



Economic Inclusion
in Baltimore

The Annie E. Casey Foundation

May 2012

Economic Inclusion in Baltimore

Lessons from the East Baltimore Revitalization Initiative and the Baltimore Integration Partnership

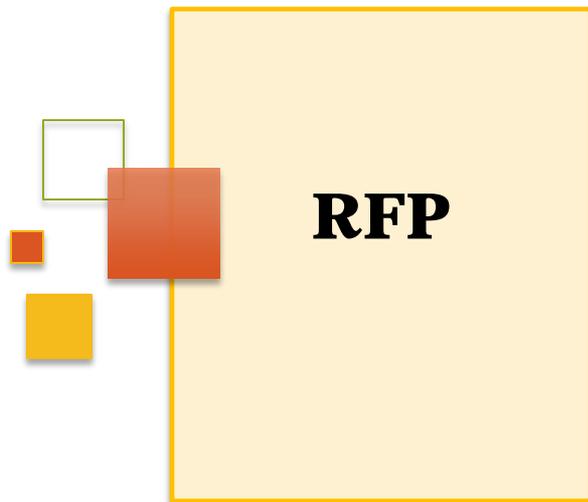


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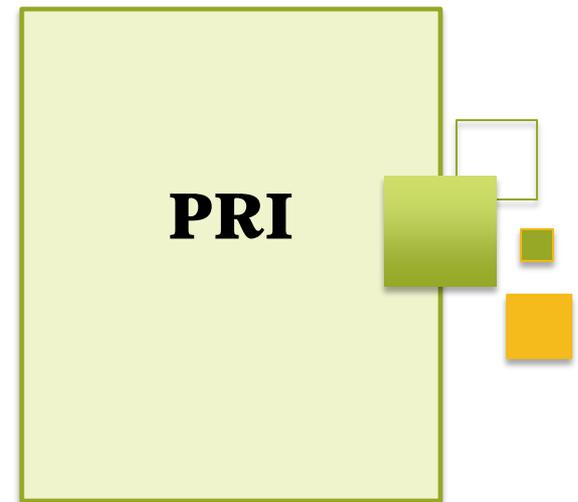


Two Models for Achieving Economic Inclusion

East Baltimore Revitalization Initiative (through EBDI):
Project-Based



Baltimore Integration Partnership (BIP):
Finance-Based



**Different Approaches:
Similar Goals**

Lessons Learned

- Lessons here are focused on African American community
 - Applicable to other demographic scenarios



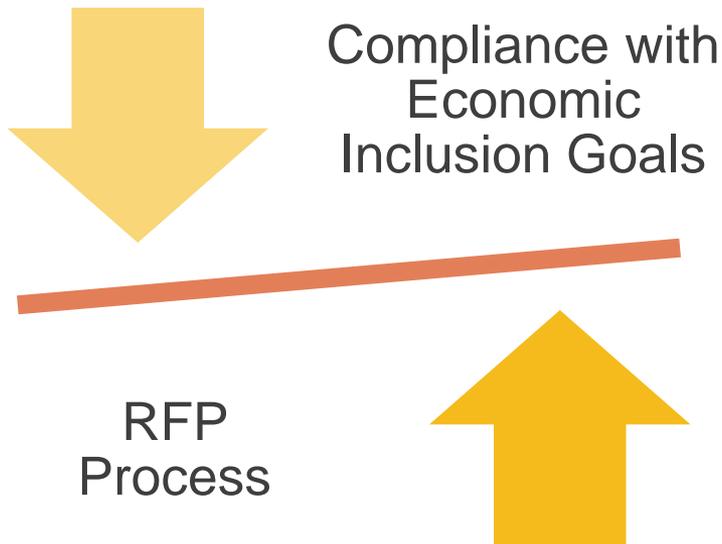
Began with Data

- **More in the Middle** report: gap between Africa American majority and white minority
- Target population earning between \$35,000 and \$75,000
- Focus on development of small, minority-owned businesses

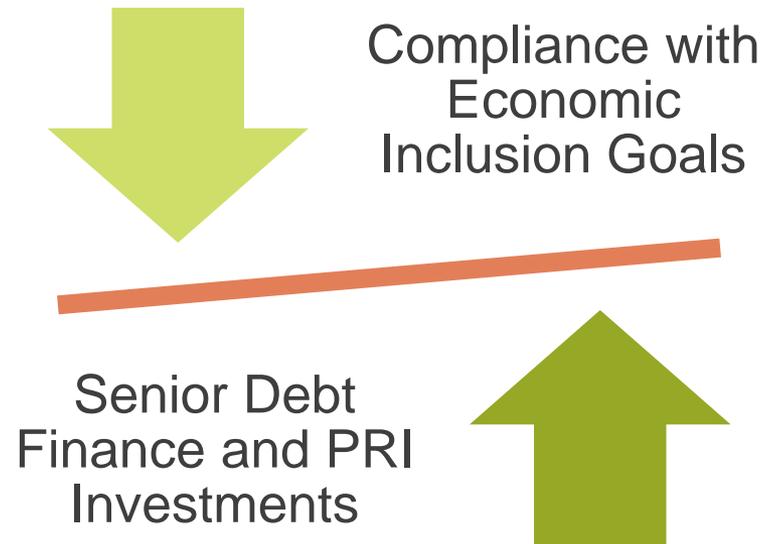


What's the Lever?

EBDI



BIP



East Baltimore Revitalization Initiative



- Partners include AECF, City of Baltimore, state of Maryland, federal agencies, the Johns Hopkins Institutions and other local and national foundations and nonprofit organizations

- Estimated investments of \$1.8 billion
- Construction of roughly 2,200 new and rehabilitated homes for buyers and renters with a range of incomes
- Research and other commercial space
- Model community school and early childhood center
- Retail establishments and new recreational spaces

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East Baltimore Revitalization Initiative

- Casey's involvement required focus to be on opportunities for residents – not just on physical improvements



- Key goal: an explicit commitment to economic inclusion for minority- and women-owned businesses

East Baltimore Revitalization Initiative

- Exceeded our goals through EBDI. Through 2010:
 - **37 percent** of EBDI's **\$181.7 million** in contracts have gone to minority-owned businesses or women-owned businesses.
 - Higher than the inclusion goals set by the city or state.
 - Minorities and women have worked **57.5 percent** of the man-hours generated by the project, far exceeding the original goal of **15 percent**.
 - Since 2003, EBDI and its workforce partners have placed **2,787 people in jobs**; more than **30 percent** of them lived in East Baltimore.
- Johns Hopkins Hospital adopted similar model for new clinical buildings
 - Strong economic inclusion results
- Wilmer Eye Institute building generated **\$24 million** for MBEs, WBEs, and local businesses

East Baltimore Revitalization Initiative

What Did We Learn?

- Third-party monitor needed to track and support economic inclusion
- Important to help contractors qualify for contracts
 - » Bonding help
 - » Networking opportunities



Baltimore Integration Partnership



LIVING CITIES

INNOVATE ▶ INVEST ▶ LEAD



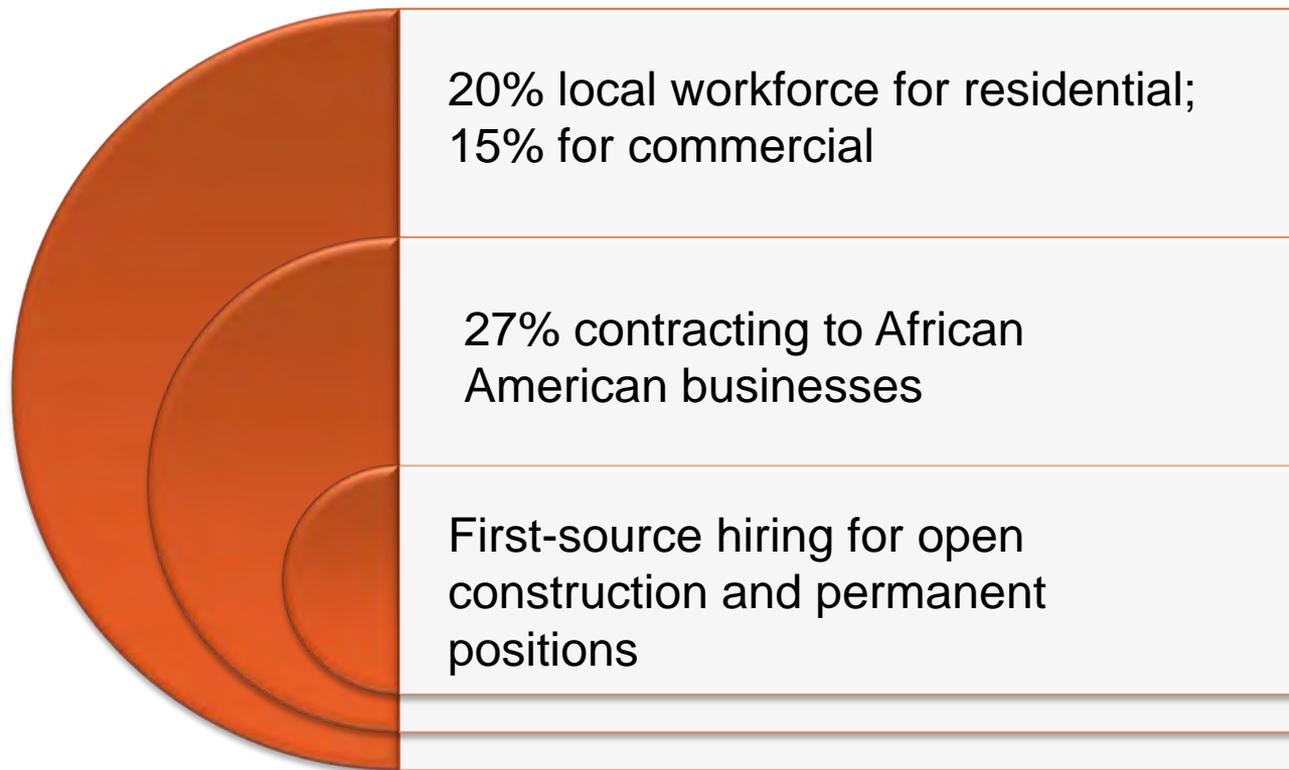
- Living Cities' commitment
- Aligning physical development initiatives in three neighborhoods with human capital investments
- A focus on hiring and economic inclusion policies
- Connecting workforce pipeline and economic development efforts

Baltimore Integration Partnership

- The challenge in the BIP communities
 - 68 percent of residents have a high school diploma or less (33 percent have less)
 - Only 53 percent in labor force
 - Unemployment in 2009 was 18 percent



Economic Inclusion Goals



Using Investments to Guide Economic Inclusion

The **Baltimore Workforce Funders Collaborative**

Partnering to Build a Stronger Workforce



LIVING CITIES

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Looking Ahead



- Mayor aspires to attract 10,000 new families to Baltimore in the next decade
- Large growth in immigrant population
- To what extent will the issues be the same and to what extent will they be different?