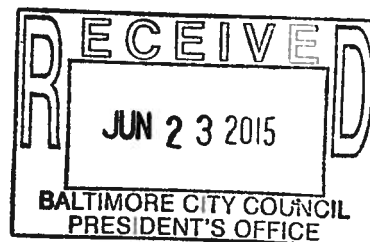




BALTIMORE HOUSING

STEPHANIE RAWLINGS-BLAKE
Mayor

PAUL T. GRAZIANO
Executive Director, HABC
Commissioner, HCD



MEMORANDUM

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

From: Paul T. Graziano, Commissioner

Date: June 19, 2015

Re: **City Council Bill 15-0226R - Community - Economic Development in Struggling Neighborhoods**

The Department of Housing and Community Development (HCD) has reviewed City Council Resolution 15-0226R, for the purpose of requesting that the Baltimore Development Corporation, Finance Department, Department of Housing and Community Development, Health Department, Baltimore City Public Schools, Mayor's Office of Employment Development, and Planning Department report to the City Council on the community - economic development tools available to distressed neighborhoods in Baltimore City, how those tools are currently being used to develop and reinvest in neighborhoods, and how City agencies can further collaborate with private, state, and federal partners to foster positive community change and create strong, vibrant, economically successful neighborhoods.

HCD manages many programs focused on strengthening City neighborhoods by attracting investors, developers and homebuyers, facilitating strategic development projects to meet housing and neighborhood needs and enforcing City housing and building codes to hold property owners accountable and keep neighborhoods safe.

One major program is Vacants to Value (V2V), which was launched in late 2010, to bring positive change to struggling neighborhoods. V2V is a multi-pronged, market based initiative focused on blight elimination, neighborhood revitalization and reinvestment in the City. V2V strategies are:

1. The establishment of processes to streamline the transaction time for the sale of City-owned property. (Disposition of 695 building, 481 lots)
2. The use of streamlined code enforcement tools to address scattered vacants in otherwise strong neighborhood to encourage renovation of blighted properties without having to go to court:

Fav w/ Comm



- Issuance of \$900 citations to owners of vacant and abandoned properties in designated neighborhoods to encourage renovation and re-occupancy
 - Issuance of \$250 citation to occupied homes in designated neighborhoods.
 - Use of the receivership ordinance to push a vacant property to auction for purchase and redevelopment.
3. The designation of Community Development Clusters and forming partnerships with capitalized for-profit and non-profit developers to address every vacant property in the clusters.
 4. The prioritization of 4,000 vacant properties in the City through the determination of which areas have viable housing markets, and which ones have suffered population loss to the extent that vacancies exceed housing demand for the foreseeable future. The strategic use of demolition dollars in distressed areas allows the City to leverage commercial and residential investment, stabilize existing homeownership, and create much-needed green space.
 - The agency has developed a pilot deconstruction program to increase blight elimination capacity by removing unsafe structures and creating jobs. The training in the deconstruction of vacant properties provides a skill set for at-risk residents with barriers to employment for future career opportunities. The project resulted in 26 low income Baltimore City residents being hired full-time and the reclamation of hundreds of feet of flooring, structural lumber and over 100,000 bricks.
 5. The focus on transforming neighborhoods through the preservation and development of affordable and mixed income housing. This strategy is used when 1) there is a large site or area that can be transformed through new mixed-income development, or 2) Housing development can play a role in an on-going and larger transformation plan.
 - Baltimore Housing projects in process since late 2010 will create or preserve 3,951 home ownership and rental opportunities with an estimated total cost of over \$858 million. 2,480 of the housing units will be affordable to residents with a wide range of incomes.
 6. The use of incentives to encourage the purchase of previously vacant homes (481 \$10,000 homeownership incentives awarded)
 7. The use of financial subsidies and technical assistance to existing residents in target blocks for energy conservation and other home improvements.

Approximately 1,100 families will receive services valued at \$12.6M (see Attachment I, LIGHT program flyer)

The table below summarizes some of the accomplishments of the V2V strategies as of May 14, 2015:

	Streamlined Code Enforcement	Community Development Clusters
Number of Areas	85	24
Vacants on Start Date	1,529	1,831
VBN \$900 Citations Issued	2,136	n/a
Rehabbed or Rehab Underway	1,410	962
Receivership Cases Filed	827	795
Non-VBN \$250 Citations Issued	2,181	n/a
Permit Revenue	\$2,030,070	\$1,174,870
Private Investment (Construction Costs from Permits Only)	\$72,635,706	\$58,461,488
Demolitions	28	91
	City Sponsored Demolitions Since V2V Start	1,528

The Department of Housing and Community Development welcomes the opportunity to participate in the hearing on June 24, 2015 to discuss our many programs that are targeted towards the revitalization of blighted neighborhoods, the creation of affordable housing and the preservation of safe and healthy homes.

PTG:sd

cc: Ms. Angela Gibson, *Mayor's Office of Government Relations*
Mr. Colin Tarbert, *Deputy Mayor*

LIGHT

LEADING INNOVATION FOR A GREEN AND HEALTHY TOMORROW
A Baltimore City Collaborative

The LIGHT Program provides a one-stop shop to access the services of Baltimore Housing's Division of Green, Healthy & Sustainable Homes. You can apply for any of the three grant and loan programs listed below with a single LIGHT application. When you do, you'll be screened for more than sixty other programs and benefits offered by public and nonprofit agencies. Then, a LIGHT case manager will help connect you to and coordinate the services for which you are eligible, and which match your needs.

Services

Eligibility Requirements

Energy Conservation

Energy-efficiency improvements that lower utility bills and make homes safer and more comfortable.

- Attic insulation
- Caulking/air sealing
- Weather stripping doors/windows
- Heating system tune-up/repair
- Pipe and hot water heater wraps
- Compact fluorescent light bulbs

Household Size	Annual Income
1	\$23,540
2	\$31,860
3	\$40,180
4	\$48,500
5	\$56,820
6	\$65,140
7	\$73,460
8	\$81,780

Lead Hazard Reduction

Lead remediation for eligible owner- and tenant-occupied properties. Household must include a pregnant woman or child age 6 and under.

- Door and window treatment and replacement
- Floor treatment
- Paint removal, stabilization and repainting
- Heating system tune-up/repair
- Other measures to reduce the risk of lead paint

Household Size	Annual Income
1	\$48,000
2	\$55,000
3	\$61,750
4	\$68,500
5	\$74,898
6	\$86,420
7	\$98,766
8	\$111,870

Housing Rehabilitation

Repairs that address emergencies, code violations, and health and safety issues for owner-occupied properties.

- Roof repair
- Water and sewer line repair
- Furnace replacement
- Electrical repair
- Disability accessibility modifications
- Plumbing repair

Household Size	Annual Income
1	\$48,000
2	\$55,000
3	\$61,750
4	\$68,500
5	\$74,898
6	\$86,420
7	\$98,766
8	\$111,870

For an application or questions please contact the LIGHT Program at 410-396-3023

www.baltimorehousing.org/ghsh_light

