

## **Background on Conciliation and Voluntary Compliance Agreement with Baltimore Co. to end housing discrimination against African Americans, families with children and people with disabilities**

### **1. The Past**

Through the use of exclusionary zoning and openly discriminatory housing and development policies, Baltimore County managed to contain its Black population within a small number of enclaves by the mid-1960s. After passage of the Fair Housing Act in 1968, the County continued its use of exclusionary zoning, continued to resist building public housing, and openly opposed any attempt to assist low-income families in moving to the County. Important policies and events include:

- Between 1950 and 1970 rapid suburbanization supported by public policies more than doubled the population of Baltimore County and jobs increased 182%, yet its share of Black population declined from 6.7% in 1950 to 3% in 1970.
- 1960s: Baltimore County officials and residents were outspoken and consistent in refusing to create a public housing authority and to develop a workable program that would have allowed the County to receive federal funds to address the housing needs of low-income individuals and families. Baltimore County residents organized statewide referenda to fight state fair housing laws and creation of a state housing agency.
- 1970: The U.S. Commission on Civil Rights held hearings on suburban development in Baltimore County. The Commission's investigation found that most apartment complexes refused to rent to Blacks, and that Baltimore County used commercial rezoning, highway construction, and public works projects to eliminate Black enclaves or limit their growth. Long time residents of the County were forced to find substitute housing in Baltimore City.
- 1970s: HUD froze, lifted and refroze again its funding to the County in response to a series of unkept promises by the County to develop and implement housing and fair housing plans required to obtain federal funds.
- 1979: The League of Women Voters estimated that the County lost \$20 million in potential Community Development Block Grants because Baltimore County officials refused to sign non-discrimination promises required for an "Urban County" to receive CDBG funds.
- 1980s: Baltimore County designated Owings Mills and White Marsh as growth areas. In order to begin receiving CDBG funds, the County filed Housing Assistance Plans with HUD promising to locate affordable housing in those areas. Little affordable housing materialized in Owings Mills, and even less in White Marsh.
- 1980s: HUD approved Baltimore County to administer Section 8 rental assistance. Previously, low-income County households could only obtain assistance through a private real estate company under contract with the state.
- 1992: Baltimore County's Consolidated Plan admitted that the County's land use policies and procedures have limited the amount of land available for residential development and have inflated land costs in both growth areas and existing communities.
- 1990s: Baltimore County downzoned the Honeygo growth area of White Marsh to reduce the construction of multifamily housing. Multifamily housing that was constructed consists of condominiums rather than rental apartments.

- 1990's-2000's: Baltimore County demolished 4,100 apartment units, including a substantial portion of its supply of federally assisted units occupied by families and people with disabilities. These sites were redeveloped as parks or used to build housing solely for homeownership or elderly renters. No replacement family housing was built elsewhere in the County.

## **2. The Present**

Because of these and other public policies, as well as private actions, Baltimore County is the most segregated major jurisdiction in Maryland in the 16th most segregated metropolitan area in the country.

The Complaint in this case alleged that a number of these policies continued up through the date the Complaint was filed, including:

- Investing federal and state rental housing funds almost exclusively in elderly-only subsidized housing occupied mostly by Whites.
- Confining development of what little subsidized housing for families was allowed to low-income and/or racially segregated neighborhoods.
- Since 1995, actively participating in the demolition of 4,100 subsidized housing units open to families and failing to replace such housing.
- Implementing a voucher program that concentrated voucher holders in primarily low-income east side and segregated west side neighborhoods of the County.
- Operating a voucher program that failed to offer families with disabilities accessible housing and not using its resources to ensure its programs provide equal opportunities to families with disabilities.
- Allowing local county council persons a "pocket veto" over any proposed new subsidized housing development.

Today, as a result of these policies:

- The 2015 Baltimore Regional Housing Plan published by the Baltimore Metropolitan Council's Opportunity Collaborative finds that, African Americans now constitute almost 30% of the population of the Baltimore Region and of Baltimore County, but live in a highly segregated environment primarily in Baltimore City and large parts of the western and northwestern corridor of Baltimore County.
- Baltimore County still does not have a housing authority and does not own or operate any affordable or public housing.
- According to data in the Regional Housing Plan (adopted by the local jurisdictions), the County has just 1,872 units of privately owned subsidized housing open to families.
- Only 506 of these family units are located in areas that the Regional Housing Plan determined to be high opportunity areas – based on more than 90 indicators of neighborhood quality, education quality, social capital, public health and safety, employment, and transportation.
- As the Regional Housing Plan notes, the uneven distribution of subsidized housing – its concentration in low-opportunity areas, and the shortage in high-opportunity areas – impacts precisely the households most in need of opportunities to advance their economic well-being.



- Participants in the Baltimore County Housing Choice Voucher program are disproportionately African American (65%) and comprise an even larger portion of the voucher wait list (68%).
- According to demographer Dr. John Logan, an expert hired by Complainants in this matter, voucher holders are disproportionately located in poor, racially segregated neighborhoods with underperforming schools.
- Analyzing all available data on vouchers and subsidized housing in Baltimore County, Dr. Logan concluded: “The pattern of location of affordable housing, especially of vouchers and family [subsidized] projects, reinforces the pattern of racial segregation and racial disparities in neighborhood resources in Baltimore County.”

Baltimore County’s performance in meeting the fair, affordable housing needs of family households, most of whom are African American and/or Hispanic, is worse than similar suburban counties:

- Baltimore County, the largest jurisdiction in the Baltimore region in both geographic area and population, has only 7.7 percent of the region’s subsidized housing units open to families.
- The County’s subset of subsidized family housing units in high opportunity areas (506) is half that of its much smaller neighbor, Anne Arundel County (1087), and less than a third of the number in Howard County (1,606).
- Even Baltimore City, with few high and very high opportunity areas, has almost double the number of family subsidized housing units (954) in high opportunity areas.
- Baltimore County’s refusal to develop public housing denied families with disabilities accessible housing opportunities.

While ignoring the housing needs of family households, the County leads its suburban neighbors in aggressively collecting federal and state rental housing subsidies for senior housing which in Baltimore County serves mostly Whites, and often in high-opportunity areas.

- The County has 5,151 subsidized senior housing units, 26.3% of the region’s subsidized senior housing, which in Baltimore County serves mostly White households.
- The County has produced 1,524 senior units in high-opportunity areas, more than any of its neighbors.

As alleged in the Complaint, and supported by evidence submitted to HUD, these practices and many others were intended, or have had the effect, of fostering residential segregation and reducing the production of housing needed by low-income households, especially African Americans, families with children, and persons with disabilities.

This failure to develop new affordable rental housing for families, in turn, disparately impacted individuals with disabilities:

- The overwhelming majority of the County’s housing stock pre-dates the effective date of the Fair Housing Act Amendments and is not designed to be accessible to persons with physical disabilities.
- Policies that have restricted or failed to promote the development of new affordable rental housing also severely restricted the development of new affordable housing that would meet federal accessibility requirements.

- The need for such housing in the County could not be greater. Over 50% of the County’s voucher holders and 20.3% of those on the voucher waiting list have a disability. The 2000 Census identified that 18.3% of the population in Baltimore County over five years old reported at least one type of disability. In Baltimore County, 12.3% of persons with disabilities live in poverty, compared to 5.4% of persons without a disability.
- According to the County’s Consolidated Plan, there are 7,470 renter households with disabilities in the County with incomes at or below 80% of area median income.<sup>1</sup>

### **3. The Future**

Housing is the foundation for families that want to send their children to better schools or access better jobs or just be closer to their support networks. By opening up opportunities throughout the County for low-income residents to live, work and go to school, the County is taking the first important steps in creating a more inclusive Baltimore County.

Key provisions of the Conciliation and Voluntary Compliance Agreement include:

- Development (through both new construction and acquisition) of 1,000 affordable homes (“Hard Units”) over a ten-year period. 10% of the units must be accessible to persons with disabilities and 50% must be family-sized units with three bedrooms.
- The 1,000 affordable homes must be located in designated areas identified based on a number of factors including a low concentration of subsidized housing, low poverty, strong schools, access to jobs, and other measures of opportunity.
- The County will provide \$30 million over ten years to assist in the financing of the 1,000 homes.
- The County will provide housing mobility services to allow 2,000 families in its Housing Choice Voucher Program to secure affordable homes in the designated areas of opportunity.
- The County will provide \$3 million in funding for disability upgrades to existing affordable housing.
- The County Executive will cause to be introduced and support legislation in the County Council to bar landlords from discriminating against voucher holders and other home seekers based on their source of income (unless the state first enacts similar legislation).
- The County will take affirmative steps necessary to preserve the remaining subsidized family housing that is threatened with demolition or losing its subsidy.
- The County will not allow any individual council person to have a “pocket veto” over affordable housing proposed for that council person’s district.
- The County will fund fair housing education and enforcement services, including testing by “mystery shoppers” to reduce discrimination in the private housing market.

The County’s own 2012 fair housing study, the Baltimore County Analysis of Impediments to Fair Housing Choice (“AI”), recommended actions similar to those provided for in the Agreement to address the longstanding segregation, racial disparities and lack of access for persons with disabilities.

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<sup>1</sup> Con. Plan at 65.



Affordable housing developers also face a new dawn in Baltimore County. We eagerly anticipate their involvement and contribution to greater housing equality in the County, as they no longer face barriers to exclude affordable family rental housing.

This Agreement, however, should be seen only as an initial step in breaking the long history of housing segregation perpetuated by all levels of government. According to the County's Analysis of Impediments, African Americans in the County have significantly lower median income and almost twice the poverty rate of White people. African Americans are also much more likely to rent rather than own their homes compared to Whites, and they are significantly overrepresented on the County's voucher waiting list which consists of over 12,000 households waiting an average of 9 years. Accordingly, fair and rigorous enforcement of this Agreement should be seen as a critical but incremental step in remedying decades of fair housing injustice.