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REPORT

of the

URBAN RENEWAL STUDY BOARD

to

MAYOR THOMAS D'ALESSANDRO, JR.

Baltimore, Maryland

HA86065

REPORT

OF THE

URBAN RENEWAL STUDY BOARD

TO

MAYOR THOMAS D'ALESSANDRO, JR.

BALTIMORE, MARYLAND

SEPTEMBER, 1956

HA86066

BALTIMORE URBAN RENEWAL STUDY BOARD

ROOM 502 COURT HOUSE, BALTIMORE 2, MARYLAND PLAZA 2-2000 - EXT. 300

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THOMAS D'ALESSANDRO, JR.
MAYOR

September 12, 1956

Honorable Thomas D'Alesandro, Jr.
Mayor of the City of Baltimore
Baltimore, Maryland

Dear Mayor D'Alesandro:

The Urban Renewal Study Board, which you appointed in February, has reviewed the urban renewal activities of the City of Baltimore. We attach a report recommending extensive changes in program, administration, and organization to achieve the objectives of urban renewal which are clearly accepted by all of those we have met in Baltimore. The summary of the report presents the fundamental conclusions and recommendations of the Study Board, and details are spelled out in the six chapters which follow.

Baltimore has established an enviable reputation for leadership in urban renewal activities during the postwar years. Its pioneering work in several fields, particularly code enforcement, has commanded national attention. The community's greatest resource today is the unanimous determination of its leaders in public and private life to press ahead to a program which will eventually eliminate slums and blight from Baltimore.

Baltimore's present renewal activities are not keeping pace with the rate of deterioration. Its clearance and redevelopment program is administratively bogged down and far too small. Its code enforcement program has never been adequately tied in to other renewal activities, has overemphasized areas requiring clearance and neglected areas which could benefit most from enforcement with other activities. Its public housing program has progressed steadily but has participated directly in renewal only through its relocation service. City planning has failed to keep pace with the development of renewal concepts. It has not established criteria for the full range of renewal activities, or completed a comprehensive general plan which should provide a framework for renewal. Other essential activities, including rehabilitation, neighborhood organization, coordination of capital expenditures, and realistic neighborhood planning, have scarcely been undertaken.

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Baltimore's goal should be the elimination of its present slums and blighted areas within 20 years. Such a program will require a three-fold increase in present renewal activities. It will require the clearance of about 65,000 substandard dwellings. An additional 80,000 dwellings will require conservation, rehabilitation, or code enforcement. In all, 45 percent of Baltimore's dwellings must be cleared or improved within 20 years.

In addition, new, improved, or enlarged parks, playgrounds, schools, and other community facilities will have to be provided for most neighborhoods. While maintaining sufficient residential districts, substantial areas may require conversion from residential to commercial or business reuse. Obsolete commercial and industrial areas must also be renewed. Baltimore must concentrate much attention on slum prevention in order to reduce its future problems. A 20-year program will involve public outlays of \$900 million or more. With present Federal aids, \$600 million or more of this total can be paid by the Federal Government; the remaining \$300 million is well within Baltimore's fiscal resources.

To achieve this program, the people of Baltimore must make up their minds to attack the whole urban renewal problem with vigor and determination. A policy of bits and pieces or of drift will not do. What is needed is to tie together in a single coordinated endeavor all of the existing pieces, with some new additions, and to give this comprehensive program a single responsible center of energy and action.

To this end, Baltimore's urban renewal activities must be reorganized. The following changes should be made in the near future under presently available powers of the City. They constitute an immediate 11-point program of action.

1. Establish a new Renewal and Housing Agency, vesting in it responsibility for planning and executing the central functions of urban renewal. These include neighborhood and project planning in renewal areas, land acquisition and clearance, area code enforcement activities, public housing, relocation of displaced families, rehabilitation and conservation activities, enlistment of private participation in renewal development, and service for neighborhood and community groups.

This Agency can be established by vacating the present boards of the Housing Authority and the Redevelopment Commission, appointing a new, joint board, and delegating to this board all renewal functions authorized by law. The Director of the new agency should also be designated the administrator for purposes of executing municipal (noncorporate) functions delegated to the new Agency.

2. Strengthen the office of the Mayor by the appointment of an assistant to the Mayor responsible for advising the Mayor and assisting him in programming and supervising all public works planning and development, the capital budget, city planning, urban renewal, industrial and commercial development, and similar activities.
3. Reorganize the City Planning Commission and the Department of Planning to make them an integral part of the Mayor's coordinating machinery, to accelerate the preparation of a comprehensive general plan, to prepare a 20-year development program, to prepare a 4-year capital improvement program, and to concentrate on city-wide and metropolitan planning. For these purposes, the Department of Planning should be made responsible directly to the Mayor, and its director, who should be appointed by the Mayor, should serve as one of the Mayor's principal staff advisors. The Commission should be relieved of its administrative concern for the Department and should be free to concentrate on its important quasi-legislative functions.
4. Establish a system of capital budgeting by providing the budget director with staff to coordinate long-range fiscal planning in all City departments and to prepare an annual capital budget for the Mayor to submit to the Board of Estimates and the City Council. A new budget director was appointed while this report was being prepared, and we assume that he is equipped with up-to-date knowledge in this important field of capital budgeting.
5. The public housing program should be administered by the new Renewal and Housing Agency as a coordinated part of the renewal program. More public housing will be needed to meet relocation needs arising from renewal. Smaller, lower density public housing projects, projects on vacant land, and projects in parts of renewal areas will enable public housing to contribute more actively to renewal goals.
6. Responsibility for code enforcement on an area basis should be vested in the Renewal and Housing Agency. The Housing Bureau of the Health Department should be transferred to the new Agency and substantially expanded. Saturation enforcement should be conducted only pursuant to a comprehensive plan for the renewal of an area. The code should be applied with equal force to landlords and owner-occupants. Vigorous use should be made of lien and receivership powers in enforcement. The Health Department should retain its code development and rule-making powers and should concentrate upon the development and promulgation of a single comprehensive code and the development of higher standards

for use in areas threatened by future blight.

7. Responsibility for land clearance should be transferred to the new Renewal and Housing Agency. In addition to large area clearance activity, it should develop programs of small area and spot clearance to remove pockets of blight in better neighborhoods as parts of conservation and rehabilitation programs. Clearance powers should be used to provide space for industry and commerce. Clearance should become a tool used in a variety of areas to meet community needs and maintain an adequate supply of housing and other land uses.
8. The Renewal and Housing Agency should develop affirmative programs to encourage private investment in rehabilitation areas and to conserve investments in sound neighborhoods which may decline. The Agency should also work with private businesses and civic interests to encourage private development of cleared sites and to expand loan funds available in renewal areas.
9. A Revolving Fund for urban renewal should be established by the City to provide funds to meet limited local cash contribution requirements. This Fund should be built up and maintained at \$20 to \$25 million.
10. The Renewal and Housing Agency should be given responsibility for preparing detailed neighborhood plans in urban renewal areas. Such plans should conform to standards established by the planning agency.
11. The Renewal and Housing Agency should establish a staff to assist neighborhood and community groups in renewal areas. This service should provide professionally trained assistance to such groups in organizing for neighborhood action on a permanent basis, to help them to develop neighborhood programs, and to assist them in relations with municipal government. The Area Projects now under the Welfare Department should be transferred to the renewal Agency.

A new program of renewal can be launched now if the Mayor is free to reorganize the Redevelopment Commission, Housing Authority, and Planning Commission. It seems reasonable to assume that the members of these Commissions will offer their resignations to the Mayor in order to permit an immediate start. These eleven recommendations are presented as a single, coordinated package for immediate action. They are not designed for piecemeal adoption.

While these steps will permit early action toward an enlarged and comprehensive renewal program, revisions of state enabling legislation and the City Charter should be sought to strengthen the program. These include the following:

1. A revision of state enabling legislation should be sought to provide a permanent single Renewal and Housing Agency. This new legislation should provide an incoming mayor with power to appoint a majority of the board of such an Agency while preserving continuity of membership for a minority.
2. The Agency should be given authority to borrow temporary funds for working capital to carry on urban renewal activities without the necessity for issuing ad valorem tax bonds. Such power is essential to the very large temporary financing of renewal using available Federal aid.
3. The City Charter should be revised to give an incoming mayor authority to appoint a majority of the members of the City Planning Commission. Among its ex officio members should be the director of the Renewal and Housing Agency. Charter revisions should also clarify the responsibilities of the Department of Planning, provide for a single general plan, with continuing revisions instead of the series of unrelated "master plans" referred to in the present Charter, and require the preparation of a development program and capital improvement program.
4. Strengthen the Housing Court by establishing it on a permanent basis under state legislation.

In this brief statement are summarized only the most important recommendations of the Study Board. In the report itself, other findings, suggestions and recommendations are presented in detail.

In the past, Baltimore has been out in front through its efforts to halt urban deterioration. With the adoption of the positive and comprehensive program here recommended, Baltimore can maintain its national leadership and give its people not only a city free of slums in two decades, but at the same time a city gradually rebuilt

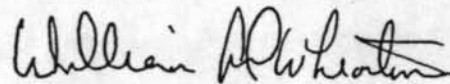
Honorable Thomas D'Alesandro, Jr.

- 6 -

September 12, 1956

by private and public investment on the foundation of joint private and public planning. Such a city will be good for business, commerce, and labor — but, most of all, for the men, the women, and the children who live and work in the Baltimore of the future.

Sincerely,



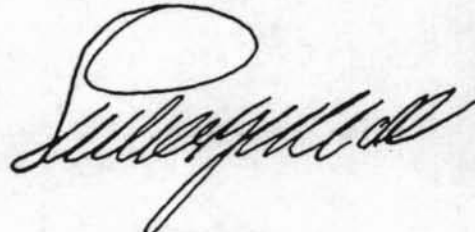
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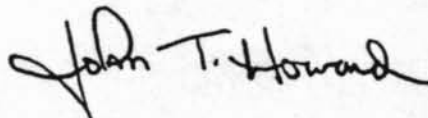
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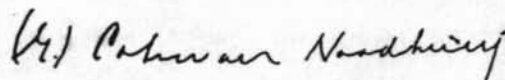
CARL FEISS



LUTHER GULICK



JOHN T. HOWARD



COLEMAN WOODBURY

HA86072

CITY OF BALTIMORE

THOMAS D'ALESSANDRO, JR., *Mayor*

URBAN RENEWAL STUDY BOARD

* * *

MEMBERS OF THE BOARD

WILLIAM L. C. WHEATON, <i>Chairman</i> Director, Institute for Urban Studies University of Pennsylvania	L. P. COOKINGHAM City Manager Kansas City, Missouri
CARL FEISS Planning and Urban Renewal Consultant Washington, D. C.	LUTHER GULICK President Institute of Public Administration New York City
JOHN T. HOWARD Partner, Adams, Howard and Greeley Cambridge, Massachusetts Associate Professor of City Planning, Massachusetts Institute of Technology	COLEMAN WOODBURY Consultant on Planning and Metropolitan Problems West Cornwall, Connecticut

STAFF

GEORGE DUGGAR, Bureau of Public Administration, University of California
Consultant on Administrative Planning

JACK MELTZER, Director of Planning, Southeast Chicago Commission
Consultant on Urban Renewal Activities

BERCHMANS T. FITZPATRICK, Counsellor at Law, Washington, D. C.
Legal Consultant

LOUIS P. DOLBEARE, City Planning Consultant, Philadelphia
Staff Officer

SPECIAL CONSULTANTS

SYDNEY B. MARKEY, Director, Philadelphia District, Health and Welfare Council, Inc.,
Philadelphia, Delaware and Montgomery Counties, Pennsylvania
Community Organization

A. M. HILLHOUSE, Graduate School of Business and Public Administration, Cornell Uni-
versity
Fiscal Resources

FRANK S. HORNE, Executive Director, Commission on Intergroup Relations, New York
City
Intergroup Relations

FOREWORD

Urban renewal is the new American frontier. During the last century that frontier was the development of the agricultural areas of the west and the mineral and other resources which have made this the most prosperous nation in man's history. In this century our population has become predominantly urban. Two-thirds of our people live in or near cities. Most of our recent growth has taken place in urban areas. Virtually all of our future population growth will occur in and around our cities. But these cities are largely the product of the nineteenth century. Their dwellings, factories and offices, their streets and community facilities are ill-adapted to the needs of mid-twentieth century civilization. Overcrowded, blighted, or threatened by blight, these cities must be rebuilt to meet the needs of our contemporary society and to serve the demands of a population blessed with an ever-rising standard of living. The conflict between the development of adequate transportation facilities and the creation of a satisfactory living environment must be resolved. This is the challenge of urban renewal.

The rebuilding of our cities to meet the needs of late twentieth century civilization will require the fullest use of private and public resources, but above all it will require the full exercise of the powers of municipal government. Government alone has the power, as representative of all people, to plan, guide, and carry out renewal and to enlist the support of those who must share in the task. Only city government is close enough to the desires and wishes of people in neighborhoods and in business to perform these broad tasks with democratic sympathy and understanding.

Municipal government requires more effective executive leadership and management to succeed in this challenge. Popular demand for a better environment is making urban renewal the major political issue. As people look to their mayor for political leadership, they must look to him also for the executive skills, and must give him the administrative resources to do the job for them. The office of the Mayor of this and every other large city must be equipped to discharge these obligations.

FOREWORD

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APPENDICES:

There are ten appendices to this Report of the Urban
Renewal Study Board which are bound separately.

- I. DATA ON MAGNITUDE OF PROBLEM AND SELECTED HOUSING MARKET FACTORS
 - A. Number of Substandard Units in Baltimore, 1956
 - B. Demolition and Rehabilitation Estimates, 1956-1975
 - C. Preventing Decline of Dwellings or Areas, 1956-1975
 - D. Relocation Load and Resources, 1956-1975
 - E. Costs of Program
 - F. Characteristics of Substandard Housing in Baltimore, 1950
 - Race and Tenure
 - Types of Households
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- II. GLOSSARY
- III. INTERIM URBAN RENEWAL ORGANIZATION
- IV. EXCERPTS FROM *BALTIMORE'S CITY PLANNING SYSTEM, COMMISSION ON GOVERNMENTAL EFFICIENCY AND ECONOMY, A SERIES OF SIX BULLETINS, AUGUST 1954*
- V. HEALTH DEPARTMENT ORGANIZATION
- VI. PUBLIC WORKS DEPARTMENT ORGANIZATION

- VII. ORGANIZATION OF THE CITY OF BALTIMORE
- VIII. OPERATION OF HOUSING LAW ENFORCEMENT IN BALTIMORE, 1939-1956
- IX. EXCERPTS FROM REPORT OF MAYOR'S COMMITTEE ON HOUSING SAFETY REQUIREMENTS, APRIL 2, 1956, C. WILLIAM BROOKS, CHAIRMAN
- X. EXCERPT FROM ORDINANCE ON THE HYGIENE OF HOUSING REGARDING THE LIEN POWER OF THE COMMISSIONER OF HEALTH (SECTION 114 OF ARTICLE 12 OF THE BALTIMORE CITY CODE OF 1950)

SUMMARY

Magnitude of the Problem

Scope of Urban Renewal. Baltimore recognizes that the physical deterioration of buildings in its older areas is a major problem. These areas must eventually be cleared and rebuilt. Baltimore must also recognize the growing necessity for improving neighborhoods not now deteriorated but merely obsolete or becoming obsolete. An ever-growing proportion of American families have the means and the desire to live in better homes and neighborhoods. As our economy expands further, the number of families able and willing to afford a better physical environment will grow even more rapidly.

If the City of Baltimore is to remain a community which continues to attract a reasonable cross section of its employed population, it must face the problem of making more of its residential areas competitive in many respects with those of its surrounding suburban districts. Recognition of this need considerably expands the areas requiring urban renewal treatment. Renewal must therefore deal with areas now substandard, areas becoming substandard in the future, areas which are merely obsolete or beginning to decline, and even fairly good areas which may decline in the future unless improved. Renewal, in short, includes slum clearance, the rehabilitation of declining areas, and the prevention of decay in areas now sound. It also includes community action to provide adequate modern industrial and commercial land where new uses are required by the community in older areas.

Substandard Dwellings. As of the present time, it is estimated that there are 55,000 physically substandard dwelling units in the City of Baltimore. These are units whose structural condition or lack of plumbing and heating facilities classifies them as below the standards acceptable for American families. The number of substandard dwelling units is reduced by programs which compel the installation of plumbing or other facilities, but where these improvements are made in structures lacking inherent qualities of soundness, durability, or amenity, the improvement defers but does not reduce the ultimate need for replacement. Presumably

the number of deteriorated structures is increasing each year as a result of the cumulative deterioration of the large supply of older dwellings not now considered substandard. At the present time, Baltimore's improvement programs are barely keeping pace with the number of units becoming substandard.

Approximately 50,000 of Baltimore's substandard dwellings are in areas which must be classified for clearance. They are marked by such characteristics as 50 percent or more substandard dwellings, high density of population, limited quantity and quality of public and private open space, poor design of structures and streets, incompatible land uses, and the existence of substandard business structures—all cumulatively creating conditions which are recognized as inappropriate for residential areas under contemporary standards of living. Many of these areas must eventually be cleared and rebuilt. There are 10,000 dwellings in these areas which are not individually substandard but must be classed as such by reason of their location. Thus there are about 65,000 units in the city as a whole which may be categorized as substandard.

The scale of clearance and rebuilding in such areas must be large enough to permit the development of a new environment which is free of heavy through traffic; which provides for reasonable separation of industrial, commercial and residential uses; and which provides such amenities as open space. They must be attractive enough to assure a suitable residential environment for adults and children. It must be recognized that in this process of clearance and reconstruction of substandard areas a number of individual physically standard dwelling units and buildings will have to be demolished and replaced.

Rehabilitation and Conservation. Approximately 15,000 substandard dwelling units are found in areas which are not in themselves substandard. Many of these substandard dwelling units should be cleared to eliminate their blighting influence upon the neighborhoods in which they exist. Others may be susceptible of rehabilitation. Still others, and some standard dwelling units, should be cleared to provide the space for

community facilities and open space needed to encourage private rehabilitation of these areas.

The remainder of the city, including even newly developed areas, might well be subject to conservation. Many of the neighborhoods contain older dwellings, but they are either stable or just beginning to decline. There may be a few scattered substandard dwellings which should be scheduled for removal or rehabilitation in order to forestall their blighting influence upon the rest of the neighborhood. Conservation programs may also require some volume of clearance in order to provide space for needed community facilities. Frequently, however, conservation will not require either clearance or rehabilitation action, but merely protection from future decay.

This study concludes that about 80,000 units must be affected directly by rehabilitation-conservation treatment. This figure assumes adoption of a comprehensive urban renewal program and largely ignores the influence of obsolescence and rising housing standards. At least 45 percent of the city's total housing inventory, and neighborhoods comprising a large part of the city, will require attention during the next twenty years.

Requirements Stemming from Public Works. The magnitude of Baltimore's renewal problem will be sharply increased as a result of the clearance activities arising from public works programs for schools, parks, playgrounds, and other neighborhood needs. Still larger clearance requirements will arise as a result of Baltimore's efforts to build a modern system of urban expressways. At least 10,000 units will be demolished as a result of these public works activities. Such demolition will tend further to concentrate population in existing substandard or declining areas and will tend to support conditions of overcrowding and excessive use in the housing market which contribute to deterioration and blight—unless a coordinated program of renewal takes place, including relocation services available to those displaced. The total relocation load resulting from all displacement factors is estimated to be approximately 60,000 families over a twenty-year period.

Requirements Stemming from New Population Growth. In addition to the necessity for the clearance of substandard and other units, the city must continue to provide a substantial volume of new housing to accommodate population growth resulting from migration of families to Baltimore and the expanding number of families being formed as a result of natural increase within the metropolitan area. The 13,000 dwelling units which have been built each year during the postwar period have chiefly served these needs. Some comparable volume of building must be maintained to provide for future migration into Baltimore and for its growing number of families. These data further emphasize that unless the total metropolitan housing supply is expanded to meet both relocation and new population pressures in the housing market, the continued use of overcrowded and substandard dwellings will prevent the orderly adjustments in the market which are needed for a truly effective renewal program.

The City must also take cognizance of the fact that most of the metropolitan area's future population growth must necessarily occur in the suburban areas. The City must cooperate with these areas to prepare plans to assure a balance of residential and other uses of land in all parts of the metropolitan area.

Dynamic Factors Affect Problem. The characteristics of Baltimore's problems will be influenced greatly by a number of factors whose significance cannot be assessed precisely at this time. Most importantly, their presence needs to be known and understood so that program plans can be adjusted accordingly. Among these factors are the increasing nonwhite population, the scope and kind of development activity that results in making more homes available to Negroes, the degree of Federal aid available, and the number and proportion of rental units in the over-all housing inventory. Since renewal programs will operate in disproportionate degree in areas occupied by Negroes, it is essential that existing inequities in the availability of mortgage funds and opportunities for purchase be progressively reduced.

Present Program and Administrative Organization

Urban renewal is the term used to describe the coordinated activities of public and private organizations and individuals cooperatively contributing to the development, preservation, or redevelopment of the city. These actions have traditionally occurred with a minimum of conscious community coordination. It was hoped that individual decisions and the decisions of different agencies of government would produce a workable city. This *laissez-faire* philosophy has occasionally produced brilliant private or public achievements in city building but more often it has produced blighted areas, congestion, high costs, and obsolescent or inefficient cities. Public awareness of these deficiencies has grown during this century and has led to the adoption of public and private controls and standards to help assure the development of better and more enduring communities. As cities have become increasingly concerned and increasingly active in housing, slum clearance, city planning, industrial development, and other fields, there has been a growing recognition of the need for conscious and deliberate control, not only of new building activities, but also of the maintenance, conservation, and rebuilding of older areas.

Baltimore has been in the vanguard of American cities in developing the methods and techniques for urban renewal. Now, however, there is a concern that it cannot measure up to its responsibilities and obligations, notwithstanding the pride in past accomplishments. The basic tools and programs exist; but inadequate planning, lack of effective coordination, weakness of administrative organization, certain internal administrative deficiencies, lack of clear-cut or improper program designations to agencies, legislative handicaps, and other limitations impair their effectiveness.

Glaring limitations revealed in many ways are the Mayor's lack of staff assistance, administrative policy controls, and other resources that are essential to the executive direction of the City. He is not in a position, therefore, either to develop program goals based on comprehensive planning or to execute them effectively.

The Planning Function. Some years ago,

Baltimore reorganized its planning program and developed the basis for a systematic approach to this important municipal function. The foundation thus laid has provided guidance for many of the city's most notable post-war developments. As one result, Baltimore was among the earliest of American cities to certify redevelopment areas and to begin preparations for the urban redevelopment program authorized by the Housing Act of 1949.

There are a number of basic deficiencies, nevertheless, that cripple the effectiveness of the planning function. Among these are: the absence of a general or comprehensive plan, insufficient delineation and classification of areas to enable good neighborhood planning, inadequate participation in a capital budgeting program, limited relationships with the Office of the Mayor, and a lack of centralized executive authority in the hands of the Director of the Department of Planning.

Zoning. Baltimore's zoning deficiencies have contributed to the deterioration of many areas, by permitting the intrusion of incompatible land uses, and such overbuilding on the land as to overload the streets and other community facilities and reduce light, air and amenity below levels currently acceptable. The zoning regulations are antiquated in respect to density, set-back controls, and use regulations. The areas zoned for business or industrial use are excessive and often encompass predominantly residential areas, thus offering little or no protection to such areas. The map reflects the fact that the original zoning was adopted without benefit of a comprehensive land use plan, and has been amended since in piecemeal fashion. As in so many cities, the original purposes of the zoning ordinance have often been nullified through approvals of appeals for changes. Though Baltimore's zoning has prevented the more flagrant abuses of land use and density, it is so out of date that it is a tool of little effectiveness in contributing to the objectives of urban renewal.

Public Housing. The Housing Authority has a good reputation for administrative competence and valuable program devices applicable to urban renewal. It has developed a commendable public housing program, and its relocation service has materially aided

urban renewal. It has not been integrally linked with renewal, however, so that it has not made the contributions toward broader renewal programs that are possible. Policy revisions and legislative changes are needed.

Redevelopment. The Baltimore redevelopment program was organized to clear slums, with Federal aid for private and public reconstruction. This program has served to demonstrate the feasibility of cooperative public and private action to achieve the rebuilding of old and hopelessly blighted sections of the city. At the same time it has also shown the complexity and difficulties involved in such efforts. The program of the Commission has often been bogged down, confused, and uncertain—conditions to which Federal administrative delays have contributed. Local dissatisfaction with these weaknesses has not diminished support for redevelopment.

The program organized to engage in the clearance of compact slum areas is incapable of assuming the much more complex responsibilities of partial clearance, rehabilitation, and conservation involved in the broader concept of urban renewal. In addition, any substantial increase in the scale of renewal operations will require thorough reorganization.

Housing Law Enforcement. The citizens of Baltimore, in cooperation with their government, have launched a pioneering effort in housing law enforcement. The establishment of the Housing Court, Housing Bureau, Police Sanitarians, and the inauguration of area-wide code enforcement activities attracted national attention to Baltimore in these fields and, with such endeavors as the Fight Blight Fund, contributed to the recognition of the importance of such efforts in Federal programs of aid authorized in 1954. Experience has demonstrated the essentiality of code enforcement in establishing minimum standards of health and safety in older blighted areas. But also, it has revealed the administrative and legal complexities encountered when this essential tool for urban renewal operates outside the framework of related programs.

Law enforcement activities to date have demonstrated that they alone will not generate permanent improvements and sustained community morale. They have shown that it

is essential that better planning, public and private investments, continuous community support, and a sound long-range strategy of renewal are essential to achieve a maximum usefulness from enforcement.

Citizen Participation. Baltimore has also pioneered in the organization of private groups and resources in support of renewal action. Its experience has shown the necessity for neighborhood planning and participation in community improvement. It has demonstrated the necessity of special means for securing the cooperation of private lenders to assure the achievement of community improvement programs. Baltimore's experience also has demonstrated that a higher degree of individual, neighborhood, and private cooperation are essential if the gains made through renewal efforts are to be sustained and are to provide a foundation for further progress.

General Administrative Weaknesses. Baltimore's urban renewal program has been delayed and handicapped by organizational and administrative problems comparable to those of many other cities. Some new administrative units have been established. Other new programs have been grafted on to the existing organizations of municipal government. All of the programs have faced acute difficulties in procuring adequately trained professional personnel and in developing the new procedures and methods necessary for new types of activities never before undertaken by municipal government on a broad scale. These administrative difficulties have been further complicated by the necessity for conforming to excessively complicated and detailed Federal procedures which have slowed the whole process of renewal action.

As a consequence, there has been considerable variation in the vigor and the scope of the several programs undertaken by the different agencies involved. While certain activities of code enforcement have been pushed with commendable vigor, others have as yet reached only a pilot stage. Slum clearance for private redevelopment has been painfully slow and at times has been brought to a complete standstill. Planning for comprehensive renewal has only recently begun, and essential elements of a comprehensive general plan

into which renewal programming might fit are still lacking.

The internal administrative problems of the agencies concerned with urban renewal are further complicated by the slowness with which municipal government itself has adapted its administrative standards to contemporary needs. Municipal salaries and standards of recruitment in Baltimore are substantially below the level of the best municipal governments. City government is one of the biggest and most complex of American enterprises. It should be in a position to employ the most able, the best trained, and the most skilled and to reward them accordingly. Far too often, however, it has depended upon the self-sacrifice of a limited number of dedicated public servants and the indifferent assistance of too many mediocre employees.

Lack of Coordination. The internal problems facing each of the agencies engaged in urban renewal have been further complicated by the extraordinary need for coordination between them. At least a dozen different agencies, departments, and bureaus in Baltimore's municipal government now have some interest in urban renewal. An enforcement effort can generate sustained community improvement only if it is coupled with improvements in municipal services, the installation of needed community improvements, the elimination of hopelessly substandard units, and the active participation of the residents of the area affected. This means that all departments of municipal government must participate actively, aggressively, and with sympathy and understanding in a total program aimed at the rejuvenation of a neighborhood. In Baltimore, the administrative means for such coordination have been totally lacking. The little existing coordination has been achieved by the voluntary efforts of the heads of the several departments affected. This has proved insufficient despite the commendable efforts of individuals involved.

Baltimore's experience with urban renewal has shown that unless effective measures can be developed for coordinating public works, schools, highway development, and recreation facilities, urban renewal cannot succeed. The more limited activities of code

enforcement, or rehabilitation, or clearance will fail to achieve their full potential. The belated recognition that a substantial portion of the Broadway area must be devoted to public use in order to provide an adequate incentive for private investment is a clear demonstration of the necessity for such coordination. Similar experiences in the Pilot Area have demonstrated that the provision of a needed community facility is essential to the development of private action and that the absence of adequate measures to channel through traffic around neighborhoods is a major impediment to the preservation of community morale.

The lack of central responsibility for the coordination and for the development of a truly comprehensive program has also left substantial gaps in Baltimore's renewal activities. There is no program for spot clearance of substandard units in salvageable neighborhoods, no program to encourage private modernization and improvement of dwellings above the minimum levels required by present codes, no program to use renewal tools to encourage industrial growth on a systematic basis, and no systematic municipal support for the efforts of private industry to encourage investments in older areas. While these deficiencies have been recognized by the Mayor in the appointment of an Urban Renewal Coordinator with responsibility for the coordination and planning of a better and broader program, he is limited by the organizational arrangements with which he must work.

Inadequate Community Support. Baltimore's experience with urban renewal has also demonstrated the need for continuing community support for neighborhood improvement. The enthusiasm developed in neighborhoods during enforcement campaigns has died shortly after the campaign ended. Without sustained community interest, areas have slowly returned to a condition only slightly better than before improvement action began. These experiences have shown that sustained improvement requires the sustained support and active participation of local residents. They must be willing to make continuing sacrifices of time, energy, and money to maintain standards in the neighborhood. To achieve this degree of participa-

tion, it is clear that a neighborhood must have leadership, municipal support, professional community organization advice, and access to needed financial resources. The neighborhood plan must be based upon the desires of the residents expressed through their own leadership. It must be their plan if it is to maintain their support. Failure to achieve this kind of continuing resident participation has been the greatest failure in Baltimore's efforts to date.

Program Too Small. Baltimore's renewal activities to date have fallen far short of the volume of activity needed to prevent the growth of slums and blighted areas and necessarily far below the levels needed to eliminate slums and blight from the city. It is estimated that the pioneering efforts of the last five years have left the community with the same number of substandard units—and an even larger substandard area—than it had five years ago. Clearly, the scale of activity must be substantially increased if Baltimore is to achieve its goal of rebuilding the city in keeping with its standards and its vast possibilities.

Inadequate Investment Planning. The character of renewal activities to date has not provided assurance that private investors could carry their share of the renewal load at reasonable risk and with reasonable opportunity for a competitive return on investments. Decisive improvements in renewal planning and programming and in the pattern of public expenditures will be needed to provide the incentives necessary to evoke the required large volume of private investments. Unless there is a clear-cut reorganization of the programming of capital investments by the City, there is little possibility of increasing the volume of renewal activity to the required levels. Efficient, well-planned, and effectively coordinated programming of municipal capital improvements will be required for Baltimore to raise the local, Federal, and private funds for a vastly enlarged renewal program. Private investors can and should pool their resources to provide an equity capital fund for projects of wide utility to business.

A Proposed Program for Urban Renewal

A comprehensive urban renewal program must provide the means by which the city assures itself of an adequate supply of housing of appropriate standards in its central and older areas. Such a program must also assure steady improvements in the quality of the housing supply and the quality of residential areas to accommodate the full range of income groups which desire or need to live in the city. Finally, a comprehensive renewal program must take cognizance of the needs of an expanding economy for additional space for industry, for highways, and for community facilities. It must serve to accommodate the changes of land use necessary to meet these needs at the times when the needs arise and at costs which are within the resources of the urban economy.

Such a comprehensive program must recognize that the standards of tomorrow will be higher than those of today. It must build today to meet the needs of a richer and more prosperous city of the future. It must avoid building or rebuilding which is doomed to premature obsolescence because it fails to meet the standards of an expanding economy. It must seek to resolve the fundamental issues and conflicts facing urban life today.

Such a program should have as its goal the elimination of present substandard dwellings and areas from Baltimore in the next 20 years. It will involve these elements used in various combinations with each other:

- Comprehensive City-Wide Planning
- Community, Urban Renewal Area, and Project Selection and Delineation
- Urban Renewal Area and Project Planning
- Capital Budgeting
- Construction and Maintenance of Public Works
- Operation of Public Service Facilities
- Research
- Private Enterprise Participation
- Slum Clearance (Redevelopment)
- Public Housing
- Rehabilitation
- Inspection, Enforcement, and Other Regulatory Measures
- Conservation
- Community Organization
- Relocation

In their application, they must achieve these goals:

1. Rehabilitation of dwellings to prevent their more rapid deterioration and to prolong their useful life.
2. Effective conservation measures in the better areas of the city to preserve them, recognizing that slum prevention is cheaper than slum clearance.
3. Eventual clearance and rebuilding of central city slum areas.
4. Temporary code enforcement and rehabilitation measures in clearance areas to bring substandard dwellings there up to minimum standards for habitation pending clearance.
5. Wide use of renewal powers to clear pockets of blight in salvageable neighborhoods.
6. Wide use of renewal powers to provide space for business and industrial growth and expansion of community facilities in areas now blighted.
7. The coordination of city planning and public works activities to achieve maximum use of local expenditures for urban renewal.

Needs of the Baltimore Economy. The expansion of business and industry in Baltimore will necessitate the clearance of some areas now in residential use. Much of Baltimore's business is now conducted in old buildings located in areas which cannot provide the space for modern industrial processes, for employee and customer parking, or for the amenity required by competitive business today. As business and industry expand, and old buildings are replaced, these space requirements may compel many firms to locate in suburban areas. The firms which need and should have central locations, however, must be assisted to remain in the city. Space should be available for new industries with central location requirements.

Unless the community is prepared to use urban renewal powers to accelerate any needed transition of older residential areas to new business and other uses, it will be unable to attract and maintain the economic activity which is essential for its continued growth and prosperity. We have no estimate of the magnitude of renewal activity

needed to accommodate such changes in land use, but we presume that most of these needs can be accommodated in areas previously described as substandard or in need of clearance for other reasons.

Guides for Urban Renewal. A program for the substantial elimination of blight and slums in the next 20 years will require a three-fold increase in present levels of renewal activity. Since such an increase seems to be economically feasible, a 20-year program has been assumed as a reasonable goal for the city. Such a program, however, implies that about five per cent of the presently substandard units will be cleared each year. Some dwellings now substandard will not be cleared for 20 years. Most of these dwellings will be occupied throughout the next generation.

Renewal treatment must be tailored to this schedule for clearance. Only minimum improvements, or no improvements at all, should be made in dwellings scheduled for early clearance. Dwellings scheduled for clearance 10 or 15 years hence must certainly be improved to provide minimum standard accommodations for their occupants during the intervening years. They cannot be completely renovated or modernized, since they will be demolished before such modernization investments can be fully amortized. Dwellings scheduled for clearance 15 to 20 years hence could warrant substantial improvements approaching complete modernization where the market will support the investment required for modernization.

A comprehensive urban renewal program, therefore, must observe these conditions:

1. All dwellings should meet minimum standards for safe and healthy habitation.
2. The improvements required should not exceed an amount which can be amortized in the prospective remaining life of the structure and the neighborhood as measured by present conditions and prospective rates of rebuilding.
3. Improvement investments above the levels required by minimum code standards should be encouraged up to the level which market conditions will permit.
4. The city or the neighborhood should bear the cost of improvements which are required for the betterment of an area, but

which are not justified by the prospective return to specific property owners.

5. In the total housing supply there should be sufficient accommodations for each income level at all times. Maintaining a balanced supply is essential since renewal will necessarily require some increase in family expenditures for housing. While many families can afford such increases in private housing, others cannot and their needs, too, must be met.

Preventing Deterioration in Stable Neighborhoods. Stable residential neighborhoods or those which are only beginning to decline are the areas which 20 years hence will be blighted or threatened by blight because of their physical deterioration, because of the competition of other areas, and because of the natural succession of occupancy which affects all residential areas. These stable neighborhoods should be given remedial treatment now to preserve their future economic life and to defer or, if possible, prevent their ultimate deterioration.

In such areas violations of minimum codes are rare and code enforcement will be of limited usefulness. Owners generally have pride in their properties and are willing to make some continuing investments for maintenance and improvement. The availability of community facilities and the quality of public service may have important effects on sustaining neighborhood spirit or permitting its slow decline. Renewal activities in such areas will emphasize private action and investment. It should rely primarily upon the organization of neighborhood groups for community improvement. Municipal programs to improve the quality of municipal services, to provide needed community facilities, and to prevent the intrusion of inharmonious land uses, or to eliminate inharmonious uses if they already exist, should supplement and reinforce the activities of neighborhood improvement groups.

Treatment of Declining Areas. Areas which show clear evidence of the beginning of decay or decline need more vigorous renewal action. Here property owners may already hesitate to make normal maintenance or property improvement expenditures. Vigorous action by organized neighborhood improvement associations is essential. Such as-

sociations can provide some of the assurance of cooperative action and some of the incentives necessary to encourage individual owners to maintain and improve their properties. In accordance with renewal plans, municipal government must take vigorous steps to clear isolated substandard dwellings, to provide a high standard of community facilities, to eliminate inharmonious land uses which threaten to accelerate blight, and to encourage private investment in new construction on useable vacant sites. Code enforcement will be needed in some areas but standards of maintenance and repair should be encouraged at levels far above those now regarded as subject to police power and enforcement.

Treatment of Areas Scheduled for Ultimate Clearance. Areas which are now substandard but which cannot be cleared for a decade or longer, and areas which are now severely blighted but may be salvaged or may be classified for clearance at some future time, need the full complement of renewal planning and action. Comprehensive area code enforcement is needed to bring all dwellings to the minimum standards enforceable under law. Attempts should be made to develop higher standards applicable to such areas. Where the market permits, area rehabilitation programs should be developed and put into operation to encourage property owners to modernize and improve properties to the maximum extent possible under local market conditions. Clearance of parts of these areas may occur where opportunities exist for encouraging private investment in new facilities of permanent usefulness to the community. Clearance may be required for the construction of community facilities which will complement the area's present residential uses and also its future land uses.

Citizen participation should be encouraged upon the assumption that for an indefinite period it will be needed to play an active part in the maintenance and stabilization of the area, to play an important role in planning for eventual reconstruction, and to provide continuing support for public and private investment efforts.

Treatment of Deferred Clearance Areas. In areas scheduled for clearance a decade or more hence, code enforcement is a basic tool.

Here the primary objective is to bring structures into conformity with minimum standards for healthy and safe habitation and to encourage only such additional rehabilitation as may clearly be amortized during the remaining years of useful life. Community organizations should be encouraged particularly to support the maintenance of minimum standards after an initial enforcement campaign. Continuous policing of compliance with minimum codes will be necessary because incentives for private action will be minimal. The enforced demolition of structures which warrant no further investment should be encouraged. The community should give consideration to the gradual acquisition by open market purchase on advantageous terms of vacant sites in such areas. Clearance may be undertaken as opportunities for new private investment arise and where it is feasible to provide improvements of value to the future rebuilt area.

Treatment of Early Clearance Areas. Minimum code enforcement and demolition are primary measures to be taken in early clearance areas. Rehabilitation investments above the levels required by the code should not be encouraged, as these will merely serve to increase the ultimate acquisition cost. Voluntary demolition by owners of substandard dwellings should be encouraged by the availability of a revolving purchase fund to permit public acquisition of idle vacant properties after demolition takes place. Clearance and reconstruction on these sites should conform to the future land use and street plan as opportunities to provide needed community facilities or to encourage new private investment arise.

Priorities in Renewal Treatment. The Baltimore city planning and renewal organizations should establish standards for scheduling renewal treatment of different types of areas at an early date. Baltimore's experience suggests that code enforcement and rehabilitation efforts in rock-bottom slums present almost insuperable obstacles to durable renewal achievement. The experience of other cities suggests that the relatively small public expenditures involved in establishing the limited conservation-type of renewal programs in stable and declining areas may pay off many-fold in the long run by preventing the further spread of blight and thus

reducing the ultimate cost of clearance. Clearly some of the greatest opportunities for joint public and private action exist in areas which are not yet slums but which are seriously threatened by deterioration. Only a careful study of the relative economic advantage to the city of expenditures for conservation, rehabilitation, or clearance can establish the most advantageous distribution of available resources.

Several guides to action are suggested:

1. All areas should be brought under some type of treatment at the earliest possible time. The community cannot afford to neglect any of its good, its declining or deteriorated districts. Slum prevention now is cheaper than clearance of the same area later.
2. Private investment can often be encouraged most easily in the less deteriorated areas.
3. Clearance of rock-bottom slums should take advantage of and be guided by opportunities to encourage new private investments which will expand and reinforce the community's capacity for ultimately completing the renewal job.
4. A large proportion of the city should be designated for conservation, subject to some form of renewal treatment. Care should be exercised in designating clearance areas which cannot be cleared for many years.
5. Planning for the City of Baltimore is intimately related to developments in the surrounding suburban area. Metropolitan cooperation for the development of a metropolitan plan is essential to local planning in both the city and the suburbs.

Limiting Factors on Renewal. Relocation needs will arise as a result of the clearance of substandard areas, clearance for public improvements and as a result of economic upgrading of areas which are substantially rehabilitated. The necessity for orderly and humane relocation will be a major limiting factor upon the volume of urban renewal activity resulting in displacement which can be undertaken at any one time, especially because of the severe impact on the nonwhite population. Public housing has carried a substantial part of the relocation load in the past

and it may be expected to carry a similar proportion in the future. This will necessitate continued expansion of the public housing program. At the same time a much larger expansion in public housing requirements can be avoided if sound private rehabilitation is encouraged on a widespread basis in areas scheduled for clearance in later years and where rehabilitation is feasible. To the extent that rehabilitation programs result in high rental properties, however, they cannot be expected to meet the most urgent relocation needs.

Baltimore should adopt a positive relocation policy which affirms the responsibility of the City for relocating families displaced by major improvements. Such a policy, with administrative means for implementing it, is needed in order to assure that relocation arising from renewal programs can be accommodated in conjunction with other needs.

Public and Private Housing. Both public and private housing are urgently needed on vacant land to expand the supply of housing for low-income families and thereby reduce the effects of overcrowding on existing declining, but not yet blighted, areas. Public housing should be viewed as a vehicle for relieving the high density of low-income families in areas not yet blighted by supplying accommodations for them on presently vacant land. Public housing should also be used to provide small projects in transition areas accompanying private developments for moderate income families. In such locations public housing may well serve to encourage and protect private investment. Such a policy would have the additional benefit of reducing the size of present public housing projects and therefore encouraging a more normal pattern of population distribution. The responsibility of the community for assisting moderate-rental private housing must be more specifically recognized. The municipality should be willing to make special efforts to encourage private investments which abate the need for other more costly public programs.

Highway Planning and Urban Renewal. Until Baltimore has planned and developed an expressway, traffic, and transit system which can divert most central business dis-

trict travel from neighborhood streets onto major thoroughfares and expressways, it will be difficult or impossible to develop effective neighborhood improvement programs in the areas surrounding the central business district. Far too many local streets carry far too much through traffic in these areas. The existence of this through traffic impedes the development of community incentives for neighborhood improvement. The highway program will also compete with urban renewal for Baltimore's capital funds throughout the next 20 years. For these reasons it is essential that highway planning and urban renewal planning be coordinated from the outset so that each may complement, rather than compete, with the other.

Community Facilities and Public Works. Baltimore needs schools, playgrounds, parks, highways, health facilities, and other improvements on a vast scale. These are the improvements which Baltimore must use as its contribution toward Federal-aid renewal programs. These public works undertakings can be programmed as a part of the renewal program so as to assure that each municipal expenditure for a needed community improvement becomes Baltimore's contribution toward urban renewal.

Neighborhood Organization and Morale. Effective urban renewal cannot be imposed upon communities. It must grow out of their felt needs and desires. All are familiar with the standards of maintenance and community behavior which characterize newly-built neighborhoods. The absence of this spirit of community and individual action is a major cause of the decline which leads to decay and blight.

The reconstruction of a sense of pride in home and neighborhood, individual willingness to maintain property, and community enthusiasm for improvement are essential elements in urban renewal. They cannot be reestablished quickly or easily. They cannot be imposed by outsiders. They can be fostered by neighborhood groups, encouraged by the availability of professional community organization advice, assisted by concrete evidence of municipal willingness to support such efforts, and perhaps induced by evidence that the city is willing to aid individual and

neighborhood efforts at community improvement.

For these reasons, urban renewal requires major concentration upon assistance to neighborhood organizations and leaders in their efforts to develop renewal programs. City government must become a friendly assistant in this work. Special efforts must be undertaken to assure that government is responsive, fair, patient, and willing to consider the ideas of the residents. Through such a process government can be brought closer to the people and the people can undoubtedly be led to feel their responsibilities toward their neighborhood more vigorously and more effectively. Such a relationship can lead to individual and neighborhood willingness to make the financial and other sacrifices needed to sustain and improve neighborhoods. Again, in this context, citizen participation among the Negro population will be most essential.

The above program elements are inseparable when applied in a comprehensive renewal approach. They must tie together in a single coordinated endeavor rather than being used as bits or pieces in the attack on urban problems.

Organization and Administration

To achieve an effective and comprehensive urban renewal program of the character described herein, the City government must be organized for more efficient administration of the elements in a comprehensive urban renewal program, for more effective coordination of many operations of municipal government, for close daily liaison with all neighborhoods in the community, for affirmative working relationships with private industry, and for the careful planning and utilization of available public funds. The administrative changes described below are designed to achieve these ends. Many of them can be put into effect at once through action of the Mayor, the Board of Estimates, and the City Council. Others will require careful study during the next year, and eventually will require changes in the Charter of the City or in State enabling legislation. The recommendations which can be implemented immediately will assure a vigorous beginning. Those which require State action will enable

the program to gain momentum and scale.

Establishment of a Renewal and Housing Agency. The major urban renewal and housing functions of the City of Baltimore, now scattered in four separate agencies or departments of municipal government, should be concentrated in a single operating agency. These functions include the administration of public housing now conducted by the Housing Authority of Baltimore City; the administration of urban redevelopment programs, now administered by the Baltimore Redevelopment Commission; the housing law enforcement activities, administered by the Housing Bureau of the Health Department; central relocation services now conducted by the Housing Authority; and detailed neighborhood planning, a program conducted by the City Planning Department. All of these functions must be operated under a unified direction and control in many areas of the city if all of the available tools for urban renewal are to be brought into effective action.

In addition to the reorganization of these existing functions of urban renewal, certain new functions must be administered by the same renewal Agency. These include:

1. Effective municipal assistance to private business in renewal action, including planning redevelopment, rehabilitation, and conservation.

2. Municipal community organization services to enlist citizen participation by neighborhood groups for urban renewal and continuing liaison between such neighborhood groups and municipal government. This will require absorption of the Area Projects, now administered by the Department of Public Welfare.

3. Programming of neighborhood renewal action to make certain that the proper combination of actions is taken and resources allocated for individual areas, resulting in a balanced treatment for the entire city. This will assure effective participation by municipal departments and private investors as market conditions and opportunities permit.

4. Participation in tight programming of municipal capital improvements to assure that a large proportion of such expenditures is used to secure matching Federal grants for urban renewal.

The new Renewal and Housing Agency (RHA) should utilize the existing legislative authority and powers of the Mayor and City Council of Baltimore in conjunction with those of the Housing Authority of Baltimore City as its legal foundation. The special financial, administrative and legal powers of this Authority enable it to take decisive and speedy action in planning, land acquisition, management of properties, disposing of properties, and in obtaining loan funds outside of the normal debt limits of the city. The Authority also has a nucleus of staff and administrative machinery which, combined with the resources of other agencies, will enable it to make an early start on a broader program. The new Agency should be reconstituted to give an incoming Mayor effective control over its policies. Since it will perform both direct municipal and special authority functions, its director must have the continuing confidence of the Mayor and Council and should be appointed by the Mayor with the agreement of the Renewal Agency Board. He should be a person with specialized training and experience in housing and urban renewal.

Reorganization of City Planning Functions. The City Planning Department should be reorganized to concentrate its attention upon the preparation of a general plan, the development of general standards for urban renewal, and participation in the preparation of an effective capital budget and capital improvement program.

Until a comprehensive city plan is prepared which sets standards to guide the development of the various areas of the city, its major land uses, its main transportation routes, its coordinated system of community facilities, and its principal city-wide services, local urban renewal must proceed cautiously. Such a general plan provides a framework within which neighborhood planning can be carried on. The general plan must also establish the land uses, population densities and other standards which guide detailed neighborhood plans, a long-term development program, and a four-year capital improvement program.

The preparation of a long-term capital improvement program which will bring together all of the needed public works programs

of municipal government, establish priorities for them, and schedule their construction and the financial requirements incidental thereto, is essential for orderly and efficient municipal administration and to secure matching Federal grants for urban renewal. The development program should show improvements foreseen as needed during a twenty-year period to carry out the general plan. Those which are required and feasible in the early future are transferred to a four-year capital improvement program to appear in succeeding years on the annual capital budget. This function must be performed for the Mayor by the city planning staff and in cooperation with the office of the budget director. Here, too, urban renewal is dependent upon the more effective performance of a larger function for all of city government.

These two major responsibilities, comprehensive general planning and capital improvement programming, will set many major policies for municipal government. It is essential, therefore, that the Mayor have effective control over these important policy-forming activities. To strengthen this control, the planning staff and its director should be appointed by and made responsible to the Mayor. The Director should be a professionally trained planner of wide experience and administrative ability. Experience with capital budgets would be desirable. The Planning Department would then become a staff arm of the Mayor. The City Planning Commission should also be reorganized so that it can perform its zoning and other quasi-legislative functions in the light of a full understanding of the policies being pursued by the municipal administration. To assure this end, the Director of the Renewal and Housing Agency should be made a member of the Commission *ex officio* in addition to the Director of Public Works. The appointment of members of the City Planning Commission should be staggered to provide an incoming Mayor with a working majority, while preserving sufficient continuity of membership to maintain an orderly development of policy by the Commission. It would be desirable for the City Council to establish a special committee on city planning to assure broader council acquaintance with planning. Such a committee might well supplant the existing

single councilmanic membership on the Planning Commission.

Revision of Powers of the City Planning Commission. The powers conferred upon the City Planning Commission and Department by the present Charter are numerous, complicated, obscure, and—in some cases—inoperable. These powers need clarification and simplification to emphasize the function of the comprehensive general plan rather than numerous public improvement plans, to stress the coordinating function of the city plan, and to incorporate the vital elements of standards-setting and of the capital budgeting program in the planning process. The respective powers of the Department and Commission should be distinguished in accordance with this report.

Coordinating Functions of the Mayor's Office. The Mayor is the elected leader of municipal government. As such, he is responsible for the development of policy as well as for effective administration of municipal affairs. His office must be equipped with staff aids necessary to secure the careful studies needed in policy formation and to give him effective supervision over the administrative functions of city government. In the long run these responsibilities will require the establishment in the Mayor's office of staff services responsible for city planning, budgeting, and administrative management generally. The Mayor presently must carry on these functions with limited direct assistance and through other offices not responsible directly to him. The most capable executive secretary would not find it possible to provide these services under existing arrangements.

Immediate steps toward the achievement of these ultimate objectives require that the Department of Planning and its Director be made responsible to the Mayor. They also require that the Mayor's office be equipped with a skilled assistant responsible for advising the Mayor on the coordination of development activities in the city. This development assistant should not have direct supervisory responsibilities. Rather, he should serve as an aid to the Mayor by keeping him advised on the development activities of all branches of city government. In addition to the direct operations of the renewal program, these include the planning and construction of high-

ways, parks, playgrounds, schools, public utilities, airports and harbor facilities; the transit, circulation, and traffic plans and programs; the promotion of industrial and residential development in the city; and relations with other areas and agencies of the Baltimore metropolitan area. During the next few years these functions will be of increasing importance, as some municipal governments are now recognizing.

The Mayor's office must also assume responsibilities for the political leadership needed to assure a continuation of Federal aids on an effective basis. Local governments must make their legislative and financial needs known in Washington, and they must constantly resist the tendency toward Federal administrative control over local matters.

Strengthening Budgetary Control. The effectiveness of the urban renewal program will depend in large degree upon the resources allocated to it and to other departments of municipal government concerned with urban renewal through the annual operating and capital budgets of the City. The present budget operations of Baltimore City fail to utilize the methods of budget development and control which have been used in progressively administered cities for many years. The entire budgetary processes of the City need strengthening and modernization.

To achieve this strengthening of budgetary control, the budget office should be headed by a professionally-trained budget officer with experience in capital and operating budget work in some city which has used advanced budget methods. His office should be equipped with the staff needed to use the budget as an instrument of management improvement and the making of policy decisions. The budget office should be made responsible for the preparation each year of a current capital budget for the year in cooperation with the City Planning Department. The budget office should be charged with responsibility for making the fiscal studies needed to assist the City Planning Department in the preparation of the four-year capital improvement program, which would be submitted annually to the Board of

Estimates and City Council in connection with the current capital budget.

Strengthening Health Department Functions. The Department of Health has been and should remain responsible for the development of code standards and the promulgation of health and housing codes. While the administration of area programs of code enforcement should be transferred to the new Renewal and Housing Agency, the specialized city-wide inspection functions of the department also need strengthening. These include responsibility for the city-wide inspection relating to plumbing, sanitation, and other codes. In addition, the Department must remain legally responsible for the issuance of regulations and orders and attentive to the prosecution of the larger volume of cases which will result from an expanded program of area-enforcement.

The Department, in cooperation with other departments, should concentrate its attention upon the development of a single housing code which will include standards usable to meet a broader range of opportunities in a comprehensive program of urban renewal. This emphasis should permit the Department to concentrate upon its rule-making functions, upon its larger responsibilities in the field of health, and upon code enforcement.

The Renewal and Housing Agency should administer area enforcement programs equitably as between owner-occupants and landlords; it should develop the use of lien and receivership powers and use enforcement only in accordance with comprehensive area plans.

Local Autonomy in Federal Aid Programs. Many of the delays and problems encountered to date by local government agencies are due to limitations imposed both by law and administration at the Federal level. A comprehensive renewal program requires that local autonomy be fostered by the attitudes of Federal officials, rather than hampered through unnecessary controls. The exercise of local autonomy must demonstrate responsibility along with authority to act, but local initiative depends upon reasonable freedom to proceed when basic statutory requirements have been fulfilled. Baltimore must work with other cities to obtain assurances

from the Federal government that local autonomy will be possible in practice as well as in legislative intent.

Immediate Actions. If Baltimore is to take immediate action toward an enlarged renewal program, it must reorganize its municipal agencies now and within the framework of existing law. The reorganizations recommended can be accomplished if the Mayor is free to make new appointments to the Renewal and Housing Commission, the Housing Authority and the Planning Commission. In the interest of early action on renewal, the Study Board assumes that the members of the Redevelopment, Planning, and Housing Authority commissions will offer their resignations to the Mayor to give him the opportunity to launch the new program.

Financing Urban Renewal

Urban renewal will require substantial investment of funds, both public and private, but Baltimore has the resources to do the job if there is conviction regarding the importance of the program.

Municipal Capital Requirements. The very preliminary estimates based upon available data regarding Baltimore's renewal needs suggest that during the next 20 years some 65,000 dwellings, including a large portion of the residential areas surrounding the central business district of Baltimore, must be cleared and rebuilt. In addition to this long-range clearance and rebuilding program, the city must systematically bring up to higher standards an even larger number of dwellings not now substandard, and it must encourage rehabilitation and conservation efforts in all areas in the city. Inspection and rehabilitation services must be repetitive or continuous. One-shot inspection is a certain invitation to failure in urban renewal.

The aggregate cost of these urban renewal activities requiring the investment of public funds over the next 20 years appears to be of the order of magnitude of at least \$900,000,000. This means that Baltimore must raise, for these purposes, a minimum of \$45,000,000 per year for a 20-year period. No such huge sum is available from a local tax or other resources. Fortunately, there is every prospect that two-thirds of this cost, or \$30,000,000 per year, may be available under Feder-

al programs of aids to housing and urban renewal, if the City can provide the necessary local contributions of one-third of net expenditures. Thus the capital and operating funds which must be found locally for a comprehensive renewal program, will be \$15,000,000 per year. Such an expenditure, properly planned and organized and effectively administered, should assure the substantial elimination of slums and blight from Baltimore within a 20-year period.

The Necessity for Capital Budgeting. It is quite improbable that Baltimore could afford to raise both the foreseeable additional funds required for a growing city and an extra \$15,000,000 per year for public expenditures for urban renewal. Fortunately, Baltimore is already spending considerably more than this latter amount on urgently-needed public improvements, a large proportion of which may be used for local contributions toward Federal-aid renewal programs. But the city can secure credit for these contributions only if the public improvements involved are programmed and built as an integral part of comprehensive neighborhood renewal plans and programs. Baltimore needs schools, parks, playgrounds, highways, health facilities, utility improvements, and other public improvements and community facilities. It should be spending more than it has been able to raise to date for these purposes. If these expenditures can be scheduled in accordance with a general plan and neighborhood renewal plans, they should largely meet the local contribution requirements for Federal aid. It is this necessity for scheduling and planning public works that makes the establishment of a modern capital budget system essential to urban renewal in Baltimore.

The city should establish a revolving fund of \$20,000,000 to \$25,000,000 to permit it to undertake nonfederal projects, to permit expeditious local action pending decisions on Federal aid projects, and to provide occasionally needed cash matching grants on such projects.

Fiscal Resources of Municipal Government. To provide the renewal Agency with the fiscal flexibility needed to carry out a city-wide renewal program, the Agency should also be given broad powers to borrow funds on a

fully repayable basis without issuing full faith and credit bonds. During the 20-year program the renewal Agency will have to borrow many hundreds of millions of dollars on a short-term basis to finance its current renewal projects. Such borrowing can be made with Federal guarantees pending final financing of projects, if the renewal Agency has the requisite power. Legislation should be obtained immediately to permit such temporary funding of renewal obligations.

In addition to these capital improvement needs, a comprehensive renewal program will require substantial increases in some operating budgets. Larger staffs are needed for city planning, for the budget office, for neighborhood planning and programming, for community assistance functions, and for other administrative functions of the renewal Agency. These expenditures appear to be well within the fiscal resources of the City of Baltimore. They are unlikely to exceed more than five cents on the tax rate and would assuredly be a sound investment by the city in self-improvement. A large part of these expenditures will ultimately be creditable on Federal aid projects, and will thus earn for the city a twofold Federal contribution toward its total urban renewal expenditures.

Baltimore also has the fiscal capacity to increase its capital and operating expenditures beyond present levels if such additional expenditures are needed to accelerate the program. Baltimore's present tax burden is substantially below that of other cities of comparable size. Baltimore should recognize that its competitive position as a growing industrial and commercial center will be enhanced and improved if it is prepared to make larger expenditures for well-planned and efficiently administered community improvements which will advance its economic and social status.

Economic Benefits of Urban Renewal. Urban renewal expenditures are investments in the city's future. Deteriorating neighborhoods, obsolete industrial districts, and overcrowded slums are an economic drain upon the community. They result in high municipal operating costs and lower private operating efficiency as well as in impaired morale. The relatively small expenditures needed to

reverse these trends should pay a satisfactory return to people, to municipal government, and to local business.

Needed expenditures for urban renewal appear to be demonstrably sound investments to City government alone. In typical blighted areas, assessed values decline relative to assessed values in other areas. If these declines in assessed values can be arrested by modest expenditures for urban renewal, the additional tax revenue to the city will eventually pay the cost of such expenditures. The benefits accruing to business and the community are manifestly far larger than those to City government as such.

Expansion of Private Investment. With the restoration of convenient locations in inner city areas, urban renewal also presents a new opportunity and challenge to private business and investment. Comprehensive renewal programming will require a vast increase in the rate of renovation and rehabilitation of existing buildings of all types, and an equally dramatic increase in the eventual rate of investment in new building in cleared or rehabilitated areas. These investments must be based upon a sound understanding of market conditions and opportunities, the prospect for a safe return, the availability and certainty of effective measures of municipal support, and a full utilization of available Federal guarantees and insurance. If private business is to realize these opportunities for community service and investment, its established procedures must be improved, its participation in planning must be made more effective, and its willingness to try new fields of endeavor must continue to expand. Business should consider the establishment of a large Renewal Corporation to provide both management and capital funds for renewal projects. Such corporations already operate effectively in Cleveland, St. Louis, and Kansas City.

Municipal government must support these efforts and recognize fully both the opportunities for private investment which arise in urban renewal programs, the limits and conditions which must be established to permit such private participation, and the conditions—particularly of market and timing—which renewal programs must meet to permit coordinated private action. The Renewal

and Housing Agency cannot expect private investors to bear the brunt of public relations problems, of long delays in developing projects, and of unworkable conditions and regulations imposed upon investors. Its detailed plans must recognize that security of investment and an opportunity for reasonable return are needed to assure business participation in the investment phases of renewal. The Federal government must be urged by the city to cut red tape, speed the solution of knotty financial and legal problems and genuinely push such incentives as Sections 220 and 221 of FHA instead of providing mere lip service to these aids.

Community Support for Private Investment. To achieve these ends, the city and local communities must realistically face the opportunities and costs of providing sound investment opportunities in urban reconstruction. Renewal planning must take advantage of every opportunity for using a public improvement as a means for encouraging or facilitating private investment. Public housing should be available to supplement and encourage private residential investment in adjoining areas. The installation of public improvements should be utilized where possible to provide support for private housing developments in renewal areas.

Not the least of these opportunities appears to be in meeting the growing needs for business, commercial and industrial expansion. Both in city-wide and local area planning, particular attention should be paid to these opportunities. To the extent that renewal programs can provide or generate effective opportunities for private investment, they will strengthen the city's economic capacity to carry on effective renewal programs in other areas where such opportunities are more limited. Consideration, therefore, should be given to the establishment of priorities which take advantage of such opportunities for developing a stronger economic foundation for the city.

Community Relations

Community Participation in Planning. If individual citizens and neighborhood and city-wide groups are to support urban renewal as a municipal function, and if they are to devote time, energy, and funds to carry out

renewal and other programs, these programs must reflect their desires and wishes, and be a genuine expression of their aspirations for a better community. All citizens, regardless of race or creed, are part of this process. The city plan and neighborhood plans can reflect this individual and community desire only if community leadership in many walks of life has participated actively in the establishment and development of plans. The Renewal and Housing Agency should be responsible for vigorous efforts to obtain citizen participation in the development of detailed neighborhood plans and programs.

To permit this degree of effective citizen participation in city planning and renewal administration, the renewal Agency should be equipped to provide professionally-trained community relations workers in a large number of the neighborhoods of the city. While neighborhood organizations should be encouraged to provide their own trained staff assistants, it must be recognized that many neighborhoods, particularly those most actively concerned with urban renewal, will be unable to provide adequate professional assistance through their own private resources.

Professional workers employed to enable more effective citizen participation at the neighborhood level should initially assist community groups and leaders in the establishment of soundly conceived community organizations. Later they should aid neighborhood groups in the establishment of community goals and objectives for urban renewal and planning. They must also serve as a liaison between the neighborhood organization and municipal government generally, to make sure that the operating departments of government are aware of and responsive to local desires and needs. A specially selected non-partisan advisory committee representative of welfare, civic, minority, labor, professional, and other groups should be appointed to assure the development and application of the highest standards in the organization and

operation of the community relations program.

Organization for Neighborhood Betterment. The community groups described above should assist City officials in the development and execution of renewal programs. They will also be responsible for organizing neighborhoods for home and community improvement action on a voluntary basis. In some neighborhoods, powers beyond those of voluntary organizations may be needed to carry out neighborhood objectives. These may include the organization of privately chartered community improvement corporations for the purpose of acquiring and modernizing selected properties, or carrying out other functions requiring corporate powers. In some cities, it has been found desirable to provide for the establishment of neighborhood corporations that can undertake improvement programs, utilizing limited municipal powers—including powers to enforce renovation, to acquire by condemnation, or to require improvements paid for out of benefit assessments on adjoining properties. Baltimore should examine these types of organizations and powers for neighborhood betterment with a view to the early establishment of an advisory service which would assist neighborhoods in equipping themselves to carry out effective neighborhood programs. Such a service should immediately explore the range of powers needed and secure legislative authorization if required.

Private Agency Responsibilities for Community Relations. During the next few years the role of government in the citizen participation process will be essential as a catalyst to achieve greater voluntary private agency activity in and responsibility for this vital element in community improvement programs. A greater consciousness of need is required than now exists on the part of private agencies. Baltimore has the resources, however, to assure that the voluntary role is fulfilled.

CHAPTER I

MAGNITUDE OF THE PROBLEM

Baltimore typifies many American communities in that it has a blighted core, a rapidly expanding suburban area, and is a diversified industrial and port city. Some-what special characteristics of the nation's sixth city are its age, its geographical location as a border city, its substantial Negro population, its strong tradition of home ownership, and its phenomena of the ground rent and the row house. The high rate of home ownership is partly attributable to the popularity of the row house which is cheaper to build and to maintain than the conventional single-family detached dwelling.

In Baltimore, as elsewhere, urban renewal is interested in all types of land use—the total complex of physical and social characteristics that make up a city. The renewal of cities involves commercial and industrial needs along with residential requirements. Although programs for urban improvement have been most concerned with housing in the past, a balanced approach is possible in urban renewal. More data are available on housing characteristics, however, and an understanding of these data is basic to evaluating the extent of the renewal problem.

Current Total Housing Supply

In 1950, the total housing supply within the city proper numbered 277,800 dwelling units. From 1950 to 1955, the general pattern of extensive new home construction continued to be concentrated in outlying city areas as in the past decade. The estimated dwelling supply of Baltimore City proper, as of January 1956, was 304,000—a rise of 26,000 over the 1950 census total. The net gain resulted from (1) the addition of about 29,500 units through new construction and 5,000 through legal and illegal conversions, and (2) the subtraction of about 4,600 because of demolition and an estimated 3,800 shifting from residential to nonresidential use (conversions in reverse). The dwelling supply in the inner city¹ was about the same in 1955 as in 1950—approximately 82,000 units.

¹ The boundaries of the inner city, as defined by the Department of Planning, are roughly described

Current Number of Substandard Dwellings

In April 1950, according to the Housing Census, there were 55,045 physically substandard homes in Baltimore City, based on measurement criteria conventionally in use today. Since that time, there has been considerable activity on the part of many public and private groups directing their efforts to reduce this number of deficient dwellings. For example, five slum clearance projects have resulted in the demolition of 3,000 deteriorated dwelling units and about 19,000 dwelling units have been treated under the housing law enforcement activities of the Housing Bureau. Nevertheless, it is estimated that there are still 55,000 physically substandard dwelling units at the beginning of 1956, distributed between 41,000 in the blighted inner city and 14,000 elsewhere. (See Appendix I for method of calculation of this figure and other pertinent statistical data and criteria.) So, in spite of all these efforts, it is evident that Baltimore in the 1950's has barely kept pace with its slums when the gross figures are examined.

In addition, a minimum of 8,500 more units in the city should be classified as substandard because of environmental factors. This calculation includes only those physically standard individual units that are located in blocks where 50 percent or more of all dwellings were physically substandard in 1950. Eight thousand of them are within the inner city.

As a total, therefore, 63,500 (55,000 plus 8,500) substandard units are conservatively estimated to exist currently. Forty-nine thousand of these are in the blighted central areas, and 14,500 are outside the inner city.

by North Avenue on the north, Monroe Street on the west, Patterson Park Avenue on the east, and Middle Branch Harbor on the south. For an analysis of the characteristics of the inner city see *Urban Renewal in Baltimore*, Planning Commission of Baltimore, 1955. The "inner city" concept represents a refinement of the concept of "blighted areas" comprising 56 census tracts in the central section of the city, which was established by the Commission on City Plan in 1945. The respective land areas involved are very similar, and consequently data available on both bases have been used throughout the report.

Use of the term "Substandard"

The term "substandard", which has come to be part of the language by which slums and blight are defined, needs some special comment. The measures of substandardness, as they have been used in most housing studies, are inadequate. But, if this study errs in proposing the present scope of substandard dwellings in Baltimore, it does so in a conservative direction.

Most estimates of the extent of substandard housing, including those presented in this report, stem from Census Bureau data. The Census Bureau itself, however, does not use the term substandard. Rather it separates all dwelling units into two broad classes based upon the physical condition of the structure so that they fall into the "dilapidated" or "not dilapidated" categories. Within each of these broad designations, dwellings are further subdivided according to the presence of specified plumbing facilities.

The term substandard used in this report is the common derivation used by redevelopment, housing, and planning agencies, signifying that a dwelling unit is dilapidated or is without hot running water or a flush toilet or bathing facilities inside the structure for the exclusive use of the occupant. If the unit is dilapidated, it is considered to have serious structural deficiencies, is run-down or neglected, or is of inadequate original construction, so that it does not provide adequate shelter or protection against the elements or endangers the safety of the occupants.

More Adequate Definition

A more adequate definition and approach would analyze the city, by area, more thoroughly in terms of adequacy of structures, physical and social environment, and community facilities. As one authority has pointed out, "In urban areas, substandardness can be identified in buildings—their design, equipment, structural soundness, repair, and maintenance; in land subdivision and layout—size and shape of lots, coverage density, and sometimes even the amount and allocation of areas for new or expanding uses; in community facilities and services—water, sewer, schools, recreation, transportation, etc.; and in location—nearness to obnoxious uses, accessibility to other districts

that a particular area serves, or from which people and goods regularly go back and forth."¹ An appraisal guided by the criteria suggested in the above statement needs to be performed as urban renewal areas are delineated.

Such an appraisal would examine the general environmental features of a neighborhood which give meaning to the suitability of a home for people. A dwelling unit may be standard in physical terms when evaluated separately and distinctly from the physical surroundings and community social influences of which it is a part. Assuming that the character of the surrounding neighborhood represents an undesirable living environment, the treatment implied relates to the environment rather than to the dwelling itself. Unless the blighting influences of the neighborhood are arrested and corrected, it is reasonable to presume that the physical character of the dwelling unit in question may well deteriorate shortly. Urban renewal emphasizes this approach, and a description of the problem, therefore, must include dwellings and other facilities that are blighted by reason of surrounding influences. As noted earlier, a minimum of 8,500 dwelling units in Baltimore are estimated to be in this category.

Obsolescence and Changing Standards

As the years go by, it is inevitable that our standards will become higher rather than lower. The American ideal changes from decade to decade, from one generation to the next, in many aspects of urban living, and most of us view those changes as being part of our greatness. Housing is no exception. The acceptance of television sets, refrigerators, and two-car families—these have and will have their parallels in rising housing standards. Baltimore cannot and will not be satisfied with a 1939 or 1955 standard in 1975.

This may be illustrated simply by the acceptance in the 1950's of hot running water as a minimum necessity in a city like Balti-

¹ Allan A. Twichell, "Measuring the Quality of Housing in Planning for Urban Redevelopment," *Urban Redevelopment: Problems and Practices*, Coleman Woodbury, Editor (Chicago: University of Chicago Press, 1953), p. 11.

more. In 1940, the presence of running water was considered a reasonable criterion of standardness for the United States and Baltimore. By 1950, the standard had become hot running water. The 1954 revision of the Baltimore Health Commissioner's Rules and Regulations Governing the Hygiene of Housing requires that all dwelling units have hot water, effective January 1, 1956.

Obsolescence, as will be pointed out many times in the course of this report, is a factor of unknown dimensions. What we know as a certainty is that its influence will be present, thereby reducing our inventory of acceptable housing within a suitable community environment; all of which is to emphasize again the conservatism of this report in posing the extent of the problem.

Units Requiring Rehabilitation or Conservation Treatment

In a comprehensive urban renewal approach, both rehabilitation and conservation activities are essential. The distinction between these two program elements is described in Chapter III.

It is not possible with data now available to determine the number of units that should be assigned to rehabilitation as contrasted with conservation. It is feasible, however, to estimate the quantity that will require treatment by one or the other within a twenty-year period.

The figure of 78,000 units has been developed as this estimate. A description of the calculations used is included in Appendix I. In the total, 28,000 are related to the inner city and the balance outside. Those units within the inner city can be assumed to be ready for either conservation or rehabilitation treatment now; the 50,000 units to be considered elsewhere represent a combination of those warranting attention now plus a remainder, satisfactory at the moment, but which will decline in quality during the next twenty years.

The total is presented as being conservative. It assumes that an energetic renewal program will be prosecuted; otherwise it will be greater. It largely ignores the pervasive influence of obsolescence and its correlative factor—rising housing standards.

Total Housing Renewal Requirements During Next Twenty Years

The problem is complicated further by the need to project our thinking and analysis into the future. Throughout this report, much of the data and many of the urban renewal program elements are discussed with reference to a twenty-year program. This period is within the realms of comprehension, reflects the reality that there is a long-term job involved, and does not venture into a time dimension that goes beyond a reasonable period for speculation.

From a housing standpoint alone, therefore, the combination of 63,500 currently substandard units and 78,000 additional conservation-rehabilitation type units results in a total of 141,500 dwelling units requiring attention as a minimum during the next twenty years. This figure represents slightly better than 46 percent of the city's total housing inventory.

Rate at Which Dwellings Are Becoming Substandard

The estimates of magnitude of the housing renewal problem in this report can be sustained by examining the age of structures in Baltimore, in view of the relationship between age and substandardness. The annual rate at which dwelling units are becoming substandard is estimated at about 3,000 units a year. This figure assumes that the percentage of dwelling units becoming substandard is 1 percent a year for those units still standard and built from 1920 to 1950, 1½ percent a year for those built from 1880-1920, and 2 percent a year for those built prior to 1880.¹ From the 1950 Census, we know that 106,664 dwelling units were contained in structures built from 1920 to 1950 and that 171,216 were recorded as built before 1920. On the basis of 1940 Census data, which give detail-

¹ The National Housing Agency pamphlet *Housing Costs*, 1944, refers to 40 years as a "reasonable average effective life" of homes (p. 27) but adds that "... we have, on the average over the past century, been producing houses which have an actual physical life of from 60 to 80 years, unless unusual maintenance measures are taken." (p. 29) The Housing and Home Finance Agency pamphlet *How Big Is The Housing Job*, 1951, suggests that the number of dwelling units requiring replacement is roughly comparable to the number of dwelling units 75 years old or over.

ed age breakdowns back to 1860, it is estimated that, as of 1950, 130,216 units were in the 1880-1920 category and 41,000 were in the pre-1880 era. It is estimated further that 30,000 substandard units were in the older age category, 20,000 in the 1880-1920 age bracket, and 5,045 in those built since 1920. Applying the respective 2, 1½, and 1 percent rates to the number of standard units in those age categories yields an estimate of 2,889 a year becoming substandard. If the 1 percent figure is applied to the 29,612 dwelling units built in 1950 to 1955, then an additional 296 units may be added, providing a total of 3,185 dwelling units a year currently falling into the substandard classification in Baltimore City.

These figures clearly indicate that Baltimore, as quickly as possible, must greatly step up the rate of conservation and rehabilitation so as to combat the factors making for premature deterioration and the creation of slums and blight. Only in this manner can the number of units falling into the substandard category be reduced. If sufficient resources are put into the job, the figure could be down to, say, 1,500 a year by 1962 and 1,000 a year by 1967. But even these assumptions suggest that an additional group of 20,000 homes will be substandard in 1975, aside from the 63,500 homes now in that category. The only way to avoid this residue, even with the greatly stepped-up urban renewal program recommended in this report, would be to have additional demolition and full-scale rehabilitation, and consequent displacement, beyond the levels proposed in this report.

Demolition Estimates

Predictions regarding the number of units that will require demolition are hazardous although a number of relatively fixed items suggest a scope of demolition activity that will be required within the next twenty years. The estimated requirements for this period are 32,500 units. This figure is made up of 10,000 resulting from new expressways, schools, playgrounds, and other capital improvements; 17,500 from clearance activities related to redevelopment; and 5,000 from clearance activities leading to the construction of new public housing. At the present time, approximately 8,000 dwelling units are

in approved redevelopment areas, including Area 12 but excluding Waverly and Broadway.

Of the 32,500 units estimated for demolition, only 2,500 are located outside the inner city. If these 32,500 units are to be eliminated during the next twenty years, the rate of demolition will be three times the rate which has occurred during the last five years.

The limited use of clearance contemplated outside the inner city again indicates the importance attached to rehabilitation and enforcement and conservation activities. This in turn is suggestive of the volume allocated to these forms of treatment. In arriving at these distinctions, however, it is important once more to emphasize that failure to develop practical rehabilitation and conservation activities will result in accelerated deterioration of a large portion of the city's salvageable housing supply, thereby requiring even more extensive demolition at a subsequent date when it no longer becomes economically feasible to preserve the existing structure.

Relocation Load

Another significant element in the scope of the problem is the relocation load resulting from a comprehensive urban renewal program. Baltimore has had valuable relocation experience, and this enables reasonable predictions to be made on relocation requirements, assuming a scope of over-all program suggested in the previous paragraphs.

During the next twenty years, this total load is estimated to be 58,000 families. Table 1 indicates the basis for this estimate in terms of the reasons for displacement.

TABLE 1
Estimated Relocation Load 1956-1975

Reason	No. of Families
Dwelling units demolished	32,500
Reverse conversions ¹	4,000
Ten percent doubling up in above units	3,650
Displacement from rehabilitated units involving substantial rent rises	9,000
Order to vacate as nuisances (present rate of 150 a year) ²	3,000
Occupancy controls	6,000
TOTAL	58,150

¹ The term "reverse conversions" refers to shifts from residential to nonresidential use of dwelling units and the reduction in number of dwelling units to provide more space.

² Although many of these units will eventually be demolished, none of them is included among the figures in this report on estimated demolition activity.

Baltimore City in Its Metropolitan Setting

These estimates of the problem's magnitude may be seen more meaningfully if they are related, in turn, to certain additional data for the City of Baltimore as a whole and for the metropolitan area. In the Baltimore standard metropolitan area—Baltimore City, Baltimore County, and Anne Arundel County—the rate of population growth in the 1940-1950 period was 23.5 percent; the area outside the central city increasing at seven times the rate within the city. From 1950 to 1955, Baltimore City's population gain was only 2 percent, while the surrounding two county areas expanded by 35 percent. Forecast for 1960 is further slow growth in the city, of only 4,000 people a year, in contrast to continued high gains in Baltimore and Anne Arundel counties, of about 27,000 a year.

As has been pointed out, from 1940 to 1950, the volume of housing in the city's blighted areas remained practically unchanged, whereas the housing supply in the remainder of the city increased 27 percent. During this same period, a spectacular rise in home ownership occurred, stimulated by both new building for sale and the shift of an estimated 35,000 from renter to owner occupancy in Baltimore City.

Nonwhite Population Growth

Baltimore City's nonwhite population has grown from 24 percent in 1950 to an estimated 27.5 percent in 1955 and is expected to reach 31 percent by 1960 and 35 percent by 1965.

The realities of the housing situation for Baltimore's nonwhite population must be squarely faced and kept in mind in shaping the urban renewal program. This factor is a significant element in defining magnitude of the problem. Among the highly pertinent factors¹ to be included in this consideration are:

¹ See Chapter II, entitled "Housing and the Negro Public," in the Maryland Commission on Interracial Problems and Relations, and the Baltimore Commission on Human Relations, *An American City in Transition*. This report, published in 1955, collected many facts pertinent to the characteristics and status of Negroes in Baltimore, which are helpful in understanding the relationship of the Negro population to the magnitude of the urban renewal problem.

1. The consistent growth of the Negro population.
2. The high percentage of substandardness and overcrowding of nonwhite-occupied units.
3. The greater severity of this substandardness, suggesting a much larger role for clearance as against rehabilitation for Negro families on the basis of housing deficiency data alone.
4. The widespread movement of Negroes to areas beyond the inner city since 1945 with more homes being acquired by sale than rental and with a majority of the "purchases" under installment-contract arrangements.
5. The lack of any substantial supply of new sales or rental housing built and available for Negroes.
6. The importance of the low-rent public housing supplied for Negro families whose occupancy therein is twice their proportion in the city's population.

Summary of Magnitude of Problem by Housing Quality

The following table is a simple summary of the scope of the city's housing inventory requiring treatment, based on the figures developed in this chapter.

TABLE 2
Extent of Baltimore's Housing Inventory Requiring Treatment, 1956-1975, By Area and Type of Action

Type of Action Indicated	Number of Dwelling Units		
	Inner City	Remainder of City	Total
Substandard Units:			
Demolition	30,000	2,500	32,500
Rehabilitation	17,000	10,000	27,000
Reverse Conversion ¹	2,000	2,000	4,000
Total	49,000	14,500	63,500
Standard Units:			
Conservation-Rehabilitation	28,000	50,000	78,000
Total	77,000	64,000	141,500

While these data have been organized and presented as part of a comprehensive twenty-year program for urban renewal, no program

¹ Strictly speaking, reverse conversion is more of a process than an action program of the variety indicated otherwise in this column. Reference to it, however, is necessary in order to fill out the range of activities involved in dealing with the total magnitude of the problem.

of this type can ever be considered as being complete. The magnitude of the problem and the complex of social and physical circumstances producing it spring from the dynamics of urban change that will continue in the years ahead. The problem is regarded as being manageable if a program approach, as recommended in this report, is adopted and systematically applied during the years ahead.

Nonhousing Renewal Needs

In Baltimore, as in many cities, the blighted areas are sprinkled with some types of industrial, commercial, and business uses that frequently contribute to blight. Further, the private enterprises involved experience growing difficulties in functioning efficiently in the blighted setting where they are located. Meantime, additional expansion of business and industry is required in a healthy community. Baltimore's downtown business district has undergone but little change in recent years, and much of this has been modernization measures applied to outmoded structures.

Some of the expansion requirements will have to be met by clearance of areas now in residential use. Although the scope required cannot be defined with any preciseness, the urban renewal process should be viewed as an instrument available to accelerate any needed transition of land use in areas throughout the city. Similarly, urban renewal can be utilized through the cooperative efforts of business and government, to replace poorly planned and worn-out commercial structures with modern buildings adapted to current production and merchandising requirements. This resource need not be limited to use by large-scale business operations; the small shopkeeper whose needs have been neglected in the past can benefit through the renewal of the neighborhood in which he has conducted his business.

Terminology

As this report is reviewed, the Study Board appreciates that the reader will be exposed to a number of words and terms for which there are no commonly accepted definitions or to technical jargon peculiar to the special fields of interest related to urban re-

newal. An effort has been made to restrict such terminology, but their employment cannot wholly be avoided.

Unfortunately, even among professionals in the urban renewal field, there are some differences in the emphasis given to shades of meaning of various terms. This report does not argue that its definitions are necessarily more sacrosanct than those advanced elsewhere. In Appendix II, a glossary of terms is presented in an attempt to enable common understanding. Moreover, from time to time in the report, certain terms and concepts will be described in some detail because of their special significance for findings and recommendations.

Neighborhood, Community, and Area

At this point, comment seems appropriate on one set of terms that is glibly used in everyone's day-to-day language and which is very much a part of this report. The collection involved here is: neighborhood, community, and area. These words have been given many meanings in both technical and popular use, and this report does not aspire to resolve the differences. In its use of them, however, the report seeks to convey clearly that the characteristics of people and their social structure are as much a part of the concept of neighborhood, or community, or area as the physical elements that are present.

From the standpoint of size, the neighborhood represents the smallest definable unit and the greatest measure of homogeneity among the three words. Community may be used interchangeably with neighborhood if it possesses a cross section of basic social institutions: homes, schools, recreation facilities, places of employment, churches, shopping centers, etc. A community may be made up of more than one neighborhood when the range of institutional services is not available in a single neighborhood entity. Area has particular reference to urban renewal legislative language: it is the officially designated section of the city selected for treatment. The official plan and program action elements are related to an area. Dependent entirely on local circumstances, the urban renewal area may represent any combination of

neighborhoods and communities that is dictated by good planning. Occasionally, the words "city" and "community" will be used interchangeably when the social characteristics of community need to be emphasized on a city-wide scale.

Related to these terms is another word—vicinity—used particularly with reference to localized and detailed planning operations as contrasted with general, city-wide planning functions.

Limitations of Data Not Serious

A detailed statement on the scope of Baltimore's urban renewal needs would require far more extensive study than has been possible for the purposes of this report. Understandably, there has not been the time nor the resources for new basic research.

In many respects, the problem does not need to be statistically justified in order to establish that a problem exists. The problem more fundamentally is something we know through our senses; any observer priding himself with possessing some degree of objectivity can see, feel, hear, and smell the conditions that mark our cities. These are the conditions and the terms in which they conventionally come to the attention of the Mayor and the City Councilmen—not as statistically documented reports but as the reactions of citizens to annoying and disagreeable features of city life. These are the conditions also that are the concern of urban renewal.

Relationship of Problem to Balance of Report

This chapter has been concerned with the magnitude of the problem, relating it to the sources of conflict disrupting Baltimore's urban life. Some statistical conclusions based on available data have been presented. These could be assigned a considerable margin of error and still demonstrate the existence of the problem. Some observations have been made with respect to the suggested best ap-

proach for Baltimore in the future to define its specific needs in terms of local standards. A statement of needs is meaningless, however, unless related to a program of action, an administrative organization for bringing about the action, a timetable for the action to take place, and a demonstration of the availability of fiscal resources to pay for the action. This chapter on the magnitude of the problem, therefore, is to be viewed in relation to subsequent chapter subject matter because, as in urban renewal itself, the elements are so interdependent as to require our attention constantly to the whole.

Baltimore's problem (and its magnitude) is the nation's urban problem, and vice versa. As indicated in the Foreword, the friction, loss of time, and lack of well-being of urban residents increasingly must become the focal point of concern on the part of local government and citizens. If the proper direction is to be given to the added capital investment required to renew Baltimore, then local administrative arrangements must be created so that political leaders are in a position to know the problem and the resources available for treating it. If they are to be expected to assume responsibility in this direction, an entirely appropriate if not mandatory requirement, they must be able to have programs to present and execute.

This is no time to debate about the niceties and refinements of the problem. Apart from the statistical reinforcement that is available, the evidence is before one's eyes. To the dimensions of the problem must be related the dimensions of the program and organizational machinery required for action. In the development of program and administrative organization, Baltimore should want to make certain that it utilizes past experience and current resources, in addition to the new forms that may be required. Conclusions regarding changes and additions in program and organization can only be reached, however, after looking objectively at what exists today.

CHAPTER II

PRESENT PROGRAM AND ADMINISTRATIVE ORGANIZATION

Baltimore currently reflects a determination to develop a comprehensive program for urban renewal and to organize the necessary facilities to carry it out. The authorization of this study is an example of the determination. The Mayor and the City government have recognized the need to make a municipal investment in planning for the future. Although cities throughout the country, large and small, have undertaken urban renewal as a significant new approach to urban problems, Baltimore has distinguished itself with a conviction to move forward in an aggressive yet orderly manner. But there is dissatisfaction with progress thus far. It is revealed in a united community expression of concern that Baltimore has not measured up to its urban renewal responsibility and is not currently equipped to assume its full renewal obligation.

This attitude prevails notwithstanding justifiable local pride in the various community improvement programs that already exist. Baltimore has pioneered in the field of housing law enforcement. The Housing Bureau, the Housing Court, the Police Sanitarians, the Fight Blight Fund, and the Pilot Area have each made significant contributions to this activity locally, as well as a contribution to the nation. The City has a redevelopment program, public low-rent housing for low-income families, an active planning function, and an array of informal coordinating devices which have emphasized a comprehensive approach in the fight on blight and slums. An alert citizens' organization, the Citizens Planning and Housing Association, has conscientiously represented a broad public interest in the community's welfare. The Greater Baltimore Committee, the Association of Commerce, the Committee for Downtown, and other business leadership groups are energetic participants in promoting an urban renewal program.

Inter-Agency Cooperation Insufficient for Effective Coordination

The cooperative practices of the past furnished Baltimore with a pattern for organizing to do the urban renewal job. At its best,

however, the introduction of informal coordinating devices, essentially through the creation of an elaborate committee structure, quickly revealed the inadequacies of this approach. There is no evidence to suggest that anyone seriously believed that these devices represented a solution to renewal requirements. This approach has represented a period of exploration and testing for everyone concerned. Individual agency interests understandably have interfered with reaching logical organization and program decisions. During the past several months, therefore, experience sharply disclosed both the limitations of informal coordinating devices and the inflexibility of separate programs and tools when a truly comprehensive approach is dictated.

Appendix III represents the coordinating machinery that is in effect currently and has been since the designation of the position of Interim Urban Renewal Coordinator by the Mayor. Prior to the creation of the Coordinator's position, the Policy Committee and, in particular, its Executive Committee attempted to perform the coordinating function.

The limitations of this approach will be reviewed in greater detail, but their significance cannot be evaluated objectively without first looking at the separate programs and the organization of the agencies and groups that are part of this picture. In the descriptions that follow, an attempt has been made to highlight those characteristics which are most pertinent to a successful urban renewal program. If a description of any one of the agencies had been made prior to the emergence of the concept of urban renewal, quite different observations are conceivable. But, remembering that the objective of the renewal program is not the saving of a house but of a community, wherein all programs and tools are mobilized in a concentrated attack on an area basis, substantially different criteria for appraisal are in order.

The Planning Function

Signs of Progress. The Planning Commission and Department have made notable progress during the past several years as com-

pared with their earlier status in the community. The professional staff possesses technical planning knowledge. The authorized increases in personnel made possible in this year's budget will help to relieve part of the inadequacies that result when a staff is too small to do the job assigned to it. Under the City Charter, the Planning Commission and the Department have extensive powers and responsibilities. Since the planning function is of key importance to the success of urban renewal, its responsibilities cannot be regarded lightly or discharged ineffectively.

Organization for Planning. Within the Department of Planning, three major divisions are active, respectively entitled Zoning, Administrative, and Planning. In addition, a number of staff services are grouped together under the Director with the general heading of Planning Information and Publication. The Commission is wholly outside the line of command in municipal government. This means that the Department of Planning is not effectively related to the Office of the Mayor and cannot be a full-blown participant in executive decisions that directly affect the course of the administration's program or planning interests and responsibilities.

Planning Deficiencies. Outstanding among the current circumstances are five deficiencies that seriously cripple the effectiveness of the planning function. They are:

1. No comprehensive general plan has been developed that can serve as an adequate frame of reference for community development and improvement programs.
2. As related to the urban renewal concept, the city as a whole is not sufficiently broken down into areas of treatment, delineated and classified in relation to transportation and circulation patterns and other basic land uses, as must be done to provide a framework for more intensive area or vicinity planning.
3. As compared with other cities of comparable population size, Baltimore's planning agency has not produced an adequate capital improvement or development program.
4. By reason of its current organizational structure and administrative practices, the planning agency has not been associated productively with the Office of the

Mayor to assist in systematically planning and coordinating the development activities of the city as a whole.

5. The administrative relationship within the Department itself and to the Commission reflects a lack of adequate centralization of authority in the hands of the Director.

Each of the above deficiencies deserves some additional elaboration so that its significance for a successful urban renewal program is placed in proper perspective.

General Plan. A general plan cannot be a series of individual packages; rather it is one document—a single plan. Its elements must be comprehensively related to each other by an obvious rationale that provides the necessary integration of the parts. For instance, no substantial evidence exists that industrial land use planning is, in fact, related to traffic planning.

As a by-product of the preparation and adoption of a comprehensive general plan, the planning agency should be in a position to resolve disagreement and promote cooperation—one of its primary objectives. The Foreword of this report emphasized that urban centers today are characterized by conflict. Inherent in the creation of programs designed to improve our cities is the need for uncovering and resolving these conflicts, and this phase must be realistically faced.

The traditional conflict is between the needs of industry and the need for clean and quiet residential neighborhoods. In the present-day scene, this conflict is highlighted by the requirements, on the one hand, for city-wide transportation and the need, on the other hand, for a safe and pleasant living environment for all people where pedestrian movement is not at the mercy of the automobile.

Baltimore Not Unique

Baltimore is not unique with respect to this problem. In many cities there are evidences that the years of experimentation with the elements of this problem have resulted primarily in delay and a failure to sustain gains hard won in the past. Baltimore, like other cities, has not yet squarely faced these issues. It is possible to provide the city with a broad basis of agreement through the

development of a comprehensive general plan and development program. Without planning and scheduling in relation to such a plan, disagreements will be intensified. Individual departmental programs are likely to be vigorously pursued without regard to other urban needs unless a plan is available to furnish the basis for cooperative resolution of conflicting objectives.

The present City Charter provisions related to the Department of Planning and the Planning Commission have invited part of the difficulty. The use of the term "Official Detailed Plans" interchangeably with "Master Plan" in the Charter language suggests a basis for some of the current confusion (Section 106—City Charter). It may well be that the concept of Official Detailed Plans, as well as its place in the sequence of the planning process outlined in the Charter (Sections 111-115), are unworkable as now written, and cannot promote the principle of coordinated planning through a general plan. This observation is sustained by similar and strongly worded comment in the report by the Commission on Governmental Efficiency and Economy entitled *Baltimore's City Planning System*. (See Appendix IV).

Limitations Not An Excuse

The recognition of Charter limitations cannot be used wholly as an excuse for failure to develop the general planning function. Under the Charter, the Planning Commission has "full power to investigate and study land uses and zoning and [the] . . . duty . . . to formulate, review, prepare and amend and keep up to date and in accordance with changing and future needs of the City, plans showing generally the proposed physical development of Baltimore City." It is to be noted, however, that no power in this connection is granted directly to the staff or to the Department as a whole.

Another aspect of the difficulty obviously results from the uncertainty of the Commission members as to their responsibility in connection with comprehensive general planning. A number of the members of the Commission have stated that they are puzzled by the intent of Charter Sections 111-115. The Commission does have the power to adopt a "master plan" with the approval of six of

the nine members of the Commission. The plan, or an element of it, takes effect when filed, and it may be amended by ordinance only if approved by three-quarters of all members of the City Council. When the Commission attempts to fulfill its responsibility to approve all public improvements and public utility arrangements in conformity with the Charter conception of a general plan, the Commission appears to be confused at times as to how best to make an objective appraisal of the proposals under consideration.

Whatever are the reasons for the current situation, the fact remains that Baltimore does not have a comprehensive general plan to guide future development or to serve as a basis for resolving the more immediate and inevitable conflicts that arise out of conflicting goals and separate departmental programs.

Delineation and Classification of Areas. Since urban renewal success depends, in large measure, on a comprehensive approach to an area, it is obvious that some device must be developed for the delineation of these areas. Further, since urban renewal can and should have application to the entire city, no section of it should be ineligible for an appropriate degree and variety of treatment.

With respect to the inner city, the so-called core of blighted areas, considerable work has been undertaken and completed by the Department of Planning. Most of this work to date has been of a research character and along the lines of developing basic data. Much remains to be done, however, so as to utilize these data both in the general planning process described in the preceding section and in the development of rational and understandable criteria for giving definition to treatment areas.

The delineation of areas is related, in part, to traffic and circulation patterns. Major traffic routes must be defined. When major traffic routes become relatively settled as a result of a process which gives appropriate attention to residential environment considerations, the boundaries of areas must be so designated that they reflect the greatest possible measure of being clear-cut entities while bearing a logical relationship to adjoining areas.

Capital Budget and Development Program.

The planning function as a whole and the preparation of a capital budget and development program are indivisible. While the Chairman of the Planning Commission has a sincere and direct personal interest in the capital budget, the conclusion is inescapable that Baltimore does not have a coordinated capital budgeting service available. While blame here cannot be attached to any single individual or department or agency, this report concludes that there is an appalling deficiency in this regard. Other cities of comparable population size to Baltimore are significantly more advanced in this respect. The capital budget and development program must be an integral and responsible part of the planning process. The Mayor does not now have this most important instrument of municipal administration available for use.

Coordination between Mayor's Office and Planning Agency. Some past thinking on the organization of planning agencies has usually held that they should be relatively divorced from the main stream of municipal administration on the theory that this separation would enable the planning organization to exercise its best judgment free of extraneous influences. There has been, however, a growing awareness that this separation nullifies the effectiveness of the planning which is done and prevents the city government, including particularly the Mayor's office, from using the planning function to full value in the discharge of its duties.

The City Charter, probably reflecting past thinking on this subject, does not provide for an official well-defined relationship between the Mayor's office and Department of Planning. This lack of official relationship has produced the result which might be expected. Much of the work done by the planning agency has tended to be somewhat on the academic side and has not served to guide the day-by-day operations of the city government. At the same time, the Mayor has been deprived of the planning process as an integral part of his administrative function. Neither the Mayor's office nor the Department of Planning reflects any particular sense of responsibility to the other. Relationships emerge essentially when crises develop, many of which could be anticipated, and possibly

averted, if a closer administrative connection between the Mayor's office and the planning process was developed.

Good planning can help to anticipate problems. Then, at the direction of the city's executive, the problems can be studied, alternative solutions developed, and choices presented to policy-making officials. By reason of existing organizational arrangements, very little coordinated activity takes place between the Mayor's office and the planning agency.

Internal Administration Difficulties. The lack of centralized administrative authority in the hands of the Director of the Department of Planning for the many activities and functions assigned to it also is a problem.

Staff morale is poor, and the existing administrative arrangements do not suggest that the situation will improve. With the contemplated staff additions authorized by this year's budget, further complications may well develop because the organization of the Department will inhibit the effective utilization of new personnel. It appears that members of the planning staff at times work at cross purposes due to lack of suitable coordinating controls, even though many staff members are highly competent technicians. Conceivably, this condition could impair the over-all results of the planning process, create and distrust of planning conclusions.

Public Low-Rent Housing

General Reputation. Baltimore's Housing Authority has acquired wide respect. This evaluation seems to be expressed among all segments of the community even though some individuals and groups do not subscribe to the concepts of public ownership of housing and tax-supported subsidies for shelter. Regardless of philosophic opposition to public enterprise, however, there is appreciation for the integrity of the Authority's program and administrative practices. This reaction indicates that the Housing Authority has clearly defined its objectives and has pursued them vigorously and effectively.

tives, and generate public hostility toward by a public housing program in the urban an aura of confusion as to planning objec-

The precise role which should be played renewal process is important to define. De-

ates over abstractions can be avoided and attention can be focused on the concrete question of just how the closely controlled and small part of the housing supply of the city represented by public housing can best be made to serve the renewal program. In a city of a million population, the Authority's approximately 10,000 family accommodations are, of course, minor in the housing market taken as a whole. But they and the character of the management program are critically important as a strategic resource in rehousing the most difficult cases of families in need, thereby facilitating both the pace and the scope of the renewal activities.

Administrative Resources. The Housing Authority now performs many functions essential to the urban renewal process. It is equipped with corresponding staff resources. Land acquisition, accounting, site planning, engineering, construction supervision, maintenance, property management, relocation, procurement, property control, administrative services, research and information functions are all performed by the Authority.

Significant also for urban renewal is a qualitative factor in the Authority's operation; namely, its management approach, popularly called "Shelter Plus." This approach has provided the rationale for a number of organization and administrative decisions relating to the policies and practices of the Authority. In essence, this approach accepts a responsibility for assisting families of low income to improve themselves and to become more effective contributors as citizens to the community of which they are a part. This approach uses both technical and human relations skills applied in a decentralized manner at the project and neighborhood level, and adopts many fundamental community organization principles as a guide for both decisions and practices. The significance of this approach has been aptly demonstrated in the relocation activities of the Authority, which are conducted as part of its management operations. There is general community respect for the interest taken by the staff in resolving the many social problems encountered in the relocation process.

Current Limitations of Public Housing Program. An even greater participation by

public housing in urban renewal will require changes in both federal and state legislation and, even more particularly, in the administrative philosophy of the Federal agencies which have a contractual relationship with local housing authorities. The public housing program still suffers from a number of limitations that impair its effectiveness in a successful urban renewal enterprise. Certain limitations, some local—others national, that need to be identified are:

1. With few exceptions, public housing has used individually selected sites which have been politically acceptable, and for the most part in slum areas. While an attempt has been made to develop projects able to survive within their surroundings, and only to a limited extent dependent on other physical improvement programs, they still present a picture of being islands or pockets in larger neighborhood areas, typically characterized by an adverse social and physical environment. The influence or impact of the project in improving the quality of the surrounding area thus is limited.
2. Many of the projects are too large to enable them to be integrated satisfactorily with the surrounding neighborhood. Although the large size in some instances may have been necessary to protect the project itself, this very size has also limited relations between the projects and the surrounding community.
3. The density of public housing projects has been excessive in some instances, particularly in terms of land coverage.
4. A more realistic appraisal of the concept of low-income families was expressed as being a need by a number of local observers. The point is made that the difficulties encountered by the family now ineligible for public housing because it has an income above the limits for admission but below the level to be served adequately by the private housing market are especially acute. The revision of income limits both for admission and continued occupancy appears to be in order. These changes can be initiated by the local public housing program, and assuming that adequate justification exists, upward revisions are approvable within the frame-

work of existing Federal legislation and policy.

5. The special housing needs of the aged, especially the single aged person, are not being served adequately by the public housing program. Single aged persons cannot be admitted until corrective legislation by Congress is enacted.
6. The local one-year residence requirement is regarded by some observers in the community to be an unnecessary hardship imposed on in-migrants. Many of the in-migrants are low-income earners, but they are essential parts of the city's labor supply. Because they are forced to seek accommodations in slum areas, they contribute substantially to the overcrowding that already prevails.
7. The use of slum clearance sites to the degree practiced by the public housing agency locally is open to serious question. A considerable proportion of future public housing should be located on vacant sites to help meet relocation and other low-rent needs. Some units may have to be kept vacant to serve relocation requirements. The past policy of extensive use of clearance sites, although popular in this community, as elsewhere, has limited additions to the housing supply and therefore indirectly contributed to the continuance of the shortage.

The Redevelopment (Land Clearance) Program

Functions and Organization. The Redevelopment Commission is a body of seven members (five until a recent ordinance.) The Redevelopment Commission describes its basic functions as:

- "A. To plan the optimum re-use of land in blighted areas that have been recommended by the Planning Commission and approved for redevelopment by the Mayor and City Council.
- "B. To acquire land in approved redevelopment areas by purchase or condemnation, to demolish the old buildings, and to prepare the sites for redevelopment.
- "C. To sell or lease the cleared land to a private developer or to transfer it to another public agency that will de-

velop it in accordance with the planned re-use."

The Redevelopment Commission has been operating with a relatively small staff (approximately 15). The staff has been organized around eight separate functions, identified by the Redevelopment Commission as follows:

- Research, Information—Research, coordination, and editing of Federal aid applications.
- Planning—Planning of projects.
- Land acquisition—Coordination of land acquisition.
- Engineering—Supervision of demolition, site improvement, and project engineering.
- Relocation—Coordination of relocation operations plus public information and librarian services.
- Accounting—Accounting and financial operations.
- Clerical services

In addition to personnel in these divisions, the budget of the Commission covers reimbursement of the salaries of six employees in the departments of the City Solicitor and the Comptroller. The staff concentrates largely on planning and programming activities in connection with active or contemplated redevelopment areas. Those activities involve considerable working relationships with representatives of the Federal government, other public agencies in Baltimore City, the building and financing interests who are essential to the redevelopment process, and, in a general information capacity, with the public at large. The day-to-day legal work is performed by the City Solicitor's office, and relocation is handled by the Housing Authority on a reimbursable basis. Coordinating and contract supervision responsibilities are fulfilled by the Commission's own staff.

Redevelopment Activity Prior to Urban Renewal. The background for the redevelopment or land clearance program in Baltimore has paralleled the initiation of similar programs in other cities. The terms "land clearance" and "redevelopment" have come to be used interchangeably. Unless the underlying concepts are clearly understood, con-

fusion with respect to the program's relationship to urban renewal may result as soon as one or the other of the terms is selected. Part of the difficulty here is that a variety of public and private programs result in land clearance. Land clearance as such is nothing new in our urban life. It may take place without plan or system, or as an incidental by-product to some other objective, but clearance of existing improvements from land constantly takes place.

Redevelopment, however, has a more precise, even though still general, meaning to those engaged in or interested in renewal activity. It refers to a specific program of land clearance in a blighted area wherein clearance itself is a primary objective, utilizing public funds and the power of eminent domain to acquire title to both land and improvements prior to demolition activity. The land then may or may not be given over to the same use which it had before clearance, and a redevelopment agency (or land clearance agency in this context) is authorized to sell or lease the land to a private developer or make the land available for a public use.

The new use may have to be made possible from an economic standpoint through a "write-down" of the acquisition cost or market value to a new re-use value related to the type of redevelopment that will take place. The Federal government, under Title I of the Housing Act of 1949 (broadened by the Act of 1954), is authorized to provide financial assistance to absorb up to two-thirds of the write-down. Thus far, the operations of the Baltimore Redevelopment Commission have been identified exclusively with this Federal formula.

Role of Redevelopment in Urban Renewal to Date. The Housing Act of 1954, which initially described the concept of urban renewal in legislative terms, authorized Federal assistance to local communities, not only in the clearance and redevelopment of slum areas, but to help them in preventing the spread of slums and blight through rehabilitation and conservation of blighted and deteriorated areas. The local Harlem Park renewal proposal has illustrated the limitations of existing agency organization in Baltimore from the time it was first advanced. A number of old problems and many new ones cen-

tering around the administration of the local redevelopment program came into sharp focus.

The Department of Planning attempted to coordinate the planning of this multi-sided proposal. The Redevelopment Commission, however, had established working contacts with the Federal officials responsible for the national administration of the redevelopment program. Subsequently, many of these same officials became associated with the Federal administration of the renewal program. By reason of these contacts the Commission apparently assumed that it, alone, should do business with the Federal government. There is also some evidence to indicate that the Redevelopment Commission approached urban renewal as being simply a broadened redevelopment program. In fairness to the Redevelopment Commission, however, this approach was supported by the interpretations made by the Federal agency.

The effectiveness of the Redevelopment Commission in assuming a leadership role for urban renewal in Baltimore has been limited by a number of weaknesses, such as:

1. The lack of vigorous and decisive local administration of the redevelopment program.
2. Federal delays and confusion.
3. Inherent complexity of the redevelopment process.

Not Organized For Renewal

The Redevelopment Commission was not organized to perform the vastly more detailed job represented by renewal. When it attempted to perform many broader renewal functions, specific criticism began to be voiced. Among some individuals, the criticism has been quite hostile, including such charges as unnecessary delay, procrastination, inadequate public information, and lack of orderly planning and programming. Some Negro leaders and membership organizations have been especially critical of the Redevelopment Commission's practices. Some interested private redevelopers have begun to lose faith in the redevelopment process because of the apparent delays and frustrations.

The relatively low esteem in which the Commission's work is held does not carry over into a disparaging attitude toward the pro-

gram of redevelopment itself. Some years ago, while the Commission carried on an extensive public education endeavor on a bond issue for redevelopment purposes, considerable appreciation and enthusiasm for the redevelopment process was created in the community. Private business interests, in particular, have shown leadership in endorsing the redevelopment program generally. Even today, many of the groups most critical of the Commission's practices, including Negro membership organizations, are still on record as being in support of the redevelopment principle.

Among the lessons to be learned by the community from this situation should be an appreciation for the correct application of administrative skill in the execution of any program. It is interesting that the Housing Authority enjoys an excellent reputation on the whole, notwithstanding some opposition to public housing, by reason of its apparent administrative competence. On the contrary, the Redevelopment Commission, charged with the responsibility of executing a program that is endorsed almost universally in terms of philosophy and principle, is less highly regarded because of its administrative deficiency. The urban renewal process, much more complex than the administration of any single program element, requires the greatest exercise of administrative skill obtainable—applied with insight as to community changes, the varied needs of people, and all-inclusive planning concepts.

The Housing Law Enforcement Function

Enforcement as a Program Tool. Baltimore's record on law enforcement is outstanding. Baltimore has developed more law enforcement weapons than other major cities in the country and a wider variety of demonstration efforts. However, the Baltimore experience points up the fact that law enforcement is no substitute for slum clearance and redevelopment, public housing, conservation, or other elements of a renewal program. Law enforcement is a tool to facilitate the execution of a comprehensive renewal program. In the final analysis, law enforcement can be no more effective than the program of which it is a part.

Accordingly, law enforcement is described as a tool or function rather than a program itself. Further confusion on this point has developed locally because Baltimore's enforcement activities have been misnamed by some as a rehabilitation program. (See Chapter III for a discussion of rehabilitation.) This conflict in terminology has not irretrievably prejudiced a more reasonable understanding of rehabilitation in Baltimore, but it represents one of those unfortunate circumstances requiring clarification before real progress is attainable.

Origins as a Public Health Concern. In Baltimore, the basic responsibility for the law enforcement function is centered in the Housing Bureau of the Health Department. When the function is viewed as a whole, however, it is necessary to examine a number of activities organizationally related to other City departments. These include the Department of Public Works, the Police Department, the Fire Department, and the Court system. Within the Health Department, a number of bureaus other than the housing unit are involved.

The emergence of the housing enforcement function has traditionally been associated with public health activities in American cities. Baltimore's Health Department has been one of the leaders in that respect. And regardless of observations that are pertinent to the current and future scene, it is entirely reasonable and proper that the enforcement function would have been initiated and would have grown within the Health Department.¹

Organization of Enforcement Function. It is difficult to describe in narrative style the many organizational relationships that are involved in the enforcement function as now practiced. A review of Appendix V (Health Department Organization) and Appendix VI (Public Works Department Organization), in conjunction with Appendix VII (Organization of the City of Baltimore) will assist in portraying those relationships. Many administrative complications are revealed in these

¹ See Huntington Williams, M.D. *Better Housing: Law Enforcement and the "Baltimore Plan"* a paper presented at the 27th Annual Conference of the Milbank Memorial Fund, New York, November 15, 1950, and bibliography cited on page 11 therein.

charts and such printed descriptions of activities as are available. The many bureaus, divisions, branches, and departments of city government that have a part in inspection, enforcement, and licensing activities have developed over a long period of time and doubtless because of some good reasons at many stages. However, the arrangement and organization lack current sense.

It is amazing that the enforcement function has performed as well as it has under these conditions. In considerable measure, that success can be related to the influence of a number of the personalities who have been involved historically with the growth of the enforcement function, plus active public backing on the part of a great number of organizations.

Area Emphasis. An outstanding feature of the "Baltimore Plan", as the enforcement function has come to be known locally and nationally, has been the enforcement of ordinances and regulations on an area basis. The ordinance establishing the Housing Bureau calls for "centralization in a single office" of responsibility for bringing together the several enforcement agencies in establishing "policies, procedures, and techniques." The Housing Bureau is supposed to integrate the housing law enforcement effort with other municipal activities to the end of "an effective campaign against slum and blighted areas." This statement of responsibility apparently contemplated the development of policies and procedures which would "be binding upon all other Bureaus, Sections, and Divisions of the Baltimore City Health Department." The Director of the Housing Bureau was given the duty and authority to promote these activities with the benefit of an Advisory Council, appointed by the Mayor.

The ordinance establishing the Housing Bureau also makes clear that it has complete responsibility within areas designated for intensive law enforcement (as determined by the Housing Bureau). The Housing Bureau handles all inspections in these areas, both structure-by-structure inspection (either with its own staff or jointly with other departments) and inspections resulting from complaints. The Division of Community Sanitation within the Health Department services

all complaints received from locations outside the blighted areas (as determined by the Department of Planning). Complaints received from outside the intensive law enforcement areas determined by the Housing Bureau, but in blighted areas, are sometimes handled by the Housing Bureau and sometimes by the Division of Community Sanitation. The inspection of rooming houses, as required by State law, is dealt with by the Housing Bureau within its designated intensive enforcement areas, and by the Division of Community Sanitation outside such areas. (For a more complete description of the operation of the enforcement function, see Appendix VIII)

Relationship to Other Municipal Inspection Services. Within the Police Department, a group of Police Sanitarians are designated to work with the Housing Bureau. The legislative sanction for this police activity stems from the power given to the Police Commissioner to "cause to be removed nuisances in all the streets and highways, waters and water courses, and in all other places." In exercising his police powers, each Police Sanitarian carries with him a book of notices countersigned by the Commissioner of Health. By agreement, the Police Sanitarians confine themselves to inspection of the exteriors of premises.

The Bureau of Building Inspection in the Department of Public Works has the primary responsibility for enforcing the building code. The code has separate requirements for existing housing as against new construction. In the Building Inspection Bureau are the following sub-units: building, electrical, mechanical (plumbing is a part of the Health Department responsibility), and zoning. All applications for permits for renovation, conversions, etc., in existing housing are referred to the Zoning Enforcement Officer and, if necessary, to the Health and/or Fire Departments.

Intensive Inspection Treatment

The Housing Bureau has taken the initiative in areas receiving intensive inspection treatment. In some cases, the inspection has been wholly a Housing Bureau staff undertaking; in others, it has been a team operation, drawing on inspectors from other units

and departments, coordinated and supervised by the Housing Bureau. Where a team inspection has been utilized, inspectors have been assigned from the Building Inspection Bureau (including the Zoning Enforcement Officer) and the Mechanical-Electrical Bureau of the Public Works Department, from the Fire Department, Police Department Sanitation Division, and the Housing Bureau itself.

The majority of the violations are processed through the Housing Bureau. The Police Sanitarians generally proceed first and send their notices and check sheets to the Housing Bureau. The Fire, Building and Electrical Inspectors make a joint inspection whenever possible. The Fire Department sends out its own notices with a copy to the Housing Bureau. Electrical, Building, and Housing Bureau Inspectors fill out individual forms which are coordinated and processed by the Housing Bureau, and joint notices are mailed signed by all three Inspectors.

The above description is only suggestive of the degree of detail involved in the processing of inspections. It is illustrative of the administrative complications that exist, but their potential implications for urban renewal will be revealed only as the enforcement and inspection process becomes related to other active programs undertaken on an area basis. It is evident that considerable improvement is warranted in developing team inspection of dwellings and in preparing a consolidated notice of violations for owners and tenants.

Additional Limitations. This study has revealed other problems in the current performance of the law enforcement function. Among these are:

1. Although informal cooperative relationships exist between the Housing Bureau and other municipal agencies, departments and units, the Housing Bureau has proceeded independently to determine the areas for concentrated or intensive enforcement. While this independence has been acceptable to the Health Department, it is not necessarily consonant with the high degree of cooperative planning and programming that is so vital to the

effectiveness of a coordinated attack on blight and slums.

2. The relationship between the Housing Bureau and the Sanitation Division of the Police Department (Police Sanitarians) has not been clearly defined in practice. This is not to suggest that cooperation is limited. On a personal basis, relationships are exceedingly wholesome. The significance of the role of the Police Sanitarians, however, is tied up with their symbolic identification with "the law". This is a most important psychological factor in enforcement, but one which needs to be thought through more concretely so that its full potential can be utilized.
3. Refinements of the operation of the enforcement function are not reflected sufficiently in the present Ordinance and Rules and Regulations covering The Hygiene of Housing and other city regulatory codes and ordinances. If enforcement considerations could be included more substantially and a consolidated or single volume "Housing Code" promulgated, many of the purposes of the individual codes could be better fulfilled.¹
4. Particular difficulties exist in enforcement with respect to the absentee landlord and the chronic violator. Additional "toughness" in enforcement appears to be called for, and clear-cut policies are required. In part, the solution to this problem is dependent upon strengthening the legal powers of the Housing Court. Also, greater use of the influence of the Baltimore Real Estate Board and other groups would be helpful.
5. The Housing Bureau should more aggressively use the powers available to have buildings vacated if uninhabitable, or demolished if structural hazards exist.
6. The type of resource made available through the Fight Blight Fund has been

¹ The need for a consolidated Housing Code and related matters are discussed in the report of the Mayor's Committee on Housing Safety, April 2, 1956, extracts from which are contained in Appendix IX. For suggestions as to the detailed contents of a consolidated Housing Code, see *Report on Housing Standards by the Urban Renewal Committee on Housing Standards and Structural Survey Procedures*, Melvyn T. Pugatch, Chairman, May 18, 1956. Report submitted to Arthur D. McVoy, Chairman, Urban Renewal Staff Committee and Director, Department of Planning, Baltimore, Maryland.

utilized only superficially in the enforcement process.

7. Enforcement is limited frequently because of relocation difficulties presented when a household is unable to continue occupancy in a substandard dwelling either because improvements are not warranted or the cost of improvements cannot be afforded. Some displacement is inevitable, and more consideration needs to be given to the utilization of a relocation service than has been true in the past. Within recent months, the Housing Bureau has been experimenting with the use of a modified service, performed by the relocation personnel of the Housing Authority. This is a step in the right direction, but more complete measures will be needed in any enlarged program of enforcement.
8. The Housing Bureau has given insufficient attention to a critical appraisal of its experience to date. Two crucial issues which require attention are: (1) The economic effect of complete enforcement when applied to a given area, and (2) The implications of applying an occupancy standard with rigorous enforcement, including the magnitude of the resulting relocation load. The articles in the *Sunpapers* prepared by Martin Millsbaugh concerning enforcement are helpful in highlighting a number of deficiencies revealed by past experience, such as the lack of sustained citizen interest and the temporary character of improvements.¹

Existing Arrangements for Urban Renewal Coordination

These are the major programs and functions now existing in Baltimore and directly involved in a comprehensive urban renewal program. They are the activities which have required coordination, as the City has launched itself into the urban renewal process.

Reference has been made to the confusion that developed when the Harlem Park renewal proposal was initiated. There was a local

¹ A series of four articles by Martin Millsbaugh explaining what urban renewal means, and what it means to citizens of Baltimore, *The Evening Sun*, Nov. 28, 29, 30, and Dec. 1, 1955.

determination that the Redevelopment Commission could not request Federal funds for planning purposes. Then the Department of Planning was left as the only logical agency with existing legal powers to request funds on behalf of the City and to coordinate the program. But the Department's means for coordination were limited to its physical planning powers. The Department of Planning has no budgetary authority over any of the cooperating agencies and no power of appointment, rule making, or supervision. Coordination had to be attempted, therefore, by the cooperating agencies through convening committees made up of representatives from wholly independent units of government. The Chairman of the Planning Commission and the Director of the Department of Planning, respectively, were used to chair the Policy and Staff Committees established as part of the coordinating effort. None of the departments had much more than a moral responsibility to keep the Department of Planning informed. Accordingly, there was no assurance that the Department of Planning would be in touch with essential sources of information.

Urban Renewal Coordinator

In October 1955, the Mayor appointed an Interim Urban Renewal Coordinator. In taking this action, the Mayor told the community of his intention to express positive leadership in the urban renewal program, and he charged the Urban Renewal Coordinator with two basic functions: the first, to work with existing agencies and programs, initiated or under way, to the end of expediting their progress and improving their working relationships with each other; the second, to review and appraise both program and organization for urban renewal and make recommendations on each for short- and long-term application. The Urban Renewal Study Board is the means selected for fulfilling the second charge.

Although coordination has had to be achieved under severe handicaps, including lack of staff assistance, the Coordinator, with the Mayor's active support, has been able to make a positive contribution to the community during the period he has served. Mean- time, of course, the limitations of this coordinating arrangement have come into

sharper focus, demonstrating perhaps—as no other experience could—the need for substantial reorganization of agencies related to urban renewal and an imaginative new look at the program elements which are essential to urban renewal success.

Baltimore has a tremendous number of excellent and essential resources with which to perform a competent urban renewal job. Their limitations, understandably in many

instances, are a reflection of circumstances over which individual agencies have little control. It is apparent, nevertheless, that there are variations in quality as among agencies and programs, and improvement in quality is required. These improvements are attainable with the basic resources available if they can be stimulated by a community will to put them to work, in the interests of a better Baltimore.

CHAPTER III

A PROPOSED PROGRAM FOR URBAN RENEWAL

A comprehensive program for urban renewal requires a combination of many separately identifiable programs, activities, tools, and devices. Each of these elements, however, takes on a special meaning, intent, and orientation in the urban renewal process. Some of the elements are familiar. We have a considerable amount of practical experience with their content and administration. In the future is the opportunity to demonstrate the value of others—not so familiar—as an integral part of a comprehensive approach.

This chapter of the report will make specific recommendations regarding a comprehensive program. And while the parts are treated separately in the interest of better definition, it should be understood that their use, to whatever degree seems appropriate, must be determined in each area in accordance with the needs of that area and with the other activities being undertaken.

This report assumes that its administrative recommendations (as recited in Chapter V) are the most far reaching and significant features for the future of Baltimore. Administration has been the major concern of the study group. The program for which the administration is conceived, however, becomes the basis for the many organization judgments to be made. As such, therefore, the report examines program elements in some detail in an effort to suggest the range of their respective content and to stimulate local thinking in producing the refinements that, of necessity, will be required as these elements are put to work.

What Is New in an Urban Renewal Program

The underlying qualities of newness added by urban renewal can be summarized as follows: urban renewal represents the combination of whatever variety of program elements is best adapted to improve the physical and social environment of a community. It functions on an area basis, effectively coordinated and applied, so that a wholesome balance between the needs of an area and the welfare of the metropolitan community

as a whole are kept in mind. It respects the special challenge presented to municipal government and invites the participation of all citizens to insure that its full potential can be realized.

In some respects this approach is so elementary in character that it may suggest a vastly overrated premium being attached to urban renewal. The fact remains, however, that our urban communities are plagued with such a volume and degree of serious problems, wherein treatment thus far has not involved this approach, that we can only reasonably conclude the wisdom of giving urban renewal a chance to demonstrate itself.

Some Principles and Characteristics. A number of principles or characteristics of a comprehensive urban renewal program, representing refinements, actually, of the above summary, are important to the judicious use of the separate program elements.

Among these principles and characteristics are the following:

1. Urban renewal as an activity of City government is to be distinguished by the fact that the public actions are selected and organized into programs, area by area.
2. Urban renewal activity for each area is planned and scheduled. Careful attention must be paid to the time period during which renewal must occur in an area if the program is to be fully effective. Short-term goals must be identified and achieved quickly. A single budget year is not enough. All cooperating City departments, private financing and building interests, residents in urban renewal areas, and citizens generally must commit themselves to an action program for a long period. Even though this may be difficult to accomplish in City governments adjusted to one-year budgets, the longer term commitment of City funds must be obtained if urban renewal is to succeed. Long-term planning and scheduling are indivisible parts of good urban renewal programming.

3. A comprehensive urban renewal program is directed to the renewal of property in order to benefit people. The neighborhood or community (urban renewal area) in question must be viewed in its social as well as its physical setting. Urban renewal cannot succeed unless people want it because it has become meaningful to them in terms of their respective values, standards, and interests. People must be able to recognize that the benefits of urban renewal are well worth the price.
4. Urban renewal must be accepted as a vigorous and dynamic program. It must be understood that progress will necessarily create conflict as well as enthusiastic cooperation. Conflicts stemming from the program will be mirrored within the City government, in direct ratio to the degree of vigorous action taken by officials. Obviously, these conflicts must be resolved through planning, organization, administration, and other effective mechanisms for making policy and executive decisions. A healthy metropolitan city is a changing city. If the city is dead at its roots or core, the process of change will be slowed down or subverted.
5. A successful urban renewal program requires both public and private initiative. It proceeds by building mutual confidence between private interests and government, each assisting the other to develop the confidence of people living in urban renewal areas. Accordingly, effective communication is an essential program attribute. Urban renewal involves community initiative in addition to community participation. The character and timing of an urban renewal program in a neighborhood must be determined by a mutual adjustment among several initiating groups, working freely within the general plans and programs for the city as a whole. This cannot occur without a strong effort by the City government itself to keep everyone informed on program intentions and to provide channels of communication with each neighborhood.
6. The City's urban renewal program must be developed with a consciousness that its separate elements can be related to areas in accord with a basic strategy. In

many respects this characteristic is no different in principle from any attempt to develop "good government" in general. Strategy is the linking of special measures to a special situation to achieve general objectives. To a considerable extent the terms, practices, and procedures must be determined while the program is under way. The strategic plan must allow for varied tactics. It is extremely important that procedures are adaptable to the latest intelligence, such as: the most recent reports on the market for land; the new proposals from various city departments and private interests; and the status of citizen understanding, acceptance and participation.

Elements of a Comprehensive Program

The concept pervading many of the proposed program elements and recommendations related to them, attaches particular importance to the political interest and responsibility of the City administration in establishing and achieving program objectives that will most satisfactorily reconstruct the urban community to meet the varied needs of the people it serves. This concept is based on the statement of the central problem facing American cities today recited in the Foreword.

Accordingly, municipal government cannot evade the issues and conflicts which now flavor urban life. Increasingly, it is evident that political leaders cannot long survive if they fail to respond to these challenges. Responsible citizenship demands, therefore, that the City administration must be enabled to develop a program and have the necessary tools and facilities to carry it out.

In this context, the Mayor plays a unique and critical role, especially in the city with a "strong-Mayor" form of government—the case in Baltimore. Citizens must give their Mayor the responsibility and the authority to develop and execute a program for the whole city. He must be able to exercise control if he is to fulfill his responsibilities as the city's chief executive. He must have available whatever range of resources is required.

Under existing Charter provisions, the

Mayor can exert positive leadership to accomplish attainable goals that will represent substantial progress if vigorous support and strong leadership are forthcoming from citizen groups. However, an ideal program for urban renewal will require some Charter revisions and some changes in law and practice and tradition. It is hoped that Charter changes will be initiated in order to provide a consistent legal basis for the municipal administration to effectively concentrate on the reconstruction of Baltimore.

The list of program elements follows:

1. COMPREHENSIVE CITY-WIDE PLANNING
2. COMMUNITY, URBAN RENEWAL AREA, AND PROJECT SELECTION AND DELINEATION
3. URBAN RENEWAL AREA AND PROJECT PLANNING
4. CAPITAL BUDGETING
5. CONSTRUCTION AND MAINTENANCE OF PUBLIC WORKS
6. OPERATION OF PUBLIC SERVICE FACILITIES
7. RESEARCH
8. PRIVATE ENTERPRISE PARTICIPATION
9. LAND CLEARANCE AND REDEVELOPMENT
10. PUBLIC HOUSING
11. REHABILITATION
12. INSPECTION, ENFORCEMENT, AND OTHER REGULATORY MEASURES
13. CONSERVATION
14. RELOCATION
15. COMMUNITY ORGANIZATION

Each of the above elements will be described separately.

1. Comprehensive City-Wide Planning. The Department of Planning must concentrate on the preparation of a general plan for Baltimore which will establish among its goals, a framework for industrial and commercial land use, residential development and preservation, traffic patterns and circulation, and community facilities. The Department must be charged with the responsibility for analyzing and describing the planning elements in a form and manner usable to the operating agencies (private and public), to citizen groups and private investment and construction interests. No renewal under-

taking can select areas for intensive treatment or proceed with the programming of such areas with any degree of certainty unless such a plan exists. The general plan should provide the take-off point for renewal officials. It provides the skeleton outlining the city's present and future growth and form. Within such a framework, renewal officials can make day-to-day judgments and decisions regarding the short- and long-range objectives of renewal.

The Planning Commission and Department should obtain special guidance and advice on their general planning responsibilities. In view of the importance of this function to the City of Baltimore, in general, and to urban renewal, in particular, special consultant services should be employed for the assistance required.

The program goals of the city administration cannot be developed adequately without planning resources directly available to it. Organizational and administrative recommendations to provide such service are found in Chapter V.

2. Community, Urban Renewal Area, and Project Selection and Delineation. The process of selection of communities within the city, urban renewal areas, and specific projects for their respective program treatment, together with the delineation of boundaries, must involve coordination between planning and renewal officials. Standards must be developed which can be used as a yardstick for the selection and designation of the various types of community and urban renewal areas.

The planning agency should be responsible for delineating community and urban renewal area boundaries. The renewal Agency (described in Chapter V) must be responsible for defining specific project boundaries within renewal areas. However, as a cooperative process, the fixing of boundaries will require close working relationships between the planning function and the renewal action agency.

It is necessary to establish study limits in the selection of urban renewal areas. An attempt should be made to determine the scope of exploration so that the designation of definable and rational area boundaries is possible without becoming involved in studies which require investigation of problems

far afield of immediate interest, although perhaps important in their own right. This observation is prompted by the encouragement to delay completion of planning assignments that is at times a result of unnecessarily extensive research and investigation.

Question Of Public Policy

Urban renewal programming should consider the question of public policy raised for the City of Baltimore when the relative priority of slum prevention and slum clearance is given adequate attention. This question does not imply that clearance should be avoided, but suggests an orientation of interest that rather clearly emphasizes the need to preserve salvageable housing and other physical resources. Regardless of the determination of public policy made here, a question is clearly posed for resolution that the City of Baltimore will have to decide. Unless resolved, chaos rather than orderly progress is invited. Lack of policy can result in the unwise investment of both public and private funds, and a resulting disservice to the best interests of the city as a whole.

As among defined areas, the order of selection for treatment should be the basic responsibility of the renewal Agency, with the general guidance and direction of the Mayor's office, thereby relating the renewal program to the broader program of urban reconstruction advanced by the City administration. Further coordinative aspects of this process, as they should become the direct concern of the Mayor's office, will be reviewed in Chapter V.

3. Urban Renewal Area and Project Planning. The most dramatic and far-reaching elements of the urban renewal program relate to the necessity for developing community and project plans which provide the physical environment for healthy living. The plan for an urban renewal area cannot be prepared as an idealized version of the project or community. It must be practicable of achievement—financially, socially, and politically. The plan provides the blueprint for action. It is the bridge between the City's total plan for urban growth and private interests and the public action agencies. Hopefully the plan will be developed cooperatively with groups representing the citizens of the

city as a whole, and in its more detailed aspects, with the residents of the neighborhood or community area involved.

Each contemplated action area requires the preparation of a renewal plan, which will vary in the kind and amount of detail. This applies whether the proposed program involves substantial, little, or no Federal or other public aid; limited or extensive area law enforcement; or limited or extensive rehabilitation and clearance. The responsibility to prepare the plan is that of the renewal officials. As previously implied, this report recommends that there be a clear distinction between the performance of area and project planning by the renewal Agency and comprehensive general planning by the Planning Department.

The basic reference for the preparation of the detailed renewal area plan is the general plan provided by the Department of Planning. This framework will show, at least in general terms, the arrangements with respect to the area for such items as schools, major traffic and transportation patterns, major parks, criteria for determining residential densities, major land use requirements, etc. As a guide, it can be said that this general plan framework should be comprised of those elements which require for their determination knowledge of conditions or proposed plans outside the area. Ideally, this work, at least with respect to the area in question, should be completed prior to selection of the area for treatment. If it is not completed, however, it must go on more or less concurrently with the development of the detailed area plan.

A Major Objective

In preparing the general plan, the Department of Planning should also bear in mind that a major objective of the planning function is to resolve disagreements and provide a basis for cooperation. The Department of Planning should not dump critical community-wide issues in the lap of the renewal Agency for resolution. Fundamental conflicts between the creation of a good living environment and necessary city-wide transportation must be approached forthrightly. The early planning and construction of expressways serving the downtown area, ex-

pressway belt line routes and public transit improvements, are essential if both transportation facilities and good neighborhoods are to exist in the inner city. This will require close working relationships between planning and many City departments, such as Public Works and Traffic Engineering. When the Department of Planning concludes that the proposed capacity of expressways and other through routes is adequate, the renewal Agency can work within the spaces left by the network of major routes. It can assume that through traffic can be reduced on the minor streets, thereby once again making them livable.

Baltimore has seen a number of instances already where conflict between neighborhood improvement and traffic programs has caused problems for one or both, and traffic is the subject of continuing complaints by citizen groups concerned with neighborhood living conditions. As the Planning Department develops firm and defensible plans which accomplish as much as possible for both programs, it will make a major contribution to urban renewal.

Further, if the general plans are to be a real guide to detailed renewal planning, they must face unequivocally what densities of residential population and what intensities of residential and other types of development will be required; what standards will be insisted upon for light, air and open space; together with such other standards as are appropriate to the particular characteristics of each area. Among the latter are the standards of maintenance and enforcement appropriate to the area. In certain instances where the standards are co-extensive with the minimum code of the City, the standards can be adopted by reference to these minimum codes. In other instances the standards may be substantially higher than the minimum code. This would apply in non-Federal-aided, as well as Federal-aided programs. The standards so included should be subject to uniform compulsion and compliance. The realistic application of the standards should be tested against the availability of facilities to achieve compliance.

The Most Critical Path

The development of this detailed plan is

the most critical path to be taken by the renewal Agency. The renewal plan proceeds from the point where the more generalized planning function of the Department of Planning leaves off. It magnifies a section of the City's general plan. It is variously called community planning, neighborhood planning, vicinity planning—the designation of terms is less important than an appreciation of its significance and distinction from general planning responsibilities.

Within the context of the general plan the renewal area and/or project plan spells out the detailed location of land uses. At some point it must venture into suggested site plans, utility rearrangements, parking, detailed density criteria, interior service streets, and related factors. The plan must reflect standards to guide community change and growth and specifically define proposed action elements, including such factors as re-use of land for schools and parks, techniques for achieving objectives by the use of clearance, redevelopment, public housing, rehabilitation, enforcement, and other tools and programs. At this stage, the plan is a charge to action.

In preparing the detailed plan the renewal Agency must be free to exercise initiative within the framework of the general plan, subject only to the review by the Planning Department of the area plan as a subdivision, and for review of any zoning changes and detailed locations proposed for public and utility improvements. In Chapter V various recommendations on organization and administration relative to both the renewal Agency and Department of Planning are pertinent to accomplishing the program objectives outlined above.

No Diminution In Responsibilities

These recommendations do not call for diminution in the responsibilities of the Planning Department. It is an attempt to emphasize the need for the Planning Department to get ahead with its main job, which is comprehensive general planning. Where major important issues of physical development policy have not been resolved, the Planning Department should state them clearly—documented with the necessary data and diagrams—and get the issues discussed so that

action programs such as urban renewal can proceed.

It is recommended strongly that the Planning Department does not initiate detailed area (vicinity) planning in a residential area once the renewal Agency is tooled up to do its own job. It is true that the work done in recent years by the Planning Department on vicinity planning has produced some successful demonstrations. But its interest in this aspect of planning from a demonstration standpoint can well be transferred to other types of areas where there is a genuine community need for proposals incorporating detailed planning—meantime, of course, not neglecting its major issues and responsibilities.

For example, there are sizeable problems relating to the development of the harbor area, industrial and commercial sections, and the civic center. In some cases these developments will relate primarily to the activity of the Port Authority, the Off-Street Parking Commission or the Bureau of Building Construction. Special committees may again be necessary because of the new problems involved. In preparing the way for such developments through setting forth the standards they must meet in the public interest, the Planning Department can perform a vital service. The attainment of an appropriate organization for urban renewal can free the Planning Department for its appropriate task of blazing new trails and clearing the way for new types of action.

Positive Reasons For Placement

While valid reasons exist for freeing the Department of Planning of the responsibility for preparing detailed area plans, there are also positive reasons for placing this function in the renewal Agency. There is, for instance, a strong need for the closest type of relationship between those preparing the detailed plans and those who will carry out these plans. Securing the active interest and participation of private investment will frequently, for example, require the ability to make rapidly many small-scale revisions or adjustments in the plans. The renewal Agency will be better equipped to know precisely what is possible or practicable in the execution of a plan, thus facilitating the pro-

duction of realistic and attainable plans.

Furthermore, the community and project planning function must be exercised not only as a blueprint for operation, but equally important also as the technical arm of community organization activity. Thus this activity can call upon the professional planning skills as required to assist in weaving them into the fabric of community participation. The planning activity should be called into play at the level of the residents of neighborhoods to give form and substance to community objectives—suggesting alternatives to the attainment of goals, emphasizing technical limitations, and providing a graphic dimension for and to citizen discussion and determination.

4. **Capital Budgeting.** It is essential—in the interests of the city generally and as a control element in the renewal program itself—that the City government develop an organized and systematic capital budget. The failure of the City to adopt such a program can invite the possibility of two unfortunate results.

First, the renewal officials may find that their activity adds up to nothing more than a series of interesting exercises. When the point is reached that it is necessary to develop a financial program for implementing renewal plans, they cannot proceed unless there is a rational system for programming and providing public works, coordinated with renewal time schedules, in order to utilize public works expenditures appropriately as the local contribution to Federal grant arrangements.

Second, if renewal officials proceed to implement a renewal plan, in cooperation with other officials, by deliberate manipulation or rearrangement of public works enterprises in order to “build up” a local financial contribution in this manner, then the values achieved for a particular area may be unfair to other sections of the city where the expenditures might better be made at the time.

Neither Needs To Take Place

Neither of these results needs to take place. Renewal area planning and program accomplishment can be achieved without sacrificing the use of necessary public works expenditures for local contributions under the

Federal-aid formula. It is not necessary deliberately to ignore reasonable allocations of public works funds where they are most needed in the interests of the city as a whole. But these conditions can be observed only if a soundly conceived and expertly administered capital budgeting system is established.

In Chapter VI of this report, *Financing of Baltimore's Urban Renewal Program*, the significance of making public works expenditures in accord with a systematic capital budgeting process, as an essential element of urban renewal financing, will be reviewed in more detail. From a program standpoint, capital budgeting must be accepted as an integral constituent, vitally affecting a variety of program decisions involving the scope and

pace of urban renewal in Baltimore.

This report recommends that the City's capital budgeting system should be made up of three separate parts, each related to the others by reason of: (a) the time span involved, (b) responsibility for preparation, (c) content and purpose, and (d) government unit or official approving or adopting its content. These parts are:

1. **Capital Budget**—for a one-year period.
2. **Capital Improvement Program**—for a four-year period.
3. **Development Program**—for a twenty-year period.

Table 3 below, summarizes the characteristics of this capital budgeting proposal.

TABLE 3

Summary of Proposed Capital Budgeting System

	(a)	(b)	(c)	(d)
	Time Span	Prepared for the Mayor by	Content and Purpose	Approval and Adoption by
CAPITAL BUDGET	1 year	Budget officer with advice of the Department of Planning.	Annual capital expenditure items to be made part of "Ordinance of Estimates."	Board of Estimates, City Council, and Mayor.
CAPITAL IMPROVEMENT PROGRAM	4 years	Department of Planning with advice of Budget officer, Dept. of Public Works, Renewal and Housing Agency, and other operating departments.	A scheduled list of capital expenditure items related to financing sources and cost and revenue estimates, to be used as basis for preparation of Capital Budget.	Board of Estimates and Mayor.
DEVELOPMENT PROGRAM	20 years	Department of Planning with general advice of municipal officials, Planning Commission, and private citizen groups.	A long-term schedule of anticipated capital expenditure items, related to social and economic trends and forecasts and city-wide needs, adapted to current general plan.	Planning Commission

In Chapter V specific recommendations are made regarding the organization and administrative aspects of developing a capital budgeting program for the City of Baltimore.

The capital budget, together with the capital improvement program, must be regarded as being tied directly to the executive administration of the City.

The capital improvement program is related in time span to the term of office of the City administration, thereby enabling the Mayor to establish a scheduled program of capital improvements adapted to his reconstruction goals, to the longer-term requirements identified in the development program, and to the fiscal resources of the City—existing or to be made available.

The Charter terminology does not give adequate recognition to the significance of capital budgeting, but the authority to develop and carry out the process is available. In the language of the City Charter, the annual capital budget is part of the "Ordinance of Estimates," identified as the "Estimates for New Improvements."

The City's Budget Director should be responsible for the preparation of the annual capital budget.

Provides Early Construction Funds

The capital budget should provide funds for the early construction of projects which have advanced through the capital improvement program in the immediately preceding years. The Budget Director should have the assistance and advice of the Planning Department in the preparation of the capital budget. The capital budget is the Mayor's program of current capital expenditures.

The capital improvement program schedules major public works for the succeeding four years. It should be prepared by the Planning Department with the advice of the Budget Director. It represents the Mayor's capital program for his term of office. It establishes priorities for projects according to need and urgency, estimated contract or other construction costs, sources of financing, estimated operation and maintenance expenses, and indicates any revenue that might be derived. As new and influential factors appear in the urban scene, or known factors take on a new significance, the capital im-

provement program should be revised—to the end of making it a sensitively attuned instrument of policy for the service of the administration.

The development program is a list of public improvements foreseen as needed during the next twenty years. It is also prepared by the Planning Department and represents public improvements needed to carry out the general plan. With a twenty-year perspective, the city could then know that it had a comprehensive system for the orderly planning and execution of public works, related both to needs and fiscal resources.

The requirements of Maryland State law pertinent to the financing process by which the Mayor and City Council obtain authority to issue notes, bonds, or other municipal obligations make a capital budgeting system particularly imperative. The steps involved and the timetable prescribed by law need careful preparation if a program is to attain reality. There are evidences already that the failure of the City to anticipate the need to obtain authority of the State legislature to raise capital funds could interfere with the orderly progress of the renewal program.

5. **Construction and Maintenance of Public Works.** Baltimore has a respected Department of Public Works that is substantially equipped to fulfill its obligations in a comprehensive urban renewal program. The Director of the Department has been an active and helpful participant in the municipal efforts thus far to launch renewal undertakings.

It has been necessary for the Department to exercise a great deal of independent judgment in the scheduling of new public works because of the lack of a sound capital budgeting system. The major scheduling judgments should not have to be made in the Department. It should not have to be exposed to the conflicts and disputes that are inevitable when a comprehensive general plan and capital budgeting conclusions are unavailable.

The inclusion of both the construction and maintenance of public works as part of a city's urban renewal program is necessary to assure that these essential municipal activities are related properly to the over-all goal of the reconstruction and preservation of the total community. Unless viewed in this per-

spective, this significant resource for renewal success will make a far more limited contribution to the well-being of the community than is otherwise possible. The construction and maintenance of streets, sewers, water distribution facilities, and other public works are seldom appreciated adequately, except when lacking, in need of replacement, or in need of repair. Without them, however, urban living would be impossible. In the renewal process, public works are strategically significant. They can either make a renewal plan achievable in a reasonable period of time or make it a dream that will never attain reality.

In the Public Eye

The provision of new schools, parks, playgrounds, expressways, bridges, and other more dramatic examples of public works are constantly in the public eye. With these, we are not only painfully aware of our need for them when they are lacking, but we have a conscious sense of their purpose through widespread use. Further, since public funds are involved, everyone is sensitive to their existence as a taxpayer as well as through the sense of pride that rightfully develops when a city possesses enduring public improvements that adequately meet the needs of its people. Carefully planned and scheduled investments in new public works are part of assuring a prosperous future for a city. Urban renewal seeks to make this goal possible.

The need to preserve existing public works through proper maintenance, appropriately scheduled and adequately financed, is as wise as the simpler application of this principle to a single home. And, the investment in public works is so large that sensible business practices should apply without question. Urban renewal accepts that the challenge in great measure is to preserve those physical resources in our communities, whether privately or publicly owned, which economically justify rehabilitation and conservation.

6. Operation of Public Service Facilities. As with public works, most municipal services are taken for granted and interest in them is usually reflected through complaints. However, public services—such as fire and police protection, garbage disposal, libraries, recreation centers, and street cleaning—are

more intimately related to the people of a city than public works. The intimacy of feeling undoubtedly stems from the fact that the performance of the services is largely by people, and judgments concerning the adequacy of service are based on the impressions created by the public employees involved. There is an understandable tendency to either praise or condemn the adequacy of a city-wide service, performed by hundreds or thousands of employees, quite exclusively from personal experience with the limited number of service representatives directly connected with our respective lives. The role of the individual fireman, policeman, garbage collector, librarian, recreation worker, and street sweeper is important, therefore, in shaping the conception held of the service represented. Although illogical and unfair in many respects, this situation must be appreciated as being realistic.

Most cities, including Baltimore, endeavor to furnish public services without favoritism or inequality. Obviously, this ideal can never be wholly satisfied. Everyone cannot have (and undoubtedly does not want) a police or fire station next door. Some streets require more cleaning than others. Certain building-centered services, such as libraries, cannot keep up with population mobility and expansion or seek to duplicate, in branch locations, the range of services justified in the central building location.

Some of the services represent different values to different people. Everyone may not be interested in the services provided by public recreation, but this person may react most sensitively if his garbage is not collected regularly. Individual values of worth, therefore, influence judgments also, further complicating the administration of services and the level or standard at which they should function.

"Housekeeping" Services Essential

All of these, and many more considerations are involved in relating the significance of the operation of public service facilities to urban renewal. Municipal "housekeeping" services are essential to the functioning of the city as a whole. They may significantly influence the general reputation of a city as being either a good or poor place in which to

live. At the neighborhood level, they can influence many standards of living and behavior of the residents.

The effective application of a comprehensive urban renewal approach must include the operation of public service facilities as a program ingredient. The emphasis in renewal on relating service or program to need, on an area basis, suggests that municipal public services must be among those first appraised when an area is evaluated and a renewal plan developed. If services have been deficient, it may be that the physical characteristics of the area and the density of population are such that the services cannot be provided with reasonable economy. As the renewal plan grapples with the specifics of physical alteration and change, and develops the measures required to reduce population density, the opportunities to improve public services should be identified and referred to the appropriate municipal department.

Public services can be among the most potent psychological conditioners of neighborhood residents as efforts are made to awaken their interest in improvement programs. The services can provide tangible evidence of the City's interest in a neighborhood. They can help create a climate of activity and progress that will be stimulating and provocative. Observable results can sometimes be achieved quickly through relatively small service increases—if the past level has been below the standard established generally for the city. From this standpoint, public services represent a useful instrument to stimulate citizen interest and participation in urban renewal. They can be related to the community organization function that will be described in Chapter IV.

7. **Research.** Adequate research facilities are basic to success in urban renewal programming and performance. Economic and social research facilities related to the interests of urban renewal are limited in Baltimore. This situation imposes some severe handicaps that must be rectified. Perhaps a revised attitude towards research is called for as a stimulus to the creation of the necessary research facilities.

The Housing Authority has the most comprehensive local research program among the agencies most directly affected by urban renewal. In some instances, it has gone beyond what would normally be expected of a renewal. In some instances, it has gone beyond housing authority for the reason that conventional data resources available in many large communities are nonexistent in Baltimore. There has been informal teamwork among research professionals in a number of different agencies, but this arrangement cannot compensate for the lack of strongly centered and supported research activity on a much broader scale than now exists.

The community is particularly deficient in social research. None of the colleges or universities in the area is making a significant contribution in this direction. Only recently has the Council of Social Agencies developed a research unit.

Renewal Officials Obligated

In any event, the urban renewal officials have an obligation to develop a thoroughgoing study of the characteristics of the population of the renewal areas with which they are concerned. This includes information as to race, family size, age, education, income, etc., as well as information with respect to population habits as they relate to shopping, automobile ownership, parking, recreation, and other characteristics. This information must be developed so as to give a detailed picture of the population in each renewal area. It will also be useful for purposes of defining area boundaries, school and park planning, shopping center planning, and housing market studies.

Ecological studies of Baltimore are particularly lacking. Population mobility data with respect to race, ethnic origin, and income are available only in limited measure.

Such research as has been completed is not systematically catalogued and made available to the community. Agencies and organizations, both private and public, are attempting to do planning without elementary data on which to proceed. Time is being used inefficiently to locate such data as do exist, and then it is apparent that few persons are skilled in knowing how to use it, or to otherwise evaluate its significance. No single agency or group has been in a position to as-

sume responsibility for being a central research center even though the Department of Planning, the educational institutions, and the Council of Social Agencies are logical candidates for this role in their respective areas of interest.

These research needs transcend urban renewal. Here is a fundamental community deficiency that must be solved by Baltimore's calling on a wide range of resources.

Special Research Interest

A special research interest must be a continuous study of housing characteristics and housing market potentialities. The community needs a continuous inventory of housing supply, market characteristics, and condition. (Refer to discussion of "substandardness" in Chapter I and Appendix I.) Similar information on family formation, migration, employment, and income are needed. Such information will assist private developers in meeting market demands more fully and will enable public officials and private investors to plan conservation, rehabilitation, and clearance programs on a sound economic basis. Housing market analysis should relate the variety of private and public programs under way or contemplated. New construction on vacant and cleared sites, demolition, anticipated effects of current and future private and public demolition, and the rate of housing deterioration must be planned for to meet current market conditions as well as to correlate them in a long-term renewal program. In all cases, to insure their practical value, studies should be developed in terms of the most critical elements affecting demand: income, race, and family formation.

By reason of the disparity between income of the white and nonwhite population these two critical elements are obviously interrelated. Because of the particular impact of any comprehensive urban renewal program on the Negro population, special care must be taken to know detailed population characteristics and the housing market available to Negroes. Specific research ventures are in order in this connection. While some general facts were referred to in Chapter I, these are inadequate.

8. **Private Enterprise Participation.** Substantial renewal success also depends on the

willingness and ability of private property owners, investment sources, and developers to participate actively in the program. Stimulation of interest and realistic awareness of the sensitivity of the private market are major concerns of any renewal agency. Urban renewal, as represented in this report, is not restricted to the scope of activities defined in law—Federal or local—for which forms of public assistance are available. An urban renewal program should be as comprehensive as community needs require. Affirmative private enterprise participation is the key to rounding out many of the necessary program elements.

New devices need to be created which make it possible for willing investors to take advantage of the vast opportunities which renewal can provide. These devices could enable individuals and firms to construct low and middle-income housing, form active private rehabilitation companies, and permit property owners within renewal areas to undertake activities that greatly exceed any such practices today. The upgrading of standards, elimination of designated structures, selected rehabilitation, and other activities—all without public subsidy, are legitimate concerns of private individuals and groups.

Such proposals may require the formation of corporations empowered, after city approval, to accomplish specified objectives identified in the renewal plan. This approach assumes the operation by these corporations in spheres which can receive only limited help from public sources. With this process the funds available for renewal would be expanded appreciably and private, individual and community interest would be stimulated to greater participation.

Legislation Should Be Considered

As a further recommendation, it is proposed that legislation be considered, other than that now enacted, which would permit the formation of not-for-profit and limited dividend redevelopment and housing corporations. These corporations could prepare and submit plans for designated segments of renewal areas to the renewal Agency, along with financing and program proposals. Such legislation should provide incentives for the acquisition and rehabilitation of existing

properties and the construction of new housing on cleared or vacant sites for the purpose of providing middle-income housing. Development should be undertaken by such corporations. The necessary exercise of eminent domain would be fulfilled by the renewal Agency.

Among the incentives that could be written into the legislation are the availability of condemnation powers, partial tax relief, and the use of City credit in the form of long-term, low-interest rate loans.

At the present time, enterprises of this variety operate under the laws of the State of Maryland with severe handicaps. In many other states and cities throughout the country, legislation has been or is being enacted currently to expand the role of private enterprise in renewal operations. These legislative proposals need to be examined critically in terms of their respective experience and, where they suggest valuable additional tools for the local scene, an adaptation of appropriate provisions to local legal procedures is in order.

Business Leadership Challenged

Certain of the private investment requirements and opportunities are described in more detail in Chapter VI. Financing resources for urban renewal must be found other than through the use of public funds. This need not be just a pious wish if Baltimore's business leadership can be challenged to recognize the stake it has in the city's future and the guarantees it must provide for the continued economic development of this great metropolitan center.

While the blighted residential areas have been the stimulus to urban renewal, there must be a correlated interest by public agencies in industrial, commercial, and business renewal possibilities. The central business district, for example, needs special attention. There are many evidences of energetic individuals and groups within the city who want to help in revitalizing the business area.

The Association of Commerce, the Committee for Downtown, and the Greater Baltimore Committee, along with organizations of more limited interests, can furnish the organized basis for business leadership. The renewal Agency and the City administration

must work with such groups cooperatively. The potential accomplishments of coordinated private and public action are limitless, but achievement will require unselfish devotion on the part of all to plan and act with the welfare of the city as a whole in mind.

9. Land Clearance and Redevelopment.

Land clearance requires special consideration by the renewal executive both in terms of the volume and condition of structures (housing and other uses) requiring clearance and in terms of the city's social, political, and financial capacity to deal with clearance. Clearance raises two major questions: the proper re-use of the property thus cleared, and the market for such re-use. The first of these must be resolved in city-wide terms by the general plan. The second has been one of the most critical questions (independent of undue delays in administrative processing) confronting the redevelopment executive in efforts to attract private capital to build in clearance areas. However, answers to these questions must be found. Obsolete structures, both residential and nonresidential, that cannot be salvaged economically to meet market demands, must be cleared if the city is to make wise use of land as part of guaranteeing its future prosperity.

The use of the clearance function among renewal activities helps to put renewal goals in perspective. This is true for two principal reasons. First, the ability to attract private investment depends in major part on the attractiveness and salability of the community of which the clearance is a part. Inclusion of the clearance function relates this activity to other actions treating the total community and emphasizes, therefore, not the self-sufficiency of the clearance operation alone, but rather the net benefit derived from the complete picture of community betterment. Second, redevelopment, as an independent program, is beginning to exhaust the city's reservoir of placid acceptance. Clearance, on an individual-project basis, is essentially foreign to our political fabric. Clearance can become acceptable when, within the framework of community objectives as reflected in a renewal plan, it serves as an element—alongside activities to provide schools, parks, and other facilities—to achieve agreed-on objectives.

This approach implies heavy emphasis on clearance in conjunction with other renewal devices. Spot clearance may be all that is required in many instances. However, where bad physical conditions have become flagrant and widespread, projects comprising clearance in their entirety may still be required. In these instances, no less than in the more subtle applications of renewal, the clearance activity should proceed as part of a plan providing for the elements of circulation, schools, and such other community facilities as are required.

10. **Public Housing.** Public housing is regarded also to be an integral part of a comprehensive urban renewal approach. As such, however, a number of program revisions should be considered. These possible changes relate to the comments in Chapter II regarding apparent limitations of public housing activity in Baltimore at the present time.

The concentration on large-scale public housing should be avoided. In the future there should be more emphasis on planning diversified urban renewal areas wherein public housing possibly would be one of many program elements. The use of scattered sites is proposed where feasible, including construction of single dwellings or a small number of units on such sites.

Wherever possible and practical, a large proportion of public housing should be constructed on vacant land to augment the total supply of housing. When public housing is constructed on cleared land, it should be developed at densities roughly approximating those established for private development of comparable structural types. The excessive density now apparent in some public housing projects, as a result of the insistence of the Federal agency to compensate for high land costs, should be reduced in the future by utilizing the write-down provisions of the Federal slum clearance legislation to secure lower net land costs.

During the next few years, the total supply of public housing should be maintained at a rate which keeps pace with the relocation burden created by renewal and other public and private programs resulting in the displacement of people. If a renewal program is vigorously pursued, this measure of the scale of public housing will give adequate

consideration to the needs of low-income families requiring such help in the community.

Experimental Programs

The City of Baltimore might give consideration to the use of the public housing concept in a variety of different ways, although this is a community policy decision. Possible experimental programs would include:

The purchase and rehabilitation of existing housing for rent or sale.

The construction of low-cost dwellings for eventual sale or other long-term tenure.

The enactment of state legislation and the subsequent provision of public monies to construct moderate rental housing. The funds thus provided could be used as a modest revolving fund to begin to meet the need for new lower-middle-income housing, thereby serving as a stimulus to private builders, and furnishing a pattern of experience in this field. The State of Maryland does not have available any of the aids to so-called lower-middle-income housing that are established parts of public policy in such states as Illinois, Pennsylvania, New York, Connecticut and Massachusetts.

Experiments of these types should reveal possibilities for the provision of housing for the large number of lower- and middle-income families who cannot be served by public housing as presently conceived. They will also point the way toward eventual ownership and control of some aided-housing by those occupants able to assume such responsibility.

Public housing activity should include specific provision of dwelling units in structures suitable for accommodating the aged. In this connection, the plight of the single, aged individual is especially acute. Local officials and citizen groups should join with others throughout the nation in obtaining the necessary revisions to Federal housing legislation that will enable public housing to contribute to the solution of this problem.

The Housing Authority's policy of incorporating a residence requirement of one year as part of its admission regulations should be reviewed in the light of the volume of

immigrant population to the city. The effect of such immigration on housing conditions might well be relieved in part by relaxation of this admission requirement.

A close relationship between public housing and the neighborhood of which it is a part should be preserved and expanded in conjunction with urban renewal activity. Public housing might well become one of the centers in a neighborhood for influential citizen education processes in the development of standards and values relating to community betterment.

11. Rehabilitation. Rehabilitation is probably the most unproven and uncharted device which is part of the urban renewal process. Although many law enforcement activities are posed as accomplishing rehabilitation (including those in Baltimore at times) this connotation is an abuse of the rehabilitation concept. Rehabilitation implies the partial or complete renovation or modernization of properties. It is not merely the compulsory installation of a toilet or a water heater to meet a code requirement. Rehabilitation involves up-grading to improve an investment or to maintain it at a satisfactory level.

In the final analysis rehabilitation is an economic process, and at this stage, neither Baltimore nor any other city has had sufficient actual experience with rehabilitation to warrant firm conclusions regarding its practicality. This is true essentially because of the limited data available concerning the cost of rehabilitation, especially as related to imaginative rehabilitation design and physical alteration practices. These limitations, however, should not predispose our thinking to reject the possibilities of rehabilitation, but serve as a special challenge to investigate its potential to the fullest. The answer to our problems of urban blight and slums cannot be found wholly in clearance; solutions *via* rehabilitation must be found if a comprehensive urban renewal program applied on a city-wide basis is to have real meaning. Our cities cannot be razed and started anew. They must be rebuilt gradually. This means that practical methods must be found to preserve and improve what is economically sound and useful through rehabilitation.

Studies being undertaken in a number of cities at the present time will shed important

information on rehabilitation processes. The emphasis given by such national organizations as ACTION to the possibilities of rehabilitation, plus other national and local campaigns such as Operation Home Improvement, should be helpful. Baltimore's renewal Agency should examine these findings and conduct studies based on local experience.

Should Not Be Misled

We should not be misled, however, by the earnestly stated hopes that have become part of some of the promotional campaigns for rehabilitation. Minimum housing law enforcement, fix-up activities in a single dwelling unit, and simulated permanent exterior coverings for structures are of limited permanent economic value. This suggests that rehabilitation must accomplish the extension of the useful life of a structure in accordance with satisfactory standards for at least a generation. If rehabilitation is to produce something durably competitive, substantial improvements in the quality of structures and their surrounding environment are required. Rehabilitation is not law enforcement. It is not a temporary expedient to keep a portion of our housing inventory in reasonably good shape to last a few more years.

The standards to be achieved in rehabilitation will vary from community to community, from project to project, and among communities and projects. The standards in most instances will be above those required by the minimum code. The renewal executive must, as a consequence, define these standards and give consideration to their inclusion and enforcement as a part of the urban renewal plan for both Federal and non-Federal aided projects.

In order to make progress in this pioneering field, it is recommended that immediately upon the designation of an area for renewal planning, a study of this area be undertaken:

- A. To establish standards for determining the appropriateness of rehabilitation as against clearance, and for determining the degrees of rehabilitation most suited to designated structural types and conditions.
- B. To determine the financial feasibility of varying degrees of rehabilitation, including consideration of such factors as acquisition costs; the cost of physical re-

pairs, alterations, and maintenance; resultant rents and sale prices; and the financial aids available to the entrepreneur or property owner, with special emphasis in this latter connection on the applicability of available legislation and credit sources.

- C. To achieve a total effect of community and area betterment.

Types Of Treatment

This study should be directed toward an analysis in terms of the following types of rehabilitation treatment: site alteration, structural changes, functional changes, mechanical replacement, and modernization. Particular attention needs to be given to those factors which determine the appropriateness of public or private action, to current excessive return in relation to investment and value, to over-occupancy, to deferred maintenance, and to obsolescence. The conclusions can be used to develop estimated current and resultant values. These, in turn, can be used to test the financial feasibility of the various types of rehabilitation.

The appraisal of the structural characteristics of a dwelling from a rehabilitation context must challenge the renewal Agency's ingenuity. During the past couple of decades research methodology to appraise the quality of housing has been greatly improved, especially by reason of the interest and influence of the American Public Health Association. Further, as the Federal Bureau of the Census has interested itself in housing, there has been developed a somewhat greater consciousness of the implications of housing quality for our economy and general well-being. At their best, however, these methodologies have striven to arrive at valid generalizations concerning housing quality reduced to the block unit as the smallest unit for attention. The techniques provide satisfactory results for the general appraisal of housing quality, but in some respects may be more comprehensive and costly than what is required to develop a reasonable conclusion as to an area's general environmental features.

From a rehabilitation standpoint, however, there has been an unfortunate tendency to presume that these survey methods are ap-

plicable to the individual unit and structure in order to make a rational decision as to rehabilitation feasibility, which, as pointed out above, in the final analysis amounts to financial feasibility.

New Methods Required

New methods of analyses are required if satisfactory judgments are to be made concerning rehabilitation. Specially trained enumerators, with much more technical coaching than has been characteristic of property enumerators, may be required. The architects, appraisers, and the building industry should participate in developing an adequate approach to this problem.

Another problem and complication merits attention. Although every city has a number of firms specializing in home improvement, modernization, and alteration, there are relatively few skilled mechanics employed in this activity. At its best, rehabilitation is a messy job and the skilled painter, carpenter, plumber and electrician will not normally select home alteration work in preference to new construction. The relative efficiency of dwelling alteration techniques is largely unknown. This problem represents a special challenge to the private building industry and the professional interests who are connected with it. From a study point of view, nevertheless, the renewal Agency must appraise this factor carefully in reaching its judgments concerning rehabilitation possibilities.

Additional recommendations are made for consideration by the renewal Agency:

- A. The lien powers currently available to the Health Department should be exercised without delay, first on an experimental basis, and expanded extensively if proven successful.

A pertinent existing regulation is the following:

"If any such order of the Commissioner of Health, issued under the authority of the provisions of this section, is not complied with within ten days after the service thereof, or within such shorter time as he may designate as being necessary under the circumstances, then such order may be executed by said Commissioner of Health through his officers, agents, employ-

ees or contractors, and the expense incurred incident to said order shall be paid by the owner of said property, and until so paid shall be a lien upon the realty and recoverable as other liens on realty in Baltimore City. . .” (Extract from Section 114 of Article 12 of the Baltimore City Code of 1950. For more complete extract of pertinent provisions, see Appendix X.)

Assuming that the experimental use of lien powers is successful, any necessary revision of the powers should become a joint concern of the Commissioner of the Department of Health, the renewal executive, and the Office of the City Solicitor.

- B. The renewal Agency should proceed to assist and promote private interest in rehabilitation. Steps should be taken to secure effective help under Section 220 of the National Housing Act. The law authorizes the use of Section 220 for both Federal-aided and nonassisted programs.

Section 220 of the National Housing Act was set up in the 1954 Housing Act to provide mortgage insurance to assist in financing the rehabilitation of existing salvageable housing, and the replacement of slums with new housing, in urban renewal areas which have been certified by the Housing and Home Finance Agency Administrator. According to a Federal Housing Administration brochure, “Section 220. . .makes possible larger loans and smaller equity investment by private capital than would normally be possible under conventional lending practices. . .Section 220 adapts to urban renewal requirements the terms authorized for other areas for home mortgage insurance under Section 203, and for multi-family rental housing under Section 207.”

The possible use of Section 220 should be an additional incentive to define urban renewal areas as promptly as possible since such designation and acceptance of them by the Federal government is a condition to the application of these credit aids. Even though this device has not been used extensively

thus far anywhere in the nation, due to a combination of lack of interest on the part of private interests and processing limitations at the Federal level, wide efforts are under way to make this section more operative than it has been in the past.

This point of view was substantially emphasized by Commissioner Norman P. Mason of the FHA in the Private Industry Urban Renewal Conference held in Baltimore recently. Local representatives of private financial and building interests also emphasized at that time the sense of responsibility FHA must have in order to carry on large-scale rehabilitation. In the words of Commissioner Mason, Section 220 should be useful in covering the “gray area” in urban renewal, namely, that portion of our housing inventory which deserves more extensive attention than the application of an enforcement program, and is not in the clearance category.

- C. The Fight Blight Fund and private lending institutions should be encouraged to expand financially and to increase the tempo of their promotional activities. In addition, legislation might be sought to create a revolving fund for rehabilitation to supplement, in special cases, the resources of the Fight Blight Fund and private lenders.
- D. The “advisory services” (technical and financial advice on rehabilitation) that are part of the Fight Blight Fund activity need to be expanded and formalized. As has been revealed by the experience of the Fund, many of the problems and much of the inertia on the part of an owner of a deteriorating structure are due to an absence of knowledge concerning resources in the community that can give him technical and financial advice. It may be necessary for the renewal Agency to develop a corps of specialists to provide such advice, relating this service to its community organization and relations functions.
- E. A related problem is the lack of a disciplined code of ethics and standards in the home improvement industry to protect the interested purchaser of its ser-

vices. The efforts of NERSICA¹ to provide the necessary discipline is commendable and should be supported.

- F. The use of private renewal corporations, as suggested under Private Enterprise Participation earlier in this chapter, conceivably could greatly assist rehabilitation efforts. Although limited experience is available relating to this technique, the renewal Agency should become prepared to advise private groups interested in it and to assist in the sponsorship of State or local legislation required to make it workable.
- G. Study is required on the advisability of granting limited tax abatement privileges to property owners who plow their returns back into their buildings in the form of repairs and rehabilitation. Different opinions exist on this proposal and no firm recommendation is made here on this point. Since its practicality depends so greatly on local circumstances, it is unwise to adopt this technique until its utility has been thoroughly explored and documented through locally conducted research.
- H. The renewal Agency needs to collaborate with banks and savings and loan associations and other financial institutions to promote investment possibilities in rehabilitation. With the assurances and encouragement flowing from a total renewal effort, the activation of Section 220, the demonstrable evidence of complete enforcement, and the enhancement of neighborhood values, this normal stream of finance should become available to aid the rehabilitation effort.
- I. It is suggested that the City of Baltimore consider the active utilization of a Certificate of Occupancy (or Compliance) for all new construction, conver-

¹ NERSICA is a national association of home improvement contractors, which is currently engaged in a year-long campaign called "Operation Home Improvement." According to J. S. Mapp, president of the Baltimore Council of Nersica, 160 South Calverton Road, the organization is pledged to "the elimination and prevention of unethical and unfair trade practices in the roofing, siding, insulating and building specialties contracting field, to the end that the business of the industry may be conducted under fair, competitive conditions, and that the public may be protected from deceptive or harmful business methods."

sions, rehabilitated units, and units subjected to enforcement in renewal areas. If used, this certificate should establish the maximum number of persons to occupy the designated unit, and require recertification with any change in the physical status of the unit or structure. The notice should be posted in the building, annotated by information as to zoning classification.

12. Inspection, Enforcement, and Other Regulatory Measures. The recommendations in this report relating to inspection and enforcement involve more attention to their administrative and organization aspects than to program implications. This does not suggest that inspection and enforcement services are unimportant to the urban renewal process. Rather, it reflects creditably on the existence of a variety of tools in the Baltimore scene associated with the enforcement function—many more than are found typically in other cities. Their utilization in urban renewal is essential. Administrative improvements are needed to achieve more effective use of them in renewal.

Some recommendations, however, are in order which have program meaning. Their application assumes that the administrative and organization recommendations made in Chapter V will be substantially adopted. In this setting, the program recommendations follow:

- A. The Housing Bureau, in its renewal setting, should be expected to perform three basic types of inspections:
 - (1) Inspections for study purposes during the formulation of an area renewal plan.
 - (2) Inspections in urban renewal areas to secure compliance with the minimum codes of the city.
 - (3) Inspections for reporting purposes and for compliance with the standards established in the urban renewal plan for an area (when such standards exceed the minimum code).
- B. The Housing Court should be strengthened by legislative enactment. It exists at present at the discretion of the Governor. This recommendation has been advanced locally and appears to be supported by knowledgeable persons fami-

- liar with the work of the Court and its present limitations. Another local proposal is that the Court should be empowered to give jail sentences.
- C. It is recommended that the inspection service in the new renewal Agency assume responsibility for inspection of rooming houses when located in a renewal area.
- D. Related to the enforcement service is the need for the preparation and adoption of a comprehensive Housing Code. Codification of existing regulations is notably weak with respect to organization of information and lack of systematically compiled provisions. There is insufficient attention given to standards, particularly as they apply to heat and heating, light and ventilation, and workmanship. Further, inconsistencies between the Health Code Section, Building Code Section, Fire Code Section, and Zoning Ordinance require reconciliation. Overcrowding is not effectively dealt with in any of the codes or ordinances, and the licensing provisions for rooming houses are inadequate.
- E. The enforcement function should be more closely coordinated with the resources made available through the Fight Blight Fund. In part, the relatively limited use of this Fund may be due to the lack of appropriate working relationships between the enforcement function and the Fund officials.
- F. The enforcement function as administered in the renewal Agency should be authorized by arrangement with the Commissioner of Health to request (1) the vacating of uninhabitable premises, and (2) the demolition of structures due to structural hazards—whenever such structures are located in a renewal area.
- G. The renewal Agency should investigate new devices to accomplish stricter enforcement in "tough" cases. A more aggressive attitude is required than displayed in some instances at present. Perhaps banks and other financial houses could be of assistance here because of their legitimate interest in the facts surrounding their investments. The Baltimore Real Estate Board has evidenced real interest in and support of renewal activities and could be most helpful in disciplining recalcitrant members.
- H. Each total enforcement undertaking in a renewal area should be planned strategically only after two factors have been given special study:
- (1) The economic effect of total enforcement and the feasibility of it being accommodated by the economic resources of owners and tenants.
 - (2) The effect of applying an adequate occupancy standard and its subsequent enforcement in terms of the resulting relocation load. Relocation facilities must be available if displacement is the result of total enforcement, particularly in view of the relatively limited opportunities for rehousing available to the non-white population, both because of low income and the race factor itself.
- I. The inspection process should be reviewed carefully to develop maximum use of the team approach. In part, the number of inspections now performed by separate representatives of different agencies of local government can be reduced by training an inspector to cover a number of regulatory subjects. To the extent possible, the householder and/or owner should receive a single, consolidated notice of violations. Further, when inspections are made by the Health Department outside urban renewal areas, the results should be reported to the renewal Agency as a gauge of the scope of violations and as a guide to new areas requiring comprehensive renewal attention.
- J. The enforcement function needs to be integrated more effectively with the community organization program of the renewal Agency. It would appear that the sphere of community participation and organization has not been fully or effectively developed or explored by the Housing Bureau in the past. This observation is made notwithstanding the fact that the progress made by the Housing Bureau, especially in its earlier stages, was due probably in largest measure to

the working relationships established between the staff of the Bureau and neighborhood residents, with the active support of community-wide citizen organizations such as the Citizens Planning and Housing Association. Furthermore, at the present time, according to some individual opinions expressed locally, it is believed that the Housing Bureau has a major problem in working with certain community organizations because of hostility to the redevelopment program.

To summarize, no real power exists or has been exercised with respect to those structures in the "gray area": the structures which cannot be classed as uninhabitable but which reflect on the neighborhood and community; or the structures without violations, which are either uneconomic in design or without market appeal; or the structures which house a number of families within the provisions of the code but beyond the capacity of community facilities to service.

Despite some claims that the law enforcement activity—particularly of the Housing Bureau—has been the City's rehabilitation arm, no evidence exists to substantiate this assertion except by indirection.

Although abundant references can be found in local literature to the related programs of clearance (redevelopment), public housing, and law enforcement, each of the agencies concerned with its respective jurisdiction has established, in fact, specific areas of activity marked out precisely on the map. Except for the program anticipated in the Harlem Park urban renewal area, no coordinated neighborhood approach has been found in this study where clearance, rehabilitation, and enforcement operate side-by-side and block-by-block, all in relation to required community facilities.

If inspection and enforcement can be accepted and understood for what they are and not be expected to accomplish the impossible, they can be most valuable assets to the urban renewal program.

13. Conservation. The description of a conservation area will apply to the greatest number of neighborhoods and communities in Baltimore City, as is the case in most of our

large urban centers. Although the conservation approach may draw on a number of the urban renewal elements described previously, such as clearance, rehabilitation and enforcement, it has characteristics which distinguish it and set it apart from other types of renewal activity.

Generally speaking, conservation areas are middle-aged neighborhoods which possess an imposing array of strong factors: healthy institutions, vigorous commercial enterprises, an overwhelming number of good structures, active and alert citizens, and in many cases, a vigorous neighborhood community organization. In these areas the problem is not the challenge of creating interest in community affairs, but rather to discover the means whereby official Baltimore City can develop a plan with the cooperation of the neighborhood to assist in its improvement. Such a plan, of necessity, includes some financial aid.

Many of these conservation areas are characterized by the fact that they are declining socially and economically more rapidly than they are deteriorating physically. Conservation areas thus provide a great opportunity in renewal. Slums clearly require clearance; stable and new-growth areas generally reflect an excitement and freshness; but conservation areas present the problem of obsolescence in structures which do not merit clearance, together with the related problem of declining demand for the relatively sound structures. These areas represent part of the dilemma of our present-day social order exemplified by the used car, last year's dress styles—and the changing preferences of the housing market.

A Renewal Agency Responsibility

Since the greatest savings from urban renewal can be achieved through preserving these areas, it becomes a responsibility of the renewal Agency to develop conservation plans that emphasize the improvement of those environmental qualities which will make living in these areas desirable for a considerable segment of the city's population.

Many of the more satisfactory environmental influences that must be created are external to the structures themselves. These include the provision of public open space, limited traffic ways, off-street parking, and other planned elements to compensate for the

crowded building sites generally found in conservation areas. This is tantamount to recreating within the conservation area many of the built-in advantages found in older, but stable, and new areas. The test of ingenuity involved here is conceded to be especially difficult since the improvements must be provided economically, with a minimum of disruption, and a high order of acceptance by the residents themselves. Occasional clearance of scattered substandard and unharmonious structures should be considered.

14. **Relocation.** The performance of the relocation function has come to be accepted gradually as a necessary activity whenever a slum clearance program results in the displacement of people. However, the authorization to use public funds (particularly Federal) for relocation services has been dependent upon a statistical demonstration of need, organized around the specific redevelopment or public housing or local public works enterprise to be undertaken. A relocation plan for the specific enterprise, accordingly, has had to subordinate the implications of the total displacement load in a city within a given time period (and regardless of the reasons for displacement) to the protocol of erecting a justification to service the families uprooted by the particular project under consideration.

This approach has resulted in some unfortunate and distorted emphases being given to the relocation problem, although they are understandable by-products of any segmented program approach. The net effect has been confusion, both for local agencies and the displaced person. In legislation, policy, and practice many inconsistencies and differences with respect to relocation responsibilities and objectives are apparent. The Relocation Committee of the National Association of Housing and Redevelopment Officials has assumed leadership in attempting to resolve these conflicts. Their proposals are based upon actual field experience and they deserve consideration at both the Federal and local level.

The displaced family or individual is not concerned particularly with the type of activity responsible for displacement. The basic concern is the need to move. A relocation service, therefore, should be able to concentrate

on the central task of humanely arranging to obtain suitable accommodations for the people involved, irrespective of whether the subsequent improvement is a park, street, school, private or public housing, shopping center, or other possible land use.

Approach Emphasizes Consistency

This approach emphasizes consistency in standards of service, uniformly available to anyone displaced. It seems logical to advise that these objectives cannot be served unless the city decides, as a matter of policy, that anyone displaced by public improvements is entitled to the right to use a relocation service. This is a policy decision for the City of Baltimore to make. Further, regardless of the degree to which this policy is applied, a centralized service is necessary in order to develop standards and administer them consistently.

The probable magnitude of the relocation load, as estimated in Chapter I, is 58,000 families over a twenty-year period, assuming that a comprehensive urban renewal program becomes a reality. There is a continuing shortage of low-rent units, extensive overcrowding in areas where occupancy control is needed, and the likelihood that many thousands of units will be demolished and others upgraded. These factors, plus severe limitations upon the supply available to Negroes, make it obvious that the most vigorous efforts will be required to develop relocation resources.

A substantial amount of the relocation load must be met by the private housing supply. A continuance of recent trends in opening areas to occupancy by Negro families may mitigate possible hardships resulting from an extensive displacement program. But additional private units from new construction, conversion, and rehabilitation will be needed in considerable quantity, and at rent levels related to the market requirements.

Two-Thirds Of The Turnover

For the purposes of this study, it is assumed that two-thirds of the turnover occurring in the present public housing program could be set aside to deal with the displacement resulting from Baltimore's urban renewal activities, and to serve the needs of those families who are eligible for public

housing. With the completion of Cherry Hill Extension No. 2 in 1956, there will be 8,600 low-rent units; and with Lexington Terrace and the George Street project there should be 10,000 units by 1960. An estimate of 15 percent a year turnover seems advisable to use for the 20-year period. (The 1955 rates were 12 percent for Negro and 24 percent for white families, with a gradually increasing percentage of nonwhite occupancy likely over the period.) A total of 28,950 places in low-rent public housing will be available through turnover over the 20 years; allocation of two-thirds of these for displaced families yields 19,300 places, slightly less than a third of the relocation need of 58,000.

This is manifestly too small, so that consideration must be given to the additional low-rent public housing units needed. A minimum of 7,500 additional units may be required during the 1960-1970 period for relocation, with 5,000 built from 1960-1965, and 2,500 from 1965-1970. This is not an estimate of total public housing needs of Baltimore during the next 20 years, but the minimum number of such dwellings required to prevent the over-all urban renewal program from bogging down and to facilitate the rehousing of the lowest income families on cleared sites. These additions to the low-rent public housing units, making a grand total of 17,500, would equal only five percent of the estimated total city supply of about 330,000 dwelling units by 1975.

Small Business Needs

The peculiar needs of small business operations which are to be displaced likewise warrants considerate attention. In most cities this relocation problem is among the more difficult to resolve satisfactorily. The advisory services developed by the staff of the Baltimore Housing Authority have been helpful, but are limited by Federal regulations. Since this is a national problem, some solutions must be assisted by revisions in the Federal regulations. At the local level, however, relocation policy should reflect the serious attention deserved by the problem, and special resources should be developed to meet the needs of the small business man.

Relocation must be thought of as a valuable ally to achieve renewal. It must become a

positive instrument of public policy and not merely a service. Further, since the problem in many renewal areas is overcrowding, relocation can be used as a means for lowering the densities of these areas in an orderly and systematic manner.

Relocation provides an opportunity for raising the standards of housing to which people will aspire. Rehousing is an inherent and constructive part of the renewal function, not just an inconvenient necessity. It cuts across all major development operations, and the rehousing activity meets an important need of each. By placing the relocation services in the renewal Agency, there is assurance that rehousing will be a basic consideration from the first detailed planning phase and will be given adequate attention at other critical points, such as in the timing and content of public announcements on renewal program plans.

15. Community Organization. Community organization for citizen participation must be recognized as an essential program element in a comprehensive approach to urban renewal. Without this participation, renewal will remain a drawing-board program. Venturesome new community organization skills and techniques must be developed if the participation necessary to a successful renewal program is to be assured.

Because these skills touch on a pioneer field for which there is but limited past experience, and because any adequate discussion of community organization must cover a wide range of groups and organizations, this subject requires more detailed treatment than is appropriate to this particular chapter. A more complete review of community organization for citizen participation in urban renewal is therefore reserved for the following chapter.

A Renewal Program Is Never Completed. The foregoing description of renewal program elements reveals the variety of methods applicable to areas designated for attention. The magnitude of the problem, city-wide, was sketched in Chapter I. If the program is adopted and applied with the necessary administrative facilities, Baltimore can be in a position to anticipate reaching a current replacement status in twenty years. In

such a period the accumulated backlog of neglect can be overcome. But the urban renewal program can never be considered as being completed. Cities, manifestly, will al-

ways require renewal in order to preserve their capital investment and to maintain themselves as satisfactory centers in which people can live and work and play.

CHAPTER IV

COMMUNITY RELATIONS AND ORGANIZATION

The conflict and tension found in ever greater degree among city dwellers today should remind us constantly that the problems of urban living are the problems of people. The distressingly bad physical conditions that we seek to appraise with greater refinement are significant only because they represent part of the environment influencing an increasing majority of the nation's citizens.

Need for Citizen Participation

In the evolution of the concept of urban renewal there has been a growing awareness of the indivisibility of people and their physical environment. Unfortunately, no community has yet successfully mastered the art of mobilizing the energy of citizens in a coordinated and purposive campaign to reconstruct and preserve their investment and that of their predecessors.

Herein rests the great challenge, the indefinable unknown, the most perplexing variable in urban renewal. In our efforts to describe the urban problem in social terms, the need to do something about it, and the principles to be observed while obtaining citizen participation in the doing process, we too often resort exclusively to clichés, pious admonitions, and superficial verbal gestures to the concept of the brotherhood of man. Further, when planning and program proposals fail to be accepted by citizens, it is easy to take refuge in the perversity of man and his unwillingness to cooperate as excuses for defeat.

True, the cynicism and frustration of city dwellers are strengthened by their intimate exposure to people "in the rough," so to speak. City dwellers are frequently predisposed to "mind their own business" and to avoid involvements, because their experiences in living among many people have not been wholly happy or satisfying. Unfortunately, however, an appraisal of these experiences all too vividly reminds us more frequently of the vexing difficulties in achieving cooperation among people, than of the importance, which these same difficulties point

up, of keeping at work on the issues that threaten our very survival.

Growing Interdependence

The growing interdependence of people and issues attains its greatest reality in the metropolitan community. Yet we have tended to push facts aside and hope that some way, somehow, we could blunder through by nibbling at a block here, and a structure there, with separately conceived, independently administered activities focused on doing something with the physical environment and for the citizen. We must face the fact that the era of unilateral, piecemeal improvement programming should be as antiquated in our approach to urban problems as it has become in the international scene.

In this context, the role of the citizen takes on new stature, new values, and new emphasis. He and his neighbors must be the ones who ultimately decide the proportions of the urban renewal program and the goals to be achieved. He cannot act alone. He must act with his neighbors to be effective.

This chapter of the report will attempt to outline the community organization and intergroup relations principles and practices that are best adapted to achieving citizen participation in Baltimore's renewal program. The suggested principles and other recommendations are based on an appraisal of Baltimore's determination to move ahead with an urban renewal program and the status of its current resources to enlist citizen participation. Because of the relatively limited attention that has been given to community organization as an integral part of the renewal program, this report gives it special attention in a separate chapter—although it is a component of the general program subject matter covered in Chapter III. The administrative recommendations that are pertinent to community organization are included in Chapter V.

No Guaranteed Formula

There is no formula for community organization that will guarantee citizen participation in accord with the wishes and standards

of all the individuals who are affected by the process. Conflict, at times, may be more vocal and irritating as more citizens become interested. Everyone must accept compromises in goals as a requisite to progress, remembering that these need not be compromises in value or principle. Progress is relative to what we start with, and successful experiences in community improvement, no matter how small, are the foundations for learning that can lead to more significant successes as people become familiar with their aptitudes, responsibilities, limitations, and potential.

The concept of community organization used in this report includes both program and process elements. The program must establish goals. The process must demonstrate that the channels for citizen participation are available and can lead to action. Together, they should be consistent with the features that make up the concept of urban renewal, as developed in this report. The community organization proposals are pertinent to Baltimore, its circumstances and needs, and would not be applicable necessarily to other urban communities.

Current Status of Community Organization Resources

Baltimore has only limited formal community organization resources and facilities available now to satisfy the requirements of a comprehensive urban renewal program. By contrast with other American cities, Baltimore's lack of awareness and understanding of the concept of community organization is the first significant impression clearly indicated for the outside observer familiar with other cities. Accordingly, discussions by the staff on this subject with local people, professional and lay, were sometimes less fruitful than might have been expected if Baltimore had more actual experience with agencies, programs, and techniques identified with conventional community organization history.

Illustratively, Baltimore, among cities of comparable size and even many smaller communities, does not have an operating settlement house. Traditionally, throughout the nation, settlement houses have pioneered in the development and refinement of community organization programs and techniques. In

many cities they logically have become the focal point for citizen activity in renewal areas. Their intimate knowledge of neighborhoods and their residents, the local leadership structure, the trends and significance of population changes, and the values and standards held to be important by the people are a valuable ally to urban renewal. The existence of settlement houses is premised, in part, on the importance of the neighborhood approach—a feature, too, of urban renewal.

Further, the Community Chest, the Council of Social Agencies, and social agencies in general have not reflected an interest in community organization, except for its fund raising implications. The net result is that neither the neighborhood resident nor the typical civic leader active on boards of agencies has been exposed to activities specifically identified as a community organization program or process.

These observations do not imply that citizen participation and action are nonexistent in Baltimore. On the contrary, there is evidence to indicate considerable and healthy citizen influence in many community improvement programs. The point is that the experiences have not been sufficiently formal to produce an understanding of or an appreciation for the principles of community organization or the skills and role of the professional worker. Nor is there a recognition of the potential of a consciously conceived and deliberately executed community organization program as an integral part of achieving community goals related to the general welfare.

Alternatives for Community Organization Services

A number of alternatives were examined before drafting the administrative recommendations on community organization covered in Chapter V of the report. While there has been no hesitation to emphasize the importance of the element of community organization services in the program and administration of urban renewal, the scope and degree to which it is required to function does constitute a real departure for Baltimore. In view, however, of the critical importance of this activity to renewal success, no less than

what is recommended seems to be justified by local circumstances. In the future, hopefully, through demonstration and experience, a greater consciousness of responsibility among local private agencies can be created so that they will discharge roles traditionally associated with them in other cities. At the moment, however, resources for this function are not established in Baltimore, although they have been searched for systematically during the study. Among the groups, agencies, and organizations examined are the following:

Council of Social Agencies. In most metropolitan communities, the Council or its equivalent would be looked to as the social planning body with a core of related experience and an accepted responsibility for leadership in community organization. Historically, however, the local Council has just begun to feel its way into this functional area. It is about to fill its first professional position of this variety, and the employee will be asked initially to concentrate his efforts in areas outside the City of Baltimore, recently added to the territory receiving health, welfare, and recreation planning services by the Council.

The staff of the Council is aware of its resource limitations and is entirely cooperative in its approach to this community deficiency. There is growing recognition on the part of the Council Board of the need to relate social and physical planning. Excellent personal relationships exist among the Council Board and staff and many persons associated with either public or private activity in the renewal field.

The Council can be looked to as an increasingly important and respected resource in the future as it thinks through the policy changes implied by a community organization consciousness and acquires experience in practice.

Citizens Planning and Housing Association. Baltimore's CPHA is nationally famous as an outstanding example of citizen expression on planning and housing affairs. Locally it is well known, respected, and influential. It has been militant on occasion and is ever watchful on a wide range of private and public activities, possessing a system for becoming informed that enables it to respond quickly when crises develop.

The CPHA is one of the few groups in Baltimore with a citizen participation emphasis. It energetically contacts citizens in many different settings and effectively conveys to them the sense of enthusiasm that pervades the dedicated staff and volunteers who carry out its program.

It supports its causes and belabors its selected targets for criticism with energy and forthrightness. It has been squarely behind urban renewal, and its continued support, interest, and constructive criticism are indispensable elements in launching and sustaining a comprehensive urban renewal program.

Plays A Distinctive Role

The CPHA functions on a metropolitan basis and approach—also most important for renewal. It has played and must continue to play a distinctive role as the medium for generating metropolitan-wide citizen interest. Here, too, is its greatest demonstrated effectiveness, wherein its particular resources can best be used efficiently and decisively.

The CPHA, as a volunteer citizens organization, should not endeavor to do intensive community organization work at the neighborhood level. It should concentrate on fulfilling its important and effective metropolitan-wide services. The legitimate question involved here relates to the propriety of considering that these two emphases can operate well conjunctively, assuming that funds were available to finance employing the professional skills required for neighborhood community organization activity. It is possible that the metropolitan emphasis would suffer as a result.

The CPHA should promote the need for citizen participation at the neighborhood level, undertake short-term demonstration projects, and be helpful in developing and maintaining standards for citizen groups. This role is different, however, from that of being prepared to patiently and systematically advise regularly on the details of neighborhood organization as a part of a comprehensive renewal program. Real damage can result from advice and counselling which are available only on an occasional or situational basis.

The Area Projects. The administration of the Area Projects by the Department of Public Welfare came about, apparently, more as a quirk of history wherein particular individuals assumed this responsibility by reason of personal interest and conviction, rather than as a logical attachment to the organizational structure of the Welfare Department. This situation suggests also some additional confirmation for the finding that Baltimore has not had a conscious feeling of identity with formal community organization services.

Whatever were the reasons originally for the assignment, in today's scene there are many questions to be raised regarding the rationale for including a municipal community organization service in the Department of Public Welfare.

From a community organization standpoint, the quality of performance among the Area Projects varies considerably. The staff, as a whole, is industrious, committed, and anxious to contribute to the community's welfare. Many citizens at the neighborhood level have had a chance to participate in cooperative enterprises, either directly on behalf of a community council or indirectly through membership in a group affiliated with a council.

As a municipally supported activity, however, the Area Projects have not fulfilled adequately one of the primary requisites, namely: providing an effective channel of communication between local government and the citizens. In fact, it would appear that this channel has been avoided frequently by both municipal officials and the councils. There are many signs of distrust of the councils among elected and appointed officials—not fear of political reprisals—but suspicion with respect to purpose, value, and insight. Some of the Area Projects staff and councils seem to make a fetish of being politically "pure", as if they were in a position to deal with a supra-municipal government, obviously nonexistent.

Inherently Ill-Equipped

The Department of Public Welfare inherently is ill-equipped to administer a community organization program. By its very nature, in social work terminology, it is essentially

a case work agency, as distinguished from an agency with either a group work or community organization emphasis. The DPW has a sizeable and extremely important public function to fulfill, sufficiently significant in itself to warrant concentrated administrative and supervisory attention.

The professional leadership of the DPW appears to be excellent, with a genuine and appropriate concern for the welfare of people. Realistically, however, it cannot give the time and attention to supervision and guided improvement of the community councils—a dangling organizational appendage that does not belong to public welfare structure.

It is not reasonable to assume that the Area Projects could be sufficiently revamped in their present setting to take on the municipal community organization services required for urban renewal. While there has been generally good cooperation between community councils and specific renewal program elements, such as public housing, there are few evidences of interest in or understanding of urban renewal as an approach on the part of the councils or their staff. Further, there is no reasonable expectation that an effective tie between the physical and social planning concerns of the renewal program could be achieved within the DPW. The latter point is supported by local criticism of the Area Projects on the grounds that they have neglected neighborhood social planning responsibilities. Typically, throughout the country, one of the primary justifications for the area project form of community organization, whether publicly or privately financed, is to participate actively in community social planning.

Other City Departments. A number of other City departments, especially Education and Recreation and Parks, have an interest in the community organization aspects of urban renewal in addition to their participation in financing, physical planning, and development.

Both the Education and Recreation and Parks Departments have mass and individual contacts with people through neighborhood-centered facilities. With the growing acceptance of building combination school and public recreation developments, the community center features thereby derived furnish na-

tural media for encouraging citizen participation in community affairs.

The influence, however, that the education and recreation process can have on the values or standards of people is even more significant for community organization interests. Fortunately, and far-sightedly, both public education and recreation have become allied with the concept of urban renewal. Recently, Dr. John H. Fischer, Baltimore's Superintendent of Public Instruction, expressed his convictions on the subject in the Department's *Staff Newsletter*.¹ His statement so well articulates a necessary point of view on this subject that it is incorporated in this report. The statement follows:

**"URBAN RENEWAL IS A 3-D
PRODUCTION**

"Fellow Staff Members:

"Baltimore's concerted attack upon the many-sided problem of urban blight has moved ahead swiftly in recent weeks. A distinguished board of consultants has been engaged, important commitments of Federal funds have been secured and significant steps have been taken to consolidate planning for the Fremont, Harlem Park, and Broadway areas. The discouraging interruptions of the last several years appear to have ended and a new period of active progress seems to lie ahead.

"All of us who eagerly look forward to a better Baltimore must recognize, however, that when even the best plans have been transformed into new streets, parks, and structures, they will still furnish at best but a backdrop against which real urban renewal may ultimately become possible; for the true renewal of our, or any, city can occur only as changes take place in people.

"A community is more than a geographic locality or a collection of buildings. Essentially, it is human beings living interdependently together, bound by a conscious community of interest. We shall improve Baltimore as we elevate and refine our purposes, our tastes, and our sense of responsibility; and unless we can bring about such changes the most zealous renovation of real estate is likely to prove just so much wasted effort.

"This, of course, brings us to the heart of the matter: that the elevation of taste, the increasing of understanding and the development of an informed sense of personal responsibility are very much the business of education. The character of this city a generation hence, which will be the collective

¹ Baltimore Public Schools *Staff Newsletter*, Vol. IX, No. 12, April 18, 1956.

character of its citizens, will in all probability be more strongly influenced by what happens in our schools than by any other single factor subject to the control of the present generation of adults.

"Our school system is already cooperating wholeheartedly in the physical phases of the renewal program; but, beyond that, we and all who share the responsibility for schools and other cultural services face an enormous task. This task is to help thousands of people to attempt and to achieve higher standards for themselves and their children. Only as we do this shall we give to our plans for a better city that third dimension necessary to convert them into reality. To fail to provide for this dimension in our planning would be a grievously wasteful omission."

**Principles and Practices Essential to
Community Organization for Renewal**

This report will not attempt to inventory the wealth of related community organization experience that has been developed in this country. There are some basic principles, practices, and organization recommendations, however, that need to be highlighted because of their particular significance for urban renewal and certain peculiar characteristics of the Baltimore scene. They should be observed in the establishment and administration of community organization services for urban renewal. All public and private agencies who become active participants in the process should attempt, also, to reflect observance of them.

No Fixed Form of Community Organization Approach. Community organization activity must be adapted to the particular characteristics and needs of an area. There is no set form of community organization that fits universally. Accordingly, the administration of community organization services must avoid becoming wedded to a specific pattern of citizen participation. It must take what is good and applicable from a variety of tested approaches, blend them as required, and develop new approaches where none of the conventional practices produces adequate results.

Urban renewal represents the most extensive urban-centered community organization responsibility ever to face practitioners in this field. It demands a scope of thinking and imagination that transcends such activities as obtaining another guard for school-

crossings or better street lights; planning a Halloween Day festival for the children; sponsoring an intensive Paint Up—Fix Up—Clean Up campaign; organizing neighborhood get-togethers around an oyster roast or spaghetti dinner; or opposing the transfer of a liquor license. These activities are important and essential, but they will not be adequate measures of community organization success in urban renewal.

Respect for Voluntary Involvement by Citizens. Citizens cannot be expected to participate in any activity simply because it is desirable to an agency or because they are told to do so. Involvement, to be effective and useful for everyone, must be a voluntary choice by citizens because they have become interested and concerned about their neighborhood and its affairs.

Program Must Have Permanency. Short-term gestures toward community organization will not only be unrewarding, but harmful. People do not like to be "used" and then discarded. Constructive citizen action takes time at best, and the catalyst to such action will frequently be the conviction that consistent participation and interest will produce results.

Long-range intentions must develop, therefore, to bring about the basis for permanent organized citizen activity in neighborhoods. A sustained program may require less professional assistance as time passes and experience in organization is acquired. Neighborhood financing or private agency support may be a natural and logical transition. But the important assumption here is the need for permanent citizen participation in the interests of his home and his community.

Need for Freedom of Citizen Expression and Action. Citizen participation will be short-lived if either expression or action is inhibited by the attitude displayed on the part of either public or private agencies and their representatives. Citizen advice must be rejected at times, and, until experience is gained, the evidences of self-discipline that citizen groups will impose on themselves may not operate as reasonable controls. However, the natural stages in the evolution of citizen organization cannot be circumvented or eliminated without inviting collapse.

Renewal and municipal officials must genu-

inely want, invite, and listen to citizen proposals and comment. If competent professional community organization advisors are used, and technically oriented officials are willing to be assisted by them in their approach to citizen groups, an orderly process of interaction can evolve.

Use of Competent Professional Staff of Community Organization Advisors. Specific skills and knowledge are necessary and available to assist in the community organization process. In the language of the professional, a person who possesses such skills and knowledge is an "enabler." He is one who enables citizens to understand the characteristics of their needs and problems; to appraise the alternative solutions, if any; to translate program goals into understandable financial costs and realistic fiscal resources; to systematically plan to meet both physical and social needs; to comprehend legal and other requirements and limitations; to offer comment and criticism fairly and objectively; and to recognize that each individual has a basic responsibility to meet his own needs to the extent of his ability while he concurrently becomes sensitive to the interdependence of people—that the welfare of each affects the welfare of all.

While performing this enabler role with the citizen, the professional must also relate himself satisfactorily to the renewal administration. He must adapt himself to the different professional interests represented; to the range of program elements; to the statutory responsibilities that must be observed; and to the needs of supervisors to be briefed and advised. He must be able to communicate his knowledge about a neighborhood, its level of acceptance and understanding, etc., in a form that will be helpful in planning, policy determinations, executive decisions, timing, and a host of administrative areas where he can be helpful.

The above commentary is not intended to be a job description, but it may be suggestive of the variety of functions to be served. Skills are necessary. For the most part, they are to be found among community organization specialists in the social welfare field, although a number of related disciplines have furnished suitably trained personnel.

The field is highly competitive at the mo-

ment because of the great demand for these skills in a variety of programs. In addition to competitive salaries, however, the greatest single factor of inducement would be the establishment of a rationally conceived administrative organization reflecting an honest conviction about the need for citizen participation in urban renewal and a high quality of executive leadership, supervision and stimulation.

Use of Knowledge About Characteristics of Minority Groups. The urban renewal approach, and any elements in its program, should not be regarded as being devised for or in conjunction with Negroes as a racial group—as a different kind of citizen from the white members of the community. This caution does not relieve us of the attention that needs to be given to the special problems facing those citizens who are Negroes. It emphasizes rather the attitude or frame of reference with which we incorporate the special factors in developing a comprehensive program of renewal.

Renewal officials and professional community organization workers must be aware that there are dangers along with the advantages gained by pointing to the racial proportions of the renewal problem. These dangers are associated with a common dilemma that frequently develops when we attempt to break down a complex problem into separate problems. We may tend to forget that the separate problems are interrelated. We then begin to fragmentize our programs and approach in attempting solutions.

Our past preoccupation with the separate planning and execution of public housing, redevelopment, law enforcement, and other activities has been sustained, in part, by the ease with which parts of the whole problem were carved out and made objects of devoted attention. Treatment related to classes and groups of people and houses, artificially isolated from the communities of which they are a part, inescapably results in the confusion now apparent—no matter how efficiently and humanely a separate program may be administered.

Establishment of Advisory Committees. In the operation of the community organization service responsible for neighborhood citizen participation in renewal, direct lines should

be created relating the service to the many interested and affected organizations in the city, particularly the voluntary agencies, with know-how in this field. This can be achieved through use of technical committees for developing such things as:

1. Standards for staff to be employed in neighborhood community organization work.
2. Techniques for opening up neighborhoods to be served.
3. Timetables for the deployment of staff to serve both urban renewal's needs and the reality of citizen participation interests.
4. Methods of federating the interests of the several individual neighborhood groups on behalf of city-wide support of the total urban renewal program.
5. Channels to refer the needs of people which are outside the concern of urban renewal *per se*, to the agency responsible for responding to the need.
6. Interest among voluntary agencies in community organization practices.
7. A definition of specific community organization responsibilities for agencies and groups, and allocation of these responsibilities.

Persons for these committees should be drawn from such organizations as the Citizens Planning and Housing Association, Council of Social Agencies, Urban League, Council of Churches, and the City Departments of Health, Welfare, Recreation and Parks, and Education.

The representation of minority groups is particularly important, not only to assure active participation but to assist in the process of developing responsible leadership among a potential that too rarely has an opportunity to become involved in community-wide program counselling.

Sensitivity to Characteristics and Points of View of Negro Members of Community. As indicated earlier, there can be no distinctions in citizen status among residents in a neighborhood. Also noted was the care to be taken in using detailed knowledge regarding the characteristics of the Negro group. Nevertheless, such knowledge will be part of the basis for a skillful "enabler's" performance.

In refined form, much of the data required

on the Negro population are not available and should become part of the research interests of the community. In the course of making this study, however, certain opinions of Negro leaders and spokesmen were obtained that convey group feelings and indicate factors that must be considered in the community organization process. These expressions can be summarized as follows:

Urban renewal should be supported, but it can be a "Frankenstein" if it results in crystallizing neighborhood patterns.

People in neighborhoods too frequently do not know about a plan for their neighborhood until it is announced in the newspapers.

The contract sales racket is pushing Negroes into economic slavery.

The Pilot Project has been a disappointment.

This clearance business is pushing out people who are ruining good Negro neighborhoods.

The Negro business and professional leaders have been a disappointment.

This study cannot say how representative these opinions are of the Negro population as a whole. They reflect points of view, nevertheless, that appear frequently. The resentment to clearance programs that result in reducing substantially the number of dwellings available to Negroes is natural and justified. It is quite likely that the resentment would be even greater than now shown if less attention had been paid to individual needs in the relocation program as it has been carried on in the past.

Most Significant Conclusion

Possibly the most significant conclusion to be drawn from an appraisal of opinions among Negroes is to accept, from the beginning, that community organization efforts must concentrate on allaying the open and latent distrust of any activity where white leadership is overwhelmingly predominant and Negroes are affected far more extensively than the white population. Whether or not this distrust is grounded in the fact, revealed docilely or hostilely, becomes secondary to the reality of the feeling. It is present; it is rooted in a complex of historical events; it can only be relieved by a patient demonstra-

tion that there is no basis for it in urban renewal.

This point has administrative implications, of course, emphasizing that the administrative attitude toward intergroup relations may be more important than the content of the program involved, as a determinant affecting the rate of progress. The reputation, therefore, that the renewal program develops in practice must reckon with the element of trust that people, at all social and economic levels, with varying backgrounds and origins, will decide is merited or not.

Fortunately, Baltimore has demonstrated an admirable capacity for progress in intergroup relations, considering its location as a border city and its established southern traditions. Many observers have pointed out its basic sense of fair play, its conformance to law and other social disciplines, and its unwillingness to tolerate mob action and behavior. In these factors are the makings of a formula for constant progress that is available for application whenever and wherever required. It is a great feature of positive strength and deserves mention in any review of Baltimore's intergroup relationships.

Timing and Community Relations

The staging and phasing of urban renewal generally will be affected by the character of community relations. Timetables and schedules can be established independent of this factor, but they will be worthless unless they mirror the status of citizen readiness and acceptance.

The ideal American community would show, on analysis, that all people were free to move to homes of better quality anywhere within the metropolitan area as fluidly as their economic ability permitted. Realistically, however, we know that there are many variables affecting this movement. Many of these variables can be appraised objectively only if viewed as part of the fabric of community relations. But even with this proviso, hazards confront objective decision making.

The principal danger is the tendency to overweigh the significance of single variables and to take time out, suspending other activities, until the variable is influenced sufficiently to warrant moving ahead. Such action would ignore the fact that no program or

agency can freeze social (or physical) change. An example of a single variable, for instance, is the extent of need for relocation housing. As essential to the acceptance and progress of the renewal program as relocation housing is, if all action were suspended until enough vacant units were found in the quantity, size and location required for each household to be displaced, many of the other variables would be undergoing change in the meantime and the whole situation would be different. What has to be avoided is allowing variables to become controlling factors in response to claims that an element of the program is moving either "too fast" or "not fast enough". If a single variable were to be given exclusive and concentrated attention, the administrators of the program might be startled to find when they picked up the pieces that all of the factors in the community situation meanwhile would have undergone some change.

The program timing will depend largely on many things taking place as part of a continuous process in a comprehensive approach to a neighborhood. This is a truism for urban renewal success that has been stated in different form many times in this report. It needs restatement in a community relations framework in order that the total perspective will not be distorted.

Citizen Participation in Rehabilitation and Conservation

The crucial test of both the urban renewal program and its citizen participation requisites will be highlighted in the efforts to launch large-scale rehabilitation and conser-

vation activities. In these program elements, citizens must not only invest time and energy but also money. Both group and individual commitment of a high order to the need for community betterment will be required.

The path will be complicated by many factors, including, realistically, the desperate need to relieve the disproportionately poor living conditions of Negroes. Because of the failure of the community to build new homes open to Negro occupancy or to voluntarily make older homes available to them through normal market processes, there has been created, in effect, a deliberate policy of forcing "block-busting" and other disruptive tactics to occur.

Natural and voluntary residential movement is healthy and desirable in the metropolitan setting, and it does not detract from maintaining neighborhood stability. Pressure movement, however, makes for instability, and even the most effective community organization resources will encounter handicaps that are most difficult to overcome.

The confidence of people can be regained and their interest in preserving and improving their homes restored, if they grow in their understanding of each other, including mutual respect and a sense of dependence on cooperative group activity. These are not easily attained goals, but they are included if we face up to the issues confronting the future of our urban centers. At the core of any approach to the task must be an essential faith in the dignity of the individual, and in his ability to respond to his full capacity to become a "good citizen" in every sense of the term.

CHAPTER V

ORGANIZATION AND ADMINISTRATION FOR URBAN RENEWAL

The scope of a comprehensive urban renewal program and its relationship to a wide range of municipal government activities posed a complex problem in making recommendations for organization and administration. Cities everywhere are struggling with this problem. Many of the limitations apparent in past approaches to community betterment are traceable directly to organization and administration, both in Baltimore and elsewhere. Consideration of this aspect of urban renewal is a direct charge from the Mayor to the Study Board. Accordingly, this study makes specific organization recommendations, and their substantial adoption is regarded to be essential to the smooth functioning of the renewal process in Baltimore.

Baltimore's Point of View

The experience of other cities has been reviewed, analyzed and evaluated. Special care, however, has been taken to determine Baltimore's point of view as it could be obtained from community representatives. As would be expected, there is no consistent reaction, although the Study Board and staff found a remarkable degree of unanimity on some themes.

The common convictions expressed by a cross section of local leaders and spokesmen are summarized below. These leaders:

- genuinely want an urban renewal program and desire to put it to work.
- do not believe that Baltimore's relative success with some of the program elements in urban renewal suggests that they will be adequate, in present form, to bring forth the required leadership, coordination, and drive for a comprehensive program on a continuing basis.
- are pointedly dissatisfied with the management of certain of the program elements in urban renewal and believe that this condition must be corrected regardless of other proposed changes if renewal is to move ahead successfully.
- want to be able to pinpoint responsibility for the executive direction of the urban renewal program and to give the official

entrusted with this responsibility sufficient authority to make decisions and be able to carry them out.

- regard the current setting as being ripe for change. The proverbial "golden opportunity" is available now. In the judgment of many, unless the present interest and enthusiasm is properly utilized, another opportunity will not develop for at least another decade.
- are appreciative of the leadership demonstrated by the Mayor in acting to resolve the issues that have developed, his appointment of an Interim Urban Renewal Coordinator, and his establishment of the Urban Renewal Study Board. Further, they want the Mayor to continue his personal leadership role and they are prepared to respond to and follow such leadership in the interest of community betterment.
- want action in addition to study. They appreciate action more than study. They are fearful that this study will not make positive and strong recommendations or say those things which they feel they cannot say publicly as local leaders. They are more likely to support the study if it is positive and strong.
- are prepared to promote significant demonstrations of cooperation between private and public interests if the avenues by which urban renewal operates clearly invite mutual participation in the development and execution of a comprehensive program.
- want to be kept informed on what is taking place in urban renewal. They appreciate that there can be delays and difficulties, but they want to know the "real story" about them rather than getting evasive and noncommittal comments.
- want to know the real issues which they are facing. There is the suggestion that some shock treatment may be necessary. They believe that they have the capacity to understand, absorb, and resolve these issues if dramatically presented.

Many Alternatives Considered

A program of the scope required to carry out comprehensive urban renewal in Baltimore, when coupled with the evidences of community concern that it be undertaken as quickly as possible, demands organizational and administrative measures carefully designed and systematically installed.

The Study Board has considered at length the best way for Baltimore to organize and to administer the program. Alternatives do exist and none can satisfy everyone who is interested in the success of urban renewal. The magnitude of the problem, the scope of the program, the fiscal elements, and longer-range interests related to the over-all welfare of the community, require decisive administrative reorganization. The Study Board has been conscious of a practical limitation: no new organizational structure can be brought about overnight and the more far-reaching are its changes, the more consideration must be given to programming the changes themselves. Likewise, existing statutory limitations must be dealt with, and such changes as are feasible more or less immediately must have the sanction of existing legislative authority. In this setting, then, organization changes proposed are of considerable magnitude, involving ultimate wide-scale changes, but wherein the essential arrangements and organic union of parts can be achieved shortly by Baltimore's government and its citizens.

The prevailing concept underlying all organizational recommendations contained in this report is the achievement of a structure which makes possible the most effective administration of a comprehensive urban renewal program—intimately related to the executive leadership for municipal government centered in the Mayor's office. Organization is built around urban renewal as a comprehensive and coordinated program rather than on any one of its many-sided program elements. Such organization seeks to encourage the closest possible cooperation among renewal as an action program, the development activities of other departments of City government, and the planning and budgetary controls needed to coordinate them.

Establishment of a New Agency

To this end, the City should establish a new agency of local government, to be known as the Renewal and Housing Agency (RHA). The actions necessary to establish the Renewal and Housing Agency should be taken by the Mayor and the City Council, who should vest in this Agency the authority to exercise the following twelve functions:

- Detailed neighborhood and project planning
- Land acquisition and clearance
- Development
- Property management
- Inspection and enforcement on an area basis
- Rehabilitation
- Conservation
- Relocation
- Municipal community organization services
- Research
- Investment and improvement counselling
- Public information

Each of these functions is related to one or more program elements reviewed in Chapter III, although all of the elements are not assigned to the renewal Agency for total performance responsibility. Later in this chapter, however, organization and administrative recommendations will be made to accompany and fill out the aggregate of program content. The recommended scope of responsibility assigned to the new Agency will be described in relation to each of the functions listed above.

At this point, however, one general observation and qualification is important in connection with the broader interest and participation of municipal government in urban renewal. The conventional detailed planning and development responsibilities of any city department (i.e., Public Works, Education, Parks and Recreation, Welfare, etc.) are not altered by the recommendations relating to the renewal Agency even though the respective capital improvements undertaken by the departments may be in urban renewal areas. In other words, it is not proposed that the renewal Agency functions be applied to streets, sewers, schools, playgrounds, or other improvements which are part of long-establish-

ed municipal activities. A possible exception is that it may be advantageous for the RHA to assume land acquisition responsibility whenever public improvements are involved in an urban renewal area. Generally, however, where reference is made to the RHA being functionally responsible for a specific activity within an urban renewal area, it applies to such currently identified program elements as redevelopment, public housing, law enforcement, rehabilitation, conservation, etc.

Detailed Neighborhood and Project Planning. The renewal Agency should be responsible, within the framework of the general plan, for detailed neighborhood and project planning. It is essential, as emphasized many times in this report, that the Department of Planning develop the general plan to the point where it clearly sets forth the principles and standards for physical development for each residential neighborhood and nonresidential planning area. The general plan should determine the densities of residential population, the range of building intensities, and the general character of land uses and transportation in the area.

It is equally necessary, in a coordinated approach to planning for each urban renewal area, that there be a clear cut-off point between the general planning done by the Planning Department for the whole city and for its neighborhoods, and the distinctive planning and scheduling performed by the RHA for the parts of such neighborhoods as are designated for renewal activity. Even where renewal extends to an entire neighborhood, there is a clear break-off point between the general plan expressed as standards and as a generalized land use map, and the structure-by-structure vicinity plan and schedule prepared by the RHA. This distinction is generally understood, and underlies the clarifying language proposed in the 1956 amendments to the Federal redevelopment legislation.

This manner of coordinating general planning and renewal planning includes, of course, the opportunity for review by the Planning Department of renewal proposals, and the performance of its responsibilities for subdivisions, zoning, and conformity of proposed capital improvements with the general plan. Ample controls are and should be

available for assuring that the renewal plan and program will not be inconsistent with the general plan. But the initiative for detailed planning within a renewal area should rest with the agency responsible for clearance, relocation, rehabilitation, and other related program elements. Only with such a clear division of labor will the Planning Department be able to concentrate on the over-all problems of the city—avoiding overconcentration on small fractions of it. Furthermore, only with such a clear division, can the Renewal and Housing Agency relate planning to the action program for which it is responsible.

Land Acquisition and Clearance. This function covers any public action relating to land acquisition and demolition to be financed as part of the renewal process within a designated renewal area. It involves the full range of program possibilities, the scope of demolition intended (from a single structure to entire blocks), and scattered or concentrated activity.

Development. Under this heading are included all of those functions now performed by the Housing Authority and the Redevelopment Commission in the creation of physical improvements, plus any other development activity that would become part of an expanded urban renewal program. Among these functions are technical research and guidance; relationships with architects and engineers employed to design specific projects; relationships with developers; and preparation and supervision of construction contracts, including inspection to insure satisfactory compliance with plans and specifications.

Property Management. The public housing management activities of the Housing Authority, including its "Shelter Plus" approach to the management function, must be a responsibility of the new Agency. In addition, the renewal Agency should manage all properties acquired as part of renewal activity, pending demolition or return to private ownership.

Inspection and Enforcement. All inspection and enforcement functions of the Housing Bureau (Health Department) should be transferred to the new Agency, insofar as such functions would be carried out hence-

forth in urban renewal areas. They should be performed in accordance with the recommendations contained in Chapter III. The code and rule-making function of the Commissioner of Health is not altered by this recommendation.

Rehabilitation. The development and administration of a rehabilitation program as part of a comprehensive urban renewal approach should be a responsibility of the renewal Agency—again in accordance with the program recommendations contained in Chapter III.

Conservation. The development and administration of a program of conservation is a responsibility of the new Agency, likewise reflecting the recommendations contained in Chapter III.

Relocation. All relocation services pertinent to the execution of a comprehensive urban renewal program, wherein people or businesses are displaced as a direct or indirect result of governmental activity, should be performed by the new Agency.

In Chapter III, it was pointed out that the City of Baltimore has a policy decision to make regarding the extent of municipal responsibility to be accepted for providing relocation services. Whatever the outcome, this report recommends that the renewal Agency be used to perform this function, irrespective of where or for what reason the displacement occurs. For relocation to operate effectively as a municipal responsibility, it has to be completely centralized. This must be an essential feature of municipal policy.

The relocation function comprises four major activities: surveys, site management, relocation assistance, and appraisal of results. Insofar as possible, every activity which can reasonably be assigned to the relocation staff should be included as part of the relocation process. Relocation personnel should have the maximum opportunity for repeated contact, preferably face-to-face, with site occupants. In this way, misinformation and misapprehensions may be minimized, assurance may be provided that the greatest possible attention will be given to the individual needs of the site occupants, and the program may be most rapidly adapted to problems as they arise. And, above all, by keeping the same personnel in all phases and aspects of

the process, the best insurance is provided for actually achieving the objective—relocation.

Subdivided Into Functions

Each of the four relocation activities may be subdivided into subfunctions. Surveys may be subdivided by type of survey and by stage of the relocation process to which they apply. Surveys are made as a basis for the general relocation plan, as an evaluation of the quality of relocation housing, and as a way to determine the specific needs of each occupant.

In those instances where renewal efforts in an area will result in considerable relocation activity, there will be opportunities to combine the survey interests of relocation and detailed neighborhood planning. Much of the data required for each interest will be common to both. The combinations possible can result in savings in staff and time, in addition to facilitating neighborhood understanding of renewal possibilities. This assumes that relocation and community organization activities can be closely coordinated.

Site management includes arrangements for such occupancy as continues after acquisition: rent collection, maintenance, and custodial and protective care. Relocation assistance includes tapping private and public housing resources, enlisting the aid of community social agencies, arranging moving services, and seeking advice through an official advisory committee or otherwise. Appraisal of results is needed in order to maintain relocation in proper relation to the property acquisition schedule, to the demolition schedule, and to the construction (including rehabilitation) schedule for buildings and streets and street utilities. Appraisals are also needed to clarify the effects on the status of the occupant and to indicate the impact on the larger community.

Municipal Community Organization Services. In Chapter IV, the importance of community organization services, the limited local resources available currently to perform such services, and certain guiding principles and practices for community organization in renewal were reviewed in some detail. This report recommends that the Renewal and Housing Agency be responsible for this important renewal function. This means that

the enlistment of citizen participation, which is implicit to the success of urban renewal, would become an integral part of the renewal Agency's total interests and concerns.

Further, to the extent that the City supports professional community organization services, the administration of them should be related organizationally to the renewal Agency.

Assuming establishment of a municipal community organization service in the RHA, this report recommends that the staff, budget, and physical assets of the Area Projects be transferred to the renewal Agency. If this recommendation is adopted, the transition will take some time and harmonious and close working relationships among the RHA and the DPW officials will be required in many functions where there are common interests. However, there is no practical sense in the City of Baltimore supporting two separate community organization enterprises, especially when these summary factors are viewed together:

1. The renewal Agency must include community organization facilities and emphasis as an integral feature of its program elements.
2. The Area Projects are neither organizationally related nor administratively geared to fulfilling the renewal responsibilities.
3. The urban renewal concept, with its focused attention on the treatment of areas which are carefully defined in relation to over-all general planning, logically embraces the fundamental principles and considerations that have supported the area community organization approach. The program for citizen participation in urban renewal must be sufficiently broad-gauged to include needs in the total life of the individual, his family, and his neighborhood groups.
4. The importance of citizen participation at the neighborhood level for the success of urban renewal suggests that the RHA will be able to more effectively involve a wider cross section of citizen interest than has taken place in the Area Projects.

5. The close relationship between the executive leadership in municipal government and the urban renewal program will enable the municipally supported community organization services to fulfill better their logical role and responsibility as a channel of communication between citizens and their local government.

The creation of a recognized municipal community organization service—and its placement in the renewal Agency—is in no way intended to discourage the growth of privately sponsored facilities in the community or interest on the part of other public agencies. The municipal service, in practice, can and should deliberately foster and support private agency participation.

The proposal of technical committees to assist in establishing standards within the RHA for citizen participation in urban renewal is intended to make working partners of the individuals and agencies in the program. Their full cooperation is essential to the success of the undertaking. Their interest, involvement, and support will provide a positive note of independence to the community organization services which will be salutary in producing general public support for them.

Research. The planning and execution of a comprehensive urban renewal program will require extensive research facilities in the renewal Agency. The research activities of the Housing Authority represent a core of developed knowledge and a basic staff on which to build for the future.

Effective liaison among research resources in the community is an obvious requirement, and one of its objectives should be to define more adequately the respective focal points of interest. The research functions performed in the renewal Agency as contrasted with the Department of Planning should be guided by the distinctions between renewal area and general planning as one of the criteria by which to define allocations of responsibility. The Department of Planning should aim to become the research center for subjects of city-wide significance, involving city-wide data.

Careful attention should be given by the RHA to the suggested short-term and long-

term studies outlined by ACTION in its *Urban Renewal Research Program*.¹ Worthy topics of study that might be useful to Baltimore described in this publication cover the role of citizen groups in urban renewal, the economics of rehabilitation, financing local public expenditures in urban renewal programs, the effects of relocation, the effect of tax incentives in redevelopment, and design as a factor in urban renewal. Long-range research enterprises relate to the standards of adequate housing and environment, estimating present and future housing needs on the local level, the dynamics of change in local residential areas, community organization as an agent of urban renewal, and economic and social consequences of selected policy decisions in urban renewal.

There is need also to conduct operational research studies to assist in the development and evaluation of conservation, rehabilitation, land clearance, community organization, and incentives to private investment.

Investment and Improvement Counselling. The description of program elements in Chapter III has emphasized that effective renewal demands close cooperation between public officials and private enterprise. Many of the possible avenues for renewal activity, such as rehabilitation, conservation, reconstruction of business areas, and redevelopment in blighted areas following clearance, suggest the need to organize those efforts as a proper function of the renewal Agency. The use of private capital, hopefully in ever greater volume, as a companion to wise public expenditures, highlights the investment significance of private participation in the urban renewal process.

The renewal Agency will have specialized knowledge about the characteristics of renewal areas. It also will have a responsibility to make the best use of private investment resources. Because of its knowledge and responsibility, the RHA should provide investment and improvement counselling to individuals and groups, to construction interests and investment companies—to anyone, in fact, who sees in urban renewal an opportunity to make profitable investments as well

as a contribution to the welfare of the community as a whole.

Rehabilitation efforts, especially, will require that investment and improvement counselling be available in the renewal Agency. This relatively untested, but essential, renewal activity cannot gain momentum without sound advice being offered directly to property owners.

Public Information. The systematic collection, organization, and release of information is regarded as an important and specialized function for the Renewal and Housing Agency to perform. Unless the community is adequately informed about the intent, plans, progress, and issues involved in urban renewal, it will not be possible for either the Mayor as chief executive of the city, or the RHA to fulfill their responsibilities and achieve objectives. Moreover, as a public agency, the RHA is obligated to keep the public fully informed on all matters affecting the operation, scope and direction of the renewal program.

The twelve functions just described do not cover the typical staff services that are essential to the proper administration of an organization: budgeting, accounting, personnel, procurement, etc. This report assumes that they will be part of the RHA so that they can service the program functions directly and expeditiously.

Establishment of the Renewal and Housing Agency

General Powers of the City for Urban Renewal. The City now has very broad and comprehensive powers with which to carry out the urban renewal program. These powers are not now described in State or local legislation as being related to urban renewal because the legislation was enacted prior to the time when the concept of urban renewal emerged. However, the scope of urban renewal and its meaning for urban reconstruction are subject to whatever definition a community chooses to give them in its efforts to mobilize the resources necessary to make a comprehensive attack on its problems. This study proposes a scope and meaning of urban renewal for Baltimore.

It has been concluded that legal authority exists to establish the Renewal and Housing Agency and to launch a program made up of

¹ ACTION, *Urban Renewal Research Program*, (Box 462, Radio City Station, New York) 1954.

the elements described in this report. Although it would be desirable subsequently to amend existing legislation in order to incorporate a number of perfecting features, this can be done after some experience has been obtained with the administration of an active renewal program. A number of these longer-range legislative steps will be identified later in this chapter. Baltimore, however, can move forward now if it will take certain immediate steps, all of which are consistent with existing legal authority.

Among the City's existing general powers are the following:

1. The City has as broad a grant of the police power as is required for renewal, possessing such power to the full extent that it is possessed by the State itself.
2. It has full and complete powers to make and enforce codes in respect to construction, repair, sanitation, and occupancy.
3. The City has the power to acquire property for clearance and resale for redevelopment.
4. The City also has the power to acquire properties for rehabilitation and repair. The City can do this either directly with City funds or by resale to redevelopers, who may purchase the properties subject to agreement to rehabilitate or repair according to the standards or specifications prescribed by the City.

Public Housing Program

The City has a public housing program, organized and administered in accordance with State law. The public housing function is carried out by the Housing Authority of Baltimore City, established by the City of Baltimore. Under existing legislation, it is legally possible to arrange to have the public housing program administered as an integral part of the Renewal and Housing Agency, even though it must retain, for the time being, its corporate existence.

The redevelopment powers are granted by the Act of the General Assembly of Maryland to the Mayor and City Council of Baltimore. Since these powers are among those most important to the success of urban renewal, the discretion furnished as to who shall exercise or perform them is fortunately available to

assist in achieving the organizational rearrangements now required.

Subparagraph (g) of Paragraph 14-A, Section 6, of the Baltimore City Charter provides that the Mayor and City Council of Baltimore shall have full power and authority subject to the provisions of the Maryland Constitution:

*"To vest jurisdiction or authority to exercise or perform all or any part of the foregoing powers [i.e., the redevelopment powers granted by the Act of the General Assembly to the Mayor and City Council of Baltimore] in any suitable board, commission, department, bureau or other agency of the Mayor and City Council of Baltimore now in being or in any new board, commission, department, bureau or agency of the Mayor and City Council of Baltimore, which it is hereby empowered to create and establish for such purposes."*¹

With this range of powers, the establishment of the Renewal and Housing Agency by the City of Baltimore can be accomplished immediately if a number of steps are taken. The City can then embark on a comprehensive renewal program and know that it has organized effectively to carry it out.

Ten Actions by the Mayor and City Council. The following ten actions by the Mayor and City Council are required:

1. Abolish the Redevelopment Commission.
2. Establish, by appropriate action, the Renewal and Housing Agency.
3. Establish, by appropriate action, a Renewal and Housing Commission.
4. Appointment by the Mayor of a Renewal and Housing Commission.
5. Designate five members of the Renewal and Housing Commission as the Housing Authority of Baltimore City. (Additional commentary on actions 3 and 4 immediately follow final action step, number 10, on the next page.)
6. Delegate to the Renewal and Housing Agency all powers, functions, and responsibilities now delegated to the Redevelopment Commission.
7. Transfer, by ordinance and agreement with the Commissioner of Health, housing inspection and enforcement functions

¹ *Italics* provided.

as they relate to urban renewal areas, from the Housing Bureau to the Renewal and Housing Agency.

8. Delegate to the Renewal and Housing Agency the responsibility for detailed neighborhood and project planning for each urban renewal area.
9. Transfer the budget items concerned with community organization services from the Department of Planning to the Renewal and Housing Agency.
10. Transfer the supervisory and administrative responsibility, and the budget items, for the community organization services known as the Area Projects from the Department of Public Welfare to the Renewal and Housing Agency.

As a practical suggestion, in line with required actions 3 and 4, it is proposed that the present members of the Housing Authority and the Redevelopment Commission should offer their resignations to the Mayor, in order that he may have maximum latitude in the appointment of the members of the Renewal and Housing Commission and the new Housing Authority.

As a matter of practice, the Commissioners of the Housing Authority, appointed by the Mayor in the past, have been confirmed by the City Council, although this is not a requirement of State law. Whether or not this practice is continued should be determined by the Mayor of the City.

Mayor Should Determine Size

The size of the Renewal and Housing Commission should also be determined by the Mayor. Five-person membership would have some working advantages and this size is recommended, at least for longer-term adoption. Meantime, however, there may be some considerations pertinent to the transition from the present Housing Authority and Redevelopment Commission composition to the new commission arrangement that would make a seven-person Renewal and Housing Commission more appropriate on an interim basis.

In any event, the powers of the new Commission are dual: (a) With respect to the public housing functions of the Renewal and Housing Agency, those five members of the Commission serving as the Housing

Authority should act in accordance with their designated responsibilities under the Maryland State Housing Authority law. (b) With respect to all other functions of the new Agency, the Commission should be concerned with such matters of policy as are related to the development of a comprehensive urban renewal program, all in accord with such general direction and orientation as will be prescribed by the Mayor of the City.

If everyone involved in the action process cooperates to achieve the desired results, execution of the above ten actions will result in an organization that can utilize powers now available for undertaking those elements of a comprehensive urban renewal program which need to be centralized. As has been pointed out, adequate legal authority exists to take the actions required. By retaining the Commission form, the legal requirements pertaining to the Housing Authority are observed. By establishing a separate agency, the City and its administration can effectively relate the activities of the new Agency to the over-all program of urban renewal, in which many municipal functions are involved. The measure of authority available to the new Agency, as proposed, will permit it to resolve many details of an organization and administrative character. If Baltimore genuinely wants to move ahead quickly with an urban renewal program, the organization proposals made in this report represent the only practical means available to the City.

Internal Organization of the RHA. This report does not presume to make specific recommendations regarding the internal organization of the RHA, except to emphasize that it must be done in accord with tested administrative principles applied to all the program elements and functions assigned to it.

A competent staff is one of the primary requisites. The executive of the Agency, obviously, is of key importance. With respect to this position, certain recommendations, essential to the functioning of the renewal program, are made as part of this report.

It is recommended that there be a Director of the Renewal and Housing Agency, appointed by the Mayor, with the agreement of the Renewal and Housing Commission. He should serve as the Secretary of the Renewal and Housing Commission. Also, the same per-

son should be appointed as the Secretary of the Housing Authority by those members of the Commission serving as the Housing Authority.

It is recommended that the Director be empowered to appoint his staff and to establish the necessary personnel system whereby standards of high quality for personnel can be maintained. It is proposed that the Director be empowered to prepare annually and to submit to the Board of Estimates his recommendations for the budget for urban renewal activities under his direction and his comments on the relation of other municipal activities to the urban renewal program. The Director should be expected to perform for the Mayor many functions of interdepartmental coordination in urban renewal. In this respect, he will have the same responsibilities as department heads in fields of special interest to them. The availability of a Mayor's Executive Assistant for development affairs in the Mayor's office, as recommended on page 82 of this chapter, will assist such coordination.

Timing of Actions. Assuming that the recommendations made with respect to the new Agency are acceptable, all of them can be placed into effect relatively promptly by the Mayor with the cooperation of the City Council, Housing Authority, Redevelopment Commission, and the City departments related to the proposed actions.

Realistically, actions 1 through 6 could be taken more or less immediately, but 7 through 10 would require careful staging, determined, in part, by the ability of the new Agency to absorb the transferred functions.

If the recommendations are accepted by the Mayor, it is suggested that he ask the City Solicitor to begin immediately to prepare the necessary resolutions and ordinances required to effect the actions, together with a more detailed chronology of the steps for the Mayor and City Council. The City Solicitor must be involved significantly in the changes. His insight, understanding, and cooperation will be an essential ingredient in the action process.

Among the local legislation required to accomplish the foregoing organizational changes should be authorization to empower appropriate personnel of the renewal Agency

to exercise inspection authority under the health codes of the City. It is recommended, however, that rule-making powers of departments responsible for housing law enforcement and inspection, whereby they regulate matters of importance to urban renewal, remain with those departments—at least until there has been an opportunity to see if this causes any real difficulty in the administration of urban renewal.

Longer-term actions relevant to the organization of the Renewal and Housing Agency will be identified later in this chapter, along with additional long-term actions tied to renewal program elements associated with other City departments and commissions.

The Health Department

The transfer to the RHA of those activities of the Housing Bureau which are to be performed in urban renewal areas is essential to insure the effectiveness of the renewal program. It will not disturb the traditionally established judicial sanctions of the Health Department and its Commissioner. In this instance, as in many organizational decisions to be made by this study, the controlling factor is the need to organize around a new concept—urban renewal.

Under this proposal, the Health Department clearly retains its inspection and enforcement functions on a city-wide basis, exclusive of urban renewal areas, either in response to individual complaints or as an initiated activity of the Department in clear cases of health hazards.

The rule-making power of the Health Commissioner—his authority to establish the criteria by which health hazards in housing are appraised and determined—remains unchanged. The Health Department should devote early organized attention to the drafting of a new comprehensive housing code.

Assuming that the recommendations in this report are adopted, it is recognized that some organizational and administrative rearrangements are needed in the Health Department. These become part of the staging schedule for the shift of functions to the RHA and will have to be worked out cooperatively among the officials involved.

Planning Commission and Department of Planning

Substantial short- and long-term organization and administration changes are needed if the City's planning unit is to fulfill its larger responsibilities for city planning, its appropriate contribution to urban renewal, and its potential influence on the formation of municipal policies.

The observations made in preceding sections of this report serve as the basis for the recommendations proposed at this point. They aim to enable the planning function to:

- A. Relate its services more directly to the needs of the entire community.
- B. Serve as the long-range conscience of the community by giving direction and sanction to a systematic prescription for the growth and development of the city in the years ahead.
- C. Become an arm of the executive direction and management of the city by being involved in the decision-making process that determines the quality and character of municipal development.

On an interim basis, therefore, pending longer-term changes to be identified later, these recommendations are made:

1. The members of the Planning Commission should offer their resignations to the Mayor. This proposal is in keeping with a related suggestion made in connection with the action steps to be taken in the establishment of the Renewal and Housing Agency. There, it will be recalled, the recommendation was made that the present members of the Redevelopment Commission and Housing Authority should offer their resignations in order to give the Mayor maximum latitude in the appointment of the new Renewal and Housing Commission. In the case of the Planning Commission, too, the Mayor should be able to reconstitute its membership in accordance with the concept of city planning advanced in this report.
2. The Department of Planning should be reorganized internally so that it can concentrate clearly on its general planning responsibilities.
3. The Department of Planning should divest itself of detailed residential area planning activities (but not subdivision control) as rapidly as this function can be absorbed by the renewal Agency, and devote its interest in vicinity planning toward the special needs of such projects serving the whole city, as harbor development, the Civic Center, and the downtown business district. The central business district is a special problem of city-wide importance. The Department of Planning should exercise responsibility for detailed renewal planning here, drawing heavily upon the experience of the renewal Agency to determine financial and legal feasibility of its proposals. This activity should be coordinated with the specialized and detailed planning interests of groups such as the Committee for Downtown. Quite possibly, however, execution of some phases of renewal plans involving public funds would be, of course, a renewal Agency responsibility.
4. The Department of Planning should establish an organizational unit responsible for the development and administration of a four-year capital improvement program and a twenty-year development program. Close liaison with the City's Budget Director and other City departments is imperative in this respect.
5. A section in the Planning Department should be established to act as a continuing study unit to keep under review the zoning ordinance now being revised, and to make a formal review of all proposed zoning amendments and changes.
6. Administrative attention should be directed toward the goal of developing, more expeditiously and comprehensively than in the past, those standards and criteria by which the growth of community and neighborhood areas can be guided.
7. The Director of the RHA and the Executive Assistant for development affairs in the Mayor's office should be invited to sit in regularly at meetings of the Planning Commission, as an interim measure

to achieve more effective liaison with urban renewal and the Mayor.

8. The Planning Department should administratively assign and provide for a more substantive advisory service on all matters of area and project selection, capital works expenditures, and new subdivision proposals. This advice should be related to general planning objectives. This service needs to go beyond the perfunctory and formal review process that now exists in most instances.
9. The Planning Department should reorganize its research interests to parallel its concentration on general planning responsibilities and to complement the research functions to be conducted by the RHA and other research facilities in the community at large.
10. Administrative controls and executive responsibilities should be clearly delegated to the Director of the Planning Department by the Commission. Internal dissension has been condoned by the Commission through its refusal to resolve personnel issues, even though it has retained the responsibility for doing so. Although more staff and other resources will be required by the Planning Department (in addition to those increases authorized by this year's budget), there is little practical value in making specific recommendations on this point until the Department is able to demonstrate that it can recruit, absorb, and use effectively the currently authorized personnel complement.
11. The Planning Director should aggressively initiate more concrete working relationships with the planning departments of adjacent counties in order to better identify and fulfill the City's metropolitan planning responsibilities.
12. The Planning Commission and Department should assign specific members and staff, respectively, to work with the Mayor's office and the City Solicitor to accomplish the longer-term changes proposed later in this chapter that have a bearing on the planning function.

Short-Term Implications for Other City Departments

Many city departments, other than those reviewed in some detail heretofore, must examine their organization and effect changes designed to complement the city's over-all efforts to launch a comprehensive urban renewal program. In some instances, the changes may be more accurately described as a reorientation of administrative emphasis rather than structural rearrangements in organization. Such changes will emerge if there is the willingness to respond to the discipline that can be exerted through the leadership and direction of the Mayor's office.

The greatest test for coordinated effort will arise in connection with the application of inspection and enforcement services on an area basis. The Divisions of Community Sanitation and Rodent Control in the Health Department, the Zoning Enforcement Officer and the Bureau of Building Inspection in the Department of Public Works, the Police Sanitarians in the Police Department, the inspectors in the Fire Department, and the Housing Court must be cohesively related in the inspection and enforcement process to the RHA. This recommendation in no way subordinates their importance. Rather, it emphasizes the significance of their respective roles in the inspection and enforcement process. The administrative complications are sizeable but they can be overcome. Certainly, they do not warrant further organizational rearrangements unless actual experience reveals that coordinated effort cannot be achieved otherwise.

A Stake And A Responsibility

The Departments of Education, Parks and Recreation, and Public Works have both a stake in and a responsibility to the urban renewal program which demand their attention. These departments should focus immediately on at least fulfilling their respective roles in such major renewal program elements as relocation, capital budgeting, and community organization services.

In connection with relocation, for example, each of these departments is responsible for activities that result in the displacement of people through the clearance of areas to per-

mit new improvements to be made. The departments should become initiators and participants in the establishment of a municipal policy on the availability of relocation services for persons displaced by public improvements. Similarly, in connection with community organization services, there is a need for each department to think through its relationships to citizens generally and the manner in which its specific services can respond to citizen interest in municipal government responsibilities.

The Department of Public Welfare is especially vital to the success of the program because of its present administrative responsibilities for the Area Projects and the need to make an orderly transfer of this community organization service to the renewal Agency.

The Office of the Mayor

The coordinating function that must be performed on a continuing basis among the program elements and administrative units making up urban renewal can be performed adequately by the RHA. More particularly, the Director of the new Agency can be regarded as the coordinator, acting, where necessary, on behalf of the Mayor. Further, the Director is enabled to coordinate many elements through line command within the RHA, as contrasted with the difficulties confronting the Interim Urban Renewal Coordinator, who has no supervisory or other direct administrative controls over any of the program activities now separately conducted in municipal government.

Need for Executive Assistance. Notwithstanding the coordinating advantages to be obtained with the organization proposals thus far described, the Mayor cannot exercise either the executive leadership he may be willing to give or to the degree expected by the citizens of the city unless his office is equipped with high-level executive assistance. The responsibilities to be fulfilled by the Mayor of a large metropolitan city are too extensive and complex to permit the assumption that the Mayor can perform the task alone. Everywhere throughout the country this is apparent. As the people living in our urban metropolitan centers sense the crises and conflicts to which they are con-

stantly exposed, they will focus their political interests on the role played by municipal government—the logical instrument for resolving these conflicts in our democratic society.

As a minimum, therefore, the Mayor's personal staff should include an individual who can serve as his eyes and ears with respect to the entire range of private and public development activities going on in the city. This interest surpasses the direct program of urban renewal. It also encompasses capital budgeting and programming, regulatory activities of the city affecting physical development, industrial and commercial development, highway and transportation development, and public works progress, to name some of the related fields of interest.

The person in this position should be responsible for keeping the Mayor advised on current progress and problems. He should anticipate future policy issues, develop tentative policy directives in cooperation with the several operating and staff departments, and propose policy changes and administrative regulations needed to keep the development program moving. His functions should not be limited to renewal, but he can assist renewal particularly by keeping the Mayor informed on the extent to which the many activities of City government that must participate in renewal programs are, in fact, doing so. Ultimately, the Mayor's office will require a small administrative management staff to assist him in coordinating all functions of City government.

Qualifications. The person selected for this position must be known for his reliability and dependability. He must be trusted by the Mayor. The person need not be a professional planner or technically trained individual, but he must be intimately familiar with the workings of municipal government, intelligent, and alert. He must be respected for his capacity to learn—to absorb the succinct issues and problems—and to affirmatively, yet judiciously, convey the Mayor's point of view. He must also be able to interpret fairly and objectively, the point of view of others, and be able to resolve conflicts and differences among points of view. And, he must be able to mold the diverse stream of development activities into a unified picture

of their status at any point—so that the Mayor can always have organized, factual information on which to make executive decisions.

The title of this position should be determined by the Mayor, but it should emphasize executive assistance in development affairs.

Longer-Term Organization Goals for Urban Renewal

This study has aimed to propose the means whereby Baltimore can begin immediately to initiate the changes required for a comprehensive urban renewal program. If adopted, the organization devices will be adequate to harness the resources of the community, utilize Federal and other available aids, and gain valuable experience with a formula for approach that will be far-reaching and progressive. In fact, Baltimore can then be in the vanguard of leadership among American cities, pointing the way to the resolution of the crucial issues facing urban life everywhere.

Immediate Changes Proposed Not Sufficient. But, even though these recommendations for short-term use are adopted, applied, and prove to be successful, they are inadequate for long-term needs and accomplishment. As rapidly as possible, Baltimore should begin those additional steps leading to an organizational structure that is more adequately related to the concept of urban renewal advanced in this report than the measures proposed for the moment. Some of the immediate steps proposed are expedients, quite frankly adapted to the legislative provisions currently available. They will do the job now, with the backing and leadership of Mayor D'Alesandro. However, there is the need to look ahead—to unknown city administrations—to the effect of the dynamic influences shaping the destiny of this great metropolitan center, and to plan for the future in accord with our best knowledge and skill.

Accordingly, the following recommendations are made, relative to longer-term organization changes.

1. *Renewal and Housing Commission and Agency.* Appropriate changes should be obtained in applicable State legislation, the City Charter, and local ordinances to recognize and establish the Renewal and

Housing Agency (and Commission) in law, together with a recapitulation of powers assigned to it. The authority to appoint the Commission should be vested in the Mayor, including the establishment of a four-year term for the members.

A majority of the Commission should have terms running concurrently with the Mayor. The balance should be appointed serially at one-year intervals. For example, a five-member Commission (if that number should be selected) would have three members appointed by the Mayor immediately on taking office, the fourth member appointed at the end of the first year, and the fifth at the end of the second year.

This change is advocated as part of insuring that the Mayor not only accepts leadership for a renewal program, but is in a position to select persons of his choice to advise on policy.

Under the revised legislation, adequate provision should be included to enable the RHA to utilize financing methods described more particularly in Chapter VI of this report. In effect, they are an adaptation of tested methods used by the Housing Authority and available to it now under Maryland State law.

2. *The Planning Function.* Revisions in the City Charter should be made to substantially alter its present provisions with respect to the planning function.

The revised language should emphasize clearly that the Department of Planning serves as the executive arm of the Mayor in the development of the capital improvement program and is responsible for advising the Budget Director in his preparation of the Capital Budget.

The Charter should carefully discriminate between the quasi-legislative, quasi-judicial functions in the Planning Commission and the executive functions in the Planning Department. The Director of Planning should be appointed by the Mayor, reporting to him except for the performance of such administrative activities as are required to service

the quasi-legislative, quasi-judicial functions of the Commission.

The Director of Planning should be designated clearly as the executive in the Department of Planning, with authority to exercise administrative controls on staff, prepare and submit administrative budgets, and to perform related duties without obtaining approval from the Planning Commission.

The concept of general planning should be clarified and elevated to a pre-eminent status as a planning function.

The preparation and purpose of a long-range, twenty-year development program, as part of the City's capital budgeting system, should also be described carefully.

The composition and term of membership for the Planning Commission should be changed to provide the following:

- a. Four members, including the chairman, to be appointed by the Mayor when he takes office, for four-year terms.
- b. Three members to be appointed serially for four-year terms by the Mayor, beginning with the second year of his term.
- c. Two *ex officio* members—the Director of the Department of Public Works and the Director of the Renewal and Housing Agency.

Although the City Council representation is eliminated in this proposal, this report recommends that the City Council create a Committee on City Planning in order to bring about a greater consciousness of and participation in planning affairs on the part of a larger number of the members of the Council.

The City Council must be respected as the most sensitive sounding board in the City government for general citizen reaction. Its legislative functions cut across many activities identified with the urban renewal process. Here is where significant issues and conflicts will frequently come to a head. Each member of the Council should be able to obtain accurate and up-to-date in-

formation on the status of any community improvement program.

3. *Capital Budgeting.* This report proposes also that consideration be given to revising the City Charter to transfer the position of Budget Director from the supervision of the Comptroller to the Mayor. This proposal is in keeping with the importance of the capital budgeting function and its relationship to the program advanced by the administration of the City.

In any event, the City Charter should give substantially greater emphasis to capital budgeting, and prescribe a system for its preparation and application in keeping with the improved techniques now available and the metropolitan stature of the community.

Significance of Recommendations. With the adoption of the recommendations just described, the organization and administration changes required for a comprehensive urban renewal program would be rounded out. The basic concepts on which this report is developed would then be applied consistently in practice. The renewal approach is a package, which would be incomplete without all of its program elements or the organizational features required in its administration.

Admittedly, some of the changes proposed are sweeping, and may be temporarily upsetting. But progress is never attained easily, especially when the problems confronted are of great magnitude, the conflicts and issues complex, and the processes for action distinguished by the involvement of many people.

This report cannot conscientiously suggest that partial adoption of the recommendations will achieve proportionate results. Historically, city government is a procession of half-hearted measures, and only recently has the character of urban problems become sufficiently understood and dramatically underscored to attract earnest attention. The course to be followed is Baltimore's choice—not just that of the city administration. Unless the citizens of Baltimore rally their support, subordinate their self-interests, and cooperate for the general welfare of all, the courage and leadership of elected officials will not be enough. With these conditions

met, however, municipal government can serve its people efficiently and satisfactorily.

The Role of the Citizen

In keeping with the tone of the last paragraph in the preceding section, the role of citizens in bringing about acceptable organization changes in government is highlighted for the attention of the reader.

Citizen groups, in particular, have a responsibility here. Each has its special avenues available for endorsement and support, constructive criticism, and interpretation. Each sphere of influence is significant, and our democracy demands that knowledgeable opinions be voiced as part of the process of change.

Baltimore has many groups actively identified with the interests that represent the subject matter of this report. The Citizens Planning and Housing Association, the Greater Baltimore Committee, the Retail Merchants Association, the Association of

Commerce, and the Council of Social Agencies are examples.

The Study Board hopes that these groups will give this report and its recommendations the attention deserved by the need to plan for the future, and then act accordingly.

The Urban Renewal Advisory Council

The Mayor farsightedly established an Urban Renewal Advisory Council. While its role has not been too clear thus far (through no fault of anyone) and its opportunities for involvement have not been many, the Study Board knows of its warm interest in and dedication to the goal of a comprehensive urban renewal program for Baltimore.

Now a role may be clear. The Study Board feels that the support and interest of the influential, civic-minded citizens constituting the membership of the Council could be significantly related to getting a comprehensive urban renewal program launched in Baltimore.

CHAPTER VI

FINANCING OF BALTIMORE'S URBAN RENEWAL PROGRAM

In the preceding chapters, this report has indicated that, by appropriate and fully coordinated use of its present authorities and powers under an improved administrative organization more directly accountable to the chief executive, Baltimore can organize and carry out an effective urban renewal program. With the urban renewal program contemplated by this report, Baltimore can meet fully the major problems which today confront every American city. There is no short-run or easy solution. With such a program, over a twenty-year period, Baltimore could eliminate practically all of its substandard housing, upgrade and restore many areas of the City now threatened by blight, and preserve large areas of the City now deteriorating.

In this way, Baltimore can—if it hammers ceaselessly at this task—remake itself into a community responsive to the needs of its citizens and its business community in the twentieth century. It can become a city where there is adequate space for industrial and commercial expansion, with efficient patterns for modern traffic circulation, and where its citizens can live in attractive neighborhoods with adequate community facilities.

Can Baltimore Afford It?

Can Baltimore afford to undertake such an ambitious program? Baltimore, like other cities, cannot afford to fail to organize and carry out such a program. Also, fortunately, Baltimore can afford, in the practical sense of hard dollar resources, to undertake and carry out such a program. This is a firm conclusion of the Urban Renewal Study Board, and the financing of the urban renewal program contemplated in this report should not be a limiting or severely burdensome factor for Baltimore.

Public Cost of Renewal Program

The actual public cost of the renewal program will depend, obviously, on its scope, which, in turn, is dependent upon the type and extent of public and private program participation. This chapter will be concerned

primarily with the public cost of the renewal program and the financing of it. And, even though the cost cannot be calculated precisely because of the many variables affecting the amount, enough can be determined to demonstrate clearly that it is within Baltimore's means.

The significance of a public cost figure at this stage is largely illustrative. With respect to any amount selected, it is possible to relate it to the financing arrangements and resources that are available. The latter factors are most important because the methods used to finance the cost—whatever the figure—will determine whether or not a program is feasible. Cost data, therefore, are to be viewed as a means of illustrating the financing aspects of Baltimore's urban renewal program.

The total cost of the program will be less than the total expenditures. This is because many of the expenditures will be recoverable. In the analysis of the total public cost, by type, that will be made in the next section in this chapter, the varieties of expenditures involved will be illustrated by examples.

The scope of program contemplated in this report for a 20-year period is estimated to cost approximately \$900 million. Three basic types of costs are involved: (1) redevelopment and related site improvements, (2) administrative, and (3) public works. The recoverable expenditures are related primarily to the first type.

Public Expenditures for Renewal by Type of Cost

Vigorous prosecution of the program outlined in this report for a 20-year period will entail public expenditures of the following types and in the following estimated amounts:

1. **Redevelopment and Related Site Improvements.** The largest category of expenditures will be connected with the enlargement and expansion of that portion of the over-all program which is currently known as redevelopment. The principal item in

this category will be the write-down of property values after acquisition by the renewal Agency as part of the process of transferring properties to other agencies, public or private, for redevelopment in accordance with a predetermined plan. In many cases, clearance of the land will be part of the process and, in such instances, demolition expenditures will also be included in this category. Included in this item also are the expenditures for studies and surveys for delineating urban renewal areas, for planning urban renewal projects, relocating tenants, disposition of acquired properties, and similar "project" activities. Still another expenditure to be included in this item is securing the necessary rehabilitation of structures in urban renewal areas through acquisition, direct rehabilitation and resale of the rehabilitated structures, or through acquisition and resale to purchasers who agree to rehabilitate in accordance with prescribed standards.

Many of these expenditures represent "working capital" requirements in the sense that they are not permanent expenditures because, at project completion, they are fully recoverable from project income and the Federal and any local cash grants.

Certain types of public works, such as relocation of utilities or rearrangements of streets, may be essential to the desired reuse, and the expenditures involved in accomplishing this type of public works are also included in this category of expenditures.

As concluded in Chapter I, a minimum of 140,000 dwelling units will need renewal attention of the kind referred to above during the next twenty years. This figure includes both currently substandard homes and conservation-rehabilitation type units.

Based on such experience as is available, modified by assumptions derived from trends in the cost of slum land, assessment values, and general real estate price levels, this report contemplates public costs in the order of \$600,000,000 over the twenty-year period for redevelop-

ment and related site improvements. This estimate is based on figures of \$5,500 per dwelling for substandard units slated for clearance, \$4,500 for other units currently substandard, and \$3,750 for conservation-rehabilitation units. (The calculations leading to this estimate are set forth in Appendix I, Section E).

2. **Administrative.** The execution of a program of this magnitude will obviously entail increased administrative expenditures. It is estimated that this increase over and above the administrative expenses now being borne for present programs, and over and above Federal contributions to be credited to this type of cost, could be in the order of one million dollars per year. Increases to this level would not take place immediately but might build up in stages reaching the level suggested by 1960.

The basis for this estimate is shown in Table 4 on the next page. This table is included to suggest the relative emphases required by a comprehensive program, even though its components may be subject to considerable revision in practice and as the result of experience. For the 20-year program, the additional administrative cost might amount to \$15 to \$20 million.

3. **Public Works.** Over the next 20 years Baltimore will undoubtedly spend a great many millions of dollars for needed public works which will benefit urban renewal areas directly or indirectly. For the most part, these expenditures will be necessary and will be made whether or not Baltimore embarks on an active urban renewal program. Included in this category of expenditures are such items as the replacement of obsolete schools; the enlargement and improvement of other schools; the provision of parks, playgrounds, and recreational centers; and items such as traffic improvements, street widenings, expressways, etc.

Illustratively, the present building program of the Department of Education calls for the expenditure of \$63,500,000. Long-range planning indicates the need for an additional \$107,500,000 by

TABLE 4
Estimated Increase in Municipal Appropriations
for Urban Renewal

<i>Organization Unit</i>	<i>Cost of Increase</i>
1. Inspectors (Housing Bureau functions), increase from 19 to 100	\$ 600,000*
2. Additional requirements for Renewal and Housing Agency	240,000*
a. Community organization services	\$ 70,000
b. Relocation	45,000
c. Development activities, area planning and programming, staff service, etc.	125,000
3. Department of Planning	110,000*
4. Mayor's Office (Development coordination and executive assistance).....	20,000
5. Department of Public Works	235,000
a. Bureau of Building Inspection	110,000
b. Zoning Division, Bureau of Building Inspection	60,000
c. Other Bureaus of Department	65,000
6. Police Department (additional Police Sanitarians)	50,000
7. Fire Department (additional inspectors, Fire Prevention Bureau).....	25,000
TOTAL	\$1,280,000
* Less estimated amount related to planning and survey work financed through Federal planning advances	300,000
NET TOTAL	\$ 980,000

1975 to meet the needs of the pupil population which is still increasing and to replace unsatisfactory structures. It is anticipated that \$120,500,000 of the total of \$171,000,000 will be required for school facilities in the inner city.

For the purpose of this report, and to illustrate the financing arrangements that are feasible for Baltimore's renewal program, the cost of public works related to urban renewal areas is estimated to be \$300 million over the twenty-year period.

Relationship of Public Works to Urban Renewal Financing

An understanding of the significance of public works expenditures is basic to an explanation of the public financing of the renewal program. While this category of expenditures will be incurred for the most part in any event, they become the most important factor in determining the level of additional local public expenditures that must be made as a direct result of carrying out a comprehensive renewal program.

Federal Financing Formula. The reason for this goes back to the Federal legislation dealing with urban redevelopment and urban renewal which states that two-thirds of the

type of costs described in item (1) early in this chapter can be met from Federal grants, but that the remaining one-third must come from local sources. This legislation permits, however, the cost of local public improvements benefiting the area in question to be used as all or part of the required one-third local contribution. Under these circumstances, one dollar invested in public works will produce two dollars in Federal grants. If the total of creditable public improvements undertaken during the next 20 years is \$300,000,000, then the \$600,000,000 cost set forth in item (1) can be wholly met by Federal grants, and the only additional expense to the City for the urban renewal program would be the additional administrative costs set forth in item (2) earlier. On the other hand, if no credit is secured for public works, then Baltimore would have to make up in cash one-third of the \$600,000,000 or \$200,000,000.

Cost to the City of Baltimore. In view of the influence of the public works factor, it should now be apparent why it is difficult to predict with certainty what an urban renewal program of the type contemplated by this report would ultimately cost the City. Something, however, can be said with respect to

the range within which these costs will fall. Under the most favorable circumstances, the program would cost little, if anything, more than additional administrative costs. Under the most unfavorable circumstances, the program could cost, over a 20-year period, as much as \$200 million above and beyond administrative costs.

If Baltimore's full contribution is through capital improvements of \$300 million, the total capital outlay involved in the 20-year program becomes \$900 million. If the local contribution in the form of public works should be \$200 million, then the total expenditure would approximate \$800 million. In this event the local contribution would also include \$67 million in cash to make up its one-third share (one-third of \$800 million equals \$267 million). If only \$150 million of local public works are credited for urban reban renewal purposes, the total capital expenditures are lowered to \$750 million but the City's cash share raised to \$100 million.

Now the possible public costs of the program can be summarized. Capital costs and administrative costs have been identified. Under capital costs there are two types: (a) \$600 million for redevelopment and related site improvements and (b) public works improvements related to urban renewal, which may theoretically range from nothing to a maximum of \$300 million. If it is possible to credit only \$200 million in public works toward the required local one-third share, a local cash outlay of \$67 million would be necessary. If (a) and (b) are added together, we obtain a range of \$800 to \$900 million as the program cost. Adding \$15 to \$20 million additional administrative costs gives an overall total of \$815 to \$920 million as the estimated cost encompassed within the 20-year program.¹ In this report, the figure is rounded off at \$900 million.

Importance of Public Works Programming. It is not unrealistic to assume that

¹ It is noted that none of these cost estimates reflect existing administrative costs among the various City departments and agencies that are currently responsible for municipal functions which will be related to renewal. These costs could not be estimated accurately during the time available for this study. They would be necessary, in any event, to carry on established activities, whether or not a comprehensive urban renewal program was adopted by the City of Baltimore.

Baltimore can secure \$600,000,000 in Federal grants through securing credit for \$300,000,000 worth of public works. Three hundred million dollars over a 20-year period would mean an average rate of expenditure for public works of \$15,000,000 per year. During the period 1950-1955, Baltimore has had available from bond proceeds and appropriations an average of about \$31,000,000 a year for capital improvements. There can be little question that with an average expenditure of \$31,000,000 a year and co-ordinated planning of the City's general Capital Improvement Program in relation to its urban renewal program, sufficient credit for public works should be obtainable up to the desired maximum of \$15,000,000 per year.

To best assure the accomplishment of this desirable objective, a firm policy must be adopted that the City's required one-third local contribution will be made, wherever possible, in the form of public facilities. Successful implementation of this policy requires that it be imbedded in a regularized procedure. Further, assurance that the resulting public facilities, project by project, will fit into the general capital improvement needs of Baltimore necessitates coordination of project planning with general capital improvement planning. The report has sought to emphasize the fact that the most effective arrangement for achieving both objectives is a modern capital budgeting system.

Advance planning of both Baltimore's general capital improvement needs and the requisite financial resources must do more than merely parallel approval of urban renewal areas and programs. The latter must be anticipated. Priorities by years, determined by urgency of need, would go far towards assuring that plans for individual public facilities, as part of the over-all plan for each type of facility, would be ready for inclusion in urban renewal areas. This approach should maximize use of the provision that the City's one-third local contribution can be made in the form of public facilities and minimize the necessity for cash contributions.

This report desires to make it clear that its recommendations in this respect will in no sense guarantee that the City's one-third contribution to the capital costs of the pro-

gram will or can be made up wholly from public works. It is entirely possible that with the most skillful management, some of the required one-third contribution must be provided in cash as has been the case with respect to past undertakings of the Baltimore Redevelopment Commission. Furthermore, there is always the possibility that the present Federal financing formula may not continue for the entire life of a 20-year program.

Baltimore's Present Financial Situation

Since Baltimore may well have to make some public cash contributions (representing a possible range of some magnitude) in the execution of an urban renewal program, special attention has been paid to Baltimore's financial situation. The problem has been discussed with numerous local public officials and private citizens who are interested in and familiar with Baltimore's fiscal structure. Their suggestions and observations have been most helpful. As a result of this special examination and these discussions, a number of general conclusions have been reached as to Baltimore's financial situation, and a number of specific recommendations have been prepared to improve and facilitate the financing of the program required for Baltimore. These general conclusions and specific recommendations are set forth in portions of this chapter which follow.

Baltimore's Tax Base. At the outset, attention is called to the fact that the urban renewal program contemplated in this report should result in a material strengthening of, as well as in substantially adding to, Baltimore's tax base. Without such an effective program of urban renewal, large areas of the City will continue to be adversely affected by the process of slipping through progressive degrees of deterioration into slums and areas of large-scale blight, accompanied by progressively decreasing tax revenues and increasing expenditures required for public services. The upgrading, restoration and preservation of such areas by an effective program of neighborhood rehabilitation and conservation, as an essential part of the process of urban renewal, can strengthen the tax base and stabilize tax revenues from such areas. As areas which have slipped so far

through the process of deterioration as to be nonsalvageable are cleared, and new and soundly planned improvements are constructed on the cleared land, there will be substantial additions to the tax base.

Individual urban renewal projects are not self-liquidating. Their accomplishment will require substantial public expenditures. But, in the long run (wholly apart from considerations of the general welfare benefits which flow from urban renewal), the City will show a net financial gain from the wise investment represented by such public expenditures. This is the financial justification for the urban renewal program proposed for Baltimore.

Baltimore's Financial Condition Is Healthy. Many favorable factors are present in Baltimore's current financial structure. For general improvements, a reservoir of *ad valorem* tax bond authorizations already exists (some \$80 million, after deducting the current debt authorizations which will be shifted to the new Maryland Port Authority but including \$4 million of port development bonds that are self-liquidating.) An additional \$95 million for general improvements (water, schools, civic center, public libraries, recreation, off-street parking, conduits and sewers) is expected to be submitted to the voters for approval in November.

No overlapping local governments complicate the debt structure. The ratio of net tax-supported debt to an adjusted total taxable basis is 6.2%, which is under the oft-used standard of 7% of full value. Unlike many other cities, Baltimore is not subject to rigid constitutional or statutory debt limitations. Only serial bonds are now issued, and the older term bonds are supported by actuarially sound sinking funds. Moody's gives Baltimore an Aa rating, which is excellent for a large city. Sinking funds, plus self-supporting debt, reduce the total gross debt outstanding to a net over-all tax-supported debt of \$154 million, or about \$160 per capita. This compares favorably with some large cities, being considerably lower than New York and Philadelphia, but somewhat higher than Detroit or Chicago. Voters are accustomed to bond referendums and, in the main, have not hesitated in recent years to authorize the resources for needed new public improvements.

Baltimore's Present Debt Retirement Policy Is Good. Baltimore has used its borrowing power in accordance with sound and tested principles for long-range fiscal policy. Baltimore is retiring its debt on the average of about 25 years. At the present time, only serial bonds are used and they are not permitted by law to go beyond 40 years. For the bonds expected to be submitted to the voters for approval this coming November, the longest period of debt retirement is 35 years, and many of them are for 20 and 25 years. Baltimore, accordingly, is following a practice considerably better than many other cities, although it does not approach the level attained by some communities, such as Chicago, which is retiring its debt on the average of about 14 years.

Within the last three years, Baltimore has increased appropriations for its current budget for capital improvements (a partial shift to a pay-as-you-go basis). The 1956 budget provides for about \$13 million of capital outlays from current revenues and about \$25 million from bond proceeds.

Baltimore's Property Tax Collections Are Good. Property tax collections are good. With a diversified tax structure, Baltimore relies on the real property tax for only about 49 per cent of its total current revenue. Since there is still an unused margin of fiscal capacity, increased local revenue sources might be found, if necessary.

Baltimore's General Capital Improvement Needs. Baltimore has largely anticipated its general capital improvement needs for some years ahead, but without an order of priorities. This is evidenced by the amount of bond authorizations already given by the State legislature, the Mayor and City Council and the voters; and by proposed issues with enabling legislative action which have not yet been submitted to the voters for approval. These bond authorizations are summarized in Table 5, next column.

In November 1956, \$94,850,000 from the second category above will be submitted to the voters for approval. If these bond referendums are approved, the voters will have authorized for general capital improvement needs \$174,000,000.

The \$182,000,000 in Table 5 should be compared with the gross outstanding city debt

TABLE 5

Summary of Expected Bond Issues

1. Authorized by the State legislature, ratified by the voters, and unissued as of August 1, 1956 ¹	\$ 79,540,900
2. Authorized by the State legislature, but not yet ratified by the voters as of August 1, 1956 ¹	102,850,000
Total Expected Issues ¹	<u>\$182,390,900</u>

¹ After deduction for port development bond authorizations no longer available to the City under terms of Maryland Port Authority Act of 1956.

(self-supporting debt included) of \$292,000,000 as of July 31, 1956.

To these bond authorizations for general capital improvement needs can be added an estimate of current funds which will probably be made available for needed capital improvements on a pay-as-you-go basis from appropriations.

During the last six years an average of almost \$5.2 million of current appropriations has supplemented an average of \$25.9 million for capital improvement needs from bond proceeds, as summarized in the following table:

TABLE 6

Summary of Recent Bond Proceeds and Appropriations for Capital Improvements

	<i>Bond Proceeds</i>	<i>Pay-as-you-go Appropriations¹</i>
1950	\$ 20,098,000	\$ 2,525,000
1951	30,803,300	3,416,687
1952	16,027,000	3,655,000
1953	27,033,800	4,101,000
1954	36,428,000	7,693,000
1955	25,012,700	9,784,000
Total	<u>\$155,402,800</u>	<u>\$31,174,687</u>
Yearly Average	\$ 25,900,500	\$ 5,195,800

¹ These two series do not correspond precisely to actual capital outlays, but are closer to it than any other series readily available.

These fiscal circumstances, as they now exist, when viewed in relationship to the City's future, caused the Urban Renewal Study Board to recommend strongly the adoption of the capital budgeting and development programming procedure reviewed in Chapters III and V. For summary emphasis, this report notes again that the current activities of the Department of Planning, in preparing a capital improvement

program, do not result either in physical planning being reduced to year-by-year programs with an established order of priorities, or integrated with long-term financial planning to constitute true capital budgeting. Furthermore, adequate provision has not been made for implementation of a one-year program regularly through the annual current budget.

Working Capital Requirements

The discussion to date has been in terms of the net final public cost of an urban renewal program, with the conclusion that this cost, with proper management, should not prove an excessive burden to the City. One public financial aspect of the program, alluded to earlier, is the need for working capital. Since the expenditure of funds for working capital purposes over and above net final costs are, in effect, recoverable and do not represent an out-of-pocket cost, it would seem that this need should not prove to be a difficult problem. Nevertheless, in terms of present legislative authorization, this need poses a major difficulty, so much so that it has had a significant bearing upon the recommendations for administrative organization to carry out the renewal program.

The renewal Agency will purchase a great many properties which it will subsequently dispose of to other agencies, public or private. At the conclusion of any one project, all of the costs incurred will be paid for through the proceeds of property disposition, Federal grants, or City contributions. Prior to this point, however, the renewal Agency must have funds available to meet the total gross cost of the project. Since at final settlement these funds can all be repaid, the normal source of such funds would be the issuance of short-term notes. Federal procedures have already been established to facilitate the issuance of such notes, either through direct Federal purchase or through Federal guarantee of such notes sold to private investors. This is a practical and fairly normal method of meeting working capital needs. It is, for example, the method presently used by the Housing Authority to provide the initial funds for the construction of new public housing projects.

In the case of Baltimore, however, any such procedure runs up against the fact that the City is legally prohibited from issuing bonds or notes involving the faith and credit of the City except pursuant to an act of the General Assembly, followed by ordinance of the Mayor and City Council and approval of the voters. It is uncertain whether these legal limitations would affect the issuance of short-term notes, secured not by the faith and credit of the City, but by a pledge of subsequent project revenues.

Working Capital From Bond Issues

Thus far the working capital needs of the Redevelopment Commission have been met wholly from the proceeds of redevelopment bond issues, issued in accordance with established legal requirements. If this same method of financing these costs were to be followed in carrying out the 20-year urban renewal program for Baltimore contemplated in this report, it would be necessary for Baltimore to obtain legislative authority and voter approval of the issuance of general obligation bonds, payable exclusively from *ad valorem* taxes.

From the standpoint of ability to borrow on the basis of special obligations which do not involve payment from *ad valorem* taxes, there is no practical reason to limit Baltimore's financing of project activity or working capital costs to *ad valorem* tax bonds. In fact, from the standpoint of sound fiscal and program policy, Baltimore's resources for the issuance of *ad valorem* tax bonds should be reserved for, and concentrated on, the financing of the costs of public improvements required in connection with the urban renewal program, which can be included as part of Baltimore's \$300 million required local contribution heretofore referred to and which cannot be financed in any other way.

Three alternatives for the resolution of this undesirable situation appear to be available. They are:

1. The question as to whether the authority granted to the Mayor and City Council to finance such project activity or working capital costs by special obligations (payable solely from urban renewal project income and Federal grants and *not* involving the faith and credit of the City) issued by ordinance of the Mayor and City Council with-

out approval of the voters, is constitutional can be brought before the Maryland Court of Appeals for adjudication. Without an approving opinion by the Court of Appeals, Baltimore would not be able to sell such bonds issued under the present legislative authority.

2. The City may seek to obtain an amendment to Section 7 of Article XI of the Constitution of Maryland to authorize the issuance of such special obligations for such purpose by ordinance of the Mayor and City Council.

3. The City may seek legislation to amend the Housing Authorities Law as applicable to Baltimore to include the issuance of such special obligations, for urban renewal activity, within the scope of the authorized functions of the Baltimore Housing Authority. Such activities could then be financed by special obligations issued by the Housing Authority, whose functions, as recommended in this report, are to be administered as an integral part of the Renewal and Housing Agency.

Board Recommends Latter

The Urban Renewal Study Board recommends the latter of these three alternatives.

If the desired authorization in this respect is obtained, a major additional advantage will be available to Baltimore.

By pledge of its rights under a Federal loan contract, Baltimore's Renewal and Housing Agency could obtain funds to finance the carrying out of urban renewal project activity up to the point of project completion by the sale of short-term notes, payable as to both principal and interest from the proceeds of the Federal loan which the Government has contracted to make to it. Since the basic security for the payment of such notes would be the credit of the Federal government, while the income on such notes (since they would be obligations of a local public agency) would be exempt from Federal taxes, they would command relatively low interest rates. For example, recent issues of similar short-term notes sold at about 1.75 percent. Under the method recommended for financing these costs, the interest costs would be much lower than those obtainable under the present method of financing. As mentioned, this is essentially

the same method of short-term financing so successfully employed for many years by the Baltimore Housing Authority to finance low-rent housing project development up to the point of project completion and definitive long-term financing. Thus, Baltimore would be in a position to obtain needed working capital to finance urban renewal project activity costs at very low interest costs without resort to *ad valorem* tax bonds.

There are very practical difficulties and unnecessary expense involved in the present method of financing Baltimore's redevelopment activities by general obligations which require the levy of *ad valorem* taxes for their payment. If such activities can, as a practical matter, be successfully financed by methods which result in considerably lowered interest costs and do not require the levy of *ad valorem* taxes, this would represent an advantage to Baltimore sufficiently desirable in itself as to justify the strong recommendation that Baltimore make every effort to establish the necessary legal basis to support such a method of financing.

The perfection of financing methods also will enable Baltimore to be prepared to take advantage of possible changes in Federal legislation bearing on financial assistance to cities. Baltimore should be prepared to act if more liberal Federal financing provisions are enacted. The financing of a comprehensive 20-year program should not be geared exclusively to existing Federal formulas for assistance. The financing proposals presented in this chapter will enable Baltimore to use the Federal aids now authorized, and also qualify Baltimore to profit immediately from any changes which take place in the Federal renewal program.

Other Program Costs and Desirable Financing Resources

Preceding portions of this chapter indicate that the principal methods for financing by far the greater portion of the expenditures incurred in an effective urban renewal program for Baltimore must involve full utilization of Federal loans and grants with local matching contributions in the form of local public improvements. However, this report recommends that Baltimore should not

rely exclusively on this Federal financial assistance.

There are a number of reasons for this. The provisions of the Federal law relating to the types of projects which are eligible for Federal financial assistance may not be sufficiently flexible to permit Baltimore to meet special situations involving important local needs. For example, Federal financial assistance cannot now be made available for a project involving the clearance of a deteriorated or blighted commercial or business area and the redevelopment of such cleared area for predominantly commercial, business or industrial use. Yet it is apparent that, to assist the orderly growth and expansion of the City, Baltimore's urban renewal program should be able to provide for this type of action to be carried out in full cooperation with, and participation by, its own local business community. There would also be opportunities for Baltimore to develop and undertake successfully other types of non-Federally assisted projects which may not require substantial write-offs. Such projects could be accomplished much more rapidly if Baltimore was in a position to carry them out with local funds, rather than be forced to obtain Federal assistance.

Also, Baltimore's experience to date with the Federally-assisted urban renewal program has clearly demonstrated that it involves an extreme rigidity in its rules and regulations as to items of expense which are eligible as project costs, protracted discussions as to whether the specific price of various contracts obtained by the local officials should be allowed or only some lesser amount, and similar matters which have resulted in protracted and frustrating delays. Baltimore should be in a position, when such occasions arise, to use its own funds in order to obviate such delays. It is believed that, in general, the expenditures required for such purposes would be relatively small, particularly when contrasted with the resulting benefits to Baltimore.

Revolving Fund for Urban Renewal. In addition, even with the better planning and coordination of the capital improvement program for the City as a whole with the urban renewal program (as recommended in the preceding chapters of this report), it is not to

be anticipated that the City can, in every year, meet the full amount of its required one-third local contribution by programmed capital improvements. The ability to draw upon a readily available source of funds for a cash contribution in such cases is regarded as essential to an urban renewal program that must not be permitted to operate on a 4-S basis—start, stagger, stop and start.

This report, therefore, recommends that Baltimore establish and maintain a Revolving Fund for Urban Renewal at a level of about \$20 to \$25 million, to be used for such purposes, among others, as those outlined above. Obviously, the maintenance of such a fund at this level will not be required until many of the changes suggested in this report for the administrative organization for urban renewal have been accomplished and the urban renewal program contemplated by this report is under way at a rate considerably higher than that of the present program. However, the Revolving Fund for Urban Renewal should be established promptly and, by appropriations and bond proceeds, gradually built up to the \$20 to \$25 million level as Baltimore's urban renewal program activities develop. It is suggested that when the fund is established the moneys in the present "Re-development Fund" under Section 10 of Ordinance No. 718 (which is not a revolving fund) be appropriated to the Revolving Fund for Urban Renewal.

Adoption of Policy to Shorten Debt Retirement Period. Since a large long-term capital improvement program is to be carried out, Baltimore should give consideration to the desirability of shortening the average life of the City's debt by shifting to shorter-term serials than heretofore used. The power to borrow is most effectively utilized if it is used as a "revolving power", exercised and made available again for reuse by a rapid debt retirement schedule and new authorizations. Baltimore is retiring its debt now, on the average, within about 25 years. Although this is a faster rate than New York and Philadelphia, the average term might be reduced to 20 and then to 15 years.

Financing Increased Operating Expenses and Capital Outlays. As indicated earlier in this chapter, the general magnitude of the urban renewal program contemplated pres-

ents no serious financial obstacles, since it seems clear that, with proper planning, by far the major portion of the City's permanent public expenditures (principally required for its one-third local contribution) can be satisfied by the relation of normal capital improvement outlays to specific renewal projects. Additions to the City's future budgets, however, may be anticipated from four areas:

1. Debt service arising from a stepped-up general capital improvement program, which is already in progress.
2. Debt service on any new bonds issued to establish and maintain the Revolving Fund for Urban Renewal.
3. Increases in the current operating budgets, if present trends obtain.
4. An increase in operating expenses directly attributable to the urban renewal program.

The present current budget (exclusive of bond proceeds) is nearly \$170 million, which represents an increase of over \$10 million per annum during the period 1950-1956, such increase being attributable principally to (1) and (3) above. In the main, this budget increase has been financed by rising assessed valuations, some increases in the property tax rate, and increased receipts from present shares in state revenues (aids or shared taxes).

Since it is to be anticipated that normal increases in assessed valuations should provide for item (3) above, only areas (1), (2) and (4) might be expected to result in increases in the budget.

If \$150 million additional debt is incurred within a five-year period and \$67 million retired during such period,¹ the net addition to gross outstanding debt (self-liquidating and not self-liquidating) would be \$83 million. The renewal program contemplated by this report will raise this somewhat and will necessitate some increase in debt service requirements. To this must be added the increased administrative expenses directly attributable to the new urban renewal program and any appropriations made to the Revolving Fund for Urban Renewal. A

¹ See *Pertinent Financial Data, City of Baltimore, Commission on Governmental Efficiency and Economy, Inc. 1956, page 7.*

desirable average base figure on which to predicate the projected increase for such purposes would be from about \$5 million to \$8 million a year.

Fiscal Research and Administration Measures

The discussions of the Urban Renewal Study Board have also disclosed several possible areas of study bearing on the financial structure and administration of the City which might, with profit, be subjected to careful analysis. Intensive research with respect to the fiscal characteristics of municipal administration in Baltimore, conducted on a continuous basis, may prove to be helpful. The employment of a small, specialized staff on this subject to concentrate on methods, procedures, and experience with fiscal programs, could assist the Mayor in modernizing City government operations and in keeping him informed of new developments.

The City has recently lost its very fine budget officer, a professional who worked closely with the Mayor in a staff capacity and who furnished a needed financial cohesion despite the absence of a centralized finance department. This loss will be greatly magnified unless the person who fills this position is a well-trained, experienced man who brings to his work all the new methods and techniques of current and capital budgeting, plus the conviction that budgeting is an executive staff function.

Synchronizing the property tax due date more closely with the beginning of the fiscal year requires study. If the July 31 final date, without penalty, were moved up to January 30, loss of tax revenue through tax discounts might be obviated.

Commercial Accounting Basis

Consideration might be given to treating sewers as a separate utility, and placing both the water and sewer utilities on a strictly commercial accounting basis. The water utility debt is self-supporting, but the net revenues from water are not known. The last valuation was 1935, and has been adjusted for only retirements, additions and betterments. Utility fixed assets are not depreciated. If the voters approve the \$45 million water bond issue in November, it becomes all the more important to know precise utility

costs in order to determine at what level the new water rates should be fixed.

An annual financial report, in the form of a coordinated report of the Comptroller, the City Auditor, the Treasurer, and the public service enterprises (but with each public service enterprise treated as a separate accounting entity), is another proposal that might be studied. Any attempt to produce a single financial report in accordance with the standards suggested by the National Committee on Governmental Accounting and the Investment Bankers Association of America would point up, for example, such deficiencies as the absence of a combined debt schedule which would show peaks in total debt service requirements over the years.

The above problem on debt reporting is partly complicated by the existence of large amounts of authorized but unissued bonds. An effort should be made to ascertain whether institutional investors and investment bankers give unfavorable weight to the results of this system of debt authorization, and, in their debt analyses, include these amounts in a projected schedule of debt service requirements.

Foreclosure In Rem Power

Although Baltimore has a good property tax collection record, in the background is the foreclosure in rem power. Perhaps a study should be made to determine what would be gained if the City followed a policy of bidding in properties at tax sales for urban renewal purposes.

The present City Charter requires that any budget surplus be carried forward and used to reduce taxes in the ensuing budget year. One proposal, which might be studied, is to change the Charter provision so that savings out of the current budget would go into a fund for general capital improvements, and consequently reduce the need for borrowing. Over the last six years (1950-1955) the budget surplus has averaged \$4,114,000 per annum.

Finally, it may be advantageous to undertake a study of the total effect in general, and economic in particular, of granting tax exemptions, in whole or in part, as an inducement for certain urban renewal undertakings.

Private Enterprise Participation

Baltimore's urban renewal program must become everyone's job if it is to be wholly successful. The improvement in financing the public costs of the urban renewal program discussed earlier in this chapter must be accompanied by an acceptance on the part of private enterprise and the private citizen that they, too, have both an obligation and self-interest in rounding out the financial arrangements for urban renewal.

Many opportunities are available. The investment of private funds, whether on the part of a financing institution or the individual home owner, is an investment in individual and community welfare. The urban renewal approach can be as comprehensive as Baltimore cares to make it. Downtown business interests, commerce, and industry generally, can be afforded opportunity to become active participants in a renewal of the economic foundation of their respective enterprises as well as in making a contribution to the physical and social improvement of the City where they do business. Already, in many cities, the dramatic possibilities for significant achievements through direct and active participation by the business community in local urban renewal programs have captured the vision and understanding of responsible business leaders. In Pittsburgh, for example, as has been so well noted by Baltimore's Mayor, spectacular undertakings are under way, spearheaded by the community's leading business and financial interests.

The interest shown by The Greater Baltimore Committee and the Association of Commerce is deserving of commendation. Similarly, the interests of downtown business organizations, such as The Committee for Downtown, have been registered. There is every reason to feel that these elements of the Baltimore business community are capable of major contributions to the carrying out of an effective urban renewal program in Baltimore.

An Urban Renewal Corporation

Business interests in the City should consider the establishment of an Urban Renewal Corporation to assume responsibility for projects of value to the whole business community. Such a corporation should have

several millions of dollars in capital in a revolving fund. In St. Louis, Cleveland, and Kansas City, such funds have made important contributions to the management and financing of renewal projects. These funds are usually used for equity capital requirements for developments in renewal areas.

As has been indicated, urban renewal should not be limited to Federal-aid types of projects. Baltimore's local government has a wealth of powerful tools which, if suitably organized, can become instruments available to private initiative where local public authority, through the new Renewal and Housing Agency, provides the process for accomplishment and private enterprise, the financing elements.

The Renewal and Housing Agency should be able to offer a variety of resources to private initiative in addition to such tangibles as the availability of eminent domain for land acquisition purposes. Among these other resources is the resolution of difficult public relations problems that have disturbed private investors and builders in some cities, including Baltimore, by reason of past experience with the redevelopment program.

Assurances To Private Redevelopers

Private redevelopers need to be offered assurances that land can be made available in a reasonable period of time. There must be firm commitments, consistent with the interests of both the public and the redeveloper, to the redeveloper who is able and willing to offer the assurance that he will develop an area when it is planned and ready and who will, himself, contribute to the planning process. These commitments must state that when the process of planning, assembling, and clearing the area is finished, the land will be made available to him at its fair value for the planned new uses. Private enterprise should not be tied down with the vagueness and uncertainty which seem to have characterized so much of redevelopment to date.

It is not possible to make even a rough estimate of the amount of private investment that will be generated by a broadened renewal program. Undoubtedly, however, the sum will be a very considerable one, so that Baltimore's physical plant will become expanded and modernized, construction work

will be greatly stimulated, and taxable assessed valuations and tax revenues should increase accordingly. Probably the greatest segment of the new investment will occur in new and modernized commercial and industrial facilities, some of which will be located in areas shifted from residential use. Thousands of new dwelling units will be built in urban renewal areas and an even larger number of units will be rehabilitated. If the 27,000 currently substandard units requiring rehabilitation referred to in Chapter I of the report are rehabilitated at an average expenditure of \$3,000, it would mean about \$81 million of construction work. Presumably by far the greatest part of this would occur under private auspices.

Rehabilitation-Conservation Treatment

In addition, the program magnitude envisaged in this report calls for rehabilitation-conservation treatment in a number of renewal areas throughout the city with about 78,000 currently standard dwelling units estimated to need such treatment over the 20-year period. Many thousands of these units will be rehabilitated entirely through private means. Large numbers of other home owners will be influenced to step up their modernization and maintenance expenditures.

The total private investment of firms and families during Baltimore's 20-year renewal program will probably have to be measured in the hundreds of millions, and will undoubtedly far exceed the top estimated public cost of \$900 million. Concurrently, there will be a great increment to the City's tax base and an enrichment of the economic life of the community.

Summation of the Urban Renewal Concept

Throughout this report the emphasis in describing urban renewal has been on viewing it as:

1. An approach.
2. Both a program and a process.
3. Distinguished by its comprehensiveness.
4. Recognizing the basic conflict between the need to provide adequate transportation facilities and the need to create and preserve suitable residential neighborhoods.

5. Linking the solution to the problem to the leadership that can be established only in the executive administration of the City government.
6. Being concerned with both people and their physical environment.
7. Being adaptable to whatever circumstances and conditions warrant attention.
8. Being geared to sizable and natural areas within the city.
9. Related, in turn, to those considerations affecting the welfare of the total community which must be weighed in reaching program decisions.
10. Being something Baltimore citizens need and want because they understand and appreciate the stake that is involved.