



— BALTIMORE CITY —  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Annual Report of the Inclusionary  
Housing Advisory Board

2020



## A Message from the Inclusionary Housing Advisory Board

On behalf of the Inclusionary Housing Advisory Board, I am pleased to present the Fiscal Year 2020 Inclusionary Housing Annual Report as defined in Article 13 Section 2B-16, to Mayor Bernard C. “Jack” Young, with copies to Council President Brandon Scott and Chris Ryer, Director of the Department of Planning.

Creating Inclusionary Housing units supports the City’s goal of promoting economic diversity by providing housing for residents with a broad range of incomes, particularly in neighborhoods where housing would otherwise be unaffordable.

Under Ordinance 07-474, Article 13 Subtitle 2B, the Inclusionary Housing requirements would sunset on June 30, 2020, however, the Baltimore City Council approved Bill 20–0482, which extended the Sunset date of the Inclusionary Housing Legislation to June 30, 2022. Recognizing that the City needed to identify ways to increase the number of Inclusionary Units, the Department of Housing and Community Development issued a Request for Professional Services for an Inclusionary Housing Consultant to make recommendations to improve the City’s current Inclusionary Housing Law, and anticipates announcing an award in November. Our goal is to provide comprehensive recommendations to the Mayor and City Council by July 2021 to ensure that going forward the law results in activity that is productive and equitable.

The Advisory Board remains committed to working with the Department to significantly increase the number of Inclusionary Housing Units throughout Baltimore City. This can only be done through a broad-based collaboration representing the homebuilding, for-profit, not-for-profit, and advocacy sectors.

We believe this is an exciting time for the City. Our overlooked neighborhoods are seeing long-deserved investment. Families who never thought they could be are becoming homeowners and our legacy residents are starting to see the investment that they have made in their homes and communities increase. Inclusionary Housing plays a critical role in ensuring equitable housing outcomes in the City’s higher market neighborhoods for families that would otherwise be overlooked. We look forward to being a part of these changes.

Sincerely,



William Ariano  
Chair of the Board



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## FY 20 Inclusionary Housing Annual Report Introduction & Summary

Inclusionary Housing requirements apply to projects with 30 or more rental or homeownership units that are seeking a public subsidy and/or significant rezoning. Projects benefitting from a major public subsidy are required to make 20 percent of units affordable while projects benefitting from rezoning or sale of City land are required to make 10 percent of units affordable. Required units are further tiered by income. Inclusionary Units are required to be affordable for 30 years. At least half of the units funded must be available to households earning 60 percent or less of the Area Median Income (AMI). The Ordinance establishes an Investment Threshold - the maximum amount of subsidy that the City can make available to make a unit affordable and qualify as an Inclusionary Housing Unit. In order to determine if units qualify as Inclusionary Housing, DHCD undertakes an analysis based on bedroom size and rent, and the cost to the City to make a unit affordable for the required 30-year affordability period. If the cost to make a unit affordable exceeds the Investment Threshold, the developer is not obligated to make units available. If the cost to make a unit affordable does not exceed the Investment Threshold, DHCD is obligated to make the unit available at its cost. DHCD may exempt units if funds to make units affordable are not available.

Between July 1, 2019 and June 30th, 2020 DHCD reviewed six (6) projects to determine if they qualified for Inclusionary Housing units under the law. Of the 6 (six), two (2) projects did not qualify for review based on Sections 2B-21 (a)(1) and 2B-22(a)(1) of the Legislation, which requires that projects must include 30 or more units to qualify for Inclusionary Housing. These projects included 15 and 29 units respectively. Two (2) projects were exempt because the analysis determined that the cost to make the units affordable exceeded the Investment Threshold as defined under Section 2B-21(f) and 2B-23(f). Based on the required analysis, two (2) projects qualified to provide Inclusionary Housing Units.

In Fiscal Year 2020, DHCD received a total six (6) requests for an analysis and determination of eligibility as Inclusionary Housing Units:



**1517 Eutaw Street. (Jordan Apartments) - Bolton Hill**

62 Market Rate Apartments. Three (3) Efficiency units were allocated to households earning 60% to 100% of AMI.

**1 Light Street - Downtown**

280 Market Rate Apartments. The cost exceeded the allowed Threshold Investment established in the Ordinance.

**2211 West Rogers Avenue (The Homestead Building at Springwell Senior Living Community) - Mt. Washington**

99 Market Rate Apartments. The cost exceeded the allowed Threshold Investment established in the Ordinance.

**1430 Lawrence Street (Anthem House) - Riverside**

52 Market Rate Units. One (1) Efficiency unit was required to households earning 100% of AMI.

**1100 South Charles Street. - Federal Hill**

15 Market Rate Units. This project was not subject to the requirements of the law based on the requirement that a project must have a minimum of 30 units.

**9 N. Howard Street. (The Genesis) - Downtown**

16 Market Rate Units. This project was not subject to the requirements of the law based on the requirement that a project must have a minimum of 30 units.

## Required Tables & Questions

### I. The total number and proportion (as to the total of all housing units developed) of affordable housing units generated under this subtitle

In FY 20, a total of four (4) units out of 537 market rate units were developed under the Inclusionary Housing Legislation. Roughly for every 134 units created, one (1) unit was required to fall under the Inclusionary Housing requirement.

### II. The number and proportion generated under each of the various provisions of this subtitle (e.g., major public subsidy or significant rezoning)

ADDRESS	PUBLIC SUBSIDY	SIGNIFICANT REZONING	Required Units
1517 Eutaw St. Jordan Apartments	Y		3
1430 Lawrence St. Anthem House II	Y	Y	1

### III. The number and proportion generated at various affordable costs;

PROJECT ADDRESS	30% AMI	60% AMI	80% AMI	100% AMI	Required Units
1517 Eutaw St. Jordan Apartments		1	1	1	3
1430 Lawrence St. Anthem House II				1	1

**IV. A list and description of all waivers, modifications, or variances requested, granted, and denied under this subtitle, with a summary of the reasons for granting or denying each request:**

ADDRESS	Total Unit	Required Units	AMI	RECOMMENDATION	EXPLANATION OF RECOMMENDATION	PUBLIC SUBSIDY	SIGNIFICANT REZONING
1517 Eutaw ST Jordan Apartments	62	0	60% 100%	Non-Exempt	One (1) Efficiency to 60 AMI. One (1) Efficiency to %80 AMI. One (1) Efficiency at %100 AMI	Y	N
One Light Street M&T Building	280	0	N/A	Exempt	Exceeds Investment Threshold	Y	N
2211 West Rogers Ave The Homestead at Springwell	99	0	N/A	Exempt	Exceeds IH Threshold Limits with cost of services included.	Y	N
1430 Lawrence St. Anthem House	52	1	100%	Non-Exempt	One (1) Efficiency unit at %100 AMI	Y	N
1100 South Charles St.	29	0	100%	Exempt	Project includes fewer than 30 units	Y	N
9 N Howard St.	15	0	N/A	Exempt	Project includes fewer than 30 units	Y	N

**V. An estimate of the percent of units in the City that are occupied:**

Total Housing Units	294,522	
Occupied Housing Units	239,436	81% +/-

Source: U.S. Census Bureau, 2014-2018 American Community Survey 5-Year Estimates

**VI. The amount and percent of residential property tax-base increase:**

Tax Year Beginning	Total Taxable County Assessable Base (figures expressed in thousands)	Change from Previous	Percent Change
2019	40,884,237	+415,946	1.+/-

Source: Maryland State Department of Assessments and Taxation: <http://dat.maryland.gov/Pages/Assessable-Base-Report.aspx>



## VII. The percent of households that the City has retained:

Same house 1 year ago:	83.40 +/-%
Moved within same county in last year:	15 +/-%
Total retained:	98.4 +/-%

Source: U.S. Census American Community Survey 2014-2018 Estimates

## VIII. An estimate of the growth in City households

From 2010 through 2016 the number of occupied housing units increased by 4,024 units, an increase of 1.69%. From 2017 through 2018 the number of occupied housing units decreased by 3,980 units, a 1.64% decline since 2016. The declines in occupied units in 2017 and 2018 essentially erased the increases of the 2010 - 2016 period, resulting in the number of occupied units in 2018 being almost the same as in 2010.

Source: U.S. Census American Community Survey 2014-2018 Estimates

## IX. The number of units for which the City or eligible housing providers had a right of first refusal under § 2B-34 {"Right of first refusal"} or § 2B-52(c) {"Resales during affordability period - First refusal"}, and the number of those units on which that right was exercised.

No units had the first right of refusal under under Section 2B-34 (of the Law).

## X. Recommendations made by the Board under § 2B-66B {"Administration: Board to advise"} on priorities for which Inclusionary Housing Offset Fund money is best used.

The Board respectfully recommends identifying a dedicated source of funds to be provided for Inclusionary Housing Units.

## XI. A summary of all information for the fiscal year that the Inclusionary Housing Offset Fund submits to the Board under § 2B-67 {"Reporting to Board"} (c) Targets.

Please see section titled FY 20 Inclusionary Housing Annual Report Introduction & Summary (Page 4 FY 20 Annual Report).