

Neighborhood Stabilization Policy Alternatives

Federal Reserve Bank of Richmond

August 20, 2010

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Baltimore Neighborhood Collaborative

Baltimore Homeownership Preservation Coalition

About BNC & BHPC

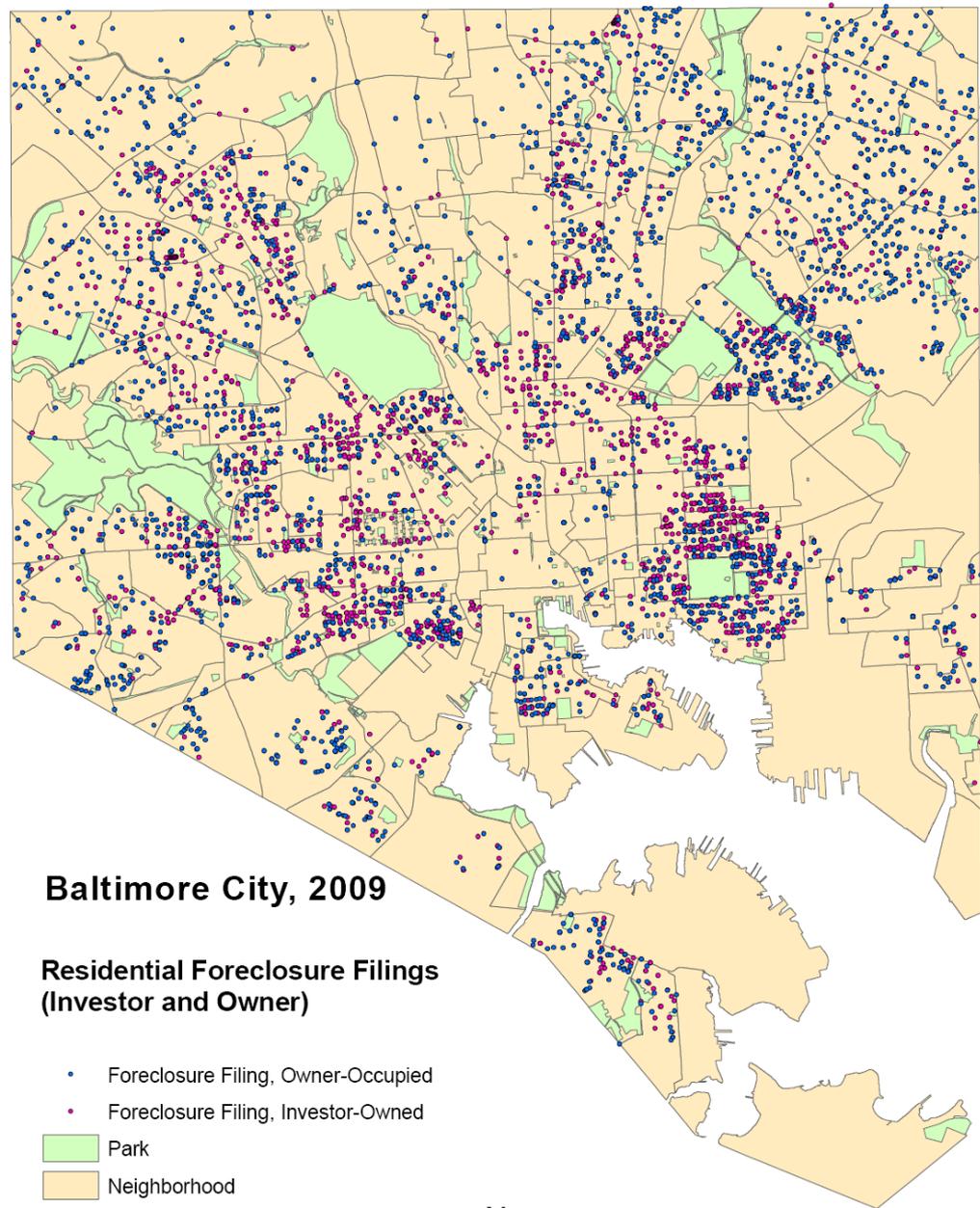
- Baltimore Neighborhood Collaborative (BNC)
 - Funders' collaborative – neighborhood revitalization
- Baltimore Homeownership Preservation Coalition (BHPC)
 - Foreclosure prevention/mitigation coalition



**BALTIMORE
HOMEOWNERSHIP
PRESERVATION
COALITION**

Vacant Property in Baltimore

- Foreclosure
 - Predatory or subprime loans, income reduction, taxes or other liens, property flipping
- Speculation
 - Investors sitting on property
- Condemnation
 - Major structural or code enforcement issues
- Weak Market
 - Owners can't sell



Baltimore City, 2009

Residential Foreclosure Filings (Investor and Owner)

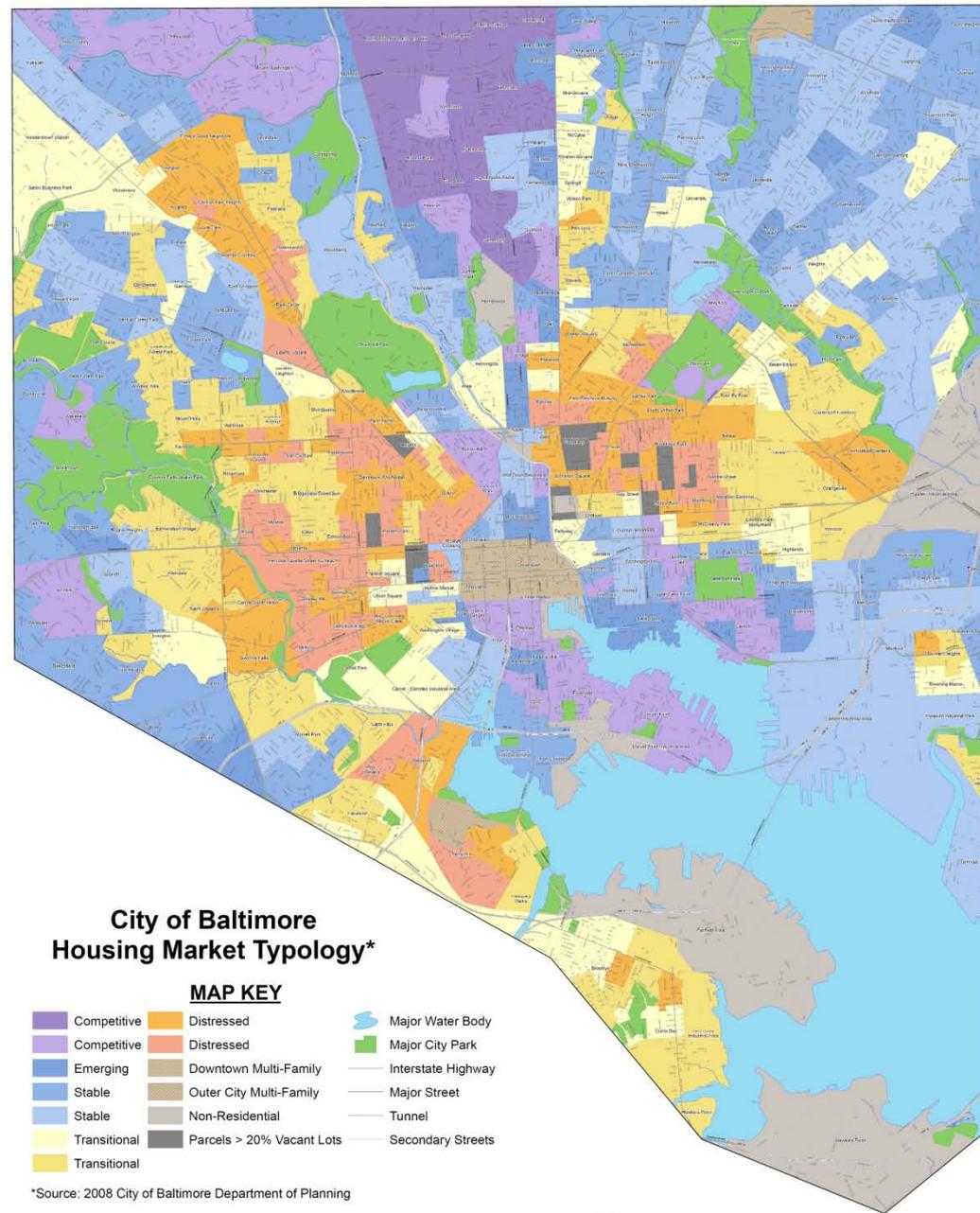
- Foreclosure Filing, Owner-Occupied
- Foreclosure Filing, Investor-Owned
- Park
- Neighborhood

0 0.5 1 2 Miles



Data Source: Baltimore Housing

Map by: Baltimore Homeownership Preservation Coalition



City of Baltimore Housing Market Typology*

MAP KEY

- | | | |
|----------------|-----------------------------|----------------------|
| ■ Competitive | ■ Distressed | ■ Major Water Body |
| ■ Competitive | ■ Distressed | ■ Major City Park |
| ■ Emerging | ■ Downtown Multi-Family | — Interstate Highway |
| ■ Stable | ■ Outer City Multi-Family | — Major Street |
| ■ Stable | ■ Non-Residential | — Tunnel |
| ■ Transitional | ■ Parcels > 20% Vacant Lots | — Secondary Streets |
| ■ Transitional | | |

*Source: 2008 City of Baltimore Department of Planning



0 0.5 1 2 3 Kilometers

0 0.5 1 2 3 Miles



Stephanie Rawlings-Blake
Mayor

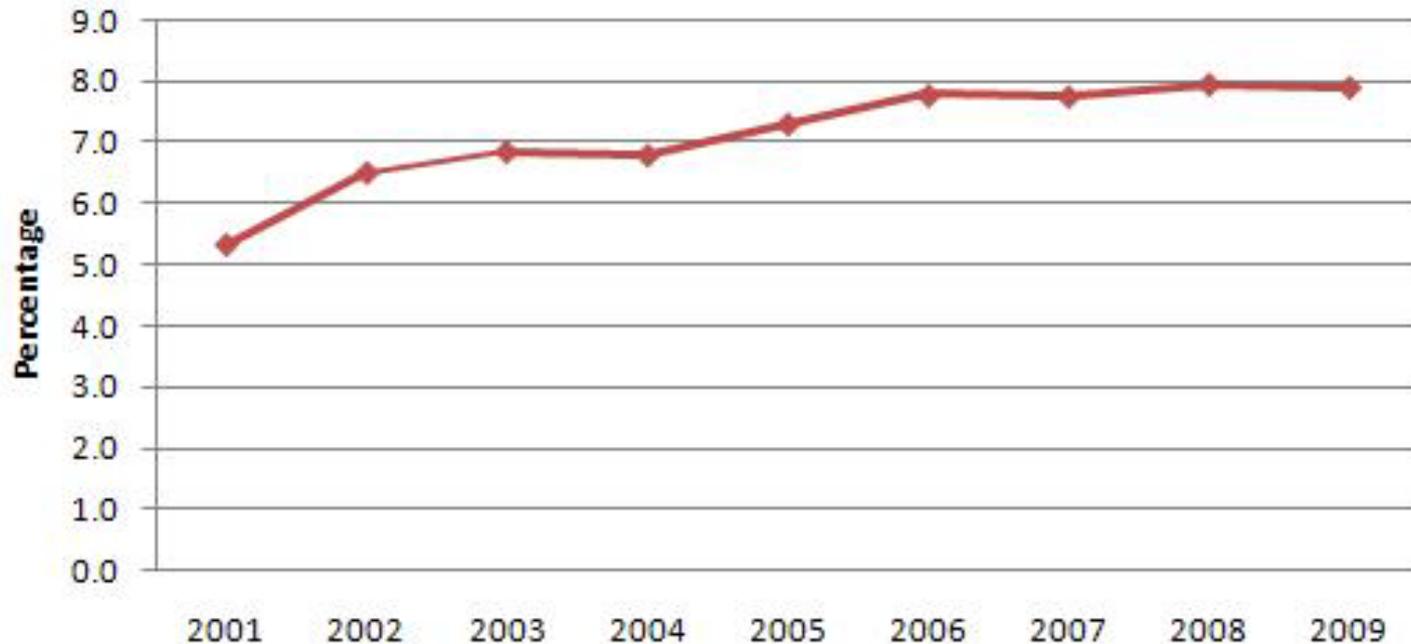


ENTRUSTED
GEOGRAPHIC
INFORMATION
SERVICES

	2009 Sales		Sold YTD June 30, 2010		Active Listings 7-12-2010	
Baltimore City						
Total Sales	5206		2847		5328	
Foreclosures	1121	22%	853	30%	518	10%
Short Sales	195	4%	171	6%	604	11%

Source: Greater Baltimore Board of Realtors

Percent of Residential Properties that are Vacant and Abandoned in Baltimore City, 2001-2009



Source: Baltimore City Department of Housing and Community Development

Strategies for Vacant Properties

How to control vacancies and stabilize neighborhoods with limited resources?

- Targeted
- Comprehensive
- Market-based
- Collaborative



Source: <http://realneo.us/content/observations-baltimore-series-1st-stoops>

Our Toolbox

Receivership

City Acquisition/Disposition

Targeted Code Enforcement

Neighborhood Stabilization



- Not mutually exclusive
- Choose tool(s) based on neighborhood factors

Current Use of Receivership

Takes about 2 years to see results on the ground

2009

119 Receiverships filed

- 59 resulted in transfer
- 3 “Use and Occupancy” permit
- 3 demolished
- 3 dismissed
- 4 still open
- Remainder not yet sold, or action is stayed to allow owner rehab/sale

2008

112 Receiverships filed

- 61 resulted in transfer
- 10 “Use and Occupancy” permit
- 2 demolished
- 11 dismissed
- 4 still open
- Remainder not yet sold, or action is stayed to allow owner rehab/sale

City Acquisition and Disposition

- Strategically choose properties to acquire
 - Look for new development or economic activity
- SCOPE (Selling City-Owned Properties Efficiently)
 - Partner with realtors to heavily market available property in less-distressed neighborhoods
 - Work with pro-bono attorneys



Targeted Code Enforcement

- Strategically choose blocks for more aggressive enforcement
- Classify and prioritize
 - Housing market typology
 - Existing or planned development
- Follow standard on rest of block
- Partner with non-profit or for-profit developers for maximum benefit



Source: urbanplacesandspaces.blogspot

Organize & Stabilize

- To prevent vacancies and mitigate externalities
- **Healthy Neighborhoods** approach – Focus on “neighborhoods in the middle”
 - Loan pool for purchase and rehab
 - Foreclosure prevention and education
 - Resident engagement and empowerment
 - Neighborhood **marketing**



Source: www.pointsettatour.com



Source: www.livebaltimore.com



Source: www.southeastcdc.org

Ongoing Challenges

- Housing market
- Limited resources, capacity
- Image
- Complications with closings
 - Bank walk-aways



Contact Info

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