

The reality of Gov. Hogan's Baltimore investment

By Matt Hill, Chris Lafferty and Ty Hullinger
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Op-ed: A history of racism and failed development makes us skeptical about Gov. Hogan's Baltimore investment.

Inboxes around Baltimore were blowing up as Gov. Hogan announced a purported \$700 million initiative to demolish vacants, create green spaces and reinvest in housing in Baltimore City. According to a Sun article, such an investment would be the largest in living memory by the state in Baltimore community development.

At the Public Justice Center, a civil rights advocacy organization in Baltimore City, and the North East Housing Initiative (NEHI), a grassroots-based community land trust in Baltimore City, we sincerely hope that this kind of investment is the spark that reverses the spiral of disinvestment that has plagued Baltimore neighborhoods. The history of structural racism and failed development in the city has made us understandably skeptical.

First, we question the premise that this is new money. The Maryland Department of Legislative Services found that actually 90 percent of the \$700 million is not "new" money for demolition or affordable housing development; \$322 million consists of revenue bonds that will fund the Rental Assistance Demonstration program to privatize and renovate public housing. Most of the additional money will flow through existing programs such as the federal Low-Income Housing Tax Credit and related funds, which already provide millions in annual funding and revenue bond financing opportunities to developments in Baltimore City and other jurisdictions. Unlike grants, revenue bonds must be repaid by the development. While any increase in funding for demolition and affordable housing is welcome, to be sure, the "game-changer" that was marketed to the public is, to say the least, not accurate.

Second, Governor Hogan's plan is notable not just for the questionable headline figure but also for the failure to mention in its press release, even conceptually, some key elements:

- Development without displacement? Fully one-third of Baltimore households were homeless or on the brink of homelessness in 2014; 53 percent of renters and 40 percent of homeowners pay more than one-third of their incomes in housing costs, making their housing unaffordable. Will the new housing investment meet the needs of Baltimore City? Or is this plan merely going to serve the much-heralded 10,000 new residents? Community land trusts are community-controlled grassroots institutions that can guide development and ensure that current residents are not displaced by creating permanently affordable housing. Neither community land trusts nor community development corporations nor any affordability guidelines were mentioned in the press release or Sun article.

- Neighborhood decision-making and planning. The failed development plans of the past were not community-driven processes. While Mr. Hogan's plan will surely pay lip service to community "input," what decision-making control will neighborhoods have over demolition and redevelopment? According to The Sun, demolition sites have already been chosen. Replacing a block of vacant houses with an overgrown field will not, by itself, solve neighborhood problems and could exacerbate public health and safety issues if not done strategically with residents in the driver's seat. Similarly too many Baltimore neighborhoods lack organizations and plans to

ensure that development stays rooted in the needs of the community once the initial money has dried up. How will the state's plan ensure that this investment is sustainable without investing in neighborhood-driven organizations? Funding the organizing and operations of community land trusts, community development corporations and comprehensive planning can address these concerns.

- Local jobs. The unemployment rate for black men in Baltimore City is above 30 percent. Barriers to employment include criminal records, a mismatch in skills and lack of transportation. Mr. Hogan's plan includes a unique opportunity to provide employment opportunities and on-the-job training to Baltimore City residents, even with criminal records, that can catapult those residents back into the middle class. Yet the press release says very little about this vital component. As The Sun's recent editorial pointed out, Humanim, a non-profit in East Baltimore and the affiliated initiative baltimorebrickbybrick.com already model a successful local-jobs approach to rowhouse deconstruction.

- Comprehensive community revitalization. Previous plans have failed to recognize that employment, education, transportation and public health are inextricably intertwined with housing in any plan for sustainable development. For example, how will Mr. Hogan's plan address the food deserts that devastate Baltimore's children? How will neighboring residents be protected from lead dust and the other potentially toxic effects of large scale demolition? The Dudley Street Neighborhood Initiative (DSNI) is one comprehensive, sustainable model. DSNI, a community land trust based in what was one of Boston's most crime-plagued, impoverished neighborhoods in the 1980s, has paired its investment in demolition and permanently affordable housing with day care facilities, education reform, college mentoring, a recreation center, a local farmer's market and resident empowerment to drive sustainable change.

Models for success abound. While it is premature to judge the state's plan based on its press release and The Sun's article, the questionable \$700 million figure and failure to mention these principles give us pause.

At the Public Justice Center and NEHI, we recognize that housing and community development are human rights. Housing and community development must include everyone, each according to his or her need, in a transparent, comprehensive, accountable process. We look forward to working with the governor and the mayor to ensure that the state's plan is not just lipstick on the pig of failed development. Instead this investment could and should be part of a long overdue start in reversing the segregation, disinvestment, and speculator-driven plans of the past.

Matt Hill (hillm@publicjustice.org) is a staff attorney with the Public Justice Center; Chris Lafferty and Ty Hullinger are board members with NEHI.