



Legislation Text

File #: 09-0106R, **Version:** 0

* WARNING: THIS IS AN UNOFFICIAL, INTRODUCTORY COPY OF THE BILL.
THE OFFICIAL COPY CONSIDERED BY THE CITY COUNCIL IS THE FIRST READER COPY.
INTRODUCTORY*

CITY OF BALTIMORE
COUNCIL BILL R
(Resolution)

Introduced by: Councilmember Cole

A RESOLUTION ENTITLED

A COUNCIL RESOLUTION concerning
Outer Harbor Initiative - A Community Redevelopment Strategy

FOR the purpose of requesting that the Baltimore City Council through the Community Development Subcommittee review and approve the Outer Harbor Initiative.

Recitals

The Outer Harbor Initiative (OHI) is a comprehensive redevelopment strategy that would redevelop vacant, abandoned, or speculator held housing. OHI has three components:

1. **Increased Investment in Code Enforcement:** Because much of Baltimore's vacant and abandoned housing is held by speculators who hold property for appreciation vs. investing in its redevelopment, there should be more resources devoted to legal and enforcement strategies to force speculators to redevelop property.
2. **Capital & Developer Participation:** Banking and other lending entities together with responsible for profit and not-for-profit developers should participate in the strategy. Baltimore City should engage these partners in coordination with investment.
3. **Neighborhood Association or Associated Marketing:** As investment is made in specific neighborhoods, there should be coordination with neighborhood associations or partners to develop attraction of completed homes. Outside partners may include city marketing organizations or realtors.

Done successfully, the Outer Harbor Initiative will have multiple benefits including:

- Decent mixed income neighborhoods that ensure vacant homes are renovated for the purpose of decent, affordable housing and that transformational development takes place in struggling neighborhoods.
- Families build wealth through homeownership and equity in their homes.
- Baltimore engages unemployed men and women, particularly youth, in Workforce Development to build and renovate homes in the outer harbor and populate businesses in that geographic vicinity.

- Baltimore's tax base grows and capital flows into rather than out of Baltimore City.
- Enhanced public safety in the target neighborhoods, ensuring that they are safe, desirable places to live.

In the past two decades the Inner Harbor area has been revitalized through considerable development. To continue transforming the City's many struggling neighborhoods, the next wave of redevelopment should build on the Inner Harbor's success by focusing on the Outer Harbor area, where undeveloped investor-owned properties have prevented development from occurring. As a result, vacancy has led to the departure of stakeholders, significantly lower property tax revenues have been generated, and safe, decent and affordable housing has been lost as a consequence. The City has lost productive citizens and property while draining resources.

In the City of Baltimore, there exists a severe housing problem with respect to the supply of affordable housing relative to the need for low-income residents. Government funding for housing at all levels is on the decline. In 2005, there were about two poor renters for every affordable housing unit in the City, and more than 16,000 households were on the waiting list for assisted housing. Nonprofits like Habitat for Humanity and its partners can serve the City's interests by producing homeownership opportunities for low-income families, thereby strengthening communities, building the wealth of needy families, and helping to address the desperate need for decent, affordable housing. Furthermore, a mix of other nonprofits and for profit developers can join forces to ensure catalytic development that also increases the tax base.

To break the cycle of poverty and augment the population, each investment that the City makes should be transformational and strategic. Our efforts should focus on improvements that are sustainable over time. Homeownership and rental initiatives, workforce development, and wealth-building strategies are all areas that can lead to long-term transform of individuals, families, and communities. For example, there are opportunities for expanding youth workforce development programs focused on construction, which would not only provide valuable skills to youth, but also assist nonprofits in the homebuilding process.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE, That the Community Development Subcommittee study the prospect of approving the Outer Harbor Initiative to invest in three components:

1. Increased Investment in Code Enforcement
2. Capital & Developer Participation
3. Neighborhood Association or Associated Marketing.

AND BE IT FURTHER RESOLVED, That the City of Baltimore commits \$20 million over five years, from FY2011 to FY2016, that would be used to support these three areas of transformational change. In housing alone, funds from the City Affordable Housing Trust Fund and Home/CDBG funds would support the efforts of two Habitat for Humanity affiliates - Chesapeake Habitat for Humanity and Arundel Habitat for Humanity as partners in the Outer Harbor Initiative. This support would help cover the costs for: acquisition of properties; homeownership and counseling programs; construction predevelopment, such as environmental testing, lead or asbestos abatement; permits and zoning costs and demolition; and could be focused on neighborhoods such as McElderry Park, Brooklyn-Curtis Bay, Pigtown, Patterson Park, Mount Winans, Westport, and other neighborhoods to be determined.

AND BE IT FURTHER RESOLVED, That the City of Baltimore support the creation of an affordable-housing TIF program in which the predicted increase in tax revenue created by affordable housing developers be sold in

bonds by the City and used for reinvestment in subsequent affordable housing projects.

AND BE IT FURTHER RESOLVED, That the City of Baltimore explore utilizing existing or additional TIF funds for the Westport Planned Unit Development to facilitate the disposition of 70 properties to be rehabilitated into decent, affordable housing for 70 low-income families.

AND BE IT FURTHER RESOLVED, That the City of Baltimore create the position of one Workforce Coordinator for the OED or support a position at a partner not-for-profit to facilitate workforce development in the building and construction industry.

AND BE IT FURTHER RESOLVED, That the City of Baltimore assist families in building wealth through homeownership, Individual Development Accounts, and other opportunities to access credit and grow wealth in their communities, by changing the law to allow 25% of future property taxes from Habitat houses to be directed to the neighborhood where they exist.

AND BE IT FURTHER RESOLVED, That the City of Baltimore agree to a comprehensive strategy in which targeted neighborhoods could improve public safety, through collaboration among the City of Baltimore, Habitat for Humanity, the Baltimore City Police Department, and community organizations to enhance code enforcement, reduce abandonment and the resulting public safety problems, and clean up blighted streets.

AND BE IT FURTHER RESOLVED, That the City of Baltimore commit to allocate 50% of the revenue generated through code enforcement as a direct resource for the office of code enforcement for use of supporting existing programs.

AND BE IT FURTHER RESOLVED, That the City of Baltimore commit to allocate 10% of the revenue generated through code enforcement to the community associations to be used as support for the development of the organization and for advertisement to attract developers to their neighborhood.

AND BE IT FURTHER RESOLVED, That a copy of this Resolution be sent to the Mayor and to the Mayor's Legislative Liaison to the Baltimore City Council.

dlr09-0621~intro/04Feb09
ccres/OuterHarbor/wc:nbr

dlr09-0621~intro/04Feb09
??3??
ccres/OuterHarbor/wc:nbr