

Public Comments Related to DHCD Fixed Price Policy for Vacant properties and land in Baltimore City submitted by Dr. Dwanda Farmer March 18, 2024.

As a community economic development professional with over 25 years of experience in the affordable housing sector and as the owner and CEO of The CED Doctor Rx, LLC and Co-Founder of SMART ALEC, I am deeply invested in the welfare and future of our communities, particularly in addressing the challenges related to vacant properties and lands in Baltimore City and the opportunity to meet the needs of the unhoused, extremely low income and very low income individuals and families in Baltimore.

Through my professional and lived experience, I have gained many transferable lessons. The one I wish to share with you today is affordability is most likely achieved in early efforts to revitalize distressed communities. Once the initial catalytic investments have been made in lower neighborhoods, they quickly grow to middle neighborhood status. From there, it is often a firestorm to complete gentrification if not managed appropriately at the start. I would like to humbly ask that the City of Baltimore target its limited resources to the areas of greatest need to have the highest impact in low-income and distressed communities.

While the premise of the fixed price policy is one that I support wholeheartedly, and I believe eliminating vacant properties must be a high priority for this administration. I espouse that it could also be the last opportunity for the City to provide affordable units to extremely low and very low income residents of Baltimore. The proposed fixed price policy as offered has many caveats that will fail low-income families, existing city residents, and small developers in Baltimore neighborhoods. It is the practice of implementation that leaves me with grave concerns. I believe the easy part of the solution here is to ask DHCD to do the hard work upfront and be transparent throughout the disposition process as well as the following policy and practice suggestions.

1. DHCD must begin to **work cooperatively and collaboratively with residents and stakeholders** for better results. DHCD must engage the community, push forward existing community plans, seek input from interested stakeholders and community residents, and target resources to the areas of greatest need based on evidenced market demand. DHCD must also engage broader stakeholders in the greater Baltimore region on housing and transportation issues if we truly want to stop losing population.
2. Initial offering held to Baltimore City residents for **90 days is insufficient** unless the city has made extensive efforts to promote the same, can provide technical assistance to support residents, or access to affordable capital to help Baltimoreans achieve success. The City must consider assigning resources to provide a revolving loan funds to assist very low and extremely low-income Baltimore residents in acquiring and rehabilitating properties sold by and through the Buy into Baltimore website. Without such resources

the initial 90-day window of first choice is a farce and insufficient to be impactful. Considering DHCD has not yet done the work to promote the opportunity to the broader community or presented any initiatives to help residents prepare for the opportunity, 90 days will not help the people of Baltimore meet their affordable housing needs.

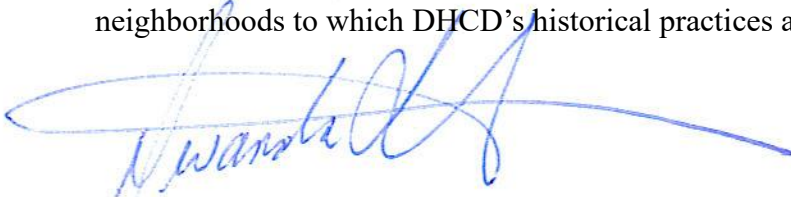
3. Baltimore must make **data driven decisions** to determine the best trajectory today and build the future Baltimore where there is **equity in housing** for all. The City may consider implementing an [Affordable Housing Impact Statement](#) and tools to track impacts to determine need and confirm targeted resources achieve the appropriate impact based on evidenced market needs.
4. The City might also consider creating a policy to only target future public investment in **affordable housing at 60% or below AMI** until the unmet needs gap is filled. This is Baltimore's area of greatest need (30 & 50 percent) where supply does not meet demand which contributes to more people becoming homeless. There are only 38 and 58 units respectively for every 100 units needed in the market. This level of affordability has not been addressed by developers as they have used public incentives to serve the market at 80% AMI. Continuing to direct government resources to 80% AMI is irresponsible. Limiting public resources to below 60% will drive developers to provide units to this market. When supply meets the demand for affordable units at 30% and 50%, Baltimore will reduce, if not eradicate homelessness in our city.

The demand for affordable housing at 80% and above has been met by greater than 100%. Baltimore has 101 units at 80% AMI and 106 units at market rate for every 100 units needed. There is no public "need" to invest public dollars, and it is irresponsible for City government to continue to incentivize private investment in housing at this rate while neglecting those most in need. This harmful practice drives homelessness and displacement of low-income families.

5. I offer strong objection to **limiting the \$1 price point to Community Land Trusts (CLT)** and excluding Community Development Corporations (CDC) or Community Development Housing Organizations (CHDO) is unnecessarily limited to gain the impact on affordable housing needed to meet demand. This is likely Baltimore's last opportunity to address the housing needs of very low and extremely low-income residents in Baltimore City which should be a high priority for a government that has caused such great harm.
6. Lastly, The City, Mayor's Office, and BOE must adamantly deny and **prevent DHCD from misrepresenting properties as for sale** when in fact DHCD can at its sole discretion determine the property is NOT FOR SALE at the fixed price as advertised on the Buy Into Baltimore website. DHCD must make its evaluation to determine if a property has a value in excess of \$100,000 or is part of a broader strategy BEFORE it is listed on the site. Any and every property listed on the site must be available at the fixed price and DHCD must not have the ability to arbitrarily remove any properties after an offer has been made. It is imperative that DHCD do the necessary work to ensure no

property is ever placed on the “buyintobaltimore” website that is not actually for sale. Also, DHCD must maintain updates to the website that informs the public when properties have a current bid even though the property is under contract but has not gone to closing. These properties should not be showing as available on the website when they are in fact not open for bid. This practice breeds distrust of DHCD throughout the community.

Please know that I am not just offering criticism, but also, my skills and expertise to assist the City and DHCD to engage the community and develop and implement policies that produce the desired results we need in Baltimore without exacting further harm in low-income distressed neighborhoods to which DHCD’s historical practices are wholly responsible for creating.

A handwritten signature in blue ink, appearing to read "Dwanda Farmer", with a long horizontal flourish extending to the right.

Submitted Respectfully by Dr. Dwanda Farmer
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SMART ALEC, Co-Founder