



WRITTEN TESTIMONY
**THE IMPORTANCE OF EXTENDING AND SUSTAINING
PROJECT C.O.R.E. INVESTMENT IN BALTIMORE CITY**

Submitted by: BUILD (Baltimoreans United in Leadership Development)

Leslie McMillan, BUILD Co-Chair

HB 1334

BUILD supports the passage of HB 1334 which extends Project C.O.R.E. and solidifies an annual appropriation of at least \$50 million to this fund. We strongly encourage the Senate Budget and Taxation Committee to provide a favorable report.

Baltimore City is facing a crisis of vacant and abandoned homes. Not only are there more than 13,000 vacant and abandoned buildings. There are 21,000 vacant lots and tens of thousands of houses at significant risk of vacancy because of their proximity to other vacant properties.

This is not a new crisis for Baltimore City. It is a crisis rooted in our city's long history of destructive and racially discriminatory housing policies and practices, including redlining that was pioneered in Baltimore more than a century ago.

In this context, HB 1334 is crucial. When paired with Gov. Moore's investment in this year's budget with the changes included in Gov. Moore's Housing & Community Development Finance Act, Project C.O.R.E. can be used a crucial revenue source to end the crisis of abandoned housing in Baltimore once and for all.

This is particularly important now.

Over the last year, BUILD has worked in close partnership with Baltimore City and with the Greater Baltimore Committee to develop a focused and vetted plan to end this crisis. Consistent, at-scale Project C.O.R.E. investment is crucial to this plan.

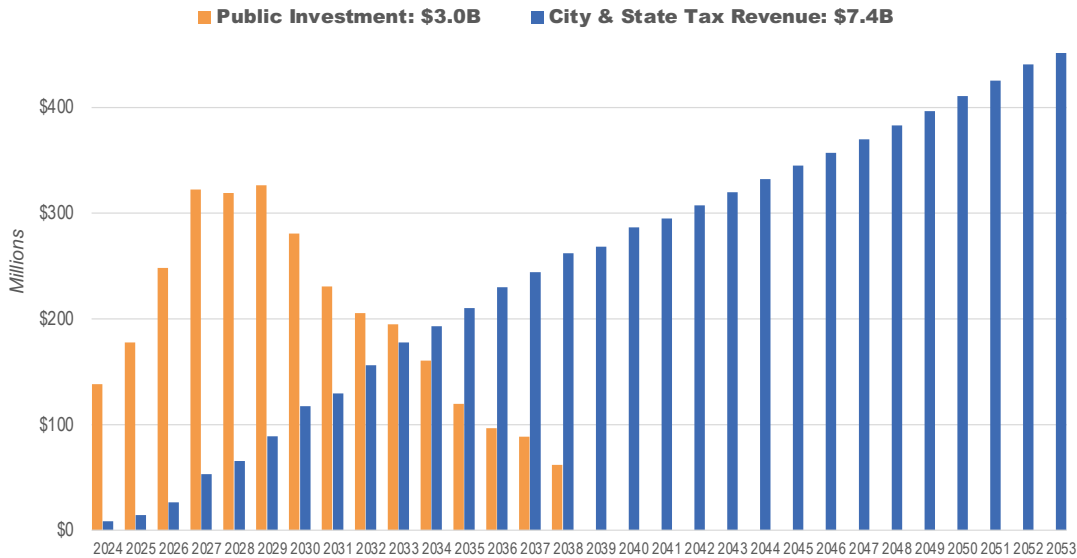
As our plan and vetted analysis conducted by Public Financial Management (PFM) shows, these dollars could be leveraged significantly to create a return on public investment that pays for itself over time. These dollars can be leveraged even further.

By acting at scale with consistent investment over time, more strategic investments can be made to rebuild neighborhood housing markets. This is exactly what BUILD has done with our partners in East Baltimore in recent years. Our work has increased population in these neighborhoods and more than doubled property tax income for the city.

A [recent study from Johns Hopkins' 21st Century Cities Initiative by Mary Miller and Mac McComas](#) laid out both the scope and the financial cost of our status quo – more than \$100 million per year in lost tax revenue. [Similar studies](#) have identified \$170 million in potential new, annual revenue to the state if this issue is addressed. Our own non-partisan and conservative analysis with PFM estimates \$7.4 billion in new tax revenues to the state and city if we act intentionally to end this crisis in the coming years.



30-Year Return on Investment



BUILD’s History and Track Record on this issue

BUILD – Baltimoreans United In Leadership Development – is a broad-based, non-partisan coalition of more than 35 religious congregations, non-profits, and schools in Baltimore. Founded in 1977, BUILD has a long, productive track record acting on issues related to housing, jobs, schools, safety, and more. This has included the creation of the nation’s first living wage ordinance in Baltimore City and working with the state legislature to invest \$1 billion in rebuilding Baltimore City’s aging school infrastructure in recent years. We are part of the Industrial Areas Foundation (IAF), the nation’s oldest and largest multi-faith organizing network in the United States.

For 15 years, BUILD has worked in East Baltimore to address vacant and abandoned properties. As part of that work, we created – with other national partners – a non-profit developer called ReBUILD Metro. [ReBUILD Metro has transformed 450 properties into homes in four neighborhoods in East Baltimore](#), representing a collective investment of more than \$120 million – without displacing a single resident.¹ This investment has also helped reduce the murder rate in the areas where we work by more than half. It has created mixed-income communities with affordable housing at scale.

Our work in East Baltimore has utilized Project CORE funds. And we have seen what could be possible if these funds were sustained over time and made more flexible as proposed in other legislation proposed before the legislature this year.

¹ In the two neighborhoods where ReBUILD Metro has worked for the longest period of time, we have reduced the vacancy rate to only 7.8%, down from 48%, a decrease of 85%. The population has increased by 45%, compared to a decrease in population citywide. Our work has increased the wealth of nearby homeowners by more than \$50 million, all while the neighborhoods themselves have remained more than 90% Black. We have done this without displacing a single family and ensuring that community-driven, mixed income development is central to that work.