

<b>FROM</b>	NAME & TITLE	THOMAS J. STOSUR, DIRECTOR	CITY of <b>BALTIMORE</b> <b>MEMO</b>	
	AGENCY NAME & ADDRESS	DEPARTMENT OF PLANNING 8 <sup>TH</sup> FLOOR, 417 EAST FAYETTE STREET		
	SUBJECT	CITY COUNCIL RESOLUTION #15-0226R/COMMUNITY-ECONOMIC DEVELOPMENT IN STRUGGLING NEIGHBORHOODS		

**TO**

The Honorable President and  
Members of the City Council  
City Hall, Room 400  
100 North Holliday Street

DATE: June 22, 2015

The Planning Department has been asked to report on City Council Resolution #15-0226R concerning 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.

To foster positive community change and transform struggling neighborhoods into strong, vibrant, economically successful neighborhoods requires (1) creating places people choose to live even if they could afford to live elsewhere and (2) helping individuals living in those neighborhoods become economically successful. The magnitude of transforming struggling neighborhoods is staggering, but the Planning Department is committed to working towards solutions. At the same time, the Department fully understands the fiscal realities facing Baltimore. Baltimore is attempting to eradicate poverty, and yet Baltimore is itself fiscally impoverished. Taking a holistic and long-term, sustainable approach, including collaboration from our neighboring jurisdictions, will be critical for progress. Despite the challenges, with help from our private, state, and federal partners, Baltimore can make great strides towards transforming struggling neighborhoods.

Baltimore's Housing Market Typology was developed to assist the City in its efforts to strategically match available public resources to neighborhood housing market conditions. Currently, the typology is a critical tool used by the Department of Housing's Vacants to Value program to address city-wide vacant housing challenges. Community and economic development tools for struggling neighborhoods are often different from tools for middle market neighborhoods or regional choice neighborhoods. The Housing Market Typology can be used to comprehensively identify which tools are most strategic for which types of areas, and make sure tools are being equitably applied to all housing markets.

**Creating Neighborhoods of Choice**

Transforming struggling neighborhoods into strong, vibrant, economically successful neighborhoods requires direct investment in struggling neighborhoods. The Planning Department, in partnership with other agencies, utilizes several community and economic development tools to spur and direct this investment. Again, with private, state, and federal partnerships these tools could be expanded to have a much greater impact.

- **INSPIRE** – The Planning Department is conducting a planning program for the neighborhoods around each of the two dozen new or renovated schools that are part of the 21<sup>st</sup> Century Schools Initiative. The program is called INSPIRE, which stands for *Investing in Neighborhoods and Schools to Promote Improvement, Revitalization, and Excellence*. The INSPIRE plans will focus on the quarter-mile surrounding each school to leverage the investment in the school and enhance the connection between the school and the neighborhood. Plans will articulate the community’s vision for guiding private investment as well as identify specific, implementable public improvements in areas such as transportation, housing, and open space to improve the surrounding neighborhood. Millions of dollars of investment in schools can serve as a trigger point for additional investment in the surrounding neighborhood. The plans will provide a vision to INSPIRE and guide that investment. The plans can serve as marketing tools to attract private investment and/or work plans for community-led development activities.
- **Growing Green** – The Growing Green Initiative (GGI) is a City-led effort to use sustainable, innovative, and cost-effective practices for stabilizing and holding land for redevelopment, and reusing vacant land to green neighborhoods, reduce stormwater runoff, grow food, and create community spaces that mitigate the negative impacts of vacant properties and set the stage for growing Baltimore. The GGI Green Pattern Book, completed in 2014, is a resource for communities and non-profits engaged in greening activities on vacant lots, serving to guide site selection, project implementation, and connect communities to the many City and non-profit resources available to support greening projects. Through the GGI Design Competition, funded by the City and the EPA, six design teams have received funding to implement greening projects on City-owned vacant lots. Construction is expected to begin by the end of the summer. Through GGI’s Care-a-Lot program, now in its second year, non-profits and community groups are eligible to receive stipends to mow and maintain vacant lots in their neighborhoods. The Planning Department and Department of Recreation and Parks are currently working with the Broadway East community on a design process to create a new City park on the 1500 block of North Gay Street. The City has also partnered with the Historic East Baltimore Community Action Coalition (HEBCAC) to clear and green the 2400 block of E. Eager Street as part of the Green Tracks initiative along the Amtrak rail line. These are just a few of the many projects underway through this initiative.

Through the City’s outcome budgeting process, the Department of Planning has received funding to support a City-wide planning process in FY16 to enhance the implementation of GGI. To support more strategic implementation of GGI, the Department of Planning will be leading this effort to prioritize vacant building demolition sites and greening improvements undertaken by both City agencies and partners. This planning effort will look to connect green patterns implemented on vacant lots to the city’s existing green network of parks, stream valleys, forests, trails,

and green infrastructure. The result is intended to be not only a plan that supports targeted implementation of greening efforts, but one that also supports blight elimination, the creation of new green jobs, improved health, opportunities for stabilization and reinvestment, and improved connectivity.

- **Local Impact Aid Spending Plans** – The Planning Department has worked with the communities and Local Development Councils around Pimlico Racetrack and the new Horseshoe Casino to develop spending plans for gaming revenue that is allocated to these areas in the form of Local Impact Aid. Over the long term, this unique revenue source has the opportunity to facilitate transformation in several struggling neighborhoods such as Park Heights, Westport and Cherry Hill.
- **Comprehensive and Area Plans** – With support for implementation from private, state, and federal partners, the Planning Department can develop comprehensive and area plans to address community and economic development in struggling neighborhoods. For example, the Planning Department worked with community stakeholders and City agencies to develop the Park Heights Master Plan, an ambitious blueprint for strengthening and, where necessary, reshaping the Park Heights neighborhood. Since the Master Plan was approved, over \$200 million in a combination of federal, state, private, and local funds has been invested in Park Heights to provide housing, infrastructure, recreation, open space and health and human services that directly benefit the residents of Park Heights. Local impact aid has been critical to the assembly and clearance of the 62-acre major redevelopment area in Central Park Heights.
- **Historic Rehabilitation and Restoration Tax Credit** – The Historic Tax credit offered by the City and administered by CHAP and the Department of Finance continues to be a popular program utilized throughout Baltimore neighborhoods. This 10 year, comprehensive tax credit program helps the City in its mission to preserve Baltimore's historic neighborhoods by encouraging property owners in these districts to complete substantive rehabilitation projects. The credit is available to properties in Baltimore City Historic Districts, National Register Historic Districts, Baltimore City Landmarks, and National Register Landmarks.

Over the past five years, the Historic Tax Credit program has seen dramatically increased activity in struggling neighborhoods with historic designation:

- Old East Baltimore (148 applications, 69 certifications, \$9,074,076 invested)
- Broadway East/South Clifton Park (115 applications, 21 certifications, \$4,235,905 invested)
- Park Circle (8 applications, 4 certifications, \$2,618,974 invested),
- North Central (110 applications, 31 certifications, \$4,825,991 invested),
- Union Square (147 applications, 93 certifications, \$15,865,975 invested),
- Upton's Marble Hill (38 applications, 9 certifications, \$1,716,623 invested),
- East Monument (105 applications, 58 certifications, \$6,929,361 invested),
- Reservoir Hill (66 applications, 27 certifications, \$9,106,269 invested),

Old Goucher (84 applications, 38 certifications, \$12,373,248 invested),

CHAP has had the opportunity to work with a wide variety of groups that are using the tax credit in specific neighborhoods throughout the city. These groups include Habitat for Humanity of the Chesapeake working in the Patterson Park/Highlandtown and East Monument Historic Districts; Telesis Baltimore working in the Old Goucher Historic District; The Reinvestment Fund and Come Home Baltimore both working in the Old East Baltimore Historic District; AHC Baltimore working in Park Circle; and the Druid Heights CDC working in Reservoir Hill, Eutaw/Madison, and Mt. Royal Terrace Historic Districts. These groups have worked to address vacancy in these neighborhoods, capitalizing on the historic character of the building stock and passing the savings of the Historic Tax Credit offers onto new homeowners.

### **Helping Individuals Achieve Economic Success**

Typically, helping residents achieve economic success is thought of as a human services strategy, not an economic development strategy, but it is impossible to build economically successful *neighborhoods* without helping *people* be economically successful. While services like education, employment and health are not the direct purview of the Planning Department, the Department has several tools available to support individual economic success - and with private, state, and federal partnerships these tools could be expanded to have a much greater impact.

- **Baltimore Food Policy Initiative (BFPI)** - The goal of the Baltimore Food Policy Initiative is to increase access to affordable healthy food in Baltimore City's food deserts, which are concentrated in Baltimore's most struggling neighborhoods. Some targeted initiatives include:
  - **Retention and Attraction of Supermarkets and Grocery Stores:** BDC with DOP and BFPI has created a list of developable parcels, as well as determined which existing supermarkets currently prevent food deserts. BFPI will support BDC's leadership in attracting and retaining grocery stores in East and West Baltimore. Strategies include City legislation to grant personal property tax credits to supermarkets that locate or renovate in or near Food Desert Retail Incentive Areas.
  - **Supermarket community engagement and increasing Healthy Food Availability Index (HFAI) scores:** As a supermarket retention strategy, BFPI will work with four supermarkets (two each on both the East and West sides) to help develop a community engagement strategy based on the Uplift Solutions model. The intention is to build stronger relationships between stores and the community so that stores understand community needs and desires, and communities have a vested interest in supporting stores in vulnerable areas. Simultaneously, BFPI will work with its partners to promote strategies that will increase the availability and accessibility of healthy foods, especially in relation to WIC fruit and vegetable vouchers.
  - **Increase Healthy Food Availability Index scores in City Public Markets:** BFPI will support the efforts of market management to diversify vendor mix and encourage fresh food vendors so that as a whole, the market serves as a "supermarket alternative". BFPI will focus especially on Hollins Market and

Avenue Market, as these markets serve significant food desert communities. BFPI will also continue to provide technical assistance to market vendors at all markets in procuring and marketing healthy food, as well as SNAP benefit applications and compliance.

- **Summer Meals Supper programming:** BFPI is working closely with many partners on summer meals to pilot a demonstration project that would allow summer meal sites to serve 3 meals per day (currently restricted to 2). This initiative will target teenagers during the evening and is modeled after Los Angeles' "Summer Night Lights" program. BFPI will also support Housing on updating its procurement contract to include more provisions ensuring high quality meals.
- **Expand SNAP benefit disbursement period:** Supermarkets in Baltimore cite the short SNAP benefit disbursement period as a main barrier to effectively doing business and providing employees with consistent hours throughout the month. BFPI is working with the MD State Department of Human Resources to change the period from 10 to 20 days by the end of the year. As a retailer retention strategy, this policy solution would also improve food access for customers who would not face such crowded shopping conditions on SNAP disbursement days.
- **Make a Plan, Build a Kit, Help Each Other** - The Baltimore Office of Sustainability launched the "Make a Plan. Build a Kit. Help Each Other" campaign on Earth Day in 2014. The campaign focuses on reducing residents' vulnerability to the impacts of natural hazards by getting residents more prepared. The first step is working with residents to fill out an emergency preparedness plan, with information that will be helpful in the event of an emergency. Residents then work with City staff to build their own emergency kits. Materials for the kits are provided such as a hand-crank radio, first aid kit, flashlight, water bladder, sanitary hand wipes, and much more. City employees also work with residents to identify ways to increase the ability of the community to respond together and help each other in the event of an emergency. Residents share information, identify neighbors who may be in need of additional care and assistance, determine evacuation routes, and work together to create response plans for their neighborhood. The City of Baltimore also provides residents with "Help/Safe" cards to put in their windows for backup communication in the event of a power loss and communication systems outage. To date, the City has distributed over 1200 kits and developed over 750 emergency plans with residents. This program builds trust with residents and businesses, provides residents with materials needed to successfully "weather the storm", and is also leading to our work around developing community "resiliency hubs" with a wide range of assets to help lower income residents.
- **INSPIRE** - The Planning Department works closely with Baltimore City Public Schools on the 21<sup>st</sup> Century Schools Initiative and has developed the INSPIRE planning process to develop recommendations that will complement the construction program.

Through the 21<sup>st</sup> Century Schools Initiative, 23-28 schools will be renovated or rebuilt to provide students with modern learning environments to facilitate improved educational outcomes. The proper learning environment is critical to student success, but students also need a full stomach, a decent night's sleep, and good health, both physical and mental. They need early education programs so they can start school ready to learn. Parents need jobs and help with childcare, including after school programs that provide a safe space for their kids until they can get home from those jobs. Many parents may need additional services, such as substance abuse treatment. Having some of these wrap around services available at the school, and caseworkers that connect families to off-site resources, will enable educators to focus on educating and allow students to thrive. Baltimore currently has 45 community school coordinators, but with additional support from private, state, and federal partners these programs could be expanded and provided at all schools in struggling neighborhoods.

- **Capital Improvement Plan** – In preparing the City's Capital Improvement Program, the Planning Department is well positioned to help identify projects where Baltimore could make physical improvements to neighborhoods while providing a means for individual economic advancement. Baltimore's infrastructure is in desperate need of repair and renovation. Baltimore is building new schools, and installing new pipes at a greater rate than we have for many decades. Yet, this investment in our aging infrastructure is modest compared to the needs. Meanwhile, the unemployment rate for black men age 20-24 in Baltimore is 37%. For perspective, the highest unemployment rate during the Great Depression was 25%. Unfortunately, many of these men do not have the skills to work in the health care and tech sectors that are growing in Baltimore and/or they are barred from these jobs based on a non-violent criminal record. But they can help rebuild our City, and build new projects like the Red Line. There is an opportunity to physically rebuild neighborhoods while providing a means of economic advancement for individuals. Many agencies are already pursuing these types of strategies, and have plans to increase them, including the Planning Department's own Growing Green Initiative. Through partnerships with private, federal, and state partners, this effort could be taken to scale.

### **Creating a Sustainable City**

On June 11, 2015, the City of Baltimore was awarded the certified 5-STAR Community Rating and recognized as a top achiever in national sustainability by STAR Communities, a DC-based nonprofit that administers the rating system. Baltimore is only the third community in the nation to achieve the 5-STAR Rating, the highest level of certification. The STAR Community Rating System is the nation's first comprehensive framework and certification program for evaluating local sustainability. Local leaders use the rating system's evaluation measures to assess their current level of sustainability, set targets for moving ahead, and measure progress along the way. The rating system encompasses economic, social performance, and environmental measures for both local governments and the broader community.

Baltimore City's application detailed the City's achievements across 7 goal areas, 44 sustainability objectives, with a total of 526 different measurable indicators. The goal areas include built environment; climate and energy; economy and jobs; equity and empowerment; education, arts and community; health and safety; and natural systems.

STAR Community Rating System is one of the most extensive systems for tracking sustainability and resiliency. Baltimore City has the opportunity to use the metrics and project information gathered in the STAR process to focus efforts on areas that were identified as having shortcomings, particularly around equity and empowerment.

In addition to providing a roadmap for how to achieve greater equity, being a 5-STAR community is an amazing opportunity to market Baltimore as a Sustainable City and a nationwide leader in sustainability. This can be used for recruiting businesses and residents to the area. Baltimore can create an entire business outreach effort (similar to what Broward County has done with their 4-STAR rating) to encourage new tech firms, green industry and forward thinking companies that want strong sustainable places for their employees to live to invest in Baltimore.

We have a fantastic opportunity to utilize this data and this structure to promote Baltimore and move forward on areas where we had shortcomings.

### **Regional Solutions**

Last, but certainly not least, it is critical to think about transforming struggling neighborhoods within a regional context. Sixty years after Brown vs Board of Education we are still living in a system that is separate and unequal. Baltimore City is the economic engine of the entire Baltimore region, but we are a separate jurisdiction from the surrounding counties. Our zoning and housing policies are separate. Through the work of the Opportunity Collaborative at the Baltimore Metropolitan Council, we have the framework to partner with jurisdictions around the region. The Collaborative's work placed particular focus on finding better ways to connect the neediest residents (who dwell in the City) to job opportunities that could offer a living wage (often located in the surrounding counties).

The Department of Planning recommends approval of City Council Resolution #15-0226R concerning 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.

If you have any questions, please contact Mr. Wolde Ararsa, Division Chief, Land Use and Urban Design Division at 410-396-4488.

TJS/WA

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The Honorable Rochelle "Rikki" Spector, Council Rep. to Planning Commission  
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