



BALTIMORE CITY
DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT

OVERVIEW OF INCLUSIONARY HOUSING REQUIREMENTS





BILL BACKGROUND

Introduced on 12/4/2006 Ordinance 07-474
Approved on 6/11/2007
Enacted on 6/19/2007
Article 13, Subtitle 2B, Baltimore City Code

GOALS

- **Creating housing opportunities in neighborhoods that:**
 - Are high market value
 - Attracting public investment
 - Provide access to transit, employment, amenities
- **Promote economic diversity and provide housing for residents with a broad range of incomes**
- **Not intended to impose additional financial burdens on a developer**



ELIGIBLE PROJECTS REQUIRED TO PROVIDE AFFORDABLE UNITS

- **30 or more units receiving public subsidy, or Land Use Authorization or Rezoning**

Examples of subsidy:

- City-owned land sold or transferred substantially below appraised value
- PILOT
- TIF
- High Performance Market Rate Housing Tax Credit
- Grants or loans equal to exceeding 15% of total project costs
- Infrastructure work directly related to the residential project \geq 5% of total projected project costs.
- Land use and rezoning authorization

Major public subsidy does not include:

- Infrastructure repairs or improvements undertaken as part of a regularly planned project
- Projects receiving subsidy to support affordable housing
- At least 20% of units are affordable

Minimum Number of Required Affordable Units

- **Units Receiving Public Subsidy**
 - 20% of all units
 - Further defined by:
 - Percent of Area Medium Income
 - Project Type
- **Units Receiving Rezoning and Land Use Authorization**
 - 10% of all units
 - Further defined by:
 - Percent of Area Medium Income

PROCESS TO DETERMINE THE COST TO MAKE UNITS AFFORDABLE

- Analysis based on number and types of units, rent, project type, and maximum affordable rents.
- Determines the cost to make units affordable at each income tier of AML.
- Determine the maximum amount the City can invest using the Investment Threshold:

	Rental		Homeownership	
Income Tier	Projects Receiving Subsidy	Projects Requesting Zone Modifications	Projects Receiving Subsidy	Projects Requesting Zone Modifications
Units at or Below extremely low cost	\$125,000			
Units at or below very low cost or extremely low cost			\$125,000	
Units at or below low cost	\$100,000	\$115,000	\$100,000	\$110,000
Units at or below very low cost	\$50,000			
Units at or below moderate cost	\$25,000	\$40,000	\$50,000	\$50,000

OPTIONS IF PROJECTS QUALIFY FOR PROVIDING AFFORDABLE UNITS

- **CASH SUBSIDY**
- **HOUSING COMMISSIONER MODIFICATION OR WAIVERS**
- **BOARD OF ESTIMATES MODIFICATION OR WAIVERS**

OPTIONS FOR PROJECTS BENEFITING FROM LAND USE AUTHORIZATION OR REZONING

- **DENSITY BONUSES**
 - Ability to request a 20% increase in units from the BMZA
- **EXEMPTIONS**
- **MODIFICATIONS OR WAIVERS**

ADVISORY BOARD

BOARD ESTABLISHED

- There is an Inclusionary Housing Advisory Board

COMPOSITION

- The board consist of a total of 15 members

STAFF

- DHCD must provide staff for the Board

ADVISORY BOARD

RESPONSIBILITIES

- Reviewing requests for modifications or waivers under § 2B –(21-23)
- Annual Report
- Attend Meetings

OBLIGATIONS

- **45 days to respond to developer from date of submission**
- **Post copy of decision on HCD's website**
- **Provide copies to Planning Department and Advisory Board Chair**

STANDARDS PROJECTS MEET IF INCLUSIONARY UNITS ARE PROVIDED

- **DESIGN, CONSTRUCTION AND MANAGEMENT STANDARDS**
- **30 YEAR AFFORDABILITY PERIOD**
- **NO SOURCE OF INCOME DISCRIMINATION**