



2013 WINNER

ORGANIZATION

Baltimore Housing

LOCATION

Baltimore, Maryland

YEAR OF IMPLEMENTATION

2010

MIXTURE OF HOUSING TYPES

More than 95 percent of units affordable to households at or below 120 percent of AMI

NUMBER OF UNITS PRODUCED

350

WEBSITE

[baltimorehousing.org/
vacants_to_value.aspx](http://baltimorehousing.org/vacants_to_value.aspx)



Vacants to Value Program Baltimore Housing, Baltimore, Maryland

Baltimore, Maryland is an older industrial city that has suffered greatly from the effects of significant population loss over the last half-century. As a partial result of its substantial population decline (950,000 residents in 1950 to under 621,000 today), Baltimore currently has over 16,000 vacant residential properties. Blight has contributed to a dearth in the availability of quality, workforce housing in many neighborhoods, including several located near employment centers and major anchor institutions like Johns Hopkins Medicine.

Baltimore Mayor Stephanie Rawlings-Blake, in office since 2010, has made it a priority to reverse the city's decades-long spiral of population loss with a goal to attract 10,000 new families to the city within the next decade. To achieve this goal, in 2010 the Mayor launched the Vacants to Value program, a targeted, neighborhood-based effort to transform vacant housing stock into workforce housing.

Through a comprehensive program of enhanced code enforcement, public/private partnerships, and homebuyer incentives, the Vacants to Value program has helped spur the revitalization of many of the city's distressed neighborhoods. Not only has the program served to provide quality, workhouse housing, but it has also helped combat the forces of urban decline which pose a threat to the city's long term viability.

Managed by Baltimore Housing, the Vacants to Value program works to harness market potential in areas of strength within 24 distressed areas designated by the city and known as Community Development Clusters.

The city established these Clusters in partnership with for- and non-profit developers committed to creating new workforce housing opportunities by acquiring and rehabilitating every vacant property made available through Vacants to Value within the designated Cluster area.

The key tools in the program include:

- Receivership auctions that transfer underutilized vacant properties into the hands of capitalized developers;
- Streamlined processes and rationalized pricing that get city-owned vacant properties to developers quickly and affordably;
- Interagency partnerships that target public safety and infrastructure issues in transitioning neighborhoods; and
- Homeownership incentives in the form of down payment and closing cost assistance targeted to buyers of previously vacant workforce housing.

Approximately 120 home buyers have taken advantage of \$10,000 Vacants to Value down payment assistance program thus far. Dozens of Vacants to Value home buyers have also received either the \$5,000 “Buying into Baltimore” deferred loans; the \$5,000 CDBG-funded deferred loans; or the \$3,000 “Live Near Your Work” matching funds (matched by employers including as Johns Hopkins).

However, the city has recognized that revitalizing distressed neighborhoods requires more than eliminating vacant properties and creating quality workforce housing. Under Mayor Rawlings-Blake’s leadership, city agencies work in collaboration with Baltimore Housing on the Vacants to Value program. If several blocks of housing are being renovated, the police department increases patrols to ensure there is enhanced enforcement. Other agencies complement the effort by planting street trees, investing in sidewalks and parks, installing new lights, and implementing other significant upgrades to basic infrastructure. Additionally, the city has stepped up enforcement of its housing code and taken a more proactive role in addressing code violations.

As of June 2013, 350 units had been created in Community Development Clusters, with another 175 the process of being rehabilitated (out of a total of 1,353 vacant properties in these areas at the launch of Vacants to Value). More than 95 percent of the housing has been affordable to families at or below 120 percent of AMI (\$85,600 for a family of four) , an estimate based on income data from applicants receiving homebuyer assistance grants from the city and summary data from developers. Nearly \$42 million in private investment has been leveraged in the 24 Clusters.

Over the next decade, Vacants to Value stands to provide homes near anchor employers to hundreds of new city residents. About a third of the buyers in the \$10,000 Vacants to Value down payment assistance program have moved from outside the City. In fact, 2013 is the first year in 60 years that the city has grown – by 1,100 residents – and there are indications that Vacants to Value was one of the critical initiatives that helped make that growth possible. The fact that families are now moving into, rather than out of, these areas as a whole is in stark contrast to the prevailing trends for the past several decades.

Vacants to Value has been a vital springboard to improve the image of the city and build more desirable places for working families to live. The program is also an important example of how a city can partner with major employers and the development community to attract new homebuyers, and revitalize some of Baltimore’s most distressed neighborhoods.

“We have partnerships on several levels, starting with a partnership with investors who have chosen those areas and consulting with those who are making investment decisions. We are ensuring that our efforts are complementary to their efforts. We are working hand in hand with the developers and mitigating the risk that they would otherwise face.”

Paul T. Graziano
Housing Commissioner
Baltimore Housing, City of Baltimore