORE CITY</td>
<td>12,631</td>
<td>2,644</td>
<td>889</td>
</tr>
<tr>
<td>ANNE ARUNDEL</td>
<td>1,559</td>
<td>577</td>
<td>413</td>
</tr>
<tr>
<td>ANTLERS</td>
<td>1,645</td>
<td>1,766</td>
<td></td>
</tr>
</tbody>
</table>

% OF UNITS
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
Affordable Housing for Families
Affordable Housing for Elderly

![Graph showing the distribution of subsidized housing units for the elderly population by opportunity quintile in various regions of Baltimore.](image-url)
Affordable Housing for Elderly
Affordable Housing for Special Needs

### Subsidized Housing Units for Special Needs Population by Opportunity Quintile

<table>
<thead>
<tr>
<th>Region</th>
<th>Two Lowest Quintiles</th>
<th>Middle Opportunity Quintile</th>
<th>Two Highest Quintiles</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOWARD</td>
<td>13</td>
<td>91</td>
<td>25</td>
</tr>
<tr>
<td>HARFORD</td>
<td>13</td>
<td>91</td>
<td>25</td>
</tr>
<tr>
<td>ANNE ARUNDEL</td>
<td>1</td>
<td>12</td>
<td>75</td>
</tr>
<tr>
<td>BALTIMORE CITY</td>
<td>8</td>
<td>25</td>
<td>125</td>
</tr>
<tr>
<td>BALTIMORE CO.</td>
<td>8</td>
<td>25</td>
<td>125</td>
</tr>
<tr>
<td>HOWARD</td>
<td>13</td>
<td>91</td>
<td>25</td>
</tr>
</tbody>
</table>
Affordable Housing for Special Needs
Mixed Elderly/Special Needs Housing

SUBSIDIZED HOUSING UNITS FOR SPECIAL NEEDS POPULATION BY OPPORTUNITY QUINTILE

- **Region**: 425 (40%) in the two lowest quintiles, 183 (40%) in the middle opportunity quintile, 251 (40%) in the two highest quintiles.
- **Annapolis**: 25 (10%) in the two lowest quintiles, 75 (25%) in the middle opportunity quintile, 5 (2%) in the two highest quintiles.
- **Anne Arundel**: 12 (5%) in the two lowest quintiles, 75 (30%) in the middle opportunity quintile, 5 (2%) in the two highest quintiles.
- **Baltimore City**: 420 (100%) in the two lowest quintiles, 125 (30%) in the middle opportunity quintile, 51 (12%) in the two highest quintiles.
- **Baltimore CO.**: 8 (10%) in the two lowest quintiles, 25 (31%) in the middle opportunity quintile, 4 (5%) in the two highest quintiles.
- **Harford**: 4 (10%) in the two lowest quintiles, 4 (10%) in the middle opportunity quintile, 13 (25%) in the two highest quintiles.
- **Howard**: 13 (30%) in the two lowest quintiles, 91 (25%) in the middle opportunity quintile, 251 (50%) in the two highest quintiles.
Mixed Elderly/Special Needs Housing
Vouchers to Total Rental Units, 2018

Source: HUD Picture of Subsidized Households
Vouchers to Total Housing Units, 2018

Source: HUD Picture of Subsidized Households
Since 2013 data, there has been a modest shift away from Low Opportunity tracts into High Opportunity tracts (21% to 25%).

Includes breakdown for non-Hispanic white and African American.

**Sources:**
*Voucher Data: HUD*
*Opportunity Quintiles: BMC*
# Voucher Holders by Opportunity Quintile

**Elderly & families with children**

**Sources:**
*Voucher Data: HUD*
*Opportunity Quintiles: BMC*

<table>
<thead>
<tr>
<th>Voucher Holders by Opportunity</th>
<th>Anne Arundel County</th>
<th>Baltimore County</th>
<th>City of Baltimore</th>
<th>Harford County</th>
<th>Howard County</th>
<th>All Counties and Baltimore City</th>
</tr>
</thead>
<tbody>
<tr>
<td># voucher holders with disabilities &lt; age 62…</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low opportunity tracts</td>
<td>18%</td>
<td>50%</td>
<td>80%</td>
<td>73%</td>
<td>0%</td>
<td>65%</td>
</tr>
<tr>
<td>Medium opportunity tracts</td>
<td>43%</td>
<td>23%</td>
<td>11%</td>
<td>7%</td>
<td>6%</td>
<td>16%</td>
</tr>
<tr>
<td>High opportunity tracts</td>
<td>39%</td>
<td>26%</td>
<td>8%</td>
<td>20%</td>
<td>94%</td>
<td>19%</td>
</tr>
<tr>
<td>Total tracts</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td># voucher holders with disabilities &gt; age 62…</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low opportunity tracts</td>
<td>18%</td>
<td>45%</td>
<td>83%</td>
<td>76%</td>
<td>0%</td>
<td>62%</td>
</tr>
<tr>
<td>Medium opportunity tracts</td>
<td>38%</td>
<td>26%</td>
<td>11%</td>
<td>7%</td>
<td>7%</td>
<td>17%</td>
</tr>
<tr>
<td>High opportunity tracts</td>
<td>43%</td>
<td>29%</td>
<td>6%</td>
<td>17%</td>
<td>93%</td>
<td>21%</td>
</tr>
<tr>
<td>Total tracts</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
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<th>Anne Arundel County</th>
<th>Baltimore County</th>
<th>City of Baltimore</th>
<th>Harford County</th>
<th>Howard County</th>
<th>All Counties and Baltimore City</th>
</tr>
</thead>
<tbody>
<tr>
<td># voucher holders with children living in…</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low opportunity tracts</td>
<td>11%</td>
<td>39%</td>
<td>86%</td>
<td>83%</td>
<td>0%</td>
<td>56%</td>
</tr>
<tr>
<td>Medium opportunity tracts</td>
<td>31%</td>
<td>29%</td>
<td>12%</td>
<td>4%</td>
<td>7%</td>
<td>18%</td>
</tr>
<tr>
<td>High opportunity tracts</td>
<td>57%</td>
<td>32%</td>
<td>2%</td>
<td>13%</td>
<td>93%</td>
<td>26%</td>
</tr>
<tr>
<td>Total tracts</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>
Enforcement and Capacity
Enforcement: Private Sector

A Shift in the Private Sector Watchdog

- Baltimore Neighborhoods, Inc. (BNI): 1959-2018
- Fair Housing Action Center of Maryland: 2018 =>
Enforcement: Public Sector

Enforcement Action Overview

- Thompson v. HUD et. al.
  - Lawsuit filed 1995; partial consent decree signed 1996
  - Ruling 2005: Baltimore City found not liable; HUD found liable.
  - Settlement 2012

- Baltimore County NAACP et al v. Baltimore County
  - Complaint filed 2011 – HUD conciliation
  - Voluntary Conciliation Agreement signed 2016

- Baltimore Regional Housing Campaign (BRHC) v. State of Maryland
  - Complaint filed 2011 – HUD conciliation
  - Voluntary Conciliation Agreement signed 2017
Overview of Allegations

- Thompson v. HUD
  “They [public housing tenants and the ACLU of Maryland] charged that city and federal officials had failed to dismantle the segregated system of public housing put in place in the 1930s and 1940s, thereby consigning poor black residents to the city’s most distressed neighborhoods.” (Baltimore Sun article on ruling, Jan. 7, 2005.)

- Baltimore Regional Housing Campaign (BRHC) v. State of Maryland
  “Through its [Department of Housing and Community Development] DHCD, the State of Maryland … has adopted, maintained and enforced policies and practices in the [Low Income Housing Tax Credit] LIHTC program that have the effect of limiting the development of affordable housing for families with children in high-opportunity, majority White communities and concentrated such units in low-opportunity communities characterized by racial segregation and poverty.”

- Baltimore County NAACP et al v. Baltimore County
  “The primary impediment to fair housing choice for African-Americans families, large families, and families with disabilities in the County is the lack of affordable and affordable, accessible rental housing for families in areas that are not racially impacted.”
Primary Outcome: Creation of Regional Mobility Program

- Baltimore Housing Mobility Program created through 1996 partial consent decree
  - Launched 2003 for 2,100+ families.
  - Mainly operated by Metropolitan Baltimore Quadel under contract to Housing Authority of Baltimore City
  - By 2009, more than 1,500 families had moved to low-poverty, racially integrated neighborhoods.
- 2012 Settlement created Baltimore Regional Housing Partnership as independent nonprofit operator of Mobility Program.
  - Settlement also expanded mobility program to 4,388 families.
  - Final expansion leasing December 2018.
BRHP Opportunity Map

Green areas are opportunity areas for BRHP voucher holders.
BRHC v. State of Maryland

- **Agreement:** Not a determination on the merits of the allegations.
- **Primary Outcome:** “DHCD will ensure that no fewer than 1,500 units of Family Housing that are financed, in whole or in part with LIHTC, are developed in Communities of Opportunity within the Baltimore Region…”

- **Status per 2018 DHCD report:**

<table>
<thead>
<tr>
<th></th>
<th>New Construction Units</th>
<th>Rehab Units: Previously Assisted</th>
<th>Rehab Units: Previously Unassisted</th>
<th>Total Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>In Process (not yet closed on financing)</td>
<td>868</td>
<td>303</td>
<td>0</td>
<td>1133</td>
</tr>
<tr>
<td>Closed on Financing</td>
<td>197</td>
<td>0</td>
<td>7</td>
<td>197</td>
</tr>
<tr>
<td><strong>Total Units</strong></td>
<td>1065</td>
<td>303</td>
<td>7</td>
<td>1330</td>
</tr>
<tr>
<td>Required by Settlement</td>
<td>1050</td>
<td>Up to 200 allowed</td>
<td>Possibly 250</td>
<td>1500</td>
</tr>
<tr>
<td>Units Needed (assuming all units built)</td>
<td>-15</td>
<td>N/A</td>
<td>N/A</td>
<td>170</td>
</tr>
</tbody>
</table>
State Opportunity Map

Blue and green areas are Communities of Opportunity for DHCD

- **Agreement:** “…voluntary and full settlement of the disputed complaints.”

- **Primary Outcomes**
  - 1000 “hard units” of affordable housing in specified census tracts, including $30 million fund to leverage financing. (Status table below per 2018 Balt. Co. report)
  - Mobility Counseling Program to help 2,000 families use a housing voucher to move to specified census tracts.
  - Reasonable Accommodation Coordinator position and fund to assist with structural modifications.
  - Introduction of Source of Income legislation until passed at local or state level.

<table>
<thead>
<tr>
<th></th>
<th>Units Approved</th>
<th>Units Leased</th>
<th>Units Leased with 3 or more bedrooms</th>
<th>Accessible Units Leased</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2018 Actual</strong></td>
<td>447</td>
<td>116</td>
<td>95</td>
<td>18</td>
</tr>
<tr>
<td><strong>2018 Milestone</strong></td>
<td>370</td>
<td>105</td>
<td>65</td>
<td>20</td>
</tr>
<tr>
<td><strong>(from VCA)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>VCA Total</strong></td>
<td>1000</td>
<td>1000</td>
<td>500</td>
<td>100</td>
</tr>
</tbody>
</table>
Baltimore County Conciliation Agreement Map
Constituencies for Outreach

Anne Arundel County Example

- Local government mailing lists – hearing before draft AI released
- Continuum of Care providers and stakeholders
- Civil rights organizations
- Faith-based leadership
- Public housing residents and voucher holders
- People with disabilities/special needs providers/stakeholders
- Hispanic/Latino leaders & stakeholders
- Affordable housing developers
- BMC fair housing stakeholder email list (240) – message will go out inviting stakeholders to request meeting/briefing on AI.
- Comment period on draft for general public

Other Suggestions?
Next Steps