



# **Baltimore County Response to Pathways to Removing Obstacles to Housing (PRO Housing)**

U.S. Department of Housing and Urban Development Community  
Planning and Development  
FR-6700-N-98  
Submission Due 10/30/2023



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# **Exhibit A: Executive Summary.**



## Executive Summary

Historically, barriers to supply of affordable housing have fueled a growing housing crisis that has, in turn, suppressed economic growth and revitalization in Baltimore County. Some of these barriers, like the rising cost of development and community opposition, are not unique to Baltimore County. Other obstacles, such as a finite amount of buildable land and outdated or even repressive zoning and land use regulations, create unique local challenges. Baltimore County government is fully invested in facing these challenges head on. The current administration has demonstrated its commitment to lasting and transformational change calculated to increase housing access and stability for local residents. Since the County entered into a Conciliation Agreement and Voluntary Compliance Agreement (VCA) in 2016, there have been demonstrable changes and accomplishments, including:

- The creation of the County's first Department of Housing and Community Development
- The passage of impactful housing legislation;
- Modernizing land acquisition policies and leveraging non-traditional properties for affordable housing development;
- Improved relationships with developers and an overall increase in stakeholder communication and public engagement.

In addition to these advances, Baltimore County government as a whole has been internally aligned and singularly focused on a vision that includes a path to housing access for all, primarily the most vulnerable and historically disadvantaged, focusing on sustainable and fiscally efficient models of housing finance and a balanced approach that is inclusive and focused on growth and revitalization while addressing historic barriers to housing.

To continue building on this progress and further advancing Baltimore County's housing goals, the County is seeking a critical financial investment from the PRO Housing Program. These funds, if awarded, will allow the County and its partners to launch or expand a variety of initiatives to remove barriers and increase access to affordable housing. We propose 11 high-impact activities, including replicating successful approaches to housing stability, a zoning analysis focused on removing barriers, investing in and optimizing the Housing Opportunity Fund, investing in approaches to homeownership and intergenerational wealth building, and investing in our data-informed critical delivery infrastructure.

The Baltimore County neighborhoods already identified as having insufficient access to affordable housing options align, in part, or are in close proximity to the three census-designated priority areas. This program funding will specifically create, enhance, or stabilize many activities and actively support efforts impacting these priority areas. Importantly, these initiatives were developed with the priority of advancing racial equity and fair housing requirements.

The activities proposed here will result in long-term impact of assisting over 51,000 households during the six-year period of performance for this program. The County is prepared to provide over 100% leverage to the PRO funds. Along with the tangible, household-level impact, these activities allow Baltimore County to address and repair its mistakes of the past, to become a model for progressive, comprehensive housing program implementation.



# **Exhibit B: Threshold Requirements and Other Submission Requirements.**

Review and provide a narrative response, as necessary, to the Threshold Eligibility Requirements in Section III.D and Other Submission Requirements in Section IV.G



In accordance with the Notice of Funding Opportunity, Baltimore County qualifies as an “eligible applicant” under section III.A of the NOFO as “01 (County governments).” It is the County’s understanding that the County is in compliance with the Voluntary Compliance Agreement (VCA) (signed March 2016) as defined in Section D.1.b.(1) and does not have other active civil rights matters.

Baltimore County includes the following required documents as attachments to this application:

- Application for Federal Assistance
- Applicant and Recipient Assurances and Certifications
- Applicant/Recipient Disclosure/Update Report
- Federal Assistance Assurances
- Grant Application Detailed Budget
- Certification Regarding Lobbying
- Disclosure of Lobbying Activities
- PRO Housing Certifications
- Written Code of Conduct
- Limited English Proficiency
- Physical Accessibility
- Environmental Review



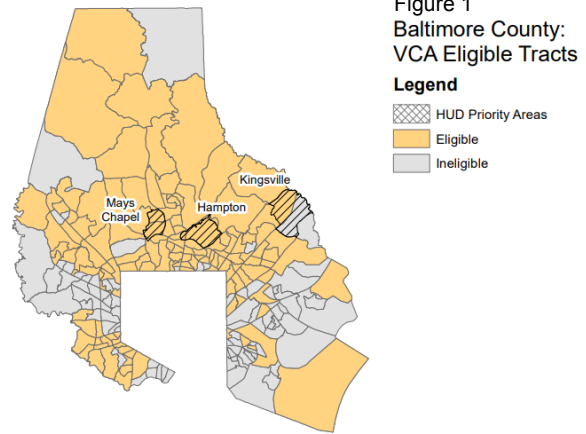
# Exhibit C: Need.

Review and provide a narrative response to V.A.1.a



***V.A.1.a.i Existing Efforts***

In March 2016, the U.S. Department of Housing and Urban Development (HUD) and Baltimore County (“the County”) executed a Voluntary Conciliation Agreement (VCA), which acknowledges a history of barriers to affordable and accessible housing while also establishing specific goals to address housing need. The County is committed not only to meeting the targets of the VCA, including the creation of 1,000 hard units by 2027, but also to achieve broader housing goals, through partnerships with local and regional stakeholders that incentivize development and address historic barriers.



**Figure 1** shows census tracts that are eligible for affordable housing production and preservation under the VCA.

For the past decade, the County has dedicated significant efforts, resources, and political capital to determining the extent of housing need, identifying specific historic and policy barriers to affordable housing, establishing targets, and using those targets as the basis for planning, policy, and program development. The County’s efforts to identify, address, mitigate, or remove barriers to affordable housing production and preservation include the following:

County Organization and Capacity Building: In May 2021, the County Council approved legislation proposed by the Administration legislation to create the first dedicated Department of Housing and Community Development to centralize Baltimore County’s housing efforts, eliminate overlapping functions, and streamline planning for key outcomes that were previously dispersed across multiple departments. The creation of this department shows a significant strategic focus and investment on the part of the County Executive and County leadership to make housing development and access a priority.

The County Executive and County Council also approved DHCD's FY2022 and 2023 budget requests for multiple key positions to help achieve the County’s housing fair housing and housing production goals: a Deputy Director with extensive housing finance experience, a Housing Compliance Officer, a Fair Housing Manager, and a Consultant for Affordable Housing Development. Furthermore, additional funding has been approved for contractual activities as it relates to tenant-landlord issues, housing program compliance, community and stakeholder engagement, and ongoing training around what is required of Baltimore County government to function as efficiently and equitably as possible in service to all residents. Specific to housing development, DHCD, the Department of Planning, and the Department of Permits, Approvals, and Inspections (Zoning review arm of the County) are working together in the establishment of a barrier free environment for affordable housing development.

In April 2022, DHCD commenced its first phase of the Housing Engagement Strategy with individual meetings between the DHCD Director and Deputy Director the seven members of the County Council. The discussions centered around VCA goals but also the larger need for housing in the County and some of the barriers to that housing. The County held its first county-wide Annual Meeting in November 2022 which engaged developers, stakeholders, elected officials





and community members in solutions-centered discussions on housing priorities and fair housing principles. The next Annual Meeting is scheduled to take place in February 2023.

To address a limited number of vital Community Development Corporations (CDCs), the County engaged with a consultant in 2022 to form a new non-profit community development organization (CDO) focused on the Liberty Road Corridor as the west side of the County has not ever had such a resource but is a prime candidate for revitalization and focus on building cohesion, a sense of place and a structure for economic growth, redevelopment and potential services along the Liberty Road corridor. The CDO, developed in partnership with The Nelson Ideation Group (TNIG), a local M/WBE firm, and funded through \$600,000 in federal American Rescue Plan funds, will engage community stakeholders and develop a business plan, organizational support and work to support efforts to revitalize the Randallstown area.

Affordable Housing Working Group (AHWG): The Baltimore County Executive established the Affordable Housing Working Group (AHWG) in 2022 to address the previous lack of community engagement and strategic approach to housing production. The AHWG reviewed progress to date, examined ongoing challenges, and developed recommendations to further support and achieve the housing and community development goals of the County. To frame its work the AHWG adopted the following mission: *“Baltimore County will create and preserve stable and affordable housing in all neighborhoods to promote economic mobility, provide access to quality education, health care, transit connections and that are guided by intentional strategies to dismantle a legacy of social and racial inequities.”*

The AHWG convened a diverse group of County employees, industry representatives, local stakeholders and community leaders. In the AHWG’s 2022 report, “Reinvesting in the Places We Call Home: Recommendations for Expanding and Enhancing Housing Opportunities in Baltimore County<sup>1</sup>,” the AHWG identified key barriers and laid out a set of recommendations. The County, through this group, has a public-facing method for accountability.

The County is also undertaking efforts to break down public discourse barriers that dramatically impact the zoning, land use and legislative landscape:

- DHCD has invested at least \$50,000 in the prior two years towards its marketing and storytelling assets to engage stakeholders Countywide in the work of bringing affordable units online and why it is important for the County to lead. DHCD has collaborated with TheCaseMade to present the concept that the public can be engaged on the topic of housing through storytelling focused on building thriving communities, and provided technical and writing assistance in the production of the Workgroup reports.
- Second, TheCaseMade was engaged in May of 2023 to conduct “community listening sessions.” These focus group style conversations will allow TheCaseMade to gather input and data to eventually provide Baltimore County with a strategic communications strategy to help better engage with the public on the topic of housing.

Legislation and Policy Approaches: The County Council has passed a number of bills introduced by the administration that are intended to break down barriers and increase housing production. In 2019, the County passed the HOME Act, prohibiting housing discrimination by source of income and the County Executive was instrumental in the statewide passage of a similar bill in

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<sup>1</sup> [Reinvesting in the Places We Call Home \(baltimorecountymd.gov\)](https://www.baltimorecountymd.gov)



2020. More recently, in January 2023, the County passed a local legislative housing package to expand access to new housing opportunities and address community concerns:

- Establishing a dedicated and permanent Baltimore County Housing Opportunities Fund to allow for reoccurring investment to support the ongoing development, rehabilitation, and preservation of affordable and attainable housing;
- Creating Baltimore's County first-ever process to designate properties as "vacant," serving as the foundation for future efforts to convert blighted and abandoned properties into housing, including homeownership opportunities;
- Updating the County's regulations to expand family-member use of accessory apartments (accessory dwelling units or "ADUs") to increase opportunities to keep families together and allow older adults more opportunities to age in place; and
- Modernizing new townhome construction to create additional housing opportunities aimed at residents who may be priced out of the current housing market.

Housing Opportunities Fund and RFA for Production & Preservation: Since the passage of this legislation, the County has dedicated \$16 million of ARPA and \$3M in general funds to the new Housing Opportunities Fund (created by Bill 4-23). Additionally, now that the County has created a definition for "vacant structure" (Bill 5-23), the County can begin identifying and officially designating properties as vacant. The County's Department of Permits, Approvals and Inspection (PAI) is using this new authority to build out a vacant property inventory, leveraged to create new affordable rental and homeownership opportunities.

In April 2022, DHCD released its first Request for Applications (RFA) for the production and preservation of affordable housing. Through this process, DHCD solicited applications from qualified development partners for the provision of viable affordable housing, where the County's capital solutions leveraged to support housing development and long-term affordability for constituents. DHCD accepted applications starting in advance of the upcoming LIHTC round and on a rolling basis, and prioritized proposals that included at least one (1) of the following: Integrated Permanent Supportive Housing (PSH), Development led by Faith-Based, Small, Minority, & Women-Owned Partners, Housing Development & Preservation in Areas of Opportunity, Development of Accessible Units & Housing Opportunities for Persons with Disabilities, Innovative Affordable Housing Solutions, Deeply Affordable Units, Communities with Resident Services Programming, or Preservation of Existing Affordable Housing.

The following braided funding sources were utilized to support projects submitted to DHCD in response to the RFA:

- Home Investment Partnerships (HOME) of \$2 million annually;
- Community Development Block Grant (CDBG) of \$1.5 million annually;
- Project-Based Rental Assistance (PBRA);
- County General Funds of \$3 million annually; and
- The County's newly formed and funded Affordable Housing Fund (AHF) made possible by the 2021 American Rescue Plan Act (ARPA) of \$16 million.

Affiliations and Information Sharing: DHCD is currently an active member of the National Association of Housing and Redevelopment Officials (NAHRO and MARC-NAHRO) and the Maryland Association of Housing and Redevelopment Agencies (MAHRA). In March 2022, the County's Public Housing Authority (PHA), the Baltimore County Office of Housing, expanded



its membership of the Maryland Affordable Housing Coalition to extend its benefits to DHCD staff. Memberships also include: the Housing Association of Nonprofit Developers (HAND) and the National Council of State Housing Agencies (NCSHA), thereby increasing DHCD's industry memberships by two (2) by December 31, 2022. These memberships will give DHCD access to other like organizations— regionally and nationally—as well as foster connections with administrators who have faced and are facing some of the same opposition the County does as it relates to rental and affordable housing. Having access to groups who are going about the same work will uniquely position DHCD to learn more about what has worked well in other jurisdictions nationwide.

2030 Master Plan: The Baltimore County 2030 Master Plan, which is in its final stages of approval, has been a method to create the synergy needed to connect stakeholders in the community with County staff who possess the knowledge, mission, and goal to help foster stronger communities. With the founding of DHCD, Baltimore County for the first time included a policy on the creation of affordable/accessible housing in its Master Plan. The Plan is based on the following principles:

- *Equity*: Being inclusive in our decision-making, ensuring equitable distribution of resources and creating opportunity for all.
- *Sustainability*: Ensuring the long-term sustainability of the County's public and internal government infrastructure and safeguarding the County's ecology and climate.
- *Vibrant Communities*: Ensuring that all residents have access to high quality, accessible and affordable housing, cultural and recreational opportunities in safe communities.

Summary: Both in response to and independent from the VCA, Baltimore County has demonstrated a strategic focus, key legislative priority, and substantial investment of time and dollars into overcoming barriers to affordable housing, housing instability, and fair housing. The County has made progress toward meeting its housing need targets and in building the long-term infrastructure to address these challenges. The programs proposed in this PRO Housing proposal will continue the work of DHCD and the AHWG to advance a “housing for all” framework with a focus on historically under-served communities, communities of color, very-low-income households, and households with special needs.

#### ***V.A.1.a.ii. Acute Need***

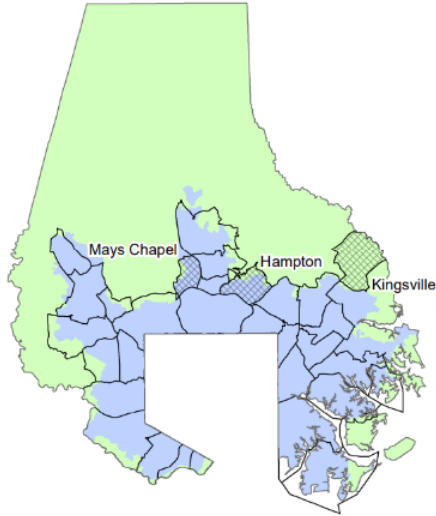
Baltimore County faces a significant acute demand for affordable housing. Baltimore County has made significant efforts to identify and quantify housing need in a way that can inform policies and programs to overcome barriers and increase affordable housing supply.

Priority areas, as identified by HUD for the purpose of the PRO Housing grant, will be served by 8 out of the 11 initiatives proposed by Baltimore County here in this application. Initiatives serving HUD-identified priority areas account for the majority of the requested PRO Housing funding (see Section, “V.A.1.b.i Vision”, including **Table 1**, for a summary).

Priority Areas: According to HUD’s priority area methodology, three of Baltimore County’s census-designated places (CDPs) qualify as priority areas under the PRO Housing Program (Hampton, Kingsville, and Mays Chapel). As shown in **Figure 2**, Mays Chapel and Hampton are located within the north central portion of the urban ring surrounding Baltimore City, while rural Kingsville falls just outside in the east.



Figure 2  
Baltimore County:  
Geographic Overview



The CDP priority areas are designated as such due to there being insufficient affordable housing options (true for all three priority areas) and housing supply not keeping pace with population growth (true for Hampton CDP and Kingsville CDP).

Hampton CDP is an outlier with a Housing Affordability Factor (HAF) of 16.25, which is well beyond both the national and state thresholds. This exceptionally high HAF score signifies a critical scarcity of affordable housing options within the community, leaving a significant portion of Hampton's residents struggling to secure suitable and

affordable homes. Additionally, Hampton CDP's Offpace Factor value of 0.27 underscores the urgency of addressing the housing crisis in this area. The Offpace Factor, also exceeding both national and state benchmarks, demonstrates that housing development has not kept pace with the growing demand, leading to an acute shortage.

Similarly, Kingsville CDP also experiences a pressing demand for affordable housing, with a HAF of 3.99 exceeding the national and state benchmarks. Kingsville CDP's Offpace Factor value of 0.42 further reinforces this demand. While Kingsville CDP exhibits a lower HAF than Hampton, it still grapples with a pressing demand for affordable housing. Mays Chapel CDP, with a HAF of 2.14, is also above the national and state thresholds, and reflects a common countywide challenge of providing affordable options to households below 100% of HAMFI.

Baltimore County's HUD-designated priority areas highlight the critical need for addressing the affordability crisis and implementing strategies to make housing more accessible to residents in these communities. However, while these areas undeniably face acute demand for affordable housing, many other communities throughout the county have significant need for affordable housing and access to opportunities as well, due to a complex and wide-reaching confluence of demographic shifts, economic factors, and systemic challenges.

Method for Assessing Housing Need: Baltimore County uses a multi-pronged approach to inform and develop its understanding of and approach to affordable housing and community development issues. The County conducts regular assessments and data collection efforts to benchmark and report on housing need. These include detailed surveys, analysis of housing vacancy rates, income distribution studies, and collaboration with local housing authorities. These data-driven approaches provide a comprehensive view of the county's evolving housing needs and inform strategic planning for affordable housing development. Additionally, Baltimore County actively participates in HUD's Comprehensive Housing Affordability Strategy (CHAS) program, which offers insights into local housing affordability trends and informs policy. This multifaceted approach ensures the county's housing needs are continually monitored and addressed with evidence-based strategies.

Voluntary Compliance Agreement Goals: The goals agreed upon between HUD and the County in the 2016 Voluntary Compliance Agreement (VCA) are a priority in driving forward affordable housing development and preservation and inform the initiatives proposed in this application.



The County continues to be committed to implementing the plans described within the VCA, and, if awarded, the County will use PRO Housing dollars to fully execute its VCA strategy, specifically its affordable housing unit goal targets. The VCA in 2016 established a goal to develop 1,000 “Affordable Hard Units” (“A hard unit is affordable rental housing resulting from new construction, substantial rehabilitation, acquisition, or existing housing stock.”)

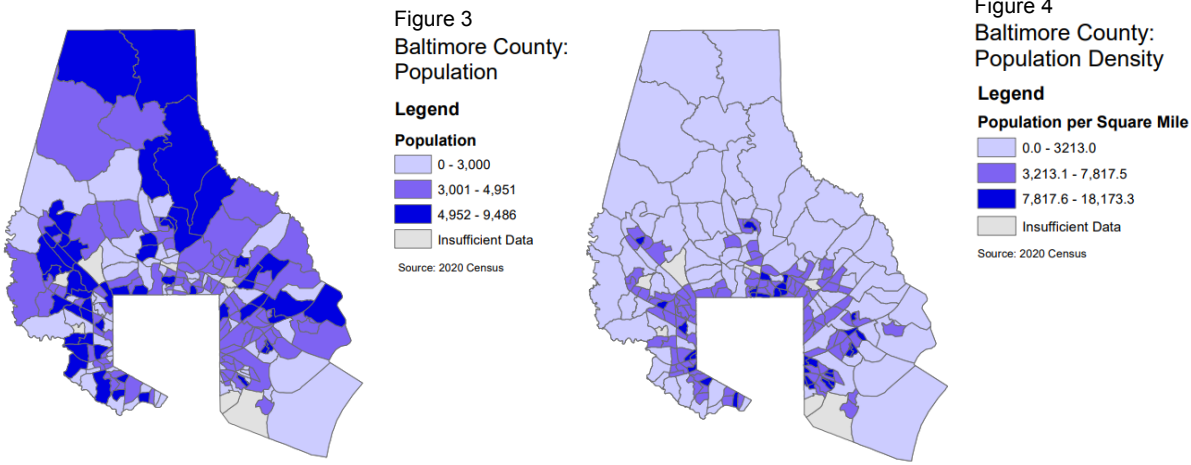
The various VCA unit goals were established to align with specific local needs and in light of stakeholder input. The goals place a strong emphasis on increasing the production of units and the availability of affordable rental units in response to an acute need for accessible rental options and growing the housing supply to keep pace with demand. The targets selected emphasize the need for leased units for households at or below 30% of area median income, for families (i.e., leased units with three bedrooms or more), and for people with disabilities.

The County met or exceeded all interim goals from execution of the VCA in 2016 through calendar year 2019. Please see below for the total goals by category and status, including areas of difficulty in 2021-present. Though the barriers described throughout this proposal have impacted the County’s ability to meet certain VCA interim goals, the County remains unwaveringly committed to addressing the need for affordable housing production and preservation and assisting populations with housing affordability needs. If awarded, the initiatives described in this proposal will help the County’s trajectory toward achieving its 2027-unit goals.

**Table 1**

	Goal Units Approved*	Actual Units Approved	Goal Units Constructed	Actual Units Constructed	Goal Units Leased	Actual Units Leased	Goal Units leased to Families 30% AMI or below	Actual Units Leased to Families 30% AMI or below	Goal Units Leased 3+ bedrooms	Actual Units Leased 3+ bedrooms	Actual Accessible Units Approved*	Actual (verified) Accessible Units Constructed	Goal Accessible Units Leased	Actual Accessible Units Leased
As of 12/31/16	170		10		10		10		10				5	
As of 12/31/17	270		20		20		20		20				10	
As of 12/31/18	370		170		105		50		65				20	
As of 12/31/19	470		270		205		80		115				30	
As of 12/31/20	570	544	370	413	305	393	115	200	165	245			40	28
As of 12/31/21	670	544	470	444	405	427	150	214	215	275	68	21	50	17
As of 12/31/22	770	584	570	458	505	439	185	222	265	283	72	39	60	7
2023 Goals (as of 9/30/23)	870	584	670	463	605	454	220	235	315	294	72	7	70	7
2024 Goals	970		770		705		255		365				80	
2025 Goals	1000		870		805		280		415				90	
2026 Goals			970		905		290		465				95	
2027 Goals			1000		1000		300		500				100	

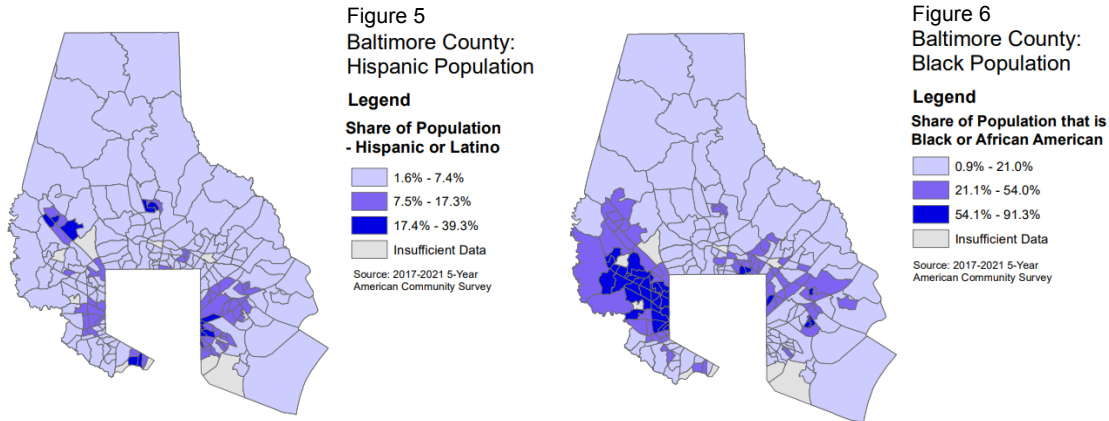
**Demographics and Trends:** The data tell a compelling story of housing need in Baltimore County and help inform the proposed initiatives and targeting efforts. Baltimore County’s population of over 800,000 is concentrated primarily in its urban core, as shown in **Figure 3** and **Figure 4**.



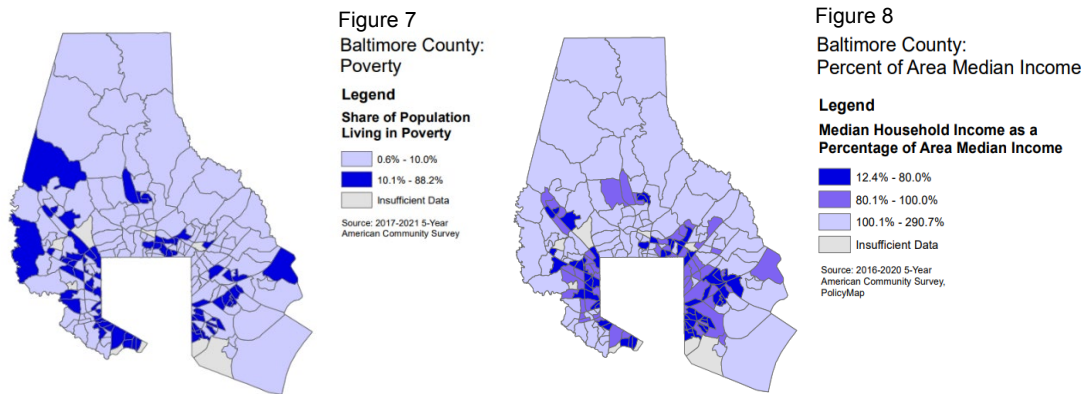


Baltimore County's senior population, with a 26.3% increase in the 65+ age group between 2010 and 2020, signifies a growing need for accessible and affordable housing options for seniors. On the other end of the spectrum, the 35 to 49 age group declined by 6.4% during the same period, suggesting that younger families may be struggling to find suitable and affordable housing.

Baltimore County's increasing diversity, with the non-Hispanic (NH) white population dropped from 62.6% to 54.8% between 2010 and 2020, underscoring the importance of addressing housing disparities across racial and ethnic groups. The NH Black population saw a significant increase of 4.2 percentage points, making it crucial to ensure equitable access to affordable housing for all residents and to align efforts with a racial equity lens. The Black or African American households and Hispanic households are concentrated in the County's urban ring, as shown in **Figure 5** and **Figure 6**.



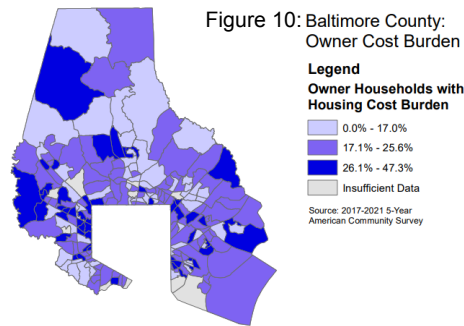
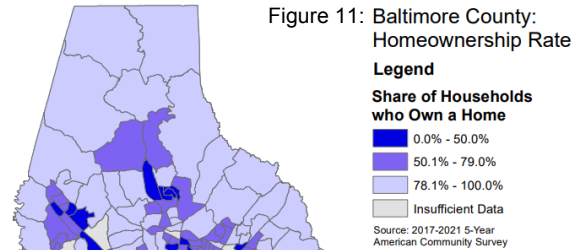
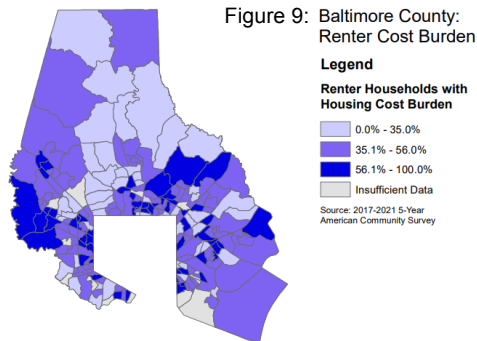
*Income and Housing Cost Burden:* Income statistics highlight the need for affordable housing accessible to households in lower income bands. While the median household income in the county rose from approximately \$62,000 in 2010 to around \$78,000 in 2020, a 26% increase, this growth has not kept pace with rising housing costs. Residents experiencing poverty and households with lower incomes are concentrated in and around the urban core, as shown in **Figure 7** and **Figure 8**.



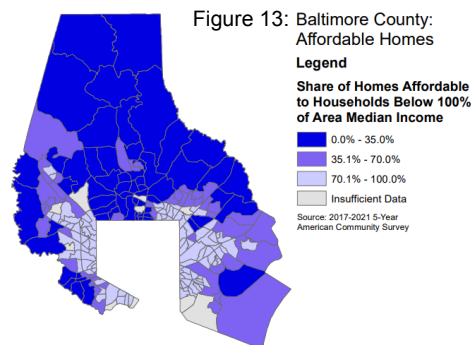
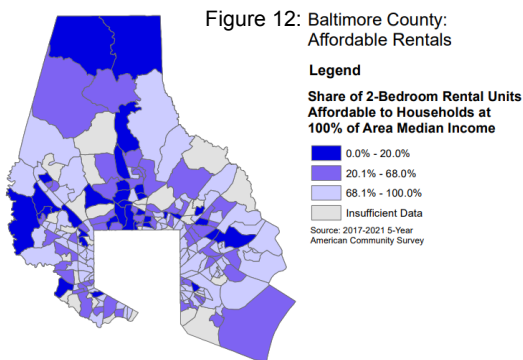
A substantial portion of renter households (50%) experience housing cost burden (housing costs >30% of household income), while 25% experience severe housing cost burden (housing costs >50% of household income). Of homeowner households, 21% experience housing cost burden, while 8% experience severe housing cost burden. Comparing cost burden levels by housing



tenure, renter households are disproportionately impacted. Census tracts with the highest concentrations of households with housing cost burden are located mostly in or just outside the urban core, as shown in **Figure 9**, **Figure 10**, and **Figure 11**.



*Housing Affordability and Access to Homeownership:* The supply of affordable housing (defined here as units affordable to households below 100% of AMI) varies by housing type. Census tracts with the lowest share of affordable rental units are more geographically dispersed but are heavily concentrated in and around the urban core (see **Figure 12**).



Census tracts with low homeownership rates fall within or just outside the urban core, as shown in **Figure 13**. Areas with relatively low homeownership rates, may indicate a need for targeted homeownership support in these areas.

*Housing Instability:* Statistics from Baltimore County's Eviction Prevention portal further emphasize the housing instability issue. Even among employed individuals (around 2,200 tenants), 93% report experiencing housing instability, revealing that employment alone may not be sufficient to overcome the housing affordability challenge. According to the Baltimore County



2012 Point-in-Time Count, approximately 525 households made of 800 individuals are homeless in on a given night, and leading causes of homelessness are eviction and job loss.

Conclusion: Baltimore County is facing acute demand for affordable housing, as evidenced by the priority areas, as well as countywide and neighborhood-specific demographic shifts, income disparities, housing affordability and supply issues, and other challenges. Baltimore County developed this proposal in light of these factors, and taken together, the initiatives proposed represent a holistic and equity-focused strategy towards removing barriers to affordable housing and promoting access to opportunity, while also meeting the County's VCA commitments.

#### ***V.A.1.a.iii. Key Barriers***

Through stakeholder work, the Analysis of Impediments, Master Plan efforts and activities associated with the VCA, Baltimore County has identified key barriers preventing the production and preservation of affordable housing. Baltimore County has shared information on these barriers in depth with HUD through other venues such as its "Analysis of Barriers to Affordable Housing Development Pursuant to the Conciliation and Voluntary Compliance Agreement."

Rising Cost of Development: The cost of construction, and associated costs related to acquisition, legal, and entitlements, has increased exponentially in the past several years, with the pandemic making it more difficult for affordable housing development partners to produce viable housing. (i.e., An analysis from the National Association of Homebuilders found that between the beginning of the COVID-19 Pandemic and May 2022, the cost of building materials rose 35.6%.) More specific to Baltimore County, a high-capacity development partner had been working with the County to acquire vacant land for the construction of affordable units and learned one month prior to closing that the parcels they had planned for development would not be available as the owner decided not to sell. Another developer spent several months negotiating to purchase a property in an opportunity area currently the home of a hotel that would have been the future home of a 54-unit affordable development. The owner of the property more than doubled the original asking price, making the development unfeasible. Real property costs are historically high with home prices having risen nearly 20% over 2021. This increase is exacerbated by the 10% increase from 2020 according to the S&P CoreLogic Case-Shiller US National Home Price Index.

Additionally, as it relates to existing developer relationships, the County often receives requests from smaller developers who generally develop housing one house at a time, for new capital. One such group seeks additional funding for a few key reasons: (1) due to the size and risk of their portfolios, their affordable housing investments generate considerably less cash flow than conventional multifamily sites; (2) due to their small size and overall capacity, any real estate project is inherently riskier, and (3) the pandemic economy made it more difficult for them to acquire properties in Opportunity Areas given the state of the housing market and ever-spiking acquisition, labor, and rehabilitation costs, which in turn has led to fewer units constructed.

Developer Capacity: The County receives multiple substantial inquiries per year for funding support from developers with varying experience – including those with a verifiable track record in affordable housing and those who are new to the space, including primarily market-rate developers. The County's financing products are limited and do not always align squarely with industry requirements. The County is a subordinate lender; therefore, its debt should be utilized for gap financing only. As the business costs increase and less-seasoned stakeholders pursue participation in affordable housing production, there is a need to do more with less, and in some

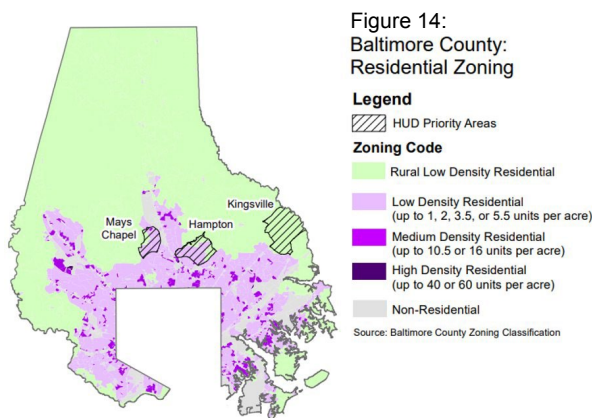




cases, determine whether the County can provide less restrictive financing. Gaps in funding for affordable housing, coupled with other market challenges, have made it more difficult for traditionally affordable developers to make projects “pencil.”

**Restrictive Zoning and Land Use:** County zoning and land use requirements as well as community opposition often result in affordable housing developments facing more restrictive and time-consuming processes prior to approval. Zoning and land use is ultimately controlled by the County Council as a matter of law. Sometimes inconsistent regulations make it more difficult for developers to navigate the process, and further limits land where development can be located. The Urban-Rural Demarcation Line (“URDL”) presents barriers on development opportunities as the lack of public utilities and infrastructure further narrows access to buildable land for housing. Finally, for a project of any significant density in the County to occur, a developer typically must use a Planned Unit Development (“PUD”). This is a much more rigorous process than what is required for by-right development. The most recent affordable development would not have happened without a PUD. Zoning presents as a more severe barrier, as noted in the 2020 Analysis of Impediments to Fair Housing Choice in the Baltimore Region, due to the historical racial zoning that took place within the County. These actions most largely impacted African American communities.

**Figure 14** shows the residential zoning codes throughout the county. The vast majority of the county’s residential areas are zoned low density (1 unit to 5.5 units maximum per acre). Rural areas are zoned single-family residential exclusively. In the urban ring, low density residential areas (excluding rural areas) account for 87% of all urban areas zoned residential, 12% of which is single family (up to 1 unit per acre). Medium density residential areas (excluding rural areas) account for 13%, while high density residential areas only account for 0.2%. Note that the HUD-identified priority areas – Mays Chapel, Hampton, and Kingsville – are predominately or entirely low density residential, with only a couple very small portions of Mays Chapel at its northern edge are zoned medium density, allowing for up to 16 units per acre.



**Infrastructure Constraints:** The County has outdated regulations related to public facilities and infrastructure (water, sewer, traffic and school construction), specifically the County’s Adequate Public Facilities Ordinance (“APFO”), and the Basic Services Maps, which place added burdens on housing production, often having a disproportionate impact on affordable development. Additionally, there is a lack of buildable land where new development can go due to the URDL limitations noted above.

**Availability of Capital:** Timeliness of Maryland’s Competitive Funding Round for Low Income Housing Tax Credits (LIHTC) was a challenge to Baltimore County. There was no 2021 LIHTC competitive round in Maryland. As this is the primary tool for affordable housing construction in the State, along with Multifamily Revenue Bonds, and Rental Housing Works, there were no new development proposals for projects in the County during this time. To demonstrate how significant Maryland’s LIHTC allocation and other gap funding is to the affordable housing supply in the County, of the seven 7 approved County-assisted multifamily projects over the past 5 years, 6 were recipients of Credit equity or State



financing. For 2022, the County anticipates at least four 4 of the projects in its pipeline to apply to the State for Tax Credits. There is also a lack of funding to offset costs for developers seeking to do mixed-income developments. The County has established its Housing Opportunities Fund to provide gap financing, but resources are very limited and there is not currently a permanent source to replenish the fund.

Variations in Community Support: Overall, the development community is apprehensive about work in Baltimore County because of its history of halting affordable housing projects. The County expects to begin an education and engagement process with the implementation of the recommendations from the Affordable Housing Workgroup, as mentioned previously. Chief among the recommendations are two points: education of key stakeholders on the value of housing that is affordable at all socioeconomic levels, particularly for residents at 60% AMI and below. The 2020 Analysis of Impediments to Fair Housing Choice in the Baltimore Region also identifies lack of community support surrounding housing challenges as a barrier.

Limited Staff Capacity at the County: The COVID-19 pandemic has exacerbated staff capacity issues at the local government level and Baltimore County is no different. County staff are critical for the development process. Lack of staffing in permitting and planning related agencies, causing slowdowns in development timelines. Historically, there has been a lack of coordination between departments involved in the development process.

Limited Developer Capacity: DHCD receives up to 10 substantial inquiries per year for funding support from developers with varying experience – including those with a verifiable track record in affordable housing and those who are new to the space. The County may need to seek incentives to attract higher capacity and more experienced developers, provide enhanced education and support for market-rate developers desiring to include affordable units, and potentially include financing terms that are more accessible to small developers.

Outdated Documentation: Many of Baltimore County’s materials are outdated: manuals, guides, and other resources intended to assist developers now often create further confusion and require significant effort to update. Examples of the outdated documents include A Citizen’s Guide to Zoning (2015) which provides a general overview and explanation of zoning in Baltimore County. It does not align with current vision and goals. Another example is, the Affordable Housing Development Guide (2019), designed for property owners, real estate developers, community development organizations, builders, and others interested in obtaining gap financing to acquire, develop, or substantially rehabilitate affordable housing.

The AHWG provided a recommendation to “Revise the Development Guide to ensure a clear pre-development/concept review process for future developments and that clarifies and articulates housing goals, policies and priorities for developers and property owners.” It is Baltimore County’s goal to align with these recommendations and ultimately address the much-needed updates to this documentation to increase the efficiency and reduce confusion.

Access to Affordable Housing: According to the 2020 Analysis of Impediments to Fair Housing Choice in the Baltimore Region, there are inequities in access to transportation, jobs, and education, primarily among African Americans. The same analysis noted only 5.2% of Baltimore County’s publicly assisted general occupancy units (non-senior) were located in census tracts identified by the Baltimore Regional Housing Partnership as Opportunity areas. This number is significantly smaller than neighboring jurisdictions. It is also noteworthy that 51.4% of the jurisdiction’s total housing units are located in Opportunity Areas.



# Exhibit D: Soundness of Approach.

Review and provide a narrative response to V.A.1.b



### ***V.A.I.b.i Vision***

Baltimore County has a focused vision for increasing production and preservation of affordable housing, advancing housing justice, and investing in under-service communities. The County's vision is informed by structural and historical challenges, is data-informed, and focuses on scaling successful pilot approaches in a way that can lead to sustainable and long-term impacts. All of the proposed activities are focused on creating long-term sustainable approaches, removing barriers, and developing a framework for ongoing impact.

These activities are designed to accommodate a range of housing types at different income bands, to focus on protecting tenants from risk of eviction, foreclosure and displacement, and to promote investment in communities of color and historically disadvantaged communities. The County has made significant efforts to-date relating to stakeholder engagement and proactive marketing efforts to ensure housing programs are inclusive and reach their intended audience. Finally, all of these approaches focus on data-informed initiatives in order to maximize impact, make efficient use of public funds, and evaluate the effectiveness of approaches.

### **Initiative 1: Scale and replicate the housing stability programs in Essex Reimagined**

*Applicable Goals and Objectives*— 1A: Advance Housing Justice, 1B: Eviction Prevention, 1C: Invest in the Success of Communities

Essex Reimagined is Baltimore County's first place-based initiative implemented in Essex, MD as an effort to help the community recover during the pandemic. Essex has a significantly higher poverty rate than the county (12.9% compared to 9.28% for the County), and a median income that is 25% below the county's median. The Essex Reimagined initiative included multi-departmental collaboration to provide a coordinated suite of interventions including housing stability and eviction/foreclosure prevention with commercial corridor investment, enhanced trash collection, youth violence intervention, food programs, and streetscaping improvements, deployed with a robust community engagement process including surveys and resource fairs. The initiative includes a partnership with a nonprofit homelessness and social services agency that will provide the targeted housing stability services as well as job training, financial management, case coaching and other services to promote self-sufficiency. There is currently funding sufficient for one year of these eviction/foreclosure prevention services. It is important for the County to identify ongoing resources to continue these essential services.

*Proposed activity:* We propose to use \$1,245,660 of HUD PRO Housing funds to provide multi-year support for the nonprofit service provider, staff to help administer the program, and funds for evaluating the impacts of Essex Reimagined on housing stability and homelessness reduction for participating households, to replicate the approach with other community-based homeless and human services partner nonprofits in additional target communities.

*Need:* Baltimore County's Essex community has a significantly higher poverty rate and lower median income than the county as a whole, making it a critical area for affordable housing, homelessness prevention, supportive services and stability programs.

*Population served:* Low-income households who are at-risk of housing instability or eviction (specifically households below 100% of area median income).

*Precedent:* The Essex Reimagined initiative has demonstrated success in addressing housing stability, and this initiative aims to replicate that success.



*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* This initiative targets underprivileged communities, particularly communities of color, in Essex, MD, which have historically faced housing discrimination.

**Initiative 2: Invest in building a more robust BCStat to enhance our ability to make data-driven policy and funding decisions and invest in integrated Coordinated Entry**

*Applicable Goals and Objectives—* 1A: Advance Housing Justice, 1B: Eviction Prevention, 1C: Invest in the Success of Communities

BCSTAT is Baltimore County's data driven performance management program, whose mission is to create accountability, improve performance, ensure data quality and increase transparency across Baltimore County. During the pandemic, the BCSTAT team targeted its analytics tools to help efficiently deploy COVID relief programs, including Emergency Rental Assistance, foreclosure prevention, and eviction prevention. DHCD Homeless Services worked with County EMS and BCSTAT to visually map out areas of the county where EMS calls are sent to those living unsheltered. The County developed new pathways for households to receive rental assistance and stability funds, including through new strategic nonprofit partnerships, and made significant steps in expanding its coordinated entry system.

*Proposed activity:* We propose to use \$998,385 of HUD PRO Housing funds to support ongoing staffing of a BCStat analyst position that is dedicated to DHCD, which will allow DHCD to continue to utilize its services through a data-driven approach. This activity will focus on sustaining and continue to integrate BCStat with DHCD, with a focus on building long-term sustainability of its data and mapping capabilities that are aligned specifically around housing and homelessness programs. This investment will also aid in building out more successful tools for collecting impact data and evaluating program effectiveness, in addition to the existing function for helping to target programs and resources. Additionally, we will invest \$435,000 in staffing for our Coordinated Entry system, in order to have an established CE team that enter all caller data into the Homeless Management Information System (HMIS) database, allowing the county to understand real time trends in caller needs, to direct funding accordingly.

*Need:* BCStat has proven to be an effective tool for data-driven decision-making. It played a crucial role in deploying resources efficiently during the pandemic, and this data-driven approach ensures that resources are allocated to where they are needed most, increasing the effectiveness of housing-related programs. Having an effective and integrated Coordinated Entry system, working in lockstep with BCStat will allow the County to efficiently and rapidly connect households with programs and resources.

*Population served:* Low-income households in Baltimore County in need of housing assistance and homeless services (specifically households below 100% of area median income).

*Precedent:* The BCStat program has demonstrated its effectiveness in deploying COVID relief housing programs.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* By enhancing data-driven approaches to housing assistance and homeless services, this initiative ensures that resources are distributed equitably, benefiting marginalized communities of color, and addressing disparities in housing services.

**Initiative 3: Invest in expanding the County's Eviction Prevention Program (EPP)**



*Applicable Goals and Objectives*— 1A: Advance Housing Justice, 1B: Eviction Prevention, 1C: Invest in the Success of Communities

A significant program that emerged during the pandemic was a Baltimore County-specific pilot of the Central Maryland Strategic Targeted Eviction Prevention (STEP) Program called STEP 2.0 developed and administered in partnership with United Way of Central Maryland and Maryland Multi-Housing Association. Due to the program's success, it has been improved and expanded to include other jurisdictions, such as Baltimore City, Howard County, and Harford County. The STEP program is different from other eviction prevention efforts in that it features a bulk settlement approach. The approach also includes providing legal counsel to tenants, maintaining communication with trade groups, such as MMHA and landlords, working with the courts on a local level, and providing personalized navigation supports for tenants. Unfortunately, Baltimore County rent court actions and actual evictions are inching closer to pre-pandemic levels. It is essential for this program to have the resources and support that it needs to continue. The STEP programs have been superseded by the County's Eviction Prevention Program (EPP), a long-term initiative designed to transfer the lessons learned from STEP 2.0.

*Proposed Activity:* Invest \$575,278 of HUD PRO Housing funds to provide ongoing staffing and eviction prevention payments through EPP over a six-year period. In addition, funds will be used to evaluate the program impact and develop a roadmap for long-term program sustainability, including developing a multi-year operating model and identifying long-term funding sources. This effort will be carried out through the successful and ongoing partner relationships with UWCM and MMHA that have contributed to the program's success to-date.

*Need:* The STEP program has been successful in preventing evictions, and there is continued need to prevent homelessness as evictions creep toward pre-pandemic levels.

*Population served:* Low-income households in Baltimore County at-risk of eviction and homelessness.

*Precedent:* The STEP program's success and expansion to other jurisdictions demonstrate its effectiveness.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* This initiative addresses racial equity by preventing homelessness, which disproportionately affects community of color. It also provides legal counsel to tenants, ensuring fair treatment and reduces disparities in eviction proceedings.

**Initiative 4: Perform a comprehensive analysis of the County Code and the County's zoning regulations with a focus on removing regulatory barriers**

*Applicable Goals and Objectives*— 1C: Invest in the success of communities, 2A: Increase the supply of housing

As discussed earlier, Baltimore County has a number of challenges to efficient development, including but not limited to affordable housing production and preservation, stemming from its zoning regulations. There is confusion and lack of consistency in the Zoning Code, lack of meaningful connection to provisions in the County Master Plan, and structural challenges in the way the Comprehensive Zoning Remapping Process (CZRP) is not aligned with approaches to meet the County's affordable housing goals and VCA goals. Provisions across zoning classifications create challenges to effectively incentivizing or allowing affordable housing.



Baltimore County is constrained in part because of the Urban Rural Demarcation Line (URDL) and required zones for low-density agricultural zoning. One challenge is the fact that the highest density district (DR16) effectively allows for just 16 units per acre, while typical affordable multifamily projects require higher density for projects to pencil. The code makes it challenging to develop a range of housing such as manufactured housing, ADUs, and affordable multifamily.

A top-to-bottom analysis of the zoning regulations will identify potential areas for reforming/rewriting the code, informing the CZRP, and informing legislation to promote regulatory reforms that will unlock additional opportunities for housing development. Baltimore County has passed some recent legislation of note, including a bill that expands potential opportunities for legalizing ADUs. In tandem with this effort, the County would seek to continue its robust public participation process and stakeholder engagement and update its Citizens Guide to Zoning (and other Land Use Regulations) that has not been updated since 2015.

*Proposed Activity:* Invest \$1,241,967 of HUD PRO Housing funds to engage an advisory firm that will perform an end-to-end analysis of the zoning regulations, including stakeholder engagement, and support staff needed to ensure that zoning reforms effectively align with affordable housing and fair housing goals. In addition, this activity will include updating the Citizen's Guide to Zoning. This work will also incorporate other regional plans and studies from groups like from Baltimore Metro Council and Greater Baltimore Committee, in order to align future zoning with initiatives relating to transportation and employment.

*Need:* Baltimore County's zoning regulations create barriers to affordable housing development, and a comprehensive analysis is needed to remove these barriers.

*Population served:* This initiative will serve the residents and communities of Baltimore County, with a specific focus on creating affordable housing opportunities.

*Precedent:* Zoning analyses and reforms have led to more efficient housing development, e.g., the City of Baltimore, MD and Norfolk, VA, which comprehensively addressed community vulnerabilities through a zoning overhaul ([Urban Land Institute](#)).

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* A comprehensive analysis of zoning regulations is critical for addressing racial equity. It aims to remove obstacles to affordable housing productions, benefiting marginalized communities and ensuring equitable access to housing.

**Initiative 5: Identify long-term financing sources for the Housing Opportunities Fund with innovative housing finance products aligned with a Housing Needs Assessment**

*Applicable Goals and Objectives— 2A:* Increase the supply of housing

The County invested \$16M of ARPA SLFRF funds into a new Housing Opportunities Fund, with the mission of Increasing the availability of affordable and workforce housing and removing barriers to housing stability for low-income and fixed-income households. The Fund can be used to acquire properties and to provide predevelopment, construction, and permanent financing. In addition, the County will be investing \$3M per year under the terms of the VCA into the Fund, for purposes of advancing the goals of the VCA. The County has identified key projects to obligate its ARPA funds. In addition, goals of the fund include acquiring properties for land banking/redevelopment, blight elimination, and facilitating opportunities for homeownership.



The County seeks to develop a concrete strategy for the Fund, focused on long-term funding sources, and a strategy for deploying limited resources that maximize impact, make efficient use of public subsidy, and focus on aligning resources with households in lower income bands, under-served communities, and communities of color. A strategy for efficient use of the fund would examine approaches focused on filling project gaps to accommodate more affordable units within mixed-income projects longer-term affordability, and deeper affordability; efficient models for underwriting and originating capital that is efficient for the County, including in partnership with lenders and CDFIs; opportunities for blending with other federal programs and incentives, and opportunities to leverage other tools such as TIFs and PILOTs. This long-term strategy would allow the Fund to maximize its impact and become a sustainable vehicle for producing and preserving affordable housing in the County for years to come.

*Proposed Activity:* Invest \$3,949,785 of HUD PRO Housing funds to invest in the fund directly financing affordable projects, to engage an advisory firm that will develop a strategic plan for the Housing Opportunities Fund, with a focus on long-term sustainability, and developing a housing needs assessment to help guide the investment strategies and align them with high-need populations and communities in accordance with projected growth and demographic trends.

*Need:* The Housing Opportunities Fund will address the lack of affordable housing supply and local need for sustainable long-term financing sources.

*Population served:* Low-income households in need of affordable housing (specifically households below 100% of area median income).

*Precedent:* Similar financing strategies have existed for decades and continue to be deployed effectively across the country a variety of jurisdictions, such as the Montgomery County, MD Affordable Housing Opportunity Fund.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* By targeting long-term financing for affordable housing development, this initiative helps address racial equity by ensuring that housing resources are accessible to low-income households, including those from historically disadvantaged communities.

### **Initiative 6: Evaluate opportunities for redeveloping publicly- and privately-owned land for affordable housing**

*Applicable Goals and Objectives—* 1C: Invest in the Success of Communities, 2A: Increase the supply of housing

One of Baltimore County's challenges has to do with constrained developable area due to the Urban-Rural Demarcation Line, existing density, and a shortage of County-owned property. The Housing Opportunities Fund could provide limited opportunity for acquisition of new parcels; however, a more holistic approach is needed to optimize the landscape of available land across the county—both publicly owned and privately owned. The County seeks to undertake a comprehensive data-driven analysis of potential developable parcels, focusing on factors such as alignment with areas of high need, access to jobs and transit hubs, access to quality schools and neighborhood amenities. This initiative will take an equity lens, focusing on providing access to housing and economic opportunity in communities of color, for very/extremely low-income households, and for people with physical disabilities.





Potential land parcels could be owned by the County, the State of Maryland, or land owned by private entities such as key anchor institutions including colleges (e.g., Goucher, Towson, University of Maryland Baltimore County) or health systems (e.g., University of Maryland St. Joseph Medical Center, GBMC Healthcare). The assessment could also include blighted and/or tax delinquent properties that could potentially be acquired. It would also look at parking lots and available surplus parcels, especially those with proximity to transportation access. There are recent examples of housing built on college campuses, including a recent initiative by Goucher College to expand the Edenwald Senior Living community onto its campus. Such an effort provides promise for similar efforts to build senior/affordable housing on college properties.

The County currently owns 550+ parcels acquired through tax sale or vacant surplus; however only a small subset of those (about 10%) have any potential for development. Many of these sites are small or have significant physical constraints. This approach would also look at this inventory and identify zoning and other regulatory obstacles to redevelopment.

*Proposed Activity:* Invest \$115,000 of HUD PRO Housing funds to engage an advisory firm that will carry out an assessment of potential developable land inventory. This assessment will look at physical land characteristics and geographic locations, as well as overlaying data from the Housing Needs Assessment in order to connect potential land availability with housing need. The assessment will also look at proximity to key neighborhood assets, and transportation.

*Need:* Baltimore County lacks available land for housing development, and this initiative seeks to identify vacant or otherwise underutilized land for affordable housing.

*Population served:* Low-income households in need of affordable housing (specifically households below 100% of area median income).

*Precedent:* Repurposing public and privately-owned land is common strategy used by jurisdictions throughout the country to increase the supply of affordable housing. Not only does it make additional land available for housing development, it can also help to lower the cost of acquisition, making affordable housing development more attractive to developers.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* This initiative addresses racial equity by focusing on providing access to housing and economic opportunity in communities of color for very/extremely low-income households and for people with physical disabilities.

### **Initiative 7: Develop a replicable model of the Turner Station Houses as a comprehensive redevelopment and homeownership solution**

*Applicable Goals and Objectives— 3A:* Advance sustainable homeownership

Baltimore County recently partnered with East Side CDC—a community-based nonprofit—and a local developer, to redevelop several County-owned homes into affordable housing in a historically Black community. The project had two phases – in 2020, the County gave the Eastside Community Development Corporation (ECDC) two tax-sale properties for a nominal value. The ECDC partnered with a developer to build homes on both lots which were preserved as affordable homeownership opportunities. The same process was replicated in 2022, this time with affordable homeownerships being built on another three lots in the same neighborhood. Additionally, the 2022 project included a rehab of an existing house. The project also included installation of green stormwater infrastructure for flood mitigation and resilience.



The County wishes to replicate these successful efforts and to blend other programs to provide supports for first-time homebuyers. The County currently provides downpayment and closing cost assistance through the Settlement Expense Loan Program (SELP) with up to \$10,000 for eligible purchasers. The County wishes to evaluate this approach and to develop a roadmap to replicate the process across its inventory of re-developable properties, while integrating homeowner supports more holistically into the model.

*Proposed Activity:* Invest \$130,879 of HUD PRO Housing funds to evaluate the Turner Station Houses project, identify successes and areas for improvement, and develop a roadmap for replicate the approach. In addition, the activity would include building a strategy that includes a holistic set of services around the homeowner approach, including providing pre- and post-closing counseling and navigation support, and potentially providing homeowners with access to mortgage financing in addition to downpayment and closing cost assistance, working with CDFIs or credit unions. This initiative would focus on access for low-income households, with a racial equity lens to increase access to first-time homeownership in communities of color.

*Need:* The need for affordable homeownership in Baltimore County is critical, as it provides a pathway to economic stability and wealth-building for low- and moderate-income households, addressing housing disparities.

*Population served:* Low-income households in need of affordable homeownership opportunities (specifically households below 100% of area median income).

*Precedent:* The success of the Turner Station Houses project serves as precedent for replication of the approach.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* By targeting affordable homeownership, this initiative addresses racial equity by increasing access to homeownership for historically disadvantaged communities and low-income households, including those from protected classes.

**Initiative 8: Build a suite of products for providing adaptive modification, energy efficiency improvements, and health/safety-related home improvements, targeted at LMI households**

*Applicable Goals and Objectives—* 4A: Guide investment in climate resilience, 4B: Strengthen environmental justice

Programs for housing repairs, modification, and remediation are critical for housing stability, safety, health, and livability. The County currently has its Housing Accessibility Modification Program (HAMP) to provide financial assistance for adaptive modifications for low to moderate income households with disabilities residing in multifamily rental units, and a corresponding version of the program providing assistance through the VCA. In addition, however, the County could create a program focused on providing assistance to homeowners and renters for a range of uses such as home energy upgrades and weatherization, health and safety repairs, and whole-home repairs. This program could focus on leveraging, blending, and braiding several funding sources, such as LIHEAP and Weatherization Assistance Program (WAP) funds. It could also take advantage of the new home energy and electrification rebate programs soon available with federal funds authorized through the Inflation Reduction Act. This initiative would use data to identify communities and potentially properties with a high probability of eligibility and seek to enroll households in all eligible programs to address their whole home repair needs.



*Proposed Activity:* Invest \$88,930 of HUD PRO Housing funds to develop a whole home repair program strategy focused on leveraging, blending, and braiding federal, state, local, and utility programs to reduce administrative burden and provide value for low-income homeowners and renters. The activity would also include investing funds into a home repair fund, used to seed a program pilot that can demonstrate proof of concept.

*Need:* Programs for housing repairs, modification, and remediation are needed to improve housing stability, sustainability, safety, and health for low-income households who are less likely to be able to afford such services and would benefit most from energy savings.

*Population served:* Low- and moderate-income households in need of housing improvements (specifically households below 100% of area median income).

*Precedent:* Similar housing programs, such as Philadelphia Energy Authority's Built to Last program, have effectively addressed whole home repairs by blending multiple available energy and home improvement programs.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* By offering support for home improvements, this initiative addresses racial equity by ensuring that low-income households, including those from protected classes, have access to safe and healthy living environments.

### **Initiative 9: Invest in piloting a Faith Based Development Initiative**

*Applicable Goals and Objectives—* 1C: Invest in the Success of Communities, 2A: Increase the supply of housing

In 2022 the County Executive announced the County's planned collaboration with Enterprise Community Partners' Faith Based Development Initiative (FBDI) to establish its first Faith Based Development cohort, with the anticipated outcome of a maximum of 500 new and affordable housing units by end of 2025. This initiative holds promise for redeveloping land owned by faith-based organizations as affordable and workforce housing, filling the multiple purposes of increasing housing supply, providing revenue and developer fees for the faith-based groups, and helping them fulfill their mission of providing housing for low-income and senior households. The County can provide other resources to move projects forward, such as financing from the Housing Opportunity Fund, support for LIHTC applications to DHCD, and HCVs or specialty vouchers, pending availability. At least a dozen smaller churches have expressed interest in the program, with one entity owning several multi-acre parcels throughout the County that they would like to prioritize for housing.

*Proposed Activity:* Invest \$215,618 of HUD PRO Housing funds to partially pay for staff at DHDC to operate the FBDI program, and to provide predevelopment funds.

*Need:* Baltimore County's has a growing demand for affordable housing, especially among low-income and senior households. Partnering with faith-based organizations will help Baltimore address this need by increasing the supply of affordable housing, while revitalizing communities.

*Population served:* Low-income and senior households in need of affordable housing (specifically households below 100% of area median income).



*Precedent:* Enterprise Communities has a Faith-Based Development Initiative that provides a combination of capital, training, technical assistance, peer learning, and access to experts. Enterprise would be engaged to help the County set up its FBDI.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* Affordable housing creation benefits marginalized communities, including communities of color, which are disproportionately low-income and lack housing access.

**Initiative 10: Focus on streamlining developing and removing barriers throughout the planning, permitting process**

*Applicable Goals and Objectives—* 1C: Invest in the Success of Communities, 2A: Increase the supply of housing

Developers have expressed that a major problem is the inability to move projects efficiently and dependably through County departments like Department of Public Works and Transportation and the Department of Environmental Protection and Sustainability. This challenge could be overcome by engaging third party reviewers for affordable projects to fast track submissions. Another potential solution could be a “development concierge” position to provide proactive services for developers to navigate the process. Both of these interventions would not just save time but also cost on attorney fees, carrying costs, and financing fees. Another challenge involves the fact that the construction of new housing developments requires a development review process that is often subject to various levels of local approval (e.g., County Council, administrative hearing or appeal board, etc.). The County wishes to explore an audit of and potential improvements to provisions that affect affordable housing developments before the Baltimore County Board of Appeals, with the goal to identify whether the grounds for appeal could be strengthened, the process could be simplified and timelines reduced.

*Proposed Activity:* Invest \$378,506 of HUD PRO Housing funds to hire a “development concierge” position at DHCD to help developers navigate the development and entitlement processes, with a particular emphasis on affordable development. It would also provide funding to support third-party reviews of affordable housing development submissions, so that they can be fast tracked. In addition, this action would entail engaging a consultant to perform a current-state assessment and make future state recommendations around approaches to streamline development and reduce regulatory hurdles.

*Need:* Developers face challenges in navigating the development process, and streamlining is necessary for efficient affordable housing production.

*Population served:* Low-income households in need of affordable housing and affordable housing developers (specifically households below 100% of area median income).

*Precedent:* Streamlining development processes has effectively increase the efficiency of affordable housing production in other jurisdictions through, e.g., “one-stop” development centers and providing one-on-one support to developers, such as Montgomery County, MD’s streamlined development review process.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* Streamlining development processes ensures equitable access to affordable housing, benefiting historically disadvantaged communities, and ensures that protected classes are not hindered from accessing safe, quality housing due to regulatory barriers.



### **Initiative 11: Invest in ongoing engagement and proactive marketing to gain buy-in for increasing housing supply**

*Applicable Goals and Objectives*— 1C: Invest in the Success of Communities, 2A: Increase the supply of housing

NIMBY-ism is a challenge in Baltimore County, as it is in communities across the country that has driven opposition to projects in the past. It is critical that the County continue this work to create a coordinated communications strategy to counter NIMBY-ism's pervasiveness while addressing the need for broader policy change and seeking solid development projects. NIMBY opposition may not only stand in the way of housing production goals, but creates barriers to equitable community development, housing access, and racial justice. The County has recently worked with a marketing firm to assess its existing housing-related persuasive material and outlining a plan to engage with various stakeholder groups to help organically cultivate an affordable housing movement. The County hopes to continue this effort and develop an ongoing campaign that engages stakeholders and builds momentum around a pro-development vision that embraces the ideal of quality, affordable, and accessible housing for all of our citizens.

*Proposed Activity:* Invest \$90,879 of HUD PRO Housing funds to engage a marketing firm to carry out continued stakeholder engagement through the Affordable Housing Working Group (AHWG) and other avenues, and to produce online and print materials about the importance of providing adequate affordable housing.

*Need:* NIMBY-ism has undermined efforts to increase Baltimore County's housing supply.

*Population served:* Low-income households in need of affordable housing (specifically households below 100% of area median income).

*Precedent:* Local marketing and engagement efforts have been successful at combatting opposition to proposed development, such as the "Ridgedale" development in the Rosedale community in Eastern Baltimore County. County DHCD worked with an experienced affordable developer to meet with community leaders, offer tours of prior projects and address community concerns with traffic and infrastructure.

*CDBG National Objective:* Benefit to Low- and Moderate-Income Persons

*Racial Equity/AFFH:* By countering NIMBY-ism and promoting affordable housing, this initiative addresses racial equity by ensuring that affordable housing is accessible to all.

#### ***V.A.1.b.ii Geographic Scope***

Our proposal encompasses a comprehensive approach to addressing housing challenges in Baltimore County, with a focus on achieving equitable outcomes and creating long-term sustainable impacts. The geographic scope of our initiatives will have significant impact on the Priority Areas, and are designed to focus on historically disadvantaged areas, communities of color, and areas with proximity to transportation and community assets.

*Significantly, Initiative 4, 5, 6, 7, 8, 9, 10, and 11 impact populations in the Target Areas as defined through the HUD PRO Housing Program.*

**Preserving and Creating Housing Units in High-Opportunity Areas:** The initiatives included in this application seek to strategically invest in high-opportunity areas to increase the supply of affordable housing. For example, Initiative 5, By identifying key geographies and communities



through data-informed approaches, we aim to maximize the impact of the Housing Opportunities Fund. This fund will support the acquisition and development of properties in areas that offer access to quality schools, employment opportunities, and essential amenities. We use existing tools to help identify opportunity areas, such as one by [Baltimore Regional Housing Partnership](#) that overlays datasets relating to educational opportunity, community strength, and economic opportunity.

**Expanding Opportunity in Under-served Communities:** We are committed to advancing housing justice and investing in the success of under-served communities (e.g., Initiatives 1, 2, 3, 4, and 6). These initiatives target neighborhoods and communities that have historically faced structural and historical challenges, such as Essex, and those affected by high rates of homelessness and housing instability. By scaling successful pilot approaches and conducting zoning analysis, we aim to remove regulatory barriers and promote affordable housing production in underserved areas.

**Comprehensive Zoning Analysis:** Initiative 4, which involves performing a comprehensive zoning analysis, directly impacts the entire geographic scope of Baltimore County. By identifying and addressing regulatory barriers to affordable housing production, we aim to unlock opportunities for housing development across the county, making it easier to provide affordable housing in various communities. See Figure 14 for the Baltimore County zoning map that highlights challenging zoning areas.

**Assessment of Developable Land:** Initiative 6, which focuses on evaluating opportunities for redeveloping publicly- and privately-owned vacant land, will affect multiple geographies within Baltimore County. This initiative will assess the suitability of different parcels and properties for affordable housing development, ensuring that vacant land resources are optimized to address housing needs.

**Replicating Successful Models:** Initiative 7, which aims to replicate successful models like the Turner Station Houses, has the potential to impact numerous communities throughout the county. By identifying opportunities to reposition surplus properties, the geographic scope extends to multiple neighborhoods where affordable homeownership can be promoted.

**Whole Home Repair Program:** Initiative 8, related to the whole home repair program, intends to improve housing conditions and resilience across the county. By leveraging various funding sources and targeting households in need, this program can enhance the quality of housing in multiple communities, particularly those with high concentration of low-income homeowners.

**Conclusion:** Overall, our proposal encompasses a wide geographic scope within Baltimore County, ranging from high-opportunity areas to underserved communities. We aim to create a more equitable housing landscape, removing barriers to affordable housing and expanding housing options in various neighborhoods.

#### ***V.A.1.b.iii Stakeholder Engagement***

**Key Stakeholders:** Baltimore County has made substantial efforts to engage key stakeholders, through avenues like the AHWG and stakeholder surveys. Key stakeholders include local residents (renters and homeowners), local employers, the development community (developers, trade organizations, attorneys), elected officials, non-profits, faith-based groups, and anchor institutions. DHCD recognizes that within those groups, there are also multiple dimensions to consider: varying ages of residents, a range of household incomes (very low-income, low-



income, and moderate-income), racial and ethnic diversity, education level, occupational differences, political ideologies, familial structure (single individuals, families, etc.), ranges of housing experience and history, and varying levels of community involvement. In engaging and connecting with stakeholders in the community, DHCD champions the following principles: Equity, Sustainability, and Vibrant Communities.

Soliciting Input: DHCD has invested \$50,000 to date in its marketing and storytelling assets to engage stakeholders Countywide in the work of bringing affordable units online, understanding the importance of a County-led effort. The County recently contracted with TheCaseMade as an outreach and engagement consultant. TheCaseMade is assisting the County by facilitating additional community listening sessions, in order to gather data and inform an equitable communications strategy that will help the County better engage with the public on the topic of housing. These listening sessions intentionally convene the various key stakeholders and prioritize the inclusion of different types of community members to ensure that County has a comprehensive understanding of local need.

In recent months, DHCD has actively participated in, or facilitated a number of community engagement and training events. For example, DHCD staff facilitated a meeting between housing counselors and lenders in Baltimore County, participated in a workshop entitled “An Occupational Therapist Approach to Home Modifications,” and participated in the HUD-HBCU Innovation Roundtable designed to hear from collaborators as to how we might reimagine the Historically Black Colleges and Universities (HBCUs) student pathway to homeownership and generational wealth. DHCD staff also regularly attend community meetings throughout the County to educate residents on housing and homelessness strategy, highlight the need for additional housing, and address concerns and misperceptions about affordable housing. This includes neighborhood meetings, Council District Town Halls, Police Community Relations Committees and NAACP Chapter meetings.

DHCD recently facilitated multiple Stakeholder Engagement Sessions specifically for members of the development community. The sessions convened 16 companies with representatives from trade organizations, development attorneys, market rate developers, and attainable developers to solicit feedback on a potential inclusionary housing policy as well as other policy approaches that could be used to address barriers to residential development. Further individual policy-focused meetings were also held with representatives of the Maryland Affordable Housing Coalition and Baltimore Metropolitan Council. These sessions provided an opportunity for key stakeholders within the developer community to identify past challenges and potential opportunities related to residential development.

Incorporating Input: Stakeholder feedback has informed not only the strategic vision of DHCD, but also the proposed activities and approach of the County’s PRO Housing application. Stakeholder engagement and contributions have illuminated many key barriers outlined in this proposal, with the various stakeholders highlighting unique barriers that their communities face. For example, during the Developer Stakeholder Engagement Sessions, stakeholders highlighted the need for a multi-faceted approach, citing the local barriers related to inclusionary zoning (lack of developable land, NIMBY efforts, and bureaucratic challenges with zoning regulations and County codes). Stakeholders underlined the importance of an expeditious and unencumbered process. Stakeholders identified the need for increased public outreach and engagement and encouraged the County to engage with the business community, anchor institutions and unions.



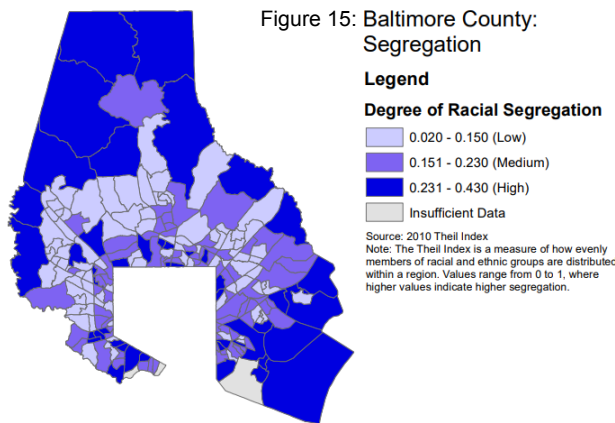
Based on this stakeholder feedback, Baltimore County is actively working on potential housing legislative package that would include zoning and land use changes.

Encouraging Public Participation: DHCD’s collaboration with TheCaseMade will implement a story-telling campaign rooted in the lived experiences of Baltimore County residents, with an equity and racial justice lens. In order to achieve better name recognition and brand awareness among the regional development community, DHCD will partner with the County’s Office of Communications; it is the County’s belief that giving DHCD a distinct identity from the historical point of view of County government will forge the foundation of a new vision for housing opportunities and options to benefit all residents.

In an effort to continue to build support and engage community members most likely to benefit from the proposed activities, DHCD will develop a multi-year strategic approach to stakeholder engagement, with a significant focus on equity and racial justice; Retain a consultant to assist with outreach, engagement of focus groups, and development of a communications playbook; establish a standing group that will continue to meet after the Workgroup has completed its work, to focus on outreach and engagement and to build an affordable housing movement in the County; and create a toolkit to be utilized by developers who are engaged with communities and elected officials on proposed affordable housing development.

***V.A.1.b.iv AFFH***

Baltimore County, like many regions across the United States, has faced historical and structural challenges related to housing segregation. Past land use decisions, such as urban planning that separated residential and commercial areas or concentrated low-income housing in certain neighborhoods, have contributed to segregation. Zoning codes and land-use regulations have often favored the development of certain housing types over others. The Urban Rural Demarcation Line (URDL) limits development at scale within the County. In some cases, these codes have discouraged the construction of multifamily or affordable housing in well-resourced areas. High-density zoning classifications that are insufficient for affordable housing needs have perpetuated segregation. As shown in **Figure 15**, highly segregated areas fall along the county border and urban census tracts near Baltimore City.



The activities described in this proposal are designed to address housing disparities and advance housing justice, which often disproportionately affect communities of color. To gain a better understanding of the racial composition of the beneficiaries, the County will conduct demographic analyses and consider equity-focused data collection and reporting as part of the implementation of these initiatives, which will ensure that the grant activities are effectively reaching and benefiting underserved communities.

Removing Barriers in Areas of Opportunity: This proposal directly addresses items agreed to in the Baltimore County Voluntary Compliance Agreement (VCA) with HUD and aligns to the Baltimore County “Affordable Housing Workgroup” July 2022 report, which builds on the commitments and specific barriers identified in the VCA and reaches for more aspirational





housing goals. The funded programs also address the Analysis of Impediments completed in 2020. Baltimore County continues its collaboration with a group of six local governments, five public housing authorities (PHAs), and the Baltimore Metropolitan Council (BMC) to support BMC's Housing Policy Coordinator position. Building on more than 18 months of activities, including 11 meetings of a Regional Analysis of Impediments Stakeholder Work Group, Baltimore County finalized its 2020 Analysis of Impediments (AI) to Fair Housing Choice. The Baltimore County AI is part of what this Baltimore Regional Fair Housing Group's 2020 fair housing analysis, which will shape the programs of the County, the other participating jurisdictions and agencies for the next five years.

Promoting De-Segregation and De-Concentration of Affordable Housing: De-Concentration of affordable housing is not possible without enhancing zoning and land use opportunities, methods to redevelop land and other underutilized sites, and capital to support the development. Each of these initiatives described here will work under the County's framework to provide opportunities in all areas. It is the County's aspiration that County-funded production and preservation at levels committed through the VCA will put the jurisdiction on a trajectory that meets unit goals, is inclusive, healing-centered, anti-racist, and seeks to advance equitable housing and community development practices for all who live and desire to live in one of the County's communities.

Well-resourced areas, often characterized by better schools, job opportunities, and amenities, have been less accessible to low-income and minority households. Barriers such as limited affordable housing options in these areas have restricted access to opportunities. Historical redlining and discriminatory lending practices have resulted in the concentration of minority populations in specific neighborhoods, limiting their ability to access housing and resources in more affluent areas. The recently adopted 2030 Master Plan identifies a framework for core retrofit areas, which are the primary focus for development and investment over the next decade.

Protected Classes: Baltimore County, through the Regional Analysis of Impediments Stakeholder Working Group as well as implementation of the VCA, have an approach to provide opportunities to protected classes. The recent legislative adjustments to zoning, including expansion of the usage of accessory dwelling units through Bill 7-23, provides a tool to incentivize multi-generational housing and other innovative structures. The adaptive modification tools in Initiative 8 will provide resources for seniors to age in place and people with disabilities. As described in the VCA, the County is on track to develop and lease accessible units and the zoning and development resources funded with this proposal will allow the County to leverage that infrastructure to scale. Finally, the repurposing of sites for affordable homeownership paired with other services will focus on serving racial groups who previously impacted by historically discriminatory practices.

Alignment with Fair Housing Plan: The initiatives described in this proposal are all aligned with both the Regional Analysis of Impediments and the Baltimore County Specific targets agreed to by HUD and implemented through the VCA. Additionally, the Baltimore County 2030 Master Plan includes, for the first time, a more robust policy on the creation of affordable and accessible housing. As described, the Master Plan includes a robust scoring methodology to identify "core retrofit areas" that are targeted areas of development.

Anti-Displacement: The housing stability and development tools, including Eviction Prevention, innovative financing for rehabilitation and whole-home repairs, paired with the stakeholder and education campaign are structured to ensure that residents have the opportunity to remain in their



neighborhoods. The recent achievements with local zoning approvals and large-scale mixed-income projects create opportunities for mixed-income development and preservation. Preservation and access to homeownership are core to the proposals described here and to implementation of the AHWG strategy.

Accessible Housing for People with Disabilities: Despite the challenges of a transitioning administration, exacerbated by the historic impact of the COVID-19 pandemic and the ensuing economic downturn, Baltimore County is fully committed to the production of Accessible Units. Housing accessibility, including for people with disabilities, is a goal of the AFWG and requirement of the VCA. As part of these efforts, Baltimore County has reached an agreement with a developer to create 100 accessible units, has issued an RFP to create 50 accessible units, and has added funds to the Accessibility Modification Program. In 2022, as part of its commitment to meeting the accessibility needs of its constituents, DHCD contracted with a third-party licensed inspector, Bureau Veritas (BV), to verify the extent to which the County's existing accessible portfolio is compliant with the Uniform Federal Accessibility Standards (UFAS). In collaboration with BV, the County will also create resources for developers and hold trainings to better inform developers on the technicalities required to build accessible housing for people with disabilities.

Enforcement and Implementation: Baltimore County, through the priorities of DHCD and the AHWG, are implementing these plans and tracking data in order to meet the targets of the VCA as well as the broader goals. The Baltimore County DHCD Fair Housing Manager executes the County's mission and objectives to uphold fair housing standards, ensure compliance with relevant laws and regulations, and promote inclusivity within the County's housing initiatives. The Fair Housing Manager also oversees DHCD's efforts to provide equitable housing opportunities and support the overall well-being of Baltimore County residents, and actively works to align DHCD's work with fair housing principles.

Tracking Progress: After more than a year of research and development, Baltimore County's Office of Information Technology (OIT) and the Department of Housing and Community Development (DHCD) implemented the Rental Occupancy Demographic Report (RODR) Web Portal in the fall of 2021 as a technological solution to capture data from County-assisted residential development projects. The VCA mandates the County to collect and report data on such projects. This overview will highlight Baltimore County's DHCD's approach to successfully utilizing the RODR to comply with VCA requirements.

Equity-Related Educational Resources: In order to construct a proposal that reflects the needs of Baltimore County, DHCD has been engaging in listening and stakeholder engagement sessions over the past year. DHCD has invested \$25,000 to date in its marketing and storytelling assets to engage stakeholders Countywide in the work of bringing affordable units online, understanding the importance of a County-led effort.

Evaluation: The County utilizes a variety of methods to evaluate its efforts in addressing residential segregation and promoting equity, e.g., for its Analysis of Impediments/Assessment of Fair Housing and Consolidated Annual Performance and Evaluation Reports. To track the impact of the proposed initiatives on AFFH-priorities, the County will, for example, collect program activity and beneficiary data, increasing access to opportunity, and increasing affordable housing supply in higher opportunity areas. Specifically, Baltimore County is planning an Equity Assessment kick-off in 2024.



Tracking Progress to Advance Racial Equity: To evaluate the impact of its proposed initiatives on advancing racial equity, Baltimore County will collect data and conduct analyses to monitor changes in housing patterns, assess progress toward desegregation goals, and identify emerging disparities or barriers disproportionately faced by certain racial or ethnic groups. The County will also prioritize continuous community outreach and stakeholder engagement to gather feedback and insights from residents, advocacy groups, and other relevant parties.

Affirmative Marketing: All units funded in the Initiatives described above will follow the Baltimore County Department of Planning Affirmative Fair Housing Marketing Plan. These procedures are established in furtherance of the Baltimore County Department of Planning’s commitment to non-discrimination and equal opportunity in housing and its commitment to affirmatively further fair housing. These procedures furth the objectives of Title VIII of the Civil Rights Act of 1968 and Executive Order 11063 and Article 29 of the Baltimore County Code.<sup>2</sup>

**v. Project Budget**

Baltimore County has developed a budget that is appropriate to achieve the project tasks. The focus is on efficient and effective operation of high-impact programs focused on reducing long-term housing barriers. Full details of the budget breakdown are shown on the attached budget form (**Table 2**). The proposed activities can be achieved for a total cost of \$9,980,887.

Activity	Activity Description	Activity Cost
Initiative 1: Scale and replicate the housing stability programs in Essex Reimagined	Engage a consultant to evaluate the impacts of Essex Reimagined and develop a replicable framework	\$153,660
	Provide ongoing funding for eviction/foreclosure prevention	\$1,092,000
Initiative 2: Invest in building a robust more BCStat and invest in Coordinated Entry system	Support ongoing staffing of a BCStat analyst position	\$345,885
	Coordinated entry staff hiring and development	\$652,500
Initiative 3: Invest in continuing and expanding the County’s Eviction Prevention Program (EPP)	Provide ongoing staffing and eviction prevention payments through EPP	\$575,278
Initiative 4: Perform a comprehensive analysis of the County Code and the County’s zoning regulations	Engage a consultant to perform an end-to-end analysis	\$530,000
	Staff support for zoning reform efforts	\$711,967
Initiative 5: Identify long-term financing sources for the Housing Opportunities Fund, and develop a Housing Needs Assessment	Engage a consultant to develop a housing needs assessment	\$199,000
	Investment in the fund	\$3,000,000
	Staff support	\$750,785
Initiative 6: Evaluate opportunities for redeveloping land for affordable housing	Carry out an assessment of potential developable land inventory	\$115,000

<sup>2</sup> Affirmative Marketing Policy - [AffirmativeFairHousingMarketingPlan07122016.pdf \(baltimorecountymd.gov\)](#)



Activity	Activity Description	Activity Cost
Initiative 7: Develop a replicable model of the Turner Station Houses homeownership model	Develop a roadmap to replicate the Turner Station Houses approach	\$130,879
Initiative 8: Build a whole home repair program targeted at LMI households	Engage a consultant to develop the program model	\$88,930
Initiative 9: Invest in sustaining the Faith Based Development Initiative	Consultant to help set up and operate the program	\$215,618
Initiative 10: Focus on streamlining developing and removing barriers	Hire a “development concierge” position at DHCD	\$378,506
Initiative 11: Invest in ongoing engagement and proactive marketing to gain buy-in for increasing housing supply	Engage a marketing firm to carry out continued stakeholder engagement through the Affordable Housing Working Group (AHWG)	\$90,879
General Administrative Costs	Personnel involved in grants management and oversight, grants management software	\$950,000

The sources of funds and use categories can be seen on the Grant Application Budget Worksheet. The activities were determined by analyzing and identifying successful and scalable existing initiatives, high-impact initiatives, and potential structural changes that could have high impact on reducing barriers to housing in high-need areas.

For each activity, budget line items were determined through several factors: For existing programs that are operating at their optimal level, the budget was based on the cost of continuing programs at their current funding levels, with a reasonable annual increase. For initiatives that needed additional capacity, the budget took into account the actual cost of hiring and funding the required staff positions or providing subgrant funds to third party entities based on actual price proposals where possible. For initiatives that involve consultant planning and analysis the County relied on an experienced management consulting firm with significant affordable housing expertise to estimate reasonable blended rates and number of days for completion. Finally, where funds were included for investment in production and preservation, amounts were calculated based on the per unit cost of actual recent projects.

The County will ensure that activities are cost effective, in line with industry standards, and appropriate by competitively procuring services, ongoing and continuous data collection and evaluation of third-party providers. The County will develop an online dashboard to report on outcomes of these initiatives on a regular basis, ensuring transparency and accountability. In some instances, the County may engage a third-party evaluator.

**Partial Funding:** In the event that only partial funding or 50% funding were received, the County has a Plan B approach that can still attain significant impact, although it would have to potentially postpone or reduce funding for some initiatives from the grant-funded program. In this scenario, the priority funded initiatives would be those with the greatest potential long-term impact of overcoming housing barriers. This includes items like the zoning analysis, housing needs assessment, assessment of developable land inventory, and hiring of a BCStat Analyst for DHCD to connect long-term housing services with the County’s smart data initiatives.



Schedule: The County has developed a detailed schedule to ensure that all activities can be completed by the deadline at the end of FY2029. Start, end, and key milestone dates are as shown on the following table (Table 3):

#	Activity Description	Year																							
		2024				2025				2026				2027				2028				2029			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>1.0</b>	<b>Scale and replicate the housing stability programs in Essex Reminaged</b>																								
1.1	Procure consultant	█																							
1.2	Carry out evaluation and roadmap engagement																								
1.3	Fund eviction & foreclosure prevention activities at conclusion of 1 year ERA funding																								
<b>2.0</b>	<b>Invest in building a more robust BCStat</b>																								
2.1	Advertise position					█																			
2.2	Hire and train position						█																		
2.3	First annual evaluation of BCStat integration with housing services							█																	
<b>3.0</b>	<b>Invest in continuing and expanding the County's Eviction Prevention Program (EPP)</b>																								
3.1	Provide subgrant funding support								█																
<b>4.0</b>	<b>Perform comprehensive analysis of the County Code &amp; the County zoning regulations</b>																								
4.1	Procure consultant											█													
4.2	Carry out analysis of county code and zoning regulations engagement												█												
4.3	Analyze findings and develop an implementation plan													█											
<b>5.0</b>	<b>Identify long-term financing sources for the Housing Opportunities Fund</b>																								
5.1	Engage strategy process	█																							
5.2	Obligate year 1 HOF allocation		█																						
5.3	Obligate year 2 HOF allocation			█																					
5.4	Obligate year 3 HOF allocation				█																				
5.5	Obligate year 4 HOF allocation					█																			
5.6	Obligate year 5 HOF allocation						█																		
5.7	Obligate and fully expend year 6 HOF allocation							█																	
<b>6.0</b>	<b>Evaluate opportunities for redeveloping publicly- and privately-owned land</b>																								
6.1	Procure consultant																								
6.2	Carry out an assessment of potential developable land inventory																								
6.3	Analyze findings and develop an implementation plan																								
<b>7.0</b>	<b>Develop a replicable model of the Turner Station Houses</b>																								
7.1	Procure consultant																								
7.2	Develop a roadmap to replicate the Turner Station Houses approach																								
7.3	Analyze findings and develop an implementation plan																								
<b>8.0</b>	<b>Build a suite of products targeted at LMI households</b>																								
8.1	Procure consultant																								
8.2	Develop a whole home repair program strategy to reduce administrative burden																								
8.3	Analyze findings and develop an implementation plan																								
<b>9.0</b>	<b>Invest in sustaining the Faith Based Development Initiative</b>																								
9.1	Procure consultant																								
9.2	Develop program design based on existing successful program approach																								
9.3	Launch FBIDI program																								
<b>10.0</b>	<b>Focus on streamlining developing and removing barriers</b>																								
10.1	Advertise development concierge position	█																							
10.2	Hire and train position		█																						
10.3	First annual evaluation of development concierge			█																					
<b>11.0</b>	<b>Invest in ongoing engagement and proactive marketing to gain buy-in</b>																								
11.1	Engage a marketing firm to carry out continued stakeholder engagement																								



# Exhibit E: Capacity.

Review and provide a narrative response to V.A.1.c



### *V.A.I.c.i Capacity*

Lead Agency or Entity and Role: The Baltimore County Department of Housing and Community Development (DHCD) will lead implementation for the majority of the initiatives. For initiatives implemented by partners, DHCD will oversee related implementation, reporting, and compliance activities. Specific zoning-related activities may involve joint project management with the Office of Law and/or the Department of Planning. Additionally, permitting-related activities will involve joint project management with the Department of Permits, Approvals, and Inspections.

Relevant Capacity Building: DHCD has a proven track record of managing federal funds efficiently and effectively. DHCD has obtained the necessary project management, quality assurance, financial procurement, and internal control capacity through years of experience in managing housing and community development programs.

*Financial and Procurement:* DHCD has assigned a Budget Analyst under the Office of Budget and Finance and a Staff Buyer with Procurement, as well as internal Fiscal Managers/Accountants. Additionally, our Grants Management Division has significant experience in program compliance and has Program Compliance Officers. Specific members of this team will be assigned to the relevant part of the work associated with PRO Housing initiatives/projects.

*Project Management:* DHCD's Policy and Strategic Initiatives teams was established specifically to lead and advance projects like those proposed for the PRO Housing grant. If awarded, PRO Housing funding will allow the County to fully staff the proposed model through the recruitment of an experienced Project Manager. The County Administration is heavily invested in the success of the projects that would be funded under this grant, and it will assign staff as needed to assist.

Leadership Capacity and Legal Authority: DHCD, through the County Administration, has the authority to request legislation to be introduced and for regulations to be modified to accomplish the goals of the proposed initiatives. Additionally, DHCD has strong relationships with the current Maryland Governor's Administration, specifically with the State DHCD.

Partner Capabilities and Experience with Partners: The County's approach includes various partners, each with specific capacities and credentials related to their role. The proposed initiatives are fundamental to DHCD's daily efforts through its Housing Finance division, Grants Management division, Homeless Services division, and Office of Housing (which operates Baltimore County's Housing Choice Voucher program). Some examples of past and ongoing partner activities include:

*Eviction Prevention:* The County's Eviction Prevention Program (EPP) was significantly expanded up during the pandemic. Through ERAP 1 and ERAP 2 funding, the County provided ~\$115M in funding, either directly through the County's Department of Social Services, or through several nonprofit providers that contracted with the County. The program was successful to the point that the U.S. Treasury Department granted the County an additional \$1.1M. Financial assistance was paired with other housing stability efforts provided through non-profits.

*Stakeholder Engagement:* The County stood up an Affordable Housing Workgroup in 2021, comprised of County leaders, developers and development attorneys, affordable housing policy experts, and advocates. The Workgroup collaborated, releasing a set of 36 recommendations in 2022, many of which guide the work of DHCD's Policy and Strategic Initiatives team. The County recently held developer stakeholder sessions, bringing in a wide variety of market rate developers, affordable developers, and development attorneys to discuss the ways in which the



County can effectively break down barriers to the production of housing. A central focal point of those discussions was the possibility of the County proceeding with an inclusionary housing policy. Finally, the County recently contracted with TheCaseMade, an outreach and engagement consultant that will host focus group sessions to help the County develop a communications strategy to better engage the public on the topic of housing.

*Homeless Services:* The Homeless Services team has significant experience working across various stakeholders to respond to the needs of residents who are homeless or at-risk of becoming homelessness. Examples of activities include:

- 1) Veteran homelessness—Meetings are held bi-monthly to review the current list of homeless veterans and coordinate services among VA partners, homeless outreach teams, federally-funded Supportive Services for Veteran Families (SSVF) providers, and the Housing Office to ensure that veterans are housed quickly through HUD VASH or other housing programs. With improved coordination between November 2022 through July 2023, more than 114 vets were served and 45 veterans were housed.
- 2) Emergency Housing Vouchers—The County executed a memorandum of understanding between the Housing Office and homeless services providers to fill 62 vouchers over the course of approximately 15 months. Forty percent of those housed through this effort came directly from the street and were directly housing.
- 3) Emergency Management System (EMS)—The County is working with EMS and BCStat to map out where EMS calls are made for unsheltered homeless to identify high-utilizers of the emergency services in the county and to support target street outreach efforts.
- 4) Encampment responses—The County is actively reevaluating its approach to addressing the presence of unsheltered individuals within the county. When an encampment is identified, a comprehensive strategy is implemented. This strategy involves collaborating with community members, business owners, and law enforcement, engaging a funded outreach provider to offer essential services, ensuring the cleanliness of the area through the Department of Public Works (DPW), coordinating with the Parks and Recreation department to identify individuals on parkland, and working with law enforcement, if necessary, to encourage the relocation of individuals from the area or address unlawful behavior, if applicable.

Application Development: This application was drafted by applicant staff within the Baltimore County Department of Housing and Community Development with the assistance of the management consultant firm, Guidehouse. The Baltimore County applicant staff and decision-makers were actively engaged in the development of the proposal, through daily check-in meetings, multiple review iterations, constant communication to ensure ownership and commitment to the included initiatives. Key members of the Baltimore County DHCD Team and the Guidehouse consulting team are listed here:

**Baltimore County DHCD:**

Terry Hickey, Director, Department of Housing and Community Development  
 Milana Vayner, Chief of Policy and Strategic Initiatives  
 Joel Beller, Deputy Chief of Policy and Strategic Initiatives  
 Colleen Mahony, Chief of Policy, Planning and Administration  
 Seth Blumen, Energy and Sustainability Coordinator  
 Heather Sheridan, Chief of Homeless Services





**Guidehouse:**

Gregory Heller, Director, Housing and Community Solutions  
 Rebecca McGregor, Director, State and Local Government  
 Laura Slutsky, Associate Director, Housing and Community Solutions  
 Emily Smith, Managing Consultant, Housing and Community Solutions  
 Taylor Burandt, Senior Consultant, State and Local Government  
 Portia Egan, Senior Consultant, Housing and Community Solutions  
 Amy Gunn, Senior Consultant, State and Local Government

Civil Rights and Fair Housing Experience: Baltimore County places a strong emphasis on civil rights and fair housing practices. A designated Fair Housing Manager position was established following the inception of the Department of Housing and Community Development (DHCD). Additionally, the County has entered into contracts with fair housing services providers to fulfill the terms outlined in the Voluntary Compliance Agreement (VCA). These activities encompass a wide range of fair housing initiatives, including education, outreach, counseling, referral services for potential complainants, investigation of potential fair housing violations (including testing), addressing hate crimes, and providing training for housing providers on nondiscrimination requirements and landlord-tenant counseling.

Furthermore, Baltimore County enacted the HOME Act in 2019, a critical step in eliminating discrimination based on source of income. The County’s Human Relations Commission actively addresses discrimination complaints, including those related to housing. DHCD, as the lead agency for the Continuum of Care (CoC), is working diligently in partnership with HUD to harness the power of data available through Stella-P, a HUD database, and HMIS data to comprehensively understand disparities in homeless service provision. This involves a meticulous analysis of housing outcome data across various project types, such as emergency shelter, short-term rental assistance, outreach, and placements into permanent housing.

PRO Housing Staff Organization Chart: Below is an organizational chart that includes the full-time key staff that will be involved in the implementation of PRO Housing activities.

**Figure 16: Organizational Chart**





# Exhibit F: Leverage.

Review and provide a narrative response to V.A.1.d



### ***V.A.1.d.i Leveraging of Funds***

Baltimore County will be leveraging other existing and available funding in order to further support the proposed PRO Housing Grant activities. The County firmly believes that our existing commitments can be leveraged to enhance the impact and ensure the effectiveness of the outlined proposed activities. The below leveraged resources are firmly committed and are explicitly dedicated to PRO Housing Grant activities. The County will leverage approximately \$12.9M. The County will leverage \$11.1M in County General Funds, \$875,000 in ARPA funds, and \$420,000 in HOME funds. In addition, the County will leverage \$509,806 in existing staff salaries and fringe. The total percentage of leveraged funds for Baltimore County is 130%.

- Initiative 1: The County will be leveraging multiple funding sources in order to effectively support Essex Reimagined throughout the lifecycle of the PRO Housing Grant. The County will leverage \$101,250 of County General Funds, as well as \$566,500 of American Rescue Plan Act (ARPA) funds.
- Initiative 2: The County will be leveraging \$524,735.59 in County General Funds.
- Initiative 4: The County will be leveraging multiple funding sources in order to effectively support this analysis of the County Code and the County's zoning regulations. The County will leverage 340,376.54 of County General Funds, as well as \$89,209.01 of HOME funds.
- Initiative 5: For the Housing Opportunities Fund, the County will leverage \$9,677,498.91 in County General Funds over the lifecycle of the grant, and \$99,381.82 in HOME funds.
- Initiative 6: To effectuate this effort, the County will leverage \$83,362.57 in County General Funds.
- Initiative 7: The County will leverage \$33,127.27 in HOME funds.
- Initiative 8: The County will leverage \$99,381.82 in HOME funds.
- Initiative 9: The County will leverage \$308,723.81 in ARPA funds, as well as \$99,381.82 in HOME funds.
- Initiative 10: For this initiative the County will leverage \$340,376.54 in County General Funds.
- Initiative 11: The County will leverage \$83,362.57 in County General Funds.



# Exhibit G: Long-term Effect.

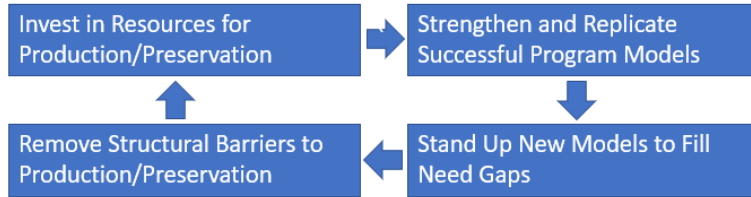
Review and provide a narrative response to V.A.1.e



***V.A.1.e.i Long-Term Effect***

Baltimore County’s proposed grant-funded activities were deliberately selected for the fact that they are high-impact, sustainable and long-term approaches, targeting housing production and preservation, eviction/foreclosure prevention, reducing barriers to housing production and access, and focusing on priority areas and the VCA Census tracts.

**Figure 17: Approach to Resolving Affordable Housing Barriers**



At the conclusion of the grant, the County will have implemented a deliberate and integrated web of programs and services. The shared focus of these initiatives is on balancing the needs to reduce barriers for aid to homeless and high-need households over the 6-year period with reducing structural barriers such as zoning and permitting challenges, while also investing in sustainable approaches for long-term housing production and preservation. Below is a summary of households potentially impacted by each initiative and long-term impacts.

**Table 4**

	Invest in Resources for Production/ Preservation	Strengthen and Replicate Successful Program Models	Remove Structural Barriers to Production/ Preservation	Stand Up New Models to Fill Need Gaps	Impacts a Priority Area
1) Scale and replicate the housing stability programs in Essex Reimagined	✓	✓			
2) Invest in building a more robust <u>BCStat</u>	✓	✓			
3) Invest in continuing and expanding the County’s Eviction Prevention Program (EPP)	✓	✓			
4) Perform a comprehensive analysis of the County Code and the County’s zoning regulations			✓		✓
5) Identify long-term financing sources for the Housing Opportunities Fund	✓				✓
6) Evaluate opportunities for redeveloping publicly- and privately-owned land			✓	✓	✓
7) Develop a replicable model of the Turner Station Houses	✓	✓			✓
8) Build a suite of products for providing adaptive modification for LMI households			✓	✓	✓
9) Invest in sustaining the Faith Based Development Initiative	✓			✓	✓
10) Focus on streamlining developing and removing barriers throughout the planning, permitting process			✓		✓
11) Invest in ongoing engagement and proactive marketing to gain buy-in for increasing housing supply		✓	✓		✓



The below tables provide additional detail on the impacts of each of the initiatives.

**Initiative 1: Scale and replicate the housing stability programs in Essex Reimagined and replicate the housing stability programs in Essex Reimagined**

Households Impacted Over Life of the Grant	Long-term impact
1,500 households	Replicate a successful multi-pronged place-based intervention to provide eviction and foreclosure prevention services in tandem with other supportive services. This approach can be replicated in other locations.

**Initiative 2: Invest in building a robust more BCStat to provide targeted housing assistance and homeless services with an Integrated Coordinated Entry**

Households Impacted Over Life of the Grant	Long-term impact
21,000 households experiencing homelessness	Integrating BCStat with homeless programs and services, and investing in the effectiveness of Coordinated Entry, is an essential component to optimizing DHCD’s impact and using a data-informed approach to build efficiencies, and to collect and analyze more accurate data that will allow programs to have a greater positive effect on households.

**Initiative 3: Invest in continuing and expanding the County’s Eviction Prevention Program (EPP)**

Households Impacted Over Life of the Grant	Long-term impact
18,000 households at risk of eviction or foreclosure	The County’s EPP program has refined its approach and demonstrated its effectiveness. An investment in EPP will have significant impacts in maintaining stable housing for thousands of county residents.

**Initiative 4: Perform a comprehensive analysis of the County Code and the County’s zoning regulations with a focus on removing regulatory barriers to affordable housing production and preservation**

Households Impacted Over Life of the Grant	Long-term impact
3,540 units produced across all income bands	Zoning reform measures stand to have some of the most significant long-term impacts in terms of allowing for more affordable and senior housing by-right, reducing code requirements that present barriers to housing development.



**Initiative 5: Identify long-term financing sources for the Housing Opportunities Fund, to produce and preserve affordable housing through efficient and innovative housing finance products aligned with a Housing Needs Assessment**

Households Impacted Over Life of the Grant	Long-term impact
642 units produced or preserved for households under 60% AMI	Increasing funding for the HOF will expand the County’s competitiveness for financing subsidized projects, including LIHTC and allow for enhanced production and preservation.

**Initiative 6: Evaluate opportunities for redeveloping publicly- and privately-owned land for affordable housing**

Households Impacted Over Life of the Grant	Long-term impact
384 homeowner units	County estimates show that there are over 500 potential development sites, with 64 high-probability site candidates (due to physical constraints and zoning). These would likely be redeveloped as homeownership opportunities. The long-term impact is the analysis tool that allows the County to assess its land inventory (public and private).

**Initiative 7: Develop a replicable model of the Turner Station Houses as a comprehensive solution for repositioning assets acquired through tax sale and vacant surplus as affordable homeownership, in tandem with downpayment and closing assistance and homeowner**

Households Impacted Over Life of the Grant	Long-term impact
36 homeowner units	An expansion of the Turner Station Houses could potentially create additional homeowner opportunities and provide a replicable model with a multipronged approach to support homeowner access and build intergenerational wealth.

**Initiative 8: Build a suite of products for providing adaptive modification, energy efficiency improvements, and health/safety-related home improvements, targeted at LMI households**

Households Impacted Over Life of the Grant	Long-term impact
1,002 households	Investing in a whole homes program could have substantial long-term benefits for the condition of affordable housing, and for household health and wellness outcomes.



**Initiative 9: Invest in sustaining the Faith Based Development Initiative**

Households Impacted Over Life of the Grant	Long-term impact
3,000 households at or below 80% AMI	This initiative will develop a long-term program to support faith groups in converting their buildings, building on their land, and optimizing the value of their assets while providing affordable and senior housing for the community.

**Initiative 10: Focus on streamlining developing and removing barriers throughout the planning, permitting process**

Households Impacted Over Life of the Grant	Long-term impact
See initiative #4 for household impact	This intervention, similar to the zoning reforms, will have clear and substantial long-term impact on reducing barriers to housing development. This approach will create long-term efficiencies for housing development within the County’s permitting and entitlement processes.

**Initiative 11: Invest in ongoing engagement and proactive marketing to gain buy-in for increasing housing supply**

Households Impacted Over Life of the Grant	Long-term impact
1,920 units for households at or below 80% AMI	One of the most daunting structural barriers for the County is opposition to affordable projects. Through proactive marketing, public engagement, and positive messaging, it may be possible to shift the narrative.

Roadblocks: Roadblocks to these implementing initiatives were detailed throughout the key barriers section. Through them mobilization of the described initiatives, Baltimore County seeks to lessen and/or remove barriers and roadblocks. In addition to the barriers mentioned, additional roadblocks to implementing these initiatives may include any delays in hiring the proposed applicants (i.e., lack of interest), or delays in procurement for consultants. Baltimore County will attempt to proactively prevent these risks via appropriate marketing and planning.

Reducing Housing Cost Burden without Impacting Other Household Costs: The strategies were developed to provide increased access to affordable housing options, while focusing on reducing total household costs to under 30% of household income. Where possible, counseling and wraparound services are emphasized to help households navigate eligible programs. Housing production programs focus on creating a range of income-restricted units at varying income bands, including deep affordability for under 30% AMI households. Other approaches like the whole home repair program focus on modifications and preservation of subsidized and NOAH





low-cost units. Still other approaches focus like the investment in BCStat and Coordinated Entry focus on increasing access for vulnerable households to housing and services, including available HCV and special use vouchers. Finally, models like Essex Reimagined can have significant impact by tying housing stability programs to a holistic program focused on connecting households to other eligible public benefits. Such approaches also require counseling in order to maximize intake for benefit programs and advising households to avoid benefit cliff issues.

Environmental Risks: Any development of housing will have an environmental component to assess environmental impact. Baltimore County has an Environmental Impact Review (EIR) team. ERR is responsible for the implementation and enforcement of the Regulations for the Protection of Water Quality, Streams, Wetlands and Floodplains (Baltimore County Code (BCC) (Section 33, Title 3), the Forest Conservation Regulations (BCC, Section 33, Title 6) and the Chesapeake Bay Critical Area Regulations (BCC, Section 33, Title 2). This team will also ensure compliance with all federal regulations.

What Does Success Look Like: Baltimore County defines success as alignment with the Department of Housing and Community Development's mission: Ensure there is access to affordable housing, provide housing stability support, and develop stronger neighborhoods by providing community revitalization support. Via the initiatives, Baltimore County will be positioned to continue the positive work that is occurring while establishing long-term solutions such as a coordinated entry system, a stronger Housing Opportunity fund, more targeted assessment to understand and act on need, and more.

How Will this Approach Reduce Segregation and Expand Access: Since 1996, the County has been collaborating with Baltimore Metropolitan Council (BMC) and its jurisdictional partners to analyze racial and economic disparities. The BMC produced a report called the Regional Analysis of Impediments to Fair Housing Choice's (AI). The report is an update to fair housing analyses that have been conducted regularly in the region. The Baltimore Regional Fair Housing Group was formed in 1996 to coordinate their duty to affirmatively further fair housing under the federal Fair Housing Act of 1968. In 1996, this group created one of the first Regional Analyses of Impediments to Fair Housing Choice (AIs) in the nation and, since that time, it has completed fair housing plans regionally.

Describe how your proposal represents a model for other communities: The model Baltimore County is for navigating affordable housing construction and preservation is rooted in long-term solutions for housing stability and access for all. The multiple initiatives are all intertwined in the housing lifecycle, highlighting the interconnectedness of the housing challenges Baltimore County and other jurisdictions are facing across the country. The model can be framework for others to segment the different parts of the housing process (invest, strengthen, stand-up, and remove) and tie specific initiatives to those areas and the populations of need. Baltimore County hopes to continue to interlace the projects with the clearly identified needs of the community as the County improves as a housing and community development provider.