



# Neighborhood Housing Services of Baltimore, Inc.

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February 26, 2021

Senator Paul G. Pinsky, Chair  
Education, Health, and Environment Affairs Committee  
2 West – Miller Senate Office Building  
Annapolis, Maryland 21401

**RE:** Senate Bill 859

**Position:** SUPPORT

Dear Chairperson Pinsky and Members of the Committee:

I am Dan Ellis, Executive Director of Neighborhood Housing Services of Baltimore. NHS, a non-profit working in Baltimore City, believes all residents deserve the opportunity for decent housing and financial opportunities for their families. We accomplish this by offering housing counseling, financial coaching, affordable loans to low and moderate income customers, conducting acquisition and renovation on vacant properties, community engagement, and helping money flow into historically disinvested communities. Last year, we helped over 450 families purchase homes, invested in the preservation of over 100 homes to help seniors age in place, and invested and leveraged over \$25 million in West Baltimore.

NHS of Baltimore **Strongly Supports** SB859. In many historically redlined sections of Maryland, sale prices for fully renovated properties lag below the cost to acquire and renovate the property. This is often referred to as the appraisal gap, which is the difference in the cost to complete a property and the amount of the sale price. The appraisal gap results in properties remaining vacant or being renovated as lower quality housing typically for rental use. In many neighborhoods impacted by the appraisal gap, vacant houses continue to sit vacant and homeownership rates decline. This leads to further destabilization of housing values and condition.

SB859 creates a fund to support properties that are impacted by the appraisal gap. This available support will allow for the development of properties in historically disinvested communities. The result will be additional homeownership opportunities and quality development of affordable units. This outcome will provide strong support to communities around the state struggling with more distressed properties. We appreciate the support from the state as we work to address the impact of public policy that directly contributed to the current distressed conditions in communities around the state.

We strongly support SB859 and respectfully request a **favorable report**.

Sincerely;

Daniel T. Ellis  
Executive Director

