

# CIP FY 2024 - FY 2029



- I. Agency Overview
- II. Long Term Capital Needs
- III. Recent CIP Accomplishments
- IV. FY2024 Capital Requests
  - i.New Projects
  - ii. Existing Projects
- V. Conclusion



### I. Agency Overview

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# ABOUT THE AGENCY

#### **VISION** - the future state we strive for:

A Baltimore where current and future residents live in safe and decent housing in thriving, inclusive and equitable neighborhoods.

#### **MISSION** - the actions we will take to achieve the vision:

DHCD leads City efforts to promote thriving neighborhoods through community revitalization investments; supporting homeowners; funding critical programs and neighborhood stakeholders; creating and preserving affordable housing; and ensuring safe conditions through code enforcement.

#### **VALUES** - how we intend to carry out our mission:

- Equity and Inclusion
- Customer Service
- Innovation
- Integrity and Transparency
- Partnership
- Sustainability

#### **\$77,934,335 Operating Budget FY23**

2/3<sup>rds</sup> of Operating is grant or special funding (not City) funded

#### \$80,090,000 Capital Budget FY23

Investments usually leverages private and other public (not City) dollars at more than 10 to 1 ratio.

#### 446 Employees

# HOW RESIDENTS CAN INTERACT WITH THE AGENCY

#### DHCD provides multiple opportunities for residents to interact with the Agency, including:

- **Website** recent news is on the landing page and a carousel displays current items.
- **Social Media** Twitter, Facebook, and Instagram, are all platforms we utilize and populate with ongoing series, like "*Did You Know*" to educate the public on code issues and regulations, as well as "*Day in the Life*" to share how the various divisions of the Agency operate.
- **Webinars** public education webinars are consistently offered sharing information on how to buy city-owned property, homeownership incentives, etc. Sessions are routinely attended by > 100 persons.
- **Community Conversations** a series of community engagement public meetings to share and receive information about the Impact Investment Areas, priorities, and development work in communities.
- Affordable Housing Trust Fund Public Meetings a series of monthly public meetings (also streamed live on Facebook) to facilitate public engagement in the work of the Trust Fund.
- **Coffee Break with Alice** a new monthly dialogue with Commissioner Kennedy, providing an informal opportunity to ask questions and share ideas directly with the Commissioner.
- **External Newsletter** a quarterly agency publication distributed to a list of more than 20,000 subscribers multiple other notices are distributed to this list as well (e.g. Open Bid notices, EOI, RFP, etc.).
- **ePermits bulletin board** more than 30,000 users interact with the Agency via the user bulletin board to post questions, ask for assistance, etc.
- **Email** several division-specific email addresses are available for the public to contact the agency.



# COMMISSIONER KENNEDY'S PRIORITIES

1. Vacancy Reduction & Prevention	<ul> <li>Mayor's Vacants Executive Workgroup</li> <li>Roof Study with Data Science for Social Good</li> <li>\$15M Impact Investment Area ARPA commitment</li> <li>Collaboration with Baltimore City Fire Department</li> <li>HUBS</li> <li>Tax Sale Deferment</li> <li>In Rem Foreclosure</li> <li>BuyIntoBmore</li> </ul>
2. Health & Housing	<ul><li>Addressing generational trauma</li><li>HUD Lead Grant</li><li>LIGHT Intake Program</li></ul>
3. Customer Service	<ul> <li>Enterprise Software Upgrade, including permits system</li> <li>CoDeMap + Data Tools = Transparency</li> <li>Community Outreach and Engagement</li> </ul>
4. Infrastructure & Strategic Development Projects	<ul><li> Quality affordable housing</li><li> Mixed-income housing</li><li> Stronger neighborhoods</li></ul>
5. Sustainable Agency Operations	<ul><li>Employee culture</li><li>Key hires</li><li>Expanded capacity</li></ul>



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Affordable Housing	46,403 Househol ds	\$30,000/HH	\$1.4B
Home Repairs	25,184 Househol ds	\$25,000/HH	\$630M
Demolition	10,521 BLDGs	\$28,000/BLDG	\$295M
Stabilization	1,414 BLDGs	\$68,000/BLDG	\$96M
7 Impact Investment Areas	Budget modelling		\$554M
Major Project Infrastructure Gap	Project estimates		\$100M
		TOTAL	\$3.075B



# LIMPACT INVESTMENT AREA ZONE 1 MODELING

	Demolition	Acquisition	Stabilization	Developer Incentives	Home Repair Grants	Total
BROADWAY EAST	\$6,105,000	\$8,885,000	\$450,000	\$3,600,000	\$500,000	\$19,540,000
COLDSTREAM HOMESTEAD MONTEBELLO	\$8,110,000	\$590,000	\$1,050,000	\$9,500,000	\$1,850,000	\$21,100,000
DRUID HEIGHTS/UPTON/PENN NORTH	\$3,860,000	\$5,765,000	\$1,650,000	\$12,950,000	\$1,920,000	\$26,145,000
EAST BALTIMORE MIDWAY	\$110,000	\$660,000	\$550,000	\$3,400,000	\$1,050,000	\$5,770,000
JOHNSTON SQUARE	\$220,000	\$125,000	\$200,000	\$1,800,000	\$70,000	\$2,415,000
SOUTHWEST PARTNERSHIP	\$12,540,000	\$1,590,000	\$450,000	\$5,200,000	\$1,920,000	\$21,700,000
PARK HEIGHTS	\$1,770,000	\$235,000	\$350,000	\$3,600,000	\$1,010,000	\$6,965,000
TOTAL	\$32,715,000	\$17,850,000	\$4,700,000	\$40,050,000	\$8,320,000	\$103,635,000



# PLAN TO INVENTORY ASSETS & ASSESS CONDITION OF ASSETS

#### **Existing tool to assess DHCD vacant property inventory**

- CoBLAM- current system that is tracking assets and work requests
- Slate- procured last year to track MCC (DHCD 34) inventory from intake to disposition, including asset management. This system allows DHCD to have a real time count of DHCD inventory, current status and, when Asset Management goes live in February, complaints and work requests and associated costs
- CodeMap- Interactive public tool to view roof data, development projects, code enforcement data, and dozens of other property-level datasets. Also provides access to other DHCD tools via a link gallery.
- **Building Blocks** GIS analytical tool that aggregates data from disparate City sources to more easily develop strategic plans and monitor progress



# PLAN TO INVENTORY ASSETS & ASSESS CONDITION OF ASSETS

# The plan to strategically use capital resources to maintain city inventory of vacant property

Goal: Proactive instead of reactive approach to preserving agency assets

- Utilizing data from CodeMap and the analytics within BuildingBlocks, query the number of MCC (DHCD 34) inventory to Code Enforcement violations and most recent roof data to determine proactive stabilization strategies
- Categorize and catalog assets by severity and assign a stabilization and/or disposition strategy
- Determine funding needs to support the stabilization categories

# Total Capital Need to Stabilize all City-Owned Vacant Buildings

**Coefficients used:**\$50K for VB stabilization
(one-time expense if property is sold within 3-5 years)

- DHCD has 1,064 Vacant Buildings = \$53,200,000
- Total need for proactive approach for every property coded to DHCD = \$118,998,000



# PLAN TO INVENTORY ASSETS & ASSESS CONDITION OF ASSETS

#### **Vacant Lots**

- \$2K per Vacant Lot for mowing/cleaning
- DHCD has 5,424 Vacant Lots = \$10,848,000 + \$100,000 (annual tree removal)

### **DHCD Occupied Buildings**

- 1. 1401 E. Preston Street (Dawson Center)
- 2. 1400 Federal Street (Oliver Center)
- 3. 1135 N. Gilmor Street



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# L PROJECT HIGHLIGHT | UPLANDS



Phase 1: Complete

- 178 Units of For-Sale Housing –
   133 Affordable
- 104 Units of Rental Housing 77 affordable
- \$30 million Public Infrastructure



Phase 2: Underway

- 368 Units
- 218 Units of For-Sale Housing 135 affordable
- 150 Units of Rental Housing 136 Affordable
- Estimated \$100 Investment
- Infrastructure Funding Approved (\$28 million)
- Rental Financial Closing January 2023
- For Sale Builder Selection 1st Quarter 2023



# PROJECT HIGHLIGHT | UPTON RENAISSANCE

#### **Upton Renaissance**

- 800 blocks of Harlem and Edmondson Avenues in the Upton community
- Renovation of 38 existing rowhouses for homeownership
- \$10.3M Total Development Costs
  - \$14K/unit DHCD Construction Assistance for all 38 units
  - \$60k/unit to make up to 19 units affordable to buyers at 100% AMI
- Grant Agreement executed 1/22/2022, Under Construction









### PROJECT HIGHLIGHT | WOODLAND GARDENS - PARK HEIGHTS

#### Woodland Gardens I (4755 Park Heights Ave.)

- 9% LIHTC
- 63 affordable apartments
  - Serving 30-60% AMI
  - · Family housing
- \$24.1M Total Development Costs
  - Public Funding Source: \$1M Pimlico Community Development Authority Loan
  - GO Bond Source: \$500K AHTF Grant
- Closed 12/19/2022

# Woodland Gardens II (4701 Park Heights

Ave.)

- 4% LIHTC
- 75 affordable apartments
  - Serving 30-60% AMI
  - Senior Housing
- \$20.2M Total Development Costs
  - Fed Source: \$1M HOME Loan
- Closed on Financing 3/17/2022
- Under Construction baltimorecity gov









## PROJECT HIGHLIGHT | PERKINS SOMERSET OLDTOWN

#### Somerset 2B (525 Aisquith)

- 4% LIHTC
- Part of a twinning transaction with 520 Somerset (9% LIHTC) creating an additional 69 units of mixed-income housing
- 123 apartments, 99 of which are affordable
  - Serving 30-80% AMI
  - 56replacement public housing units
- \$39.5M Total Development Costs
  - \$1.5M HOME Loan
- Closed 6/3/2021, Under Construction

#### Somerset 3 (420 Aisquith)

- 9% LIHTC
- 72 apartments, 52 of which are affordable
  - Serving 30-60% AMI
  - 36 replacement public housing units
- \$30.4M Total Development Costs
  - \$2.25M HOME Loan
- Closed on Financing 12/29/2022, Under Construction









Next up: Somerset 4 which includes a grocery store



## PROJECT HIGHLIGHT | PERKINS SOMERSET OLDTOWN

#### Perkins 1 (1401 E. Pratt)

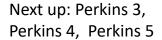
- 4% LIHTC
- 103 apartments, 93 of which are affordable
  - Serving 30-60% AMI
  - 48 replacement public housing units
- \$40.4M Total Development Costs
  - \$2M HOME Loan
  - \$500K AHTF Loan
- Closed 6/24/2022, Under Construction

#### Perkins 2

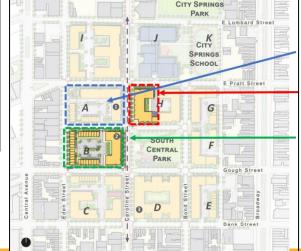
- Twinning transaction includes both 9% LIHTC (226 Caroline) and 4% LIHTC (1500 Claremont)
- 156 apartments, 116 of which are affordable
  - Serving 30-80% AMI
  - 76 replacement public housing units
- \$65.8M Total Development Costs
  - \$2M HOME Loan
  - \$1M AHTF Loan
  - \$6.6M in ARPA infrastructure funding
- Closed on Financing 12/29/2022 v.gov











Perkins 1

Perkins 2B

Perkins 2A

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# PROJECT HIGHLIGHT | HOME INVESTMENT PARTNERSHIP PROGRAM

#### **FY22 Affordable Housing Production**

Project Name	HOME Amo unt	Total Development Costs	Affordable Units
Somerset 3	\$2,250,000	\$30,424,655	52
Woodland Gardens 2	\$1,000,000	\$19,770,467	75
Perkins 1	\$2,500,000	\$40,464,109	93

#### **Other Funding Sources Leveraged**

- Low Income Housing Tax Credits
- State of Maryland Programs
- Other HUD sources (202, etc.)
- Foundation sources





# PROJECT HIGHLIGHT | COMMUNITY DEVELOPMENT BLOCK GRANT

#### **FY22 Community Facilities Funded with CDBG Capital**

Project Name	CDBG Amount	Total Development Costs
Cherry Hill Town Center	\$ 578,000	\$ 2,687,699
St. Francis Neighborhood Center	\$ 800,000	\$ 4,878,617
House of Ruth	\$ 450,000	\$ 1,209,768



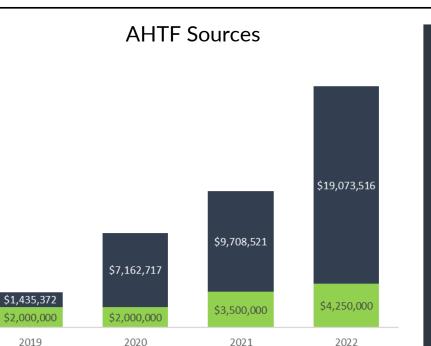
#### **Other Funding Sources Leveraged**

- State of Maryland Programs
- Foundation sources





# L PROGRAMMATIC FUNDS | AFFORDABLE HOUSING TRUST FUNDS



#### Uses

- \$4.5M Choice Neighborhoods (FY20-FY22)
- \$5.2M Low Income Senior Homeowner Repair
- \$2.75M COVID-19 Emergency Rental Assistance
- \$12.5M for Community Land Trusts in Spending Plan.
  - \$10M CLT awards
  - Grounded Solutions consultant on board
- \$10.4M Rental Housing awards (FY20-FY22)

Number of Projects	Total Amount
Awarded	Awarded
31 Projects	\$21,500,000

■ City ■ Tax Revenue

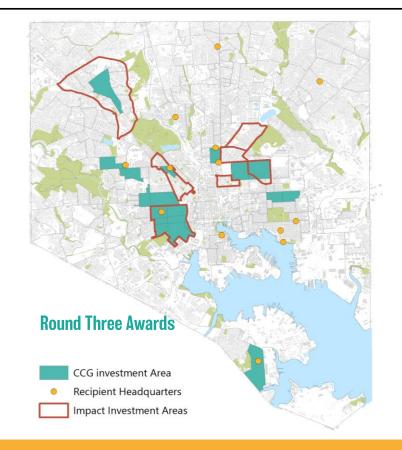


# PROGRAMMATIC FUNDS | Community Catalyst Grants

#### **Round Three:**

- <u>Capital (2 Established, 11 Emerging)</u> 13 awards totaling \$2.8 Million
  - 45 housing units to be produced
- Operating (Pending Awards)
  - \$1.9 Million in funds available
  - 43 applications in panel review

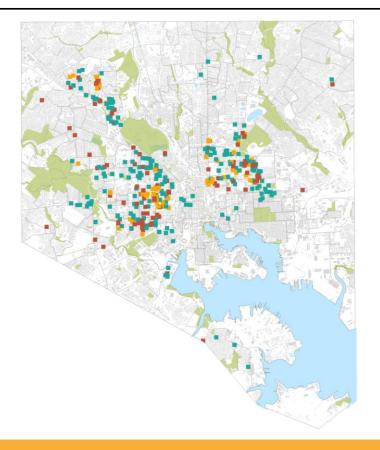






## L BULK FUNDS | DEMOLITION, SITE ASSEMBLY & STABILIZATIONS FY2022

- Site Assembly (136)
- Demolition (298)
- Stabilization (260)





# PROGRAM HIGHLIGHT | HOMEBUYER INCENTIVES FY2022

BCEP (47)

Baltimore City Employee Homeownership Program

• BIB (41)

**Buying Into Baltimore** 

CDBG (126)

Community Development Block Grant

DHOA (2)

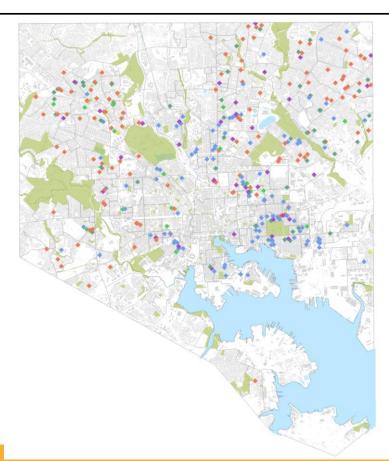
Direct Homeownership Assistance Program

LNYW (110)

Live Near Your Work

V2V (30)

Vacants to Value





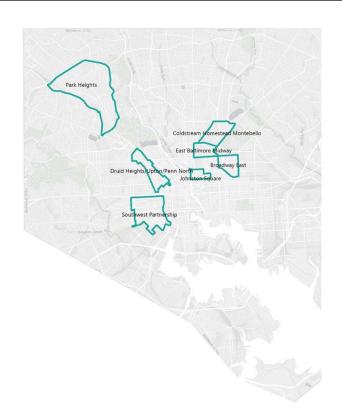
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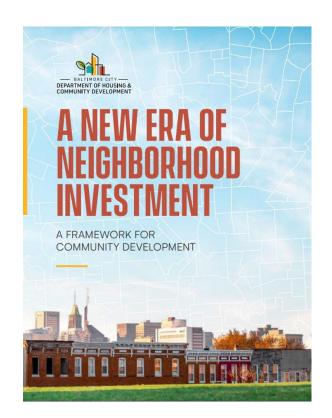
#### Total CIP Request | \$25M Mid-Target, \$93.5M High Target

#### **How DHCD Prioritizes Capital Budget**

- 1. Equitable investing in disinvested communities
- 2. Creating and preserving affordable housing
- 3. Strategic investments & leveraging resources









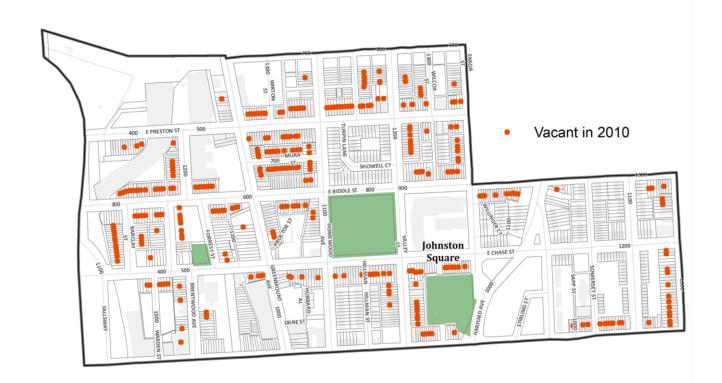


- The Black Arts District
- 2. Parkview Rec. Center
- 3. National Register designation for the Penn North neighborhood
- 4. Druid Park Lake Drive Complete Streets study
- 5. MTA Transit Oriented Development Concept development opportunity
- 6. Enoch Pratt Free Library and North Ave. Design For Distancing
- 7. Arch Social Club
- 8. Bakerview 1 & 2 new rowhouse development
- 9. Cab Calloway Legends Square
- 10. 2200 block of Druid Hill Ave. rehab area
- 11. North Avenue Rising street improvements
- 12. Sphynx Club planned rehab
- 13. Pennsylvania Ave. Main Street, Design Guidelines and 'Past, Present, Future' visioning charrettes
- 14. Façade Improvement Grants for the 1800 block of Pennsylvania Ave.
- 15. Marshall Gardens development
- 16. Avenue Market and Pennsylvania Ave. Design For Distancing
- 17. Shake and Bake Family Fun Center
- 18. Historic Marble Hill
- 19. Improvements to Robert C. Marshall Park
- 20. Afro News Headquarters at Upton Mansion
- 21. 1200 1300 blocks of Myrtle and Argyle Aves. development opportunity
- 22. Harlem and Edmondson Aves. rehab area





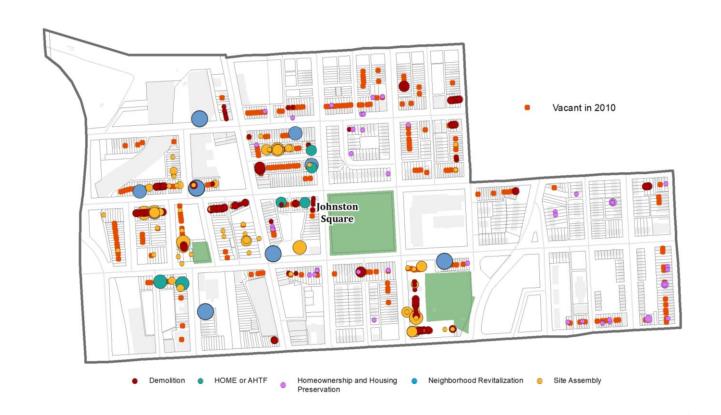














## L CAPITAL REQUEST | GREENMOUNT WEST PROOF OF CONCEPT

# DHCD Investments in Greenmount West

 Capital: \$450K in HOME funds for City Arts I

Total VBN Abatement: 225

• Rehabs: 83

Dispositions: 21

Receiverships Filed: 59

Demolition:11

Affordable Unit production: 129

 SR On-time Completion Rate (2016 – present): 93%

• Vacant lot reuse (CMOS + adopt-a-lot): 1

OUTCOME	2010	2022	
VBN Count	160	11	
Median sales Price	\$48,850	\$204,000	
% population increase (vs City)	20.5% (5.7%)		
Change in Median HH Income	\$17,000		
Total Assessed value of homes in GW	\$58M	\$128M	
Tax Revenue – Annual	\$2.1M	\$2.82M	



# L CAPITAL REQUEST | PSO/CHOICE NEIGHBORHOODS







- 1361 mixed-income rental units
  - 629 public housing replacement
  - 429 income restricted
  - 303 non-income restricted
- 104 units occupied
- 367 units under construction
- 890 units closing and under construction 2023
- Chick Webb Recreation Center
- City Funds support site development leading to new housing



# **CAPITAL REQUEST | 1313 DRUID HILL AVE**



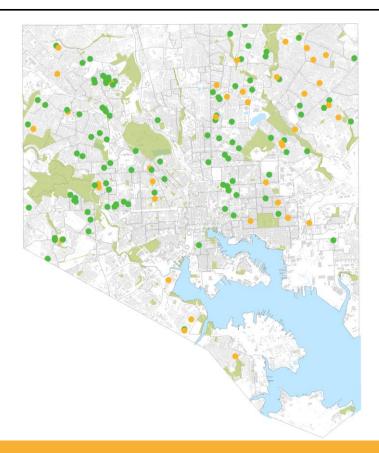
# Request for urgent temporary stabilization and weatherization of the building

- Located in Upton's Marble Hill neighborhood
- Site sits within the West Impact Investment Area
- Funding is needed for
  - ☐ Selective demolition of the roof structure,
  - Stabilizing/shoring the structural elements of the building,
  - Adding a temporary roof without addressing interior renovations, hazardous materials, or restoration of exterior elements to meet any historic criteria
- Will be released for RFP after stabilization work is complete
- Estimated stabilization funding need is approximately \$1.9M, it is fully funded



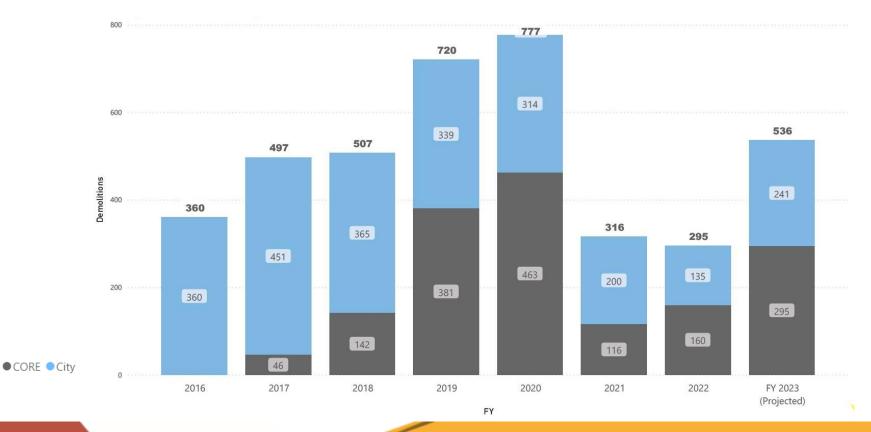
# CAPITAL REQUEST | HOUSING PRESERVATION FY2022

- Rehab Services (110)
- Weatherization (39)





### L CAPITAL REQUEST | DEMOLITION, FY2022



CIP#	Project Title	(	City Bond Funds	City General Funds	Federal Funds	State Funds	Other	Totals
588-068	1313 Druid Hill		0	0	900	0	0	900
588-096	Demolition & Stabilization		7100	0	0	0	0	7100
588-098	East Baltimore NDF		0	0	0	500	0	500
588-095	Greenprint		0	0	0	1400	0	1400
		TOTALS	7100	0	900	1900	0	9900



## DHCD FY2023 | DEVELOPMENT PROJECTS

CIP#	Project Title	City Bond Funds	City General Funds	Federal Funds	State Funds	Other	Totals
588-017	Citywide Acquisition	800	0	0	0	0	800
588-036	Southeast Baltimore Redevelopment/Choi	43000	0	0	0	0	43000
588-075	SE Baltimore Redevelopment Affordable	500	0	0	0	0	500
588-085	Impact Investment Areas	6007	0	0	0	0	6007
588-097	Park Heights Public Infrastructure	12083	0	0	0	0	12083
588-072	Johnston Square Acquisition and Reloc	200	0	0	0	0	200
588-932	Poppleton Acquisition, Demolition & Relocation	100	0	0	0	0	100
588-926	Coldstream, Homestead & Montebello	10000	0	0	0	0	10000
	TOTALS	72690	0	0	0	0	72690

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#### DHCD FY2023 | HOMEOWNERSHIP PROJECTS

CIP#	Project Title	City Bond Funds	City General Funds	Federal Funds	State Funds	Other	Totals
588-019	Baltimore Homeownership Incentive Program	1800	0	1000	0	0	2800
588-049	Affordable Homeownership	100	0	0	0	0	100
588-052	Housing Upgrades to Benefit Seniors (HUBS)	500	0	0	5000	0	5500
588-053	Baltimore Shines - Low Income Solar Program	0	0	435	0	100	535
588-054	Low-Income Mortgage Program	500	0	0	0	0	500
588-073	Lead Hazard Reduction Program	750	0	0	0	0	750
588-986	Housing Repair Assistance Programs	1000	0	1050	0	0	2050
	TOTALS	5 <b>4650</b>	0	2485	5000	100	12235



#### DHCD FY2023 | STATE FUNDED PROJECTS

CIP#	Project Title		City Bond Funds	City General Funds	Federal Funds	State Funds	Other	Totals
588-098	East Baltimore NDF		0	0	0	500	0	500
588-095	Greenprint		0	0	0	1400	0	1400
		TOTALS	0	0	0	1900	0	1900

CIP#	Project Title	City Bond Funds	City General Funds	Federal Funds	State Funds	Other	Totals
588-006	HOME Program	100	0	0	0	4,000	4,100
588045	Land Management City-Owned Property	0	0	0	0	500	500
588-026	Affordable Housing Trust Fund	6,500	0	0	0	0	6,500
588-044	Community Catalyst Grants	1,500	0	0	0	0	1,500
588-078	CDBG Subrecipient Capital Projects	0	0	2250	0	0	2250
588-989	Section 108 Loan Repayment	0	0	0	0	0	0
588-045	Land Management Administration	1000	0	0	0	0	1000
	TOTALS	9100	0	2250	0	4500	15850



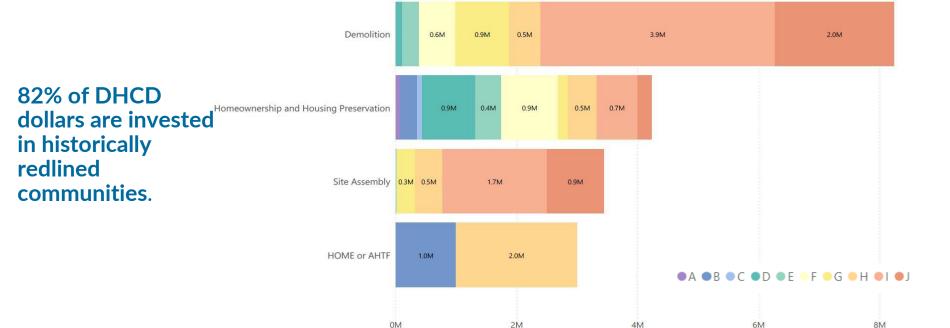
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## EQUITY PRINCIPLES IN PRACTICE

1. Ensuring community voices are central to shaping neighborhood redevelopment	<ul> <li>Community conversations in Impact Investment Areas as well as our other major development project areas</li> <li>Impact Investment Area workgroups</li> <li>Commitment to transparency</li> <li>RFPs and Unsolicited bids to purchase properties are evaluated through the lens of highest and best use</li> </ul>
2. Minimizing the displacement that can occur with rising values	<ul> <li>Homestead Tax Credit Outreach</li> <li>Support building community wealth</li> <li>Preserve Affordable Housing units</li> <li>Include Displacement Mitigation Section in Comprehensive Housing Plan</li> </ul>
3. Supporting existing homeowners and residents to help them stay in their homes	<ul> <li>Housing and Homeownership Preservation Division</li> <li>Impact Investment Area Implementation Strategies</li> <li>Middle Neighborhoods</li> </ul>
4. Maximizing Baltimoreans' access to jobs and entrepreneurial opportunities created by reinvestment	<ul> <li>Baltimore SHINES – low-income solar job and installation program</li> <li>Community Catalyst Grants</li> </ul>
5. Prioritizing affordable housing in neighborhood revitalization efforts from the outset, not as an afterthought	<ul> <li>Work with small developers on LDDAs</li> <li>Developer Incentives to guarantee homeownership outcomes</li> <li>AHTF funded projects</li> </ul>
6. Building an internal team that has the capacity to succeed and the willingness to be relentlessly accountable	<ul> <li>Culture shift within the agency</li> <li>Neighborhood Development Officer (NDO) activities</li> <li>NDO + Planner teams for IIAs</li> </ul>



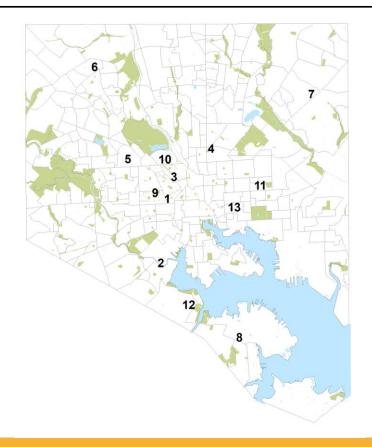
#### SPENDING IN FY22, BY ACTIVITY & MARKET TYPOLOGY





## DHCD SUPPORTED DEVELOPMENT PROJECTS WITH DIVERSITY IN LEADERSHIP

Map ID	Project	Address
1	Poppleton	231 N Schroeder St
2	westport CEDC	2228 Annapolis Road
3	Thurgood Marshall Justice Center - Beloved Services Corp	1315 Division St
4	O'Hara Development	2100 Boone St
5	Coppin Heights CDC	2400 W North Ave
6	BRIDGES	3100 W Belvedere Ave
7	NEHI CLT	5307 Bel Air Road
8	South Baltimore CLT	1129 Monroe Circle
9	Parity Homes	515 N Carrolton Ave
10	Druid Heights CDC	2140 McCulloh St
11	Charm City Land Trust	2424 McElderry St
12	Cherry Hill CDC	806 Cherry Hill Road
13	PSO/Somerset 1-4	1401 E Pratt St





## **CONCLUSION**



# QUESTIONS