

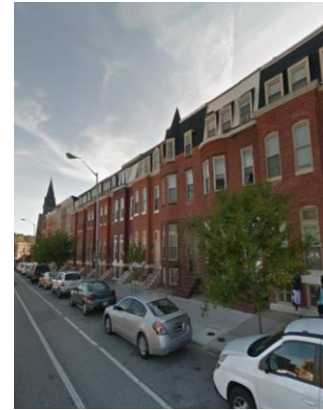
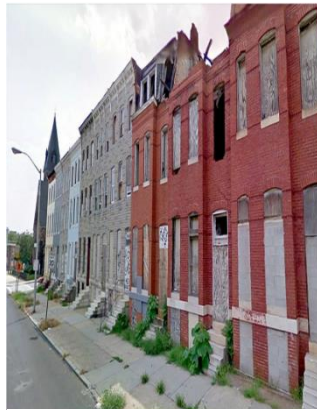
# Department of Housing and Community Development

## Agency Overview

The Department of Housing & Community Development (DHCD) leads Baltimore City's efforts to maintain and create vibrant, equitable neighborhoods that offer safe, affordable housing in collaboration with communities and partners. DHCD could not address this mission without City capital funding.

The Agency is composed of six programmatic Divisions.

- The Development Division leads a broad range of community development activities. This Division conducts property acquisitions, relocation, leasing, disposition, and asset management of City real estate. It also supports the development of affordable housing and other community development projects through direct financing, assistance in leveraging external funds, and providing below cost land and property assembly.



*Figure 1: 1200 Block of North Broadway - Before/After Renovations.*

- The Division of Housing Code Enforcement and Emergency Operations provides housing code inspections throughout the City. This Division conducts over 200,000 inspections each year, an immense volume of work.
- The Division of Permits and Litigation conducts over 70,000 trade inspections and issues over 30,000 construction permits annually, oversees property registration, coordinates demolition and stabilization of vacant and blighting properties, conducts investigations of illegal dumping and leads litigation efforts including the receivership program through which vacant properties can be auctioned to new pre-approved owners. Through increased City and State resources, since the start of Project CORE, 4,448 units of blight have been demolished or are in a demolition pipeline.
- The Division of Community Services operates community facilities including the Dawson Center, and assists families displaced by fire, disaster, or other crises.
- The Division of Home Ownership and Neighborhood Preservation supports home owners and assists in attracting new residents, preserving affordable housing, building equity for Baltimoreans, preventing blight, and stabilizing communities. The Division supports hundreds of home owners with lead paint remediation, weatherization, and repairs all while working with partners to provide more than 700 incentives to new buyers a year. This division also provides over 500,000 meals annually through Summer Food Service Program.
- The Division of Research and Consolidated Planning coordinates federal resources such as the Community Development Block Grant program, which supports a wide range of community and social services to over 20,000 low and moderate income Baltimoreans annually, and the HOME program which funds affordable housing development and preservation.

Baltimore's DHCD strives to improve the quality of life for all Baltimore City residents by revitalizing and redeveloping communities and ensuring access to adequate and affordable housing opportunities in safe, livable, and decent neighborhoods. DHCD works with public and private partners, residents, community associations, and stakeholders to utilize City capital to leverage private and other public resources to accomplish this mission.

## Capital Projects

- *Affordable Housing:* DHCD preserves, finances, or otherwise supports production and preservation of affordable housing through a range of activities. The DHCD CIP request includes \$5 million in bond funding for this purpose as approved by Baltimore City voters. Through these resources, the ongoing use of HOME funds and revenue committed to the Affordable Housing Trust Fund, the production of affordable housing will increase in years to come.
- *Building Capacity:* The CIP request includes the capital portion of the new Community Catalyst Grant program (CCG). CCG represents a significant investment in building the capacity of neighborhood-based, local organizations to serve as true partners driving community development in neighborhoods. The requested capital will support local community-led efforts, including mixed-use and affordable housing projects, as well as business and economic development initiatives.
- *Demolition and Stabilization:* DHCD is mandated by the City Charter to enforce the housing code and address blighted and unsafe conditions in the City. Demolition is a necessary component of this work. The stabilization of vacant properties can be an alternative to demolition in situations where demolition would be inefficient and lead to poor outcome, such as a single midblock vacant on an otherwise strong block, or in cases where a property offers historic, attractive, and/or desirable architecture. With a high number of vacant and



Figure 2: East 20th Street- Before/ After Stabilization

blighting buildings in the City, the need for this service is immense. The City has committed roughly \$10 million to this purpose annually but the need is much greater and has become more urgent. Thus, the request for FY20 exceeds previous allocation to reflect community needs and Mayoral priorities. In addition, DHCD City demolition capital is a necessary match to continue the successful partnership with the State of Maryland CORE program, which has greatly accelerated the pace of blight removal in the City.

- *Redevelopment Projects:* DHCD has a variety of ongoing project-level

commitments for multi-year Capital investments to improve neighborhoods. These include major redevelopment efforts such as the Perkins/Somerset/Old Town Choice Neighborhoods project (PSO), the Park Heights redevelopment, project level work in the neighborhoods of Upton, Poppleton, Coldstream Homestead Montebello, Uplands, and O'Donnell Heights, and

the East Baltimore Development Initiative. CIP investments in these projects yield a high degree of leverage from State, federal, and private sources. For example, \$3 million is requested for PSO over six years as a portion of a total development estimated at \$800 million in value. In addition to the benefits these projects bring to residents and communities (and increases to City tax base), DHCD is under contractual obligation to deliver property to support projects such as these. The FY20 CIP request includes funding to further the projects and satisfy requirements.

- *Preserving and Incentivizing Home Ownership:* Homeownership is not only a widely held American aspiration, but generates important social and psychological benefits for owners and their children, and stabilizes neighborhoods and property values. The DHCD CIP request includes loans and grants to assist low- and moderate-income homeowners with weatherization, energy efficiency and roof repairs that are critical to preventing tax arrearages, homelessness, and blight. Unfortunately, resident needs for these services commonly exceeds available budget and curtails DHCD’s ability to maximize external resources such as other public support for weatherization. As a result, not only are the projects deferred, but the City is also “leaving money on the table” that could be assisting residents. As such, the DHCD request includes an increase in funding for Housing Repair Assistance Programs, in addition to maintaining funding for other home ownership programs.
- *Property Acquisition, Relocation, Disposition, and Asset Management:* To carry out community development, City government has the role and responsibility to acquire, assemble, hold and dispose of real property, including conducting relocation when required. City Capital requests support for these critical functions, which underlie neighborhood revitalization and blight removal efforts.
- *New Initiatives:* Strategic new programs are proposed in the request including: home ownership support targeted at seniors, low-income households and solar energy utilization; a proactive, targeted stabilization program designed to preserve marketable properties and prevent further decline; and a loan/grant program to aid small scale “mom and pop” landlords in responding to changing rental inspection requirements.
- *Priority Impact Investment Areas:* Working with community-based partners, DHCD will prioritize investments in areas where public investment can leverage equitable, positive transformation in near-time horizon, continuing to “build from strength” as the City has



Figure 3: Greenmount and East Chase - Current Conditions/ Future Redevelopment

successfully done in recent decades. The CIP request includes capital to support these efforts though geographically targeted acquisitions, demolition, stabilization, development projects, and other activities.

### ***Prioritization***

DHCD prioritizes capital projects through a series of analyses. First, DHCD must include in the request voter-approved funds (GO bonds) for affordable housing and the commitment to the CCG, and give high priority to Charter mandated code enforcement efforts, particularly demolition. Second, DHCD has a variety of ongoing project level commitments for multi-year capital investments. In some cases, DHCD is contractually obliged to complete activities on strict timelines. Third, DHCD seeks to maintain ongoing acquisition of land resources activities, homeownership supports, and aims to remain current with additional critical development project obligations. Fourth, DHCD is investing in forward thinking new programs. DHCD City capital is programmed to work in a complementary fashion at both the strategic and project level with major initiatives such as the Neighborhood Impact and Investment Fund, a large scale source of community development capital, seeded through City dollars.

### ***Summary***

CIP resources are a cornerstone for DHCD efforts to make Baltimore a bright and beautiful city that features diverse, equitable, and thriving neighborhoods through safe, high-quality housing that is accessible to Baltimoreans of all incomes. As Mayor Pugh said on November 29, 2018: *“For me, it’s not what the city will look like in two or three years,” said Pugh. “It’s what the city is going to look like over decades and for our children.”*