



**Comprehensive Plan for
Sustainable Neighborhood Redevelopment
in Baltimore City**

March 15, 2016

Top Objectives for SUSTAINABLE COMMUNITY-BASED REDEVELOPMENT for Baltimore's Neighborhoods

HOUSING ADMINISTRATION

- ✓ Change Leadership
- ✓ Visible Commissioner and Staff
- ✓ Eliminate the Mayor's Office of Neighborhoods

NEIGHBORHOODS ON THE CUSP

- ✓ Rebuilding Communities from their Strengths
- ✓ Foreclosures

VACANT HOUSING, BLIGHTED OPEN LOTS, CLOSED BUSINESSES

- ✓ Vacant Housing
- ✓ Sustainable redevelopment
- ✓ Tax Sale Process
- ✓ Land Bank
- ✓ Main Streets and Small Businesses

FUNDING

- ✓ Tax Increment Financing (TIF)
- ✓ Community Development Bonds

JOBS, HEALTHY HOMES, and AFFORDABLE HOUSING

- ✓ Workforce Development and Training
- ✓ Healthy and Eco-Friendly Housing
- ✓ Affordable Housing

PUBLIC HOUSING

- ✓ Privatization
- ✓ Protecting our citizens and housing employees

TINY HOUSES

- ✓ Affordable Housing
- ✓ Homeless Community

UNDERLYING SOCIAL FACTORS

- ✓ Public Safety
- ✓ Education
- ✓ Transportation

Preface

It is time to pay attention to one of Baltimore's greatest assets, our neighborhoods, the outer harbor. The Stokes Administration will protect our stable communities, strengthen those in transition, and restructure those under stress. We will make Baltimore a place of choice to live and work, strengthening our neighborhoods as well as our tax base.

This plan is comprehensive, creative, practical, and economically sound. It is based on the concept of investing in an asset, our neighborhoods, and reaping the dividends— increasing the tax base, making our neighborhoods safe, and putting our citizens back to work.

This is a multi-faceted approach that includes the following interrelated elements—competent, cooperative city leadership; neighborhood-driven community building; housing; education; jobs; crime prevention; and transportation. And above all, it demands accountability, a trait missing in Baltimore leadership for some time. An improved City-stat program and the use of audits, financial and performance, are two obvious ways to keep city government accountable.

The Stokes Administration will require competent, effective city leadership. We will restructure weak agencies beginning with the Department of Housing and Community Development. We will settle for nothing less than efficient responsiveness to citizens. We will demand inter-agency coordination and cooperation with department leaders working across agencies in planning and implementing services. Their consideration will be, not what is politically expedient, but what is best for Baltimore and its citizens. City employees will serve the citizens of Baltimore.

Transforming neighborhoods will require systemic change and building consensus within communities. The Stokes Administration will work with community stakeholders, providing resources, expertise, and other technical support to address the needs they have identified. Working from neighborhood strengths, we will begin with neighborhoods where there is solid infrastructure and strong community support—neighborhoods “on the cusp.” We will identify five to six such neighborhoods every 12-18 months in which we will address problems that need to be resolved—such as sanitation, education, housing, and health, while providing support to build on the community's strengths. Then we will focus on adjacent neighborhoods, stabilizing and strengthening communities based on their needs and thus increasing the number of thriving communities.

Vacant housing throughout our city, whether scattered or in blocks, bring our neighborhoods to their knees. In order to address this, we will redevelop structurally sound buildings; tear down others for open space and new development to include affordable and market rate housing.

Partnerships among the public, private, non-profit, and faith sectors are essential to the success of the Stokes plan. Working together we can leverage resources and realize each neighborhood's redevelopment potential. We can develop the capitalization funds that communities need to benefit from opportunities. And we will use the successful experiences of other cities as a guide, adapting their best practices to Baltimore's unique character.

Although the issues of crime prevention, jobs and education are the focus of separate position papers, especially given the current circumstances in Baltimore, they are integral to the success of any plans for neighborhood redevelopment. This plan cannot be complete without attention to public transportation. Today public transportation is not coherent creating a sense of being "walled in" to a neighborhood and "walled out" of employment, business, and recreational opportunities. Under the Stokes Administration, public transportation will connect people to jobs, businesses, and leisure activities.

Without accountability, the foundation of the Stokes Administration, no plan for improvement or growth in the city will be successful. We will measure outcomes in each community—outcomes that have been defined by the community and that are based on community-established goals. Such results-based evaluation will reestablish credibility lost by past failed initiatives.

The Stokes Administration will put neighborhoods first with a comprehensive, realistic, integrated plan to rebuild our neighborhoods based on the strengths of our communities—proximity to employment; affordability of homes; cultural and recreational resources; beautiful neighborhoods; and strong community leadership.

Read the plan. Let's Get Baltimore Neighborhoods Working!

HOUSING ADMINISTRATION: CHANGES UNDER THE STOKES ADMINISTRATION

Change current leadership. The Department of Housing and Community Development stopped being a leader in the community development part of its mission years ago and in terms of public housing became an entrenched bureaucracy that lost touch with the residents of public housing. This was caused by failed leadership both by the mayor and commissioner.

Visible commissioner and staff. The Housing Commissioner needs to be present in our neighborhoods and in our public housing developments. Under a Stokes Administration, staff meetings will be held in the community so that part of the meeting is a tour of the area, connecting them with the people of the city. There should be staff on the ground responsible for reporting current conditions of public housing to the higher levels of the administration. The agency has become cloistered and we need to break down the walls between citizens and the public servants who work for them.

Eliminate the Mayor's Office of Neighborhoods. This entity was created in 2000 to expand political patronage. The staff is seen in the communities often only to tell the residents what the mayor is doing for them. The communities want an independent voice to advocate on their behalf to the mayor. The Stokes Administration will depoliticize these positions and place them in the Department of Housing and Community Development. We will employ committed, skilled individuals who will be responsible for two things, 1) telling the Mayor and department heads what needs to be done in the communities and 2) coordinate the efforts to make sure these activities are accomplished. They will be strong advocates for the community within the Stokes Administration.

NEIGHBORHOODS ON THE CUSP: REBUILDING COMMUNITIES FROM THEIR STRENGTHS

Neighborhoods on the cusp are the communities that are still fairly stable, but are stressed and frayed around the edges. These are neither our worst neighborhoods nor the ones with the greatest number of abandoned houses. We start from relative strength by selecting five to six communities and spend four to six months looking at the full needs of the community. In these communities, the city will:

- Remove or renovate the dozen or two derelict properties;
- Conduct housing and commercial inspections to cure all violations;
- Plan for open spaces and playfields;
- Support skills assessment and job training to move toward full employment;
- Provide post-purchase housing counseling in partnership with nonprofits;

- Create a Land Bank;
- Support and promote city and nonprofit programs for healthy homes (weatherization, lead abatement, energy efficiency);
- Set standards and requirements to increase the number of affordable housing units;
- Assist with the growth and sustainability of locally owned small businesses;
- Initiate strong community policing, including foot patrols, to lower the level of all crime, including small nuisance incidents;
- Assure the local schools function well with an assured level of academic achievement in a community school setting that includes, health services, social and family intervention services, and after school and extended day programs for all students.

We will keep city boots on the ground during this 18- to 24-month process and will have a strategy of maintenance going forward. We will then move to twice as many (having learned to be more efficient from the previous experience) adjacent neighborhoods regardless of conditions by again planning and preparing six months before full operation. This strategy will allow us to use our resources in a stronger, more holistic manner of planned redevelopment.

Foreclosures. One of the most devastating fall-outs of the recession was the enormous number of foreclosures in the City of Baltimore. The resulting inaction of the lending institutions that instituted the foreclosures led to property value reductions through increased vacant housing and the appearance of disinvestment that makes families reluctant to invest in our neighborhoods. Under the Stokes Administration, the city's leadership will sit down with the lenders and develop a response to foreclosures. Every home loan that appears to be in trouble needs to be immediately evaluated and families provided the opportunity to stay in their home. Post-purchase housing counseling will be part of that intervention. Homes currently in foreclosure must be turned over to a land bank that is responsible for getting them occupied as quickly as possible. It should not take years for a foreclosed property to be resold.

VACANT HOUSING, BLIGHTED OPEN LOTS, CLOSED BUSINESSES: REBUILDING COMMUNITIES FROM THE BOTTOM UP

Vacant housing. Who wants to buy a house valued at zero dollars for \$5,000, \$10,000 or even \$15,000 then have to spend thousands of dollars renovating the building? If we want to bring back our neighborhoods by eliminating vacant housing, we need to get them onto the tax rolls. DHCD under the Stokes Administration will sell the houses for \$1 to small developers and homeowners with the financial means to renovate the house. The sale of houses needs to be planned so that scattered vacant houses in

“cusp” neighborhoods are quickly sold and put into the hands of homeowners and where there are blocks of vacant houses, the entire block is sold to be renovated.

Sustainable redevelopment. In areas where there are blocks of vacant housing with a few residents, the city will work with those few residents to relocate them within the community and pay them a fair value on their home, if owned, so that the city can strategically plan the redevelopment of multiple blocks. In the 1990s, investment in Sandtown-Winchester was abundant, at least \$130 million from private and public partners. That redevelopment has taught us that it takes much more than money to redevelop a community – you can give a job to someone to help build and renovate houses, but you need sustaining jobs that continue past that one project; you can’t introduce new school programs without addressing the school’s infrastructure; you can’t exclude the relationship with police as a critical element to success; and you shouldn’t plan without addressing the long-term need for open space, recreation, walkability and small business development. Under the Stokes Administration, areas of Baltimore will be identified for complete and holistic redevelopment bringing the community folk, planners and industry leaders together.

Tax Sale Process. The sale of a home because of a water bill is just not that simple as putting the house up for sale. It’s as complex as who is losing their home and why – something government does not care about because it is about the numbers. In 2015, the Pro Bono Resource Center advised 210 City homeowners on steps they could take to stop the tax sale of their home because of delinquent water or tax bills. Half of those served were seniors and many others were younger citizens who inherited a parental home and did not understand their responsibility. Seventy-four percent of those who attended a clinic saved their homes.

In 2015, Councilman Stokes introduced a bill to require stronger and more prominent language on water bills reminding people about the possibility of losing their home for delinquent payment. That bill still sits in committee. The Stokes Administration will not need a bill to make this happen. In addition, information about water bill assistance programs for low-income and seniors will be shared. In addition, we will work with the state to figure out a way to inform residents well before the tax sale of the tax credit programs for their property tax including the Homestead credit and the Homeowner’s Property Tax credit.

Land Bank. The Stokes Administration will create a land bank to work with the lending institutions to move their inventory of vacant properties to occupied properties. Lenders not willing to cooperate will have their properties declared nuisance properties and be subject to eminent domain proceedings. City owned vacant houses will be moved to the Land Bank for disposal. The Land Bank will be given the authority to foreclose on vacant properties when the owners are in arrears on their municipal obligations.

Main Streets and small businesses. A critical driver of neighborhood prosperity is revitalizing commercial centers across our City. Vibrant retail areas not only are a great source of minority focused small business opportunities and community based jobs, but an essential amenity to strong neighborhoods. The Stokes Administration will expand the current Main Streets program with additional tools and resources. These added resources will include a robust retail financing program, retail workforce training, events and programming support.

FUNDING: INVESTING IN BALTIMORE'S FUTURE

The Stokes Administration will establish a working group of financiers and community leaders that will create a true community lending institution to support the goals and objectives of communities prepared to submit realistic plans for development. We will ask individuals, city financial leaders and other committed citizens who believe in Baltimore and understand how public and private funds can best be combined to support community development to provide the leadership on this issue.

Tax Increment Financing (TIF). A TIF is a simple means for a municipality to borrow against future property tax collections to pay for needed improvements in a community. Unfortunately, Baltimore has used the TIF program more to enhance the wealth of the wealthy than to improve the community. Any developer who desires a TIF will be required to include a Community Benefits Agreement designed by the impacted communities. Unless the developer is willing to commit to this process there will not be TIF legislation introduced. TIFs and other tax incentive programs will play a major role where appropriate in the outer harbor to redevelop our neighborhoods, shopping areas, parks, etc.

Community Development Bonds. The Stokes Administration will call for an independent assessment of the city's ability to sell Community Development Bonds to support redevelopment of our neighborhoods. More emphasis must be placed on providing the infrastructure necessary to support these redevelopment efforts. We should never forget that it was our City bond financing that created the infrastructure that supported the development of the waterfront from Canton to Locust Point. It was low interest public mortgages that funded the initial development of neighborhoods like Otterbein, Federal Hill and Fells Point. Once we create definitive, realistic development plans for your communities we need to be prepared to pay for the infrastructure to support the development. It has been proven in the past that good planning and seed funding lead to healthy communities that families want to live, work, play and pray in.

JOBS, HEALTHY HOMES, and AFFORDABLE HOUSING: THE NEW NORMAL FOR BALTIMORE IN 2017

Workforce development and training. Small developers who purchase blocks of houses will be encouraged to hire companies and nonprofits who employ city residents as trainees in the construction field. We will train our residents in a trade to help us bring back Baltimore homes to habitable conditions. The developers become part of the process to put Baltimoreans to work, provide a livable wage so that they can be the ultimate purchasers of these homes if they choose. The city, developers and contractors will not do this alone. They will work with nonprofits and trade unions already offering training programs for young people, unemployed people and those re-entering our communities who want to work.

Healthy and eco-friendly housing. The housing stock of Baltimore was built well before laws were in place to keep a home safe for families and especially children and well before we had innovative ways to save energy. Working with DHCD's Division of Green, Healthy and Sustainable Homes we will evaluate where the largest need is for our residents and decide where resources from the department can be re-prioritized. This department focuses on energy conservation and weatherization, homeownership incentives, lead hazard reduction, case management, and rehabilitation services. Maintaining partnerships with local nonprofits and universities is key to a successful healthy home program.

In 2017, the city will lose a large portion of their funds to make city homes for low income families and seniors more energy efficient. The work that has been done over the past two years, with funding through the Public Service Commission, has lowered the utility bills of thousands of city residents who can now use those savings to pay their rent and mortgage. We must take those statistics, those savings, and strive to find additional funding to continue this work. In addition, these funds have leveraged partnerships with nonprofits, local universities, foundations, and federal agencies to bring new programs to Baltimore including solar installation, tax sale intervention, and safety checks for seniors. Much of this work is directed by the City's Office of Sustainability, which will continue its work to make Baltimore a sustainable city under a Stokes Administration.

Affordable housing. This term is relative. It is relative to the person who is looking to purchase a home. In Union Square, as an example, there are houses that could be sold for over \$400,000 but because of the low market value of the houses that have not been renovated or left in disrepair, the purchaser cannot get a mortgage. Does that make that \$400,000 unaffordable? Then we have the middle-income citizen – teachers, police, firefighters, nurses, small business owners, trade workers – who wants to purchase a house and can't at the current mortgage rate. A person on a \$40,000 annual salary could

purchase a \$200,000 home at 1% (using community development bond funds or state mortgage funds to reduce the mortgage rate) but can only afford a \$100,000 house at the current market rates.

For new construction, with 20 or more units, at least 15 percent of the units must be offered below market rate and of those a significant portion should be available to low to middle income citizens referred through nonprofits and the housing department. Montgomery County has been a leader in affordable housing since the 1970s. Baltimore has fallen way behind and can learn from within our state on how to make these programs work.

PUBLIC HOUSING:

PROTECTING OUR RESIDENTS AND OUR EMPLOYEES

The issue of privatizing our public housing by the Obama Administration is a result of many years of the federal government reducing its support for public housing. Local leadership around the country had little choice but to participate in the program if they wanted to modernize what has become obsolete housing. Whether this approach is successful only time will tell, but the local housing authorities had little choice but to participate. We will not, however, leave our citizens living in public housing behind to deal with their new management companies alone. We will continue to work with them as they are some of our most vulnerable citizens. Additionally, effective city employees working at those properties should keep their positions with the new owner.

TINY HOUSES:

AFFORDABLE HOUSING FOR THE FUTURE? FOR THE HOMELESS?

This is a new concept to Baltimore, but not in the country. The first tiny house in the city was built by Civic Works in partnership with the City's Office of Sustainability (BOS) and is used to promote energy efficiency around the city. However, tiny houses are not allowed by zoning or fire code in the city. I will work with the BOS and Planning Department to review these codes.

According to a 2013 report from the *National Low Income Housing Coalition*, for every 100 households of renters that earn 30 percent of the median or less, there are only 30 affordable apartments available. For the homeless, shelter beds are minimal and many do not feel safe in shelters. Tiny house communities sponsored by faith institutions, the city and other nonprofits on land cleared of vacant houses offer a partial solution to affordable housing and homelessness.

**UNDERLYING SOCIAL FACTORS:
YOU CAN DO ONE WITHOUT THE OTHER**

Public safety. The Stokes Administration believes that deterrents to crime are more sustainable than responses. Education and jobs are deterrents. Here we will focus on responses to crime, or policing (all details will be outlined in the public safety plan). Take officers to their posts and leave them, without a vehicle and train all officers in community policing best practices. The Stokes Administration will require all new police officers and firefighters to live in the City -- this is the best form of community policing. Working closely with Annapolis, we will change laws so that those caught with illegal handguns receive mandatory sentencing, with no plea bargaining.

Education. Eighty-nine percent of 4th graders are below grade proficiency in reading and math. The Stokes Administration will commit to turning that number around in two school years by increasing the education budget to a third of the city's budget within four years; reducing class size; implementing an extended school day; providing college and career readiness pathways for students with parental input in middle school; designing creative recruitment strategies for teachers; establishing ongoing, relevant training for teachers/administrators; putting more educators in the classroom; implementing system-wide standards for discipline; expanding programs focused on early learning opportunities, increasing grade level reading and math skills, and STEM curriculum; and providing mental health and social services to students and families.

Transportation. The Stokes Administration has a vision of a city where the hundreds of thousands of people who depend on public transportation are able to get around reliably, easily, and safely. And of a city where all the different modes of transportation are well-linked through transit hubs and connections. Several approaches to transit will take place under a Stokes Administration:

1. Work with the state on the efficiency of the MTA bus system. One answer lies in routes within routes.
2. Build a modern day streetcar on North Avenue from Milton-to-Hilton to move large numbers of people along North Avenue day and night, shopping, visiting, participating in city services and programs (health, education, libraries, recreational), which will help grow businesses and jobs.
3. Create three foot buffers between bike lanes and vehicles, and support the usage of flex posts to border the bike lane from the vehicle traffic. Possible elimination of "left on red" and "right on red" in specific high traffic bike and pedestrian areas.