Analysis of Impediments to Fair Housing Choice
New Schedule for Meetings and Report

Disproportionate Housing Needs & Publicly Supported Housing

- Introduction (5 min)
- Review of Data and Questions (25 min)

Moving Forward: Identifying Contributing Factors and Solutions (balance of meeting)
Goals of Work Group

1. Help the jurisdictions, PHAs, BMC, and consultant review and interpret data provided by HUD for this assessment—*complete as of February 20*

2. Help identify easily obtainable local data that would assist with this analysis—*complete as of February 20*

3. Provide ongoing stakeholder input into:
   - Analysis of what this data means and its significance
   - Assessment of past fair housing progress and current fair housing enforcement and outreach capacity
   - Development of fair housing goals and priorities—*March through May*
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; Contributing Factors
- **Feb. 20** – Enforcement, Capacity, Resources + Action Items for Access & Segregation
- **March 14** – Action Items for Access to Opportunity
- **April 10** – Developing Action Plan Matrix I
- **May 22** – Developing Action Plan Matrix II
- **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
Where we have been
History of Housing Needs and Publicly Supported Housing

- Actions to segregate and deny housing opportunities to racial and ethnic minorities and persons with disabilities were very common in the region during early years of job growth and expansion.

- Federal protections to prevent discrimination in housing provision and credit access have been in place for 50 years, much less time than disparate treatment of many residents.

- Recent legal actions have been instrumental in furthering equitable housing environments:
  - Thompson v. HUD
  - Bailey v. HABC
  - BNI, NAACP v. Baltimore County
  - City of Baltimore v. Wells Fargo
  - Baltimore Regional Housing Campaign v. Maryland DHCD
History leading to passage of the Fair Housing Act

Redline Map of Baltimore, 1937
Local history influences on current state of segregation

- **Racial zoning:** Baltimore was the first city in the U.S. to pass racial zoning (1910)

- The region was also home to early **exclusivity in suburbs:**
  - Suburbs were a way to flee the chaos and public health challenges of rapidly growing cities in the early 1900s.
  - Suburbs like Roland Park promised racial (African American) and ethnic/religious (Jewish) exclusion.

- Baltimore developers had national influence in **(exclusionary)** land use planning and **(exclusionary)** lending.
Baltimore Metro Fair Housing Accomplishments – 2012 AI

- Removed Local Resolution Requirements for Low Income Housing Tax Credits (LIHTC) and state housing subsidies
- Developed a Regional Preservation Policy and Database
- Continued Fair Housing Group staffing
- Held three AFFH Trainings for high level local officials (2014-2017)
- Held two tours of properties created with Inclusionary Zoning
- Produced & distributed Fair Housing Education booklets (11,000 in three languages)
- Created the new Regional Project-Based Voucher Program
- Worked to streamline Voucher Porting procedures
- Continued commitments to invest in Revitalization of Lower Resourced Neighborhoods
Baltimore Metro Fair Housing Next Steps

- Rolling out Voucher Portability Booklet and Video
- Maximize usefulness of [www.MdHousingSearch.org](http://www.MdHousingSearch.org)
- Sustain the Regional Project-Based Voucher Program beyond initial seeding
- Evaluate how Booklets are being used; Update and Reprint
Challenges with Prior Action Steps

- Identifying affordability preservation opportunities and resources
- Working with Maryland DHCD to strike an LIHTC balance – rural/metropolitan and opportunity/revitalization
- Maximizing utility of www.MdHousingSearch.org
- Community opposition to affordable housing in opportunity areas
- Resource constraints on affordable housing and public transportation
- Failure of Source of Income legislation at State level.
- Difficulty in evaluating success of fair housing education booklets
- Difficulty in yielding conclusive results from fair housing paired testing
Where we are today
Severe Cost Burden by Race and Ethnicity

<table>
<thead>
<tr>
<th>Region</th>
<th>White, Non-Hispanic</th>
<th>Black, Non-Hispanic</th>
<th>Hispanic</th>
<th>Asian or Pacific Islander, Non-Hispanic</th>
<th>All Residents</th>
<th>Families with &lt; 5 People</th>
<th>Families with &gt; 5 People (Large)</th>
<th>Non-related and Single Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>Region</td>
<td>12%</td>
<td>21%</td>
<td>20%</td>
<td>16%</td>
<td>15%</td>
<td>12%</td>
<td>12%</td>
<td>22%</td>
</tr>
<tr>
<td>Anne Arundel</td>
<td>12%</td>
<td>18%</td>
<td>22%</td>
<td>19%</td>
<td>14%</td>
<td>11%</td>
<td>10%</td>
<td>20%</td>
</tr>
<tr>
<td>Annapolis</td>
<td>14%</td>
<td>23%</td>
<td>34%</td>
<td>28%</td>
<td>18%</td>
<td>15%</td>
<td>16%</td>
<td>21%</td>
</tr>
<tr>
<td>Baltimore City</td>
<td>16%</td>
<td>25%</td>
<td>20%</td>
<td>20%</td>
<td>21%</td>
<td>19%</td>
<td>18%</td>
<td>25%</td>
</tr>
<tr>
<td>Baltimore County</td>
<td>13%</td>
<td>18%</td>
<td>20%</td>
<td>15%</td>
<td>15%</td>
<td>11%</td>
<td>10%</td>
<td>22%</td>
</tr>
<tr>
<td>Harford County</td>
<td>11%</td>
<td>20%</td>
<td>17%</td>
<td>14%</td>
<td>12%</td>
<td>9%</td>
<td>12%</td>
<td>19%</td>
</tr>
<tr>
<td>Howard County</td>
<td>9%</td>
<td>16%</td>
<td>15%</td>
<td>13%</td>
<td>11%</td>
<td>9%</td>
<td>11%</td>
<td>17%</td>
</tr>
</tbody>
</table>

**Severe cost burden** = when a household pays more than 50 percent of their monthly gross income in housing costs. Also an indicator of potential eviction or foreclosure, and homelessness.

Source: 2017 ACS.
Homeownership by Race and Ethnicity, Region

Source: 2017 ACS.
Homeownership by Race and Ethnicity, U.S. Trends

### Mortgage Loans: Denial Rates by Race & Ethnicity

**Source:** Home Mortgage Disclosure Act (HMDA) reporting

<table>
<thead>
<tr>
<th>Region</th>
<th>Black</th>
<th>Hispanic</th>
<th>White, Non-Hispanic</th>
<th>Asian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anne Arundel County</td>
<td>26%</td>
<td>19%</td>
<td>13%</td>
<td>17%</td>
</tr>
<tr>
<td>Baltimore County</td>
<td>25%</td>
<td>20%</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>Baltimore City</td>
<td>33%</td>
<td>23%</td>
<td>13%</td>
<td>17%</td>
</tr>
<tr>
<td>Harford County</td>
<td>25%</td>
<td>20%</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>Howard County</td>
<td>22%</td>
<td>19%</td>
<td>11%</td>
<td>12%</td>
</tr>
<tr>
<td>City of Annapolis</td>
<td>43%</td>
<td>13%</td>
<td>13%</td>
<td>12%</td>
</tr>
</tbody>
</table>

*Note: Data for Asian applications is not available for Harford County; too few Asian applications.*
Mortgage Loans: Denial Rates by Census Tract

Source: Home Mortgage Disclosure Act (HMDA) reporting
Mortgage Loans: Subprime Rates by Census Tract

Source: Home Mortgage Disclosure Act (HMDA) reporting
Unbanked and Underbanked Households

Source: FDIC, National Survey of Unbanked and Underbanked Households, 2017.

Percent of households underbanked:
- 25.8% in 2013
- 20.9% in 2015
- 19.3% in 2017

Percent of households unbanked:
- 5.2% in 2013
- 5.9% in 2015
- 1.8% in 2017
<table>
<thead>
<tr>
<th>Region</th>
<th>White</th>
<th>Black</th>
<th>Hispanic</th>
<th>Asian or Pacific Islander</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Housing</td>
<td>6%</td>
<td>93%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>23%</td>
<td>72%</td>
<td>1%</td>
<td>4%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>49%</td>
<td>47%</td>
<td>0%</td>
<td>3%</td>
</tr>
<tr>
<td>HCV Program</td>
<td>16%</td>
<td>82%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Annapolis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
<td>4%</td>
<td>94%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>5%</td>
<td>93%</td>
<td>2%</td>
<td>0%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>N/a</td>
<td>0%</td>
<td>N/a</td>
<td>N/a</td>
</tr>
<tr>
<td>HCV Program</td>
<td>13%</td>
<td>87%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>Baltimore City</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
<td>2%</td>
<td>97%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>14%</td>
<td>84%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>28%</td>
<td>71%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>HCV Program</td>
<td>5%</td>
<td>95%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Anne Arundel County</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
<td>38%</td>
<td>58%</td>
<td>0%</td>
<td>4%</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>66%</td>
<td>31%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>73%</td>
<td>21%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>HCV Program</td>
<td>24%</td>
<td>71%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Baltimore County</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
<td>N/a</td>
<td>0%</td>
<td>N/a</td>
<td>N/a</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>47%</td>
<td>47%</td>
<td>1%</td>
<td>5%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>54%</td>
<td>41%</td>
<td>1%</td>
<td>5%</td>
</tr>
<tr>
<td>HCV Program</td>
<td>24%</td>
<td>75%</td>
<td>1%</td>
<td>0%</td>
</tr>
<tr>
<td>Harford County</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
<td>22%</td>
<td>64%</td>
<td>12%</td>
<td>2%</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>46%</td>
<td>48%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>83%</td>
<td>15%</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>HCV Program</td>
<td>48%</td>
<td>48%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Howard County</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Housing</td>
<td>N/a</td>
<td>0%</td>
<td>N/a</td>
<td>N/a</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>17%</td>
<td>48%</td>
<td>3%</td>
<td>32%</td>
</tr>
<tr>
<td>Other Multifamily</td>
<td>60%</td>
<td>38%</td>
<td>0%</td>
<td>2%</td>
</tr>
<tr>
<td>HCV Program</td>
<td>12%</td>
<td>85%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: U.S. Dept. of Housing and Urban Development (HUD)
Baltimore Regional Housing Partnership Opportunity Map

Used for Baltimore Regional Project-Based Voucher (PBV) Program

Green = Opportunity Area

Source: BRHP
## Publicly Supported Rental Housing Compared to Market-Rate*

<table>
<thead>
<tr>
<th>BRHP Opportunity Areas</th>
<th>Total Units in BMC Dbase</th>
<th>Pct. In BRHP Oppty Areas</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subsidized Units</strong></td>
<td><strong>Market-Rate Units</strong></td>
<td><strong>Subsidized Units</strong></td>
</tr>
<tr>
<td>Elderly/Mixed Family</td>
<td>Elderly/Mixed Family</td>
<td>Elderly/Mixed Family</td>
</tr>
<tr>
<td>City of Annapolis</td>
<td>633</td>
<td>3,517</td>
</tr>
<tr>
<td>Anne Arundel Co.</td>
<td>307</td>
<td>11,759</td>
</tr>
<tr>
<td>Baltimore City</td>
<td>1,664</td>
<td>9,456</td>
</tr>
<tr>
<td>Baltimore County</td>
<td>2,427</td>
<td>30,634</td>
</tr>
<tr>
<td>Harford County</td>
<td>760</td>
<td>5,186</td>
</tr>
<tr>
<td>Howard County</td>
<td>1,301</td>
<td>14,961</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>7,092</td>
<td>75,513</td>
</tr>
</tbody>
</table>

*Units in market-rate multifamily rental properties with more than 40 units

### Distribution of Opportunity Area Units (Subsidized & Market in BMC dbase) by Jurisdiction

**Distribution of All Subsidized by Jurisdiction**

- City of Annapolis: 6%
- Baltimore City: 14%
- Anne Arundel County: 15%
- Baltimore County: 35%
- Harford County: 7%
- Howard County: 21%

- City of Annapolis: 6%
- Baltimore City: 61%
- Anne Arundel County: 7%
- Baltimore County: 15%
- Harford County: 5%
- Howard County: 7%
Subsidized Housing Units in the Baltimore Region

Source: BMC Preservation Database
Subsidized Housing Units in the Baltimore Region, Showing units in BRHP Opportunity Areas

Source: BMC Preservation Database
Indicators

- Education
- Housing/Neighborhood
  - Home Value
  - Percent Vacant & Abandoned
- Social Capital
  - Racial Diversity
  - Percent with Bachelor’s Degree
- Public Health & Safety
  - Crime Risk
  - Rate Low Birth Weight
  - Access to Parks
- Employment & Workforce
  - Job Growth
  - Jobs within Short Commute
- Transportation & Mobility
  - Short Commutes
  - Walk Score
  - Access to Transit
Housing and Opportunity
From 2014 Baltimore Fair Housing Equity Assessment

Subsidized Family Units
- Two Lowest Opportunity Quintiles: 14960
- Middle Opportunity Quintile: 5019
- Two Highest Opportunity Quintiles: 4185

Housing Choice Voucher Use
- Two Lowest Opportunity Quintiles: 14664
- Middle Opportunity Quintile: 3968
- Two Highest Opportunity Quintiles: 4807

Subsidized Elderly & Single-Disabled
- Two Lowest Opportunity Quintiles: 6347
- Middle Opportunity Quintile: 4085
- Two Highest Opportunity Quintiles: 3709

Multifamily Pipeline Units
- Two Lowest Opportunity Quintiles: 7154
- Middle Opportunity Quintile: 8138
- Two Highest Opportunity Quintiles: 22049
Distribution of Publicly Subsidized Housing and Vouchers
(Gray shading shows voucher concentration. Source: HUD)
Distribution of Vouchers and Poverty Rate

Source: Center on Budget and Policy Priorities
Distribution of Vouchers and People of Color

Source: Center on Budget and Policy Priorities
Distribution of Vouchers and Opportunity Areas

Source: Center on Budget and Policy Priorities
FY 2019 HUD Small-Area Fair Market Rents (FMRs)

Optional in Baltimore region

FY 2019 metropolitan-wide FMR currently in use as basis for public housing authority voucher payment standards: $1,342 for 2-bedroom home

Source: www.huduser.org
Summary of Fair Housing Issues

Disproportionate Housing Needs

- Past actions created an unlevel playing field for housing access. This is still evident in gaps in homeownership rates and the burden housing costs place on household incomes
- Lack of economic opportunity among low income people has exacerbated differences in homeownership and cost burden
- Mortgage denial rates suggest bias in lending in areas of racial and ethnic and poverty concentrations
- Baltimore City provides more than 60% of all subsidized housing units in the region v. 22% of the region’s residents
- Challenges to locating affordable housing in opportunity areas of the metropolitan area continue to exist, both for construction and for housing choice voucher use
- Others?
Action Plan Development
Approach

1. This and next 3 meetings will be dedicated to development of a Fair Housing Action Plan. “Actions” are different from goals in that they are not as aspirational. Action items provide a **visible path to making a difference** in addressing the region’s fair housing challenges.

2. We will start by identifying Actions to address Contributing Factors to fair housing issues in the region then work backward to develop goals. Must have both regional and local goals and actions.

3. Can revisit items from past AIs that were not successful.

4. Can offer “wish list” or idealistic ideas.

5. Action items can be short term, long term, and “tabled” for a time when a more realistic option.

6. Consultant team will also develop action items. March and April meetings will involve “vetting” of these and development of draft Goals and Action Item matrix (see next slide).
# HUD Goals and Action Items Matrix

<table>
<thead>
<tr>
<th>Goal</th>
<th>Contributing Factors</th>
<th>Fair Housing Issues</th>
<th>Metrics, Milestones, and Timeframe for Achievement</th>
<th>Responsible Program Participant(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Discussion:**
Today’s Exercise

1. Review Contributing Factors placed around this room

2. If you believe that:

   the Contributing Factor significantly creates, contributes to, perpetuates, or increases the severity of fair housing issues related to disproportionate housing needs and publicly supported housing in the Baltimore region

   …then indicate with the marker provided

3. Recommend Action Items to address if you have ideas
Contributing Factors that create the Disproportionate Housing Needs in the prior slides:

Renters cannot find affordable units in a range of sizes

Renters have been displaced due to economic pressures

Homeowners have been displaced due to economic pressures

Low income residents lack access to areas of opportunity due to high housing costs

There is a lack of private investments in specific neighborhoods (which neighborhoods?)

There is a lack of public investments in specific neighborhoods (which neighborhoods?)

Some communities have restrictive land use and zoning laws (which communities and which laws?)

Lending discrimination exists

There has been a loss of affordable housing due to redevelopment, units being purchased by the private market
Contributing Factors that create the Disproportionate Housing Needs in the prior slides:

Landlords discriminate based on source of income, preventing some residents (those on SSDI) from renting on the private market

Community opposition to affordable housing

PHA admission and occupancy policies and preferences (which policies and preferences?)

Impediments to mobility (movement throughout the region)

Lack of access to areas of high opportunity

Lack of meaningful language access

Lack of local or regional cooperation
Contributing Factors that create the Disproportionate Housing Needs in the prior slides:

- Lack of private investment in neighborhoods with public housing
- Lack of public investment in neighborhoods with public housing
- Loss of public and affordable housing
- Site selection, including discretionary aspects of LIHTC QAP
- Discrimination by landlords and property managers
- Lack of resources dedicated to housing solutions
- Public resources exist but are prioritized for other issues (economic development)
- Lack of employer commitment to solving housing challenges
- Lack of commitment by leadership to solving housing challenges
Action Items Ideas to Consider

From the group (we will complete together):

From the consultant:

1. Facilitate the creation of a regional housing trust or loan fund to acquire land for mixed-income development and revitalization of housing in depressed market areas

2. Analyze the length of entitlement process for affordable housing and market rate housing and identify ways to streamline; address zoning barriers

3. Transform publicly owned and underutilized land into housing

4. Engage lenders in discussions about mortgage lending and credit gaps and how to address; receive a commitment to address

5. Raise awareness about the costs of lack of social mobility among city and county leadership; commit to address as a region

6. Adopt meaningful affirmative marketing requirements of developers

7. Analyze how capital improvements are distributed in the region and how this distribution affects the price and type of housing that is developed. Consider the opportunity to add an equity consideration to these decisions
Next meeting Feb 20: Enforcement, Capacity, Resources + More Action Items