

To: Chair Marc Korman and members of the Environment and Transportation Committee

From: Danista Hunte, President and CEO (dhunte@marylandphilanthropy.org)

Shanetta Martin, Director of Public Policy, Education, and Special Projects

Re: HB241/SB308: Housing and Community Development – Just Communities Designation

Date: January 26, 2024

Position: Favorable Support

Maryland Philanthropy Network (MPN) is a statewide organization representing over 110 private, family, corporate, and community foundations. Together our members steward over \$9 Billion in charitable assets with approximately \$1.1 Billion distributed annually to public charities, much of it benefiting Maryland residents. MPN is committed to transformative and innovative work that results in an equitable and just Maryland. We are encouraged by the Department of Housing and Community Development's action with this bill to right historical wrongs of the past due to decades of disinvestment and exclusionary policies by taking a proactive approach to target state investments to jurisdictions across our state that will have a Just Communities Designation.

To ground this issue, MPN has a significant number of members who care about and fund the Baltimore community, which would likely receive a Just Communities Designation. What we know is there has been a history of redlining, which started in Baltimore. The socio-economic landscape of Baltimore reveals what some call the "White L" and "Black Butterfly" where disinvestment, policies, and practices have led to communities that have not received resources and services ranging from a lack of adequate housing, public schools that are underfunded, neighborhoods that lack amenities, and to other poor social determinants of health. These negative indicators and disparities show up specifically in the Black Butterfly zone as compared to the White L.

In the community development arena, MPN members partnered with the Healthy Neighbors Initiative, a model public/private partnership, whose mission is to help strong but undervalued neighborhoods increase home values, market their communities, create high standards for property improvement and forge strong connections among neighbors. Healthy Neighbors has pooled the resources of city funds, corporate support, and private philanthropy to stem growth in mixed-income neighborhoods. Statewide efforts include Endow Maryland where state tax credits are distributed across the network of community foundations leading to nonprofit organizations being able to address economic development issues in their communities.

Philanthropy can be a great partner to the state as grantmakers are connected to nonprofits and small community-based organizations that have the expertise and lived experiences to drive the solutions to address the challenges and needs of those communities. However, philanthropic dollars cannot fill the gap alone. Public dollars are needed to right the wrongs of long-term disinvestment and to institutionalize long-term reinvestment. We applaud the Moore-Miller Administration in their demonstrated commitment to operationalize and actualize an increase in public/private partnerships. Maryland Philanthropy Network is a full partner in that process. Philanthropy has always been willing and able to partner with government at all levels. We look forward to being a resource to assist with

aligning state investments with private local dollars in equitable ways to support Just Communities across our state.

We urge favorable support with amendments for HB241. It is the just thing to do. This is the time to do it.

Thank you.