



EAST BALTIMORE SNAPSHOT

(A Progress Report by the Annie E. Casey Foundation through December 2010)

Background

We all know the history of the neighborhood we call East Baltimore—it was a bustling working class community but was hit hard by crippling trends and tragic events. Data from the 2000 census told us it was the city’s second poorest neighborhood with a median household income of \$14,900, less than half the city’s median household income. Fewer than half of the neighborhood’s working-age adults were in the labor force and the vacancy rate was five times that of Baltimore City. The crime rate was nearly double that for the City and the incidence of child abuse and lead poisoning were among the highest in Baltimore. But there was good in the neighborhood as well. Residents have a deep and abiding love and attachment to the neighborhood and to each other. Longstanding homeowners—many for generations—made up a significant share of residents.

In early 2001, Baltimore’s then-mayor, Martin O’Malley, announced a plan to revitalize East Baltimore. In 2002, the Annie E. Casey Foundation was asked to join a handful of partners in that plan. Casey recognized that previous revitalization efforts had fallen short and something dramatically different was required to improve the lives of East Baltimore’s low-income families. After much skepticism, Casey’s then-president and CEO, Douglas W. Nelson stated that Casey would get involved in the revitalization project if—and only if—other partners were willing to re-craft its primary objective to include not only economic development, but human capital development and community building as well. No one knew

what it would take to pursue this different paradigm for redevelopment, but all of the major partners at the time—Johns Hopkins, the City of Baltimore, and the State of Maryland—embraced it nonetheless.

Nine years later, we think that we have stayed true to that objective. What distinguishes the East Baltimore Revitalization Initiative from other large-scale development efforts is its commitment to “Responsible Redevelopment.” This approach combines economic, community, and human development strategies in ways that seek to ensure maximum benefit from the revitalization efforts for area residents, businesses, and the surrounding communities. East Baltimore Development Incorporated (EBDI)—a non-profit entity that has assembled a broad cross-sector partnership, which includes the early partners plus community representatives, and local and national philanthropies—manages the project. EBDI’s primary goal for the East Baltimore Revitalization project is to increase economic and social opportunities for families affected by relocation and for the neighborhood as a whole. EBDI’s Board of Directors endorsed the following core principles and is committed to their ongoing pursuit and implementation:

- Seek out and incorporate the views and preferences of community residents as EBDI develops and implements the initiative’s relocation policies and East Baltimore’s Relocation Plan;
- Provide families and individuals with a genuine choice of quality, appropriate, and healthy relocation home options and offer

such options at the same time that relocation offers are presented;

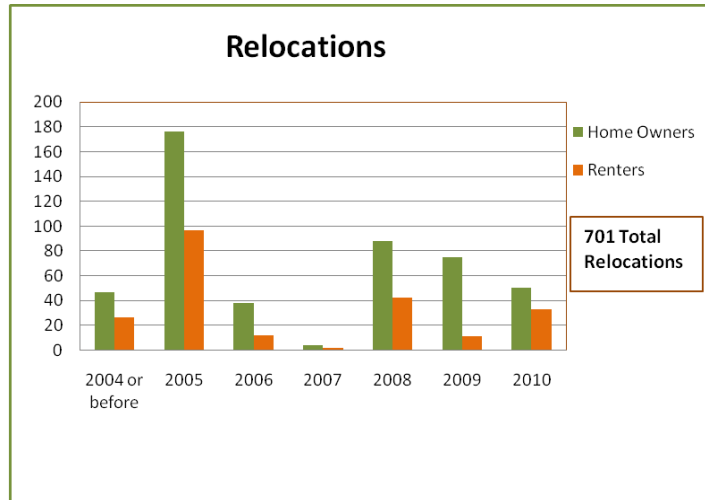
- Ensure that the vast majority of families and individuals are not required to relocate multiple times;
- Ensure that young children’s education is minimally disrupted by the relocation process;
- Provide families and individuals with transitional counseling both before and after relocation;
- Ensure that all families and individuals have access to objective and helpful information about services, organizations, and resources in their new neighborhoods;
- Help families and individuals avoid predatory lending practices and support efforts that prevent such practices from taking place; and
- Ensure that families relocating to communities other than East Baltimore receive help in acclimating to their new neighborhoods.

This snapshot provides a summary of the accomplishments in Phases I and II (Phase II began in July 2007) through December 2010 (and later in some instances) in the areas of relocation, workforce, economic inclusion, resident engagement, and education. We’ve also touched upon how we think this project has influenced others. Family Advocacy and Supportive Services which were a big part of ensuring that families were relocated successfully and connected to needed services will be reported on in a separate report. Other areas of work not covered here are demolition and education.

Relocation

EBDI assigns a Relocation Counselor to each family that is being relocated. The Relocation Counselor works hand in hand with the Family Advocate to ensure a successful relocation. The Relocation Counselor provides in-depth assistance to each family as they search for new homes.

As of December 2010, more than 700 families and 45 businesses have been relocated since the project began (see chart below on relocated families).



Of the relocated renters, 58 became first time homeowners. In addition, 32 renters had a Section 8 voucher when we started relocation in 2004, but thanks to the work of EBDI relocation staff, 134 *additional* renters were able to get a Section 8 voucher.

Three independent Post-Relocation Satisfaction Surveys of Phase I relocated households conducted by Abt Associates showed that, despite being angry and distrustful at the start of the project, most households had positive relocation experiences. The large majority of residents gave EBDI consistently high marks for relocation, family advocacy and supportive services—“*even if they did not like being forced to move*” (see Table 1, next page). We are preparing to survey residents for their satisfaction with the two new housing programs (described later). This latest survey is not likely to begin until late 2011.

The majority of relocated residents believe that they are better off than before the move. While most relocated residents moved within Baltimore City—many along the northeast corridor—11 moved to another state; 17 moved to Baltimore County; 14 moved to other

	2006	2005/2006 Combined
Response Rate	63% — (183 respondents)	72% — (271 respondents)
Overall rating for:		
Family Advocates	4.1 of 5	4.2 of 5
Relocation Counselors	4.0 of 5	4.1 of 5
Overall Relocation Experience	3.9 of 5	3.9 of 5
EBDI	7.7 of 10	7.8 of 10
Source: Abt Associates surveys of Phase I relocated heads of households.		

counties in Maryland. (Please see maps on pages 4 and 5 which show locations of relocated residents in Baltimore City.)

Six of the most popular Community Statistical Areas¹ (CSA) for relocated residents are: Belair-Edison, Cedonia/Frankford, Hamilton, Madison/East End, Patterson Park, and Perkins/Middle East (the CSA which includes the project area). Data from the Baltimore Neighborhood Indicators Alliance/ Jacob France Institute show that like most of the other CSAs that residents relocated to, almost without exception, these six popular CSAs had: a much lower percentage of vacant or abandoned buildings; a significantly

higher median sales price of homes; a median household income that was often more than twice the median for Perkins/Middle East; a lower crime rate; and with one exception, an unemployment rate that was half the rate for Perkins/Middle East. One of these CSAs had an unemployment rate that was 10 times lower than Perkins/Middle East and another was four times lower.

¹ Community Statistical Areas are clusters of Baltimore city's neighborhoods organized along U.S. Census Tract boundaries. The CSAs were initially developed by the Baltimore city Planning Department and the Baltimore City Data Collaborative in 1998 by combining census tracts that have similar demographics, income, and education levels, as well as follow "logical" neighborhood and geographic areas. CSAs are used for statistical display only and are not to be confused with neighborhoods as defined by neighborhood residents and others.

Replacement Housing Benefits

Displaced households were eligible for up to three types of benefits based on income level, the cause of their displacement and length of residency. The financial benefits included: Federal—Uniform Relocation Act (URA) benefits and 104(d) benefits. The URA and 104(d) benefits include moving costs and replacement housing payments. In addition displaced households received supplemental benefits (made possible through grants from the Annie E. Casey Foundation and Johns Hopkins Institutions in Phase I and formalized as general programmatic benefits in Phase II). On average, Phase I relocated homeowners saw the value of their homes increase from about \$30,000 to \$153,000. Similarly, Phase II relocated homeowners saw the value of their homes increase from \$50,000 to almost \$200,000. A summary of the benefits relocated households received by type and Phase are shown in the tables below.

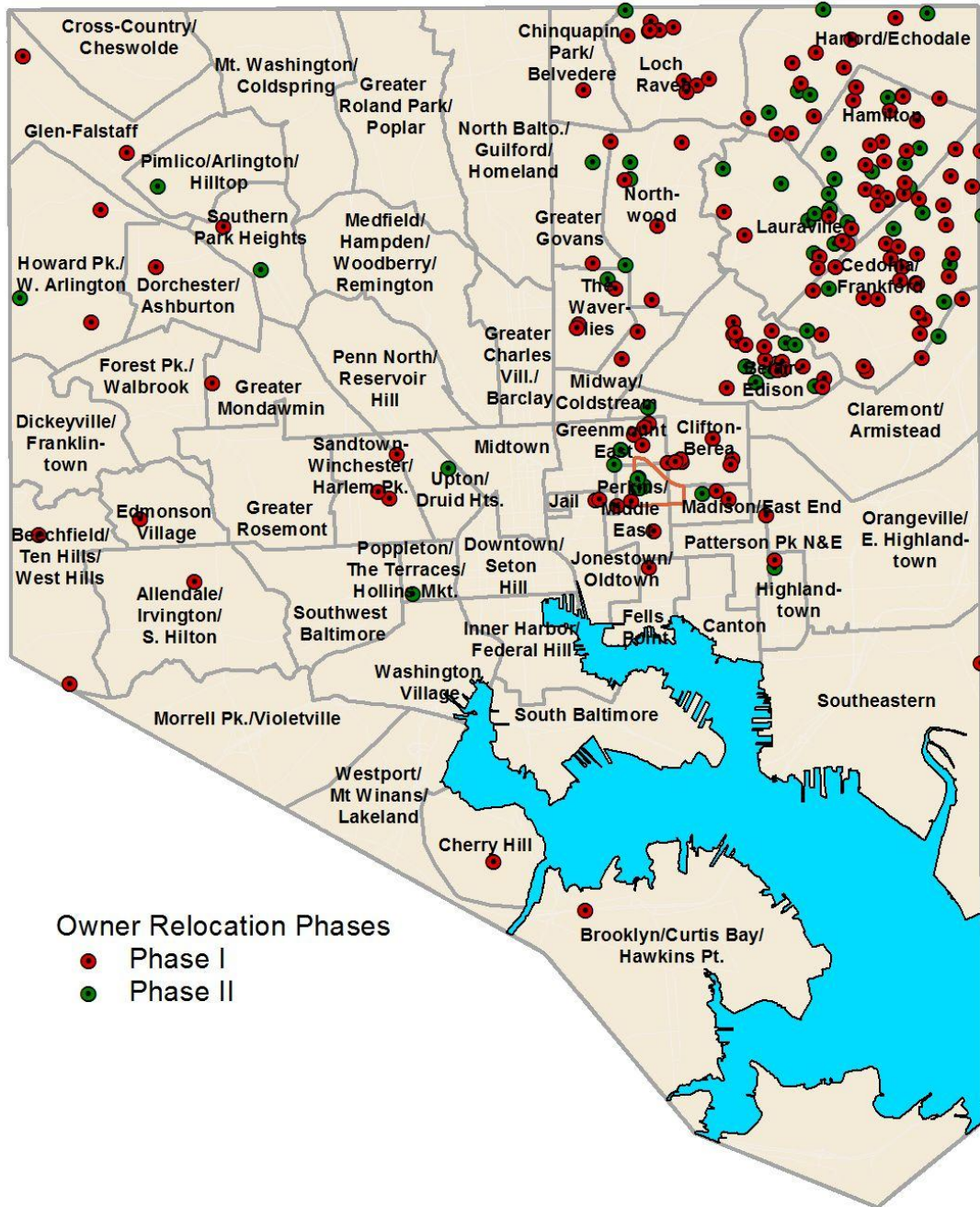
	Low	High	Average
Fair Market Value	\$7,618	\$70,862	\$29,873
Comparable Determination	\$59,900	\$325,000	\$151,568
Actual Price Paid	\$51,000	\$396,350	\$153,000
Replacement Housing Payment*	\$41,641	\$282,485	\$121,668
*Includes URA and supplemental replacement housing payment.			

	Low	High	Average
Fair Market Value	\$631	\$1,934	\$1,044
Actual Rent Paid	\$375	\$1,916	\$1,002
Rent for Replacement Home	\$2,625	\$84,912	\$37,857

	Low	High	Average
Fair Market Value	\$11,367	\$104,600	\$50,000
Comparable Determination	\$126,900	\$240,000	\$186,000
Actual Price Paid	\$135,000	\$289,900	\$190,000
Replacement Housing Payment*	\$27,413	\$194,958	\$124,943
*Includes replacement housing payment and closing costs.			

	Low	High	Average
Fair Market Value	\$200	\$1,352	\$639
Actual Rent Paid	\$750	\$2,485	\$1,340
Rent for Replacement Home	\$535	\$1,790	\$1,090

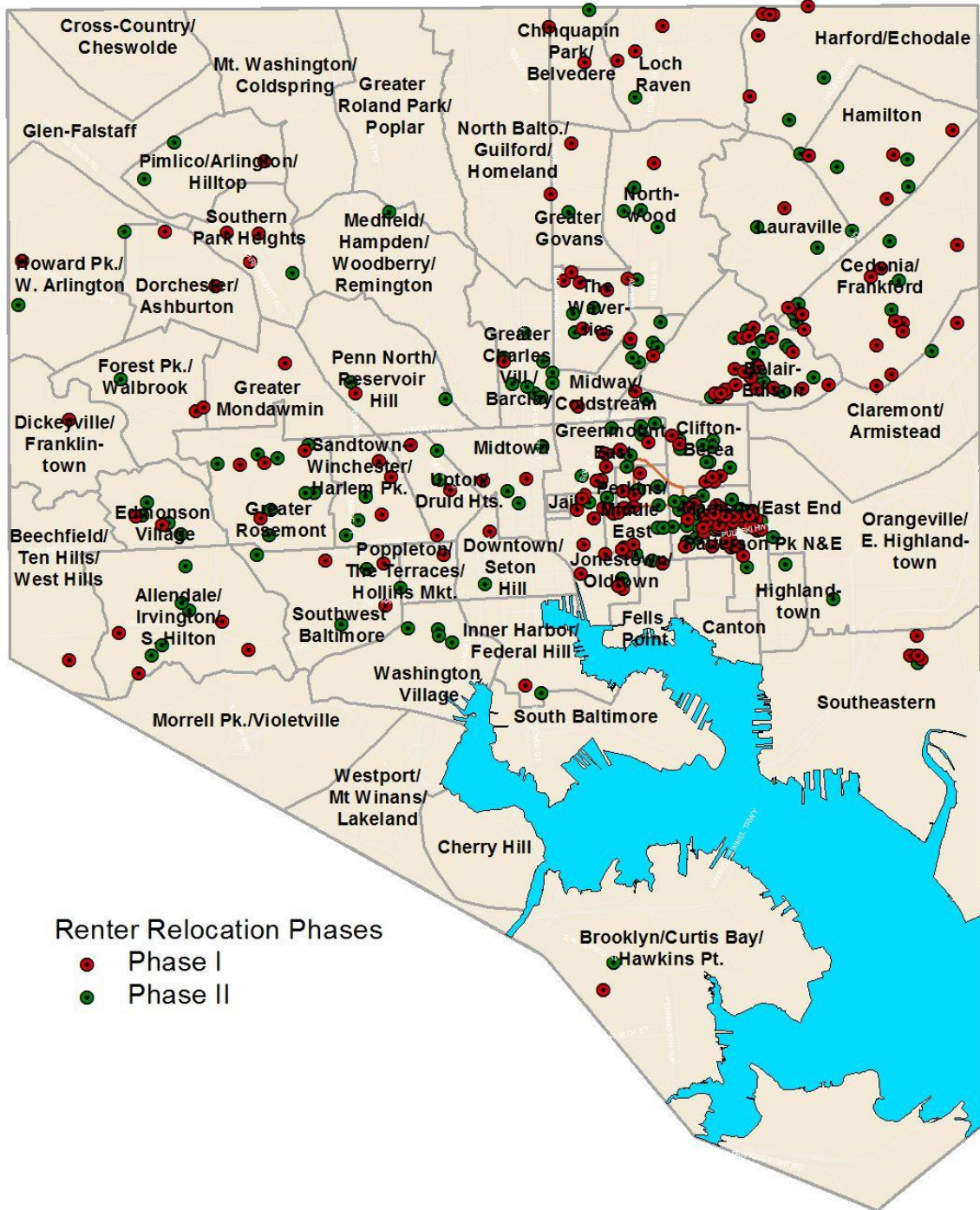
EBDI: Phase I & II Owner Relocations



Prepared by the Annie E Casey Foundation

2/1/2011

EBDI: Phase I & II Renter Relocations



Prepared by the Annie E Casey Foundation

2/1/2011

Two New Housing Programs: Home Repair and House for a House

After the City of Baltimore designated Preservation Blocks in the project area, residents who lived on those blocks did not automatically have to relocate as was the case in Phase I. After much discussion with residents, the Home Repair and House for a House programs were suggested and crafted as options for residents who wanted to remain in the project area. All homeowners on Preservation Blocks were given the option of relocating to a place of their choice, having their home repaired, or to purchase a fully renovated home in the project area.

The **Home Repair** (also called the home rehab) program allows the homeowner to make repairs to their home with a grant from EBDI equivalent to their relocation benefit that would make their home safer, more functional, more attractive and more valuable. To be in conformance with the Uniform Relocation Act, the home repair benefit is calculated using the same formula used to calculate relocation minus the fair market value of the home (because the homeowner is not selling the home). Included in the costs are expenses such as: temporary housing (while the rehab is being done); furniture storage, moving expenses, and rehab expenses. As of April 2011, 20 homeowners have selected this option.

The **House for a House** program allows the homeowner to give up their home on a Preservation Block and use their relocation benefit to purchase a completely renovated comparable “green” home in the project area. Residents who chose this option would also get the same expenses covered as those who relocated out of the project area. As of April 2011, there are 19 homeowners participating in the House for a House program.

Resident Engagement

From the very beginning, it was important to the Casey Foundation that residents be included in the plans for the revitalization efforts. Casey spent substantial time and effort listening and talking with residents since the beginning of the project. At the suggestion of residents, planning meetings were changed early on from during work hours to after work.

In 2002, the EBDI Board established a Housing and Relocation Committee, chaired by then Casey President, Doug Nelson. The committee was charged with guiding and overseeing the relocation process to ensure equity and thoughtful, responsible support of families being impacted by the project. The Housing and Relocation Committee has met monthly since 2002 with anywhere from 15 to 40 residents attending each meeting along with Casey and EBDI staff.



Residents at a planning meeting.

In 2006, Doug Nelson, chair of the Housing and Relocation Committee, established a Policy Subcommittee to hash out policy recommendations which would be recommended to the Housing and Relocation Committee and then to EBDI’s Board of Trustees. The Policy Subcommittee, which originally met bi-weekly for the first couple of years and now meets monthly, is chaired by Casey Vice President, Tony Cipollone. Nearly 400 meetings with residents have been held so far. Residents have contributed and influenced a number of important policies which include:

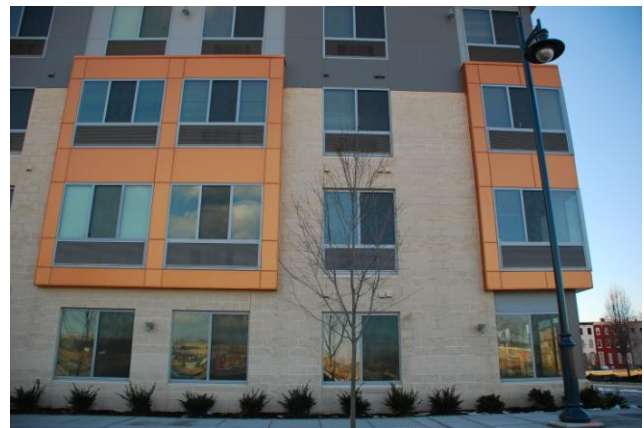
- The Relocation Plan
- The Family Advocacy Program
- The Relocation Benefit Package
- The Demolition Plan
- The Good Neighbor Internal Demolition Protocol
- Right to Return Policy and materials
- Meetings Schedule
- House for a House Program
- Home Repair Program
- Survey Instruments



Park View at Ashland Terrace Senior Building

Right to Return

As part of the plan for the revitalized area and at the suggestion of residents, a “Right to Return” policy was crafted by EBDI and residents. Residents displaced by the project are given an exclusive opportunity to apply for new low-income housing units built in the neighborhood before they are marketed to the general public. The first two buildings to open were Park View at Ashland Terrace for seniors and Ashland Commons for working families. While there has been some movement in and out of the new buildings, both project area residents and residents from Greater East Baltimore reside in the buildings in significant numbers. (See table below.)



Ashland Commons Workforce Building

Jobs and Economic Inclusion

In light of the very low incomes and high jobless rates in the project area and a request from residents for assistance, EBDI has provided extensive assistance to help residents find employment and/or advance into better paying jobs. Since 2003, nearly 3,000 people have been placed in jobs (767 project area residents). EBDI has created a workforce pipeline that connects residents to employers, sector-based training programs, and economic inclusion opportunities.

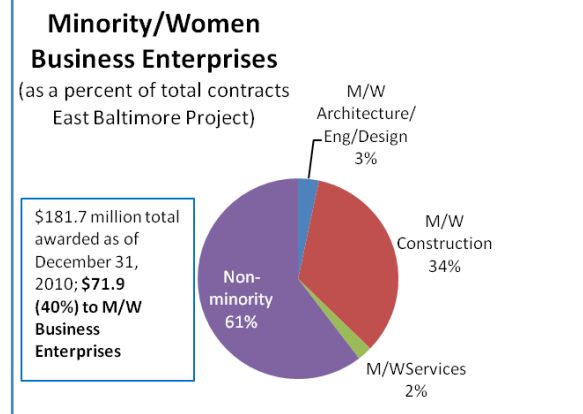
Name of Unit	No. of Right to Return residents that moved in at lease up	No. of Right to Return residents that currently reside in the units	Greater East Baltimore Residents	TOTAL Right to Return and Greater East Baltimore Residents/Total Units
Park View at Ashland Terrace	10	8	34	42/74 (57%)
Ashland Commons	9	7	25	32/78 (41%)
Chapel Green	15	11	18	29/63 (46%)
A & R Condominiums	2	2	0	2/5 (40%)

Since November 2007, EBDI has worked in partnership with the Mayor’s Office of Employment Development to provide onsite workforce services. These services include: intake and assessment, test for adult basic education assessment, job readiness training, and one on one meetings with a Career Development Facilitator. Currently there are more than 400 residents active in the pipeline. Some of the jobs that residents have been placed in through the pipeline include: construction, health care, manufacturing, hospitality and tourism, health care, and



business services.

EBDI has created and enforced an aggressive economic inclusion agreement to ensure that East Baltimore residents and vendors can compete successfully for new jobs and service contracts generated by the project. Of the \$181.7 million awarded in contracts by EBDI through December 2010, 37 percent have gone to minorities, women and local businesses entities (see chart below).



EBDI also set goals (and exceeded them) for the number of hours worked by minority and women employees on construction projects. As of December 2010, 58 percent of employment hours have involved minorities and/or females.

Influence of the East Baltimore Project

Although the primary emphasis of the East Baltimore Revitalization Initiative is focused within the boundaries of the project area, we have already seen some evidence of influence on policies, practices, and funding decisions in the City of Baltimore and the State of Maryland.

In Baltimore, for example, the project has helped catalyze new development in surrounding communities, including:

- 40 new affordable homes being developed by a partnership spearheaded by the Baltimoreans United in Leadership Development (BUILD) organization, a faith-based community organizing group, in the adjacent Oliver neighborhood to the north of EBDI; and
- A new \$18 million development that has brought the headquarters of Humanim, a national human service provider, to the communities to the northeast of the EBDI project area.

At the state level:

- State officials have committed to constructing a new facility for the Maryland Department of Health and Mental Hygiene in the project area. This will locate 300 employees to the project footprint. The State of Maryland has also committed to locating a new commuter rail station adjacent to the project area.
- EBDI's demolition protocols have become the new model for the City of Baltimore and are being considered by the State of Maryland.
- The project has drawn the support of the Chief Executive of the Baltimore City Public School System who has called for the new East Baltimore Community School to be a model for how to create charter and special schools in the city.
- The Baltimore City Police Department has shown more openness to work collaboratively with EBDI and other stakeholders on public safety issues. For example, EBDI recently signed a contract with a security firm to help patrol the neighborhood in close cooperation with Baltimore police.

At the national level:

- The East Baltimore project has generated significant interest across the community redevelopment field, with groups from cities across the country as well as the United Kingdom visiting and learning from the project. A number of Casey Foundation's sites and other cities, including: Louisville, Denver, Oakland, New Orleans, Camden, Detroit, Cleveland, Birmingham, and Philadelphia, have expressed interest in visiting and learning from this work. The U.S. Department of Housing and Urban Development is also interested in how Responsible Redevelopment initiatives principles and the lessons of the East Baltimore project can be applied to several initiatives, including Choice Neighborhoods and Sustainable Communities.
- Atlanta, another city where Casey has made significant community-based investments, has already used the East Baltimore relocation model in its work and the Zeist Foundation has adopted several of Casey's responsible relocation practices to guide its place-based work.