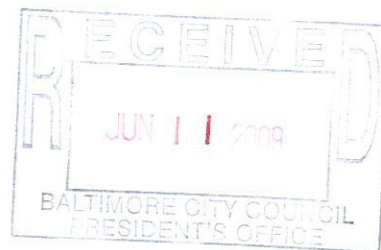




**BALTIMORE  
HOUSING**

SHEILA DIXON  
Mayor

PAUL T. GRAZIANO  
Executive Director, HABC  
Commissioner, HCDD



## MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council  
c/o Karen Randle, Executive Secretary

From: Paul T. Graziano, Commissioner

Date: June 10, 2009

Re: **City Council Bill 09-0120R Informational Hearing - The Park Heights Renaissance, Inc.**

The Department of Housing and Community Development (DHCD) has reviewed City Council Bill 09-0120R, which was introduced for the purpose of requesting the Commissioner of Housing and Community Development and the CEO of Park Heights Renaissance, Inc., to report to the City Council on the success of the Vacant Housing Initiative in marketing City-owned vacant properties; to discuss the feasibility of expanding the program to include privately-owned vacant houses; and the practicability of duplicating the program in other Baltimore City neighborhoods endangered by a proliferation of vacant houses.

Park Heights Renaissance, Inc.(PHR) was founded in November 2007 as a nonprofit 501(c)(3) organization representing residents, businesses, religious institutions, schools, agencies and other stakeholders committed to shaping a better future for the Park Heights neighborhood. PHR was established by the Pimlico Community Development Authority (PCDA), a quasi-public organization created by state law through a partnership with the State of Maryland and the City of Baltimore. PHR's mission is to serve as the "on the ground" organization responsible for ensuring objectives within the Park Heights Master Plan are implemented. The organization receives its operating funding from a number of sources including the neighborhood impact funds associated with the neighboring Pimlico Racetrack.

Among PHR's primary objectives is the elimination of hundreds of vacant properties that blight the Park Heights community. In partnership with DHCD, PHR obtained the right of entry to approximately 52 city owned vacant properties. Using its own resources, the organization provided virtual tours of the interior and exterior of each property on its website. Additionally, a home inspector examined each property and produced a HUD certified scope write-up that provided a cost estimation on the rehabilitation expenses for each property. Prospective developers such as Luvon Dungee with *Community Solutions, LLC* were able to utilize these resources to acquire these properties and obtain financing to rehabilitate and transform these once uninhabitable structures into attractive marketable homes for sale. PHR further facilitated home sales by providing home



ownership counseling and conducting preliminary screening to identify qualified prospective buyers.

DHCD believes that the partnership with PHR and its development partners could serve as a model for redevelopment of vacant properties in other City neighborhoods. The integral component for the initial success of this program is the role of organizations like the Parks Heights Renaissance, Inc and its capability to provide the HUD certified scope write-ups and devote marketing resources for each property as well as the counseling and screening of prospective buyers. In order to replicate this formula, communities outside the Park Heights neighborhoods may need to consider establishing their own version of PHR including identifying sustainable funding and recruiting staff. DHCD would seek to form similar partnerships with these organizations. However, this endeavor may not prove feasible or efficient for every neighborhood.

DHCD recommends that, as an alternative to establishing multiple individual organizations, the City consider forming a single entity tasked primarily with the mission of marketing and sale of vacant properties to qualified buyers in communities throughout the City. Our agency believes that the establishment of a Land Bank Authority is the best means of accomplishing this mission and replicating the success of the Park Heights Renaissance.

The Department of Housing and Community Development supports the adoption of City Council Bill 09-0120R.

PTG:pmd

cc: Ms. Angela Gibson  
Mr. Andrew Frank  
Ms. Diane Hutchins