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REDEVELOPMENT
of
BLIGHTED RESIDENTIAL AREAS
in
BALTIMORE

COMMISSION ON CITY PLAN
July 1, 1945

**Redevelopment of Blighted
Residential Areas
in Baltimore**

**Conditions of Blight
Some Remedies and Their Relative Costs**



COMMISSION ON CITY PLAN

**400 Municipal Building
Baltimore 2, Maryland**

July 1, 1945

Price \$2.50 Per Copy

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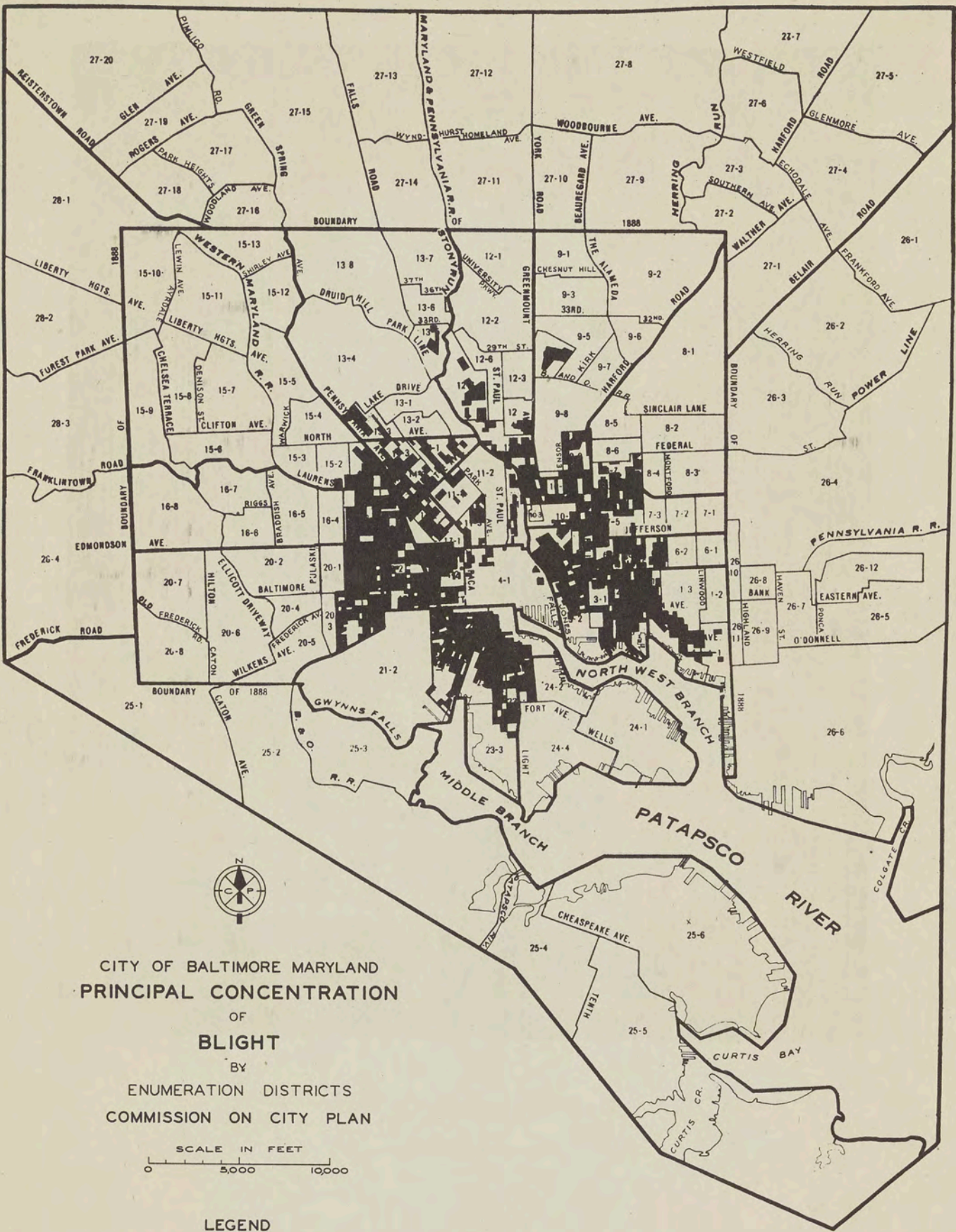
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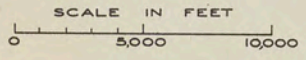


HON. THEODORE R. MCKELDIN

Mayor of Baltimore



CITY OF BALTIMORE MARYLAND
 PRINCIPAL CONCENTRATION
 OF
 BLIGHT
 BY
 ENUMERATION DISTRICTS
 COMMISSION ON CITY PLAN

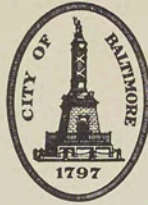


LEGEND

■ AREAS IN WHICH PRINCIPAL RESIDENTIAL BLIGHT EXISTS

SOURCE C.C.P.

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CHAIRMAN
THOMAS F. HUBBARD
W. WATTERS PAGON
LUCIUS R. WHITE, JR..
P. ROSS BUNDICK
DR. ROBERT L. JACKSON



COMMISSION ON CITY PLAN
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July 1, 1945

Honorable Theodore R. McKeldin,
Mayor of the City of Baltimore,
Baltimore, Maryland.

Dear Mr. Mayor:

For a number of years Baltimore has faced a growing menace of blight, gradually claiming more and more of the older part of the city. With the passing of time an area of some four square miles has become depreciated to the stage where only the word "slum" adequately defines it. This "slum" area is a very big, a very difficult, and a very pressing problem.

The Commission on City Plan has recognized that some plan for dealing with this slum area is vital to carrying out other phases of the planning program; and, with the permission of the Honorable Board of Estimates and appropriations for the employment of a consultant, the Commission undertook this study to be carried into effect by our own staff.

We were fortunate in securing the services of Mr. Henry Vincent Hubbard of Boston as consultant. Mr. Hubbard's experience among other things includes:

Acting Chief of the Town Planning Division of the United States Housing Corporation in World War I and editor of its final report

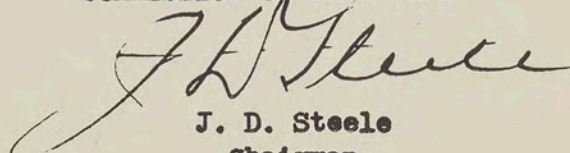
For twenty-five years a member of the firm of Olmsted Brothers, landscape architects, of Boston, Massachusetts

For the past thirteen years a member of the National Park and Planning Commission for the District of Columbia.

The report speaks for itself, and we confidently believe it will be an intelligent guide to the new Baltimore Redevelopment Commission which you have just appointed and to other agencies dealing with the housing problem.

Respectfully submitted,

COMMISSION ON CITY PLAN


J. D. Steele
Chairman

JDS:K

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BALTIMORE, MARYLAND

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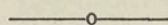
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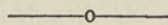
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June 1, 1945

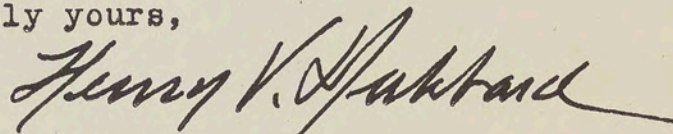
Mr. J. D. Steele, Chairman,
Commission on City Plan,
400 Municipal Building,
Baltimore, Maryland.

Dear Sir:

The staff of the Commission and your consultant submit herewith the results of the studies to which, during the last eighteen months, the staff has devoted all the time which could be spared from the necessary day-by-day activities of the Commission.

During this time the Commission has received assistance, freely and kindly given, from many outside agencies and private persons. The Commission owes a debt of gratitude not only for facts which were often difficult and time-consuming to collect, but also for interested discussions and valuable suggestions. Appended is a list of those cooperating.

Sincerely yours,



Consultant

ACKNOWLEDGMENTS

The Commission acknowledges specifically the valuable assistance of the following among the many persons and agencies who have helped with this study and report. The sources of the information used are credited throughout the tables, plans and text.

CITY DEPARTMENTS

Baltimore City Health Department,
Statistic Section and Housing Division
Board of Liquor License Commissioners
Board of Zoning Appeals
Bureau of Assessment
Bureau of Control and Accounts
Bureau of Receipts
Circuit Court of Baltimore City,
Division of Juvenile Causes
Comptroller's Office
Court of Common Pleas, Clerk's Office
Department of Education
Department of Legislative Reference
Department of Public Parks and Squares
Department of Public Recreation
Department of Public Welfare
Department of Public Works
Bureau of Buildings
Bureau of Highways
Bureau of Mechanical-Electrical Service
Bureau of Plans and Surveys
Bureau of Sewers
Bureau of Street Cleaning
Bureau of Water Supply
Enoch Pratt Free Library
Fire Department
Free Public Bath Commission
Housing Authority of Baltimore City
Police Department

INDIVIDUALS AND COMPANIES

Consolidated Engineering Co., Inc.
Consolidated Gas, Electric Light and Power
Company of Baltimore City
Morris Macht
J. Sheridan McClees, Jr.
Property Sales Company
Charles R. Scrivener Co., Inc.
Tongue, Brooks and Zimmerman
Warren Webster and Co.
Weaver Bros., Inc.
Welsh Construction Co.
James C. Wilkes (Washington, D.C.)

OTHER AGENCIES

Baltimore Association of Commerce
Department of Motor Vehicles, State of
Maryland
Federal Housing Administration, Federal and
Local Office
National Capital Housing Authority
National Housing Agency
Office of Price Administration, Rent Division
U.S. Department of Commerce, Bureau of the
Census
U.S. Treasury Department, Internal Revenue
Service
War Housing Center, Baltimore, Maryland

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REPORT TO THE COMMISSION ON CITY PLAN

Baltimore, Maryland

by

THE STAFF OF THE COMMISSION

and

HENRY V. HUBBARD

Consultant

INTRODUCTORY

In a preliminary report in November, 1943, your present Consultant submitted to your Commission an opinion as to what should be the next important move of the Commission toward City rehabilitation. The essence of this opinion, which was approved in principle by your Commission, was as follows:

At the present time the problem of residential blight, which is a problem of city planning, takes first priority among planning responsibilities.

Any real cure for blight must both rehabilitate the blighted area and decently house its present inhabitants.

Methods of betterment should be evaluated on the basis that the total per year of the betterment must measurably exceed the total per year of the depreciation. Otherwise the City becomes increasingly unworkable, both socially and economically.

People now living in blighted areas can pay only low rents. Such rents, under present costs, will not pay for decent living conditions including all the public facilities necessary thereto whether in the rehabilitated blighted areas or elsewhere.

The difference between what such people can pay and what it costs to provide them with minimum decent accommodations and services will therefore be a subsidy, whoever pays it.

But how great will this subsidy be, and paid by whom to whom, and what other effects will it have on the community? Plainly the Commission on City Plan must produce some realistic answers to these questions before it can advocate any specific city policy in rehabilitation.

The preliminary report outlines briefly a procedure for getting the essential information, evaluating it, and building sound recommendations upon it. It recognizes the fact that the ultimate values sought are human and social, and that, however important, these values cannot ever be completely expressed in terms of dollars.

It recognizes also, however, that no recommendations, however ideally desirable, are likely to be actually carried out unless they take into account

the reasonable tax contribution of the citizens, the profitable business procedure of the private industries concerned with rehabilitation, the long-term budget of the City, and the help of the State and Federal governments when indispensable, all in accordance with some accepted general physical plan for the City.

SCOPE OF THE PRESENT REPORT

The present report embodies the results of work by the Staff during the past eighteen months in pursuance of the above suggestions, under the direction of the Commission and with the advice of the Consultant.

In this report we set forth in some detail the present location, conditions and trends of residential blight, comparing the different characteristics of areas differently blighted. We set up and calculate two sample projects chosen to be typical of many blighted residential districts. We calculate and compare various methods of rehabilitation already actually undertaken in Baltimore. We consider very briefly some broad economic factors affecting the whole City and so affecting the whole problem of blight within it. Finally we recommend certain procedures, out of many possibilities, as the most promising immediate measures to defend the residential areas of the City threatened by blight, and to begin the recovery of the areas already blighted.

In preparing this report we do not confine our investigations nor our discussion to the standard areas. Blight is a local symptom of a city-wide maladjustment, and can not be understood or remedied without knowledge of its broad relations. Moreover, many of the facts essential to this investigation are also basic data for other future work of the Commission. It was therefore cheaper, once the immediately necessary fact-gathering machinery was set up, to do a sufficiently wholesale job rather than to have to return soon again for further information. This is not, however, a report on the comprehensive planning of all Baltimore, but a report on the

redevelopment of deteriorated residential areas, attention being focused as far as possible on that specific subject.

DETERMINATION OF AREAS NEEDING HELP

The first step is naturally to find out where and of what kind are the residential areas which might be called **blighted**, and whether and how fast they are getting worse. Everyone is aware of the confusion of terms applied to such areas: substandard, depreciated, decadent, blighted, slum, and so on. None of these are accepted workable definitions. There are many different standards of ideals below which an area may fall. All undesirable areas are not undesirable in the same way, nor is any area totally undesirable.

We are not here concerned with philosophical definitions nor with emotions or unchecked opinions. We seek a method of determining, by some process of measurement or counting, which residential areas must have something more than self-help to become desirable in their net effect on the City and its people and what, specifically, should be done in each area by City, owners, tenants, residential rebuilders and business men, with outside help if this is indispensable, that their common investments and interests may be salvaged and increased.

SYMPTOMS OF BLIGHT

There are certain conditions (not every one of which, if taken alone, is necessarily bad) which can be measured, which are most commonly found in undesirable areas, and which, when co-existing in considerable numbers in a neighborhood, cause undesirability, or at least are symptoms of undesirability.

The following are the conditions of the sort just mentioned which are most obvious and most readily determined and recorded, and which, therefore, can be conveniently used as symptoms of blight in any area wherein they are of much more than average intensity. Data as to these conditions, either city-wide or by sample areas, we have compiled and referred to in various ways in this report.

As to the **neighborhood**. Lack of parks and playgrounds, lack of public services, too narrow and too frequent streets, incongruous mixtures of land uses, discrepancy between zoning and land use, bad "city housekeeping."

As to the **buildings**. High land coverage, old age, need of major repairs, lack of baths or interior toilets, low values, low rents.

As to the **people**. Congestion per acre on the land, congestion per room in the dwellings, high sick rate as shown by incidence of typical diseases, high death rate including infant mortality, high rate of crime and misdemeanor including juvenile

delinquency, need of financial help by the tenants* as shown by number of welfare cases.

There are other symptoms of blight which can readily be observed, such as general shabbiness and bad minor upkeep of houses and grounds, general discouragement and carelessness of the people, and so on, but these can not well be handled statistically, and therefore we have used them rather to check the conclusions from more specific data.

Though the present existence of the above named symptoms, or many of them, is proof enough of the conditions which we call blight, the question of the **trend** of these conditions is also important. Plainly if a neighborhood is rapidly deteriorating it is likely to warrant early help more than a neighborhood which has long remained as it now is. This we have taken into account, though we have not in all cases submitted evidence to prove the trend.

As a means of showing the location and extent of residential blight in Baltimore we have recorded on special maps the following symptomatic conditions as to the areas of their greatest prevalence, thus producing ten maps showing where:—

Fifty percent or more of the dwellings are over 45 years old (Fig. 1)

Twenty percent or more of the dwellings have no bathrooms or need major repairs (Fig. 2)

The average value of the dwellings is under \$4,000 (Fig. 3)

The assessed values are decreasing, 1938-1945 (Fig. 4) (See also Appendix B)

The average monthly rental is under \$25.00 per dwelling unit (Fig. 5)

The average population density is 25 or over per gross acre (Fig. 6)

3.4 percent or more of the dwellings have more than one and a half persons per room (Fig. 7)

The rate of incidence of pulmonary tuberculosis is 15 or over per 10,000 (Fig. 8) (See also Appendix A)

The rate of juvenile delinquency is 10 or over per 1,000 (Fig. 9)

The number of welfare cases is 40 or over per 1,000 (Fig. 10)

We have not included among these maps those showing regional conditions like lack of parks, nor bad conditions which are found indiscriminately through the city, like imperfect zoning or street arrangement. We have chosen only the most significant and the most effectively recorded of the conditions which affect and characterize primarily the area in which they are found.

* The financial condition of the *owners* is not a measure of the social desirability of the neighborhood. Unfortunately it is possible to make a profit from owning property rented to slum dwellers. For the amount of expenditure for "welfare," its proportionate contribution by the City, State and Nation, and its allocation to recipients (See reference on page 34 and Appendix E).

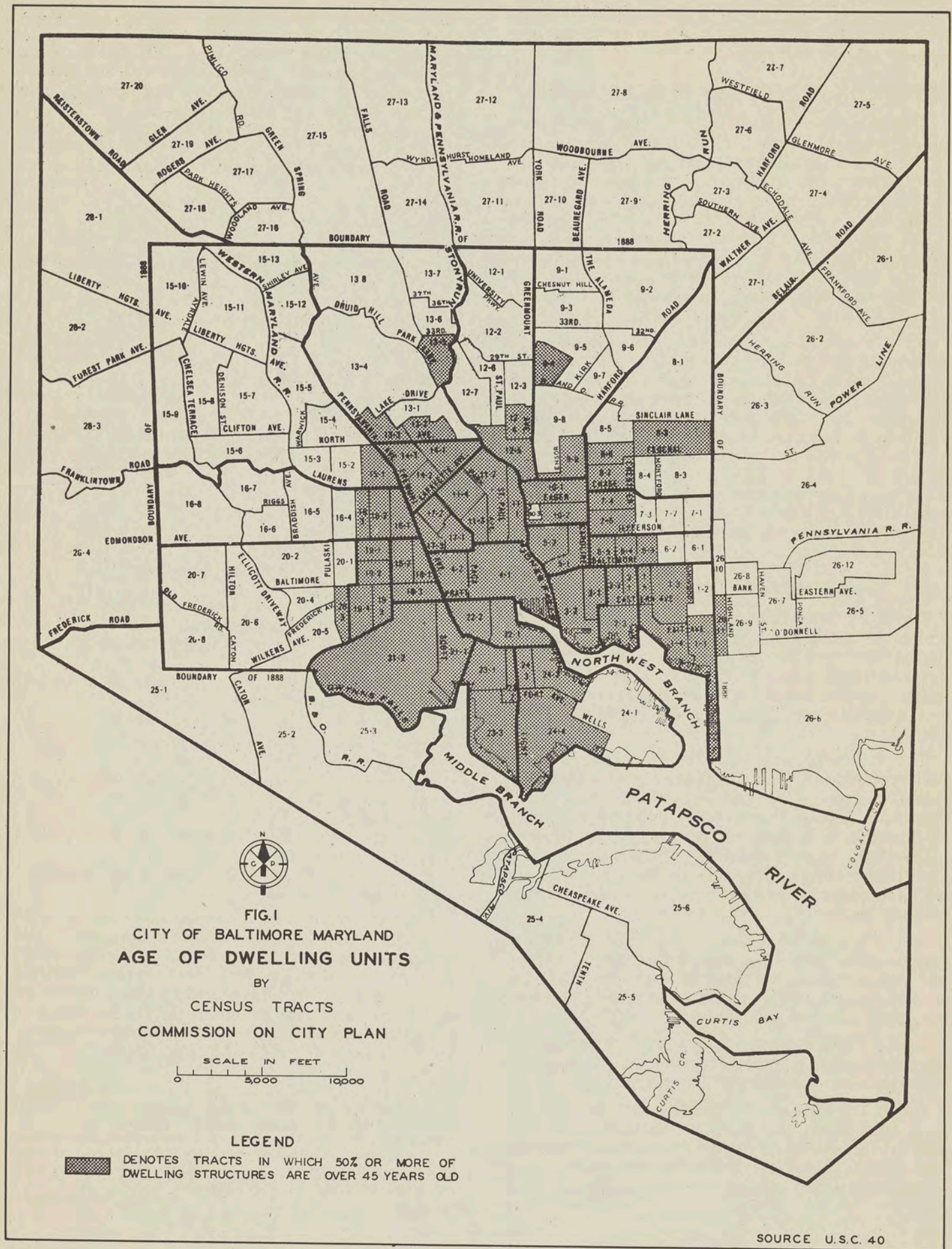


FIG. I
 CITY OF BALTIMORE MARYLAND
 AGE OF DWELLING UNITS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

LEGEND
 [Shaded Box] DENOTES TRACTS IN WHICH 50% OR MORE OF DWELLING STRUCTURES ARE OVER 45 YEARS OLD

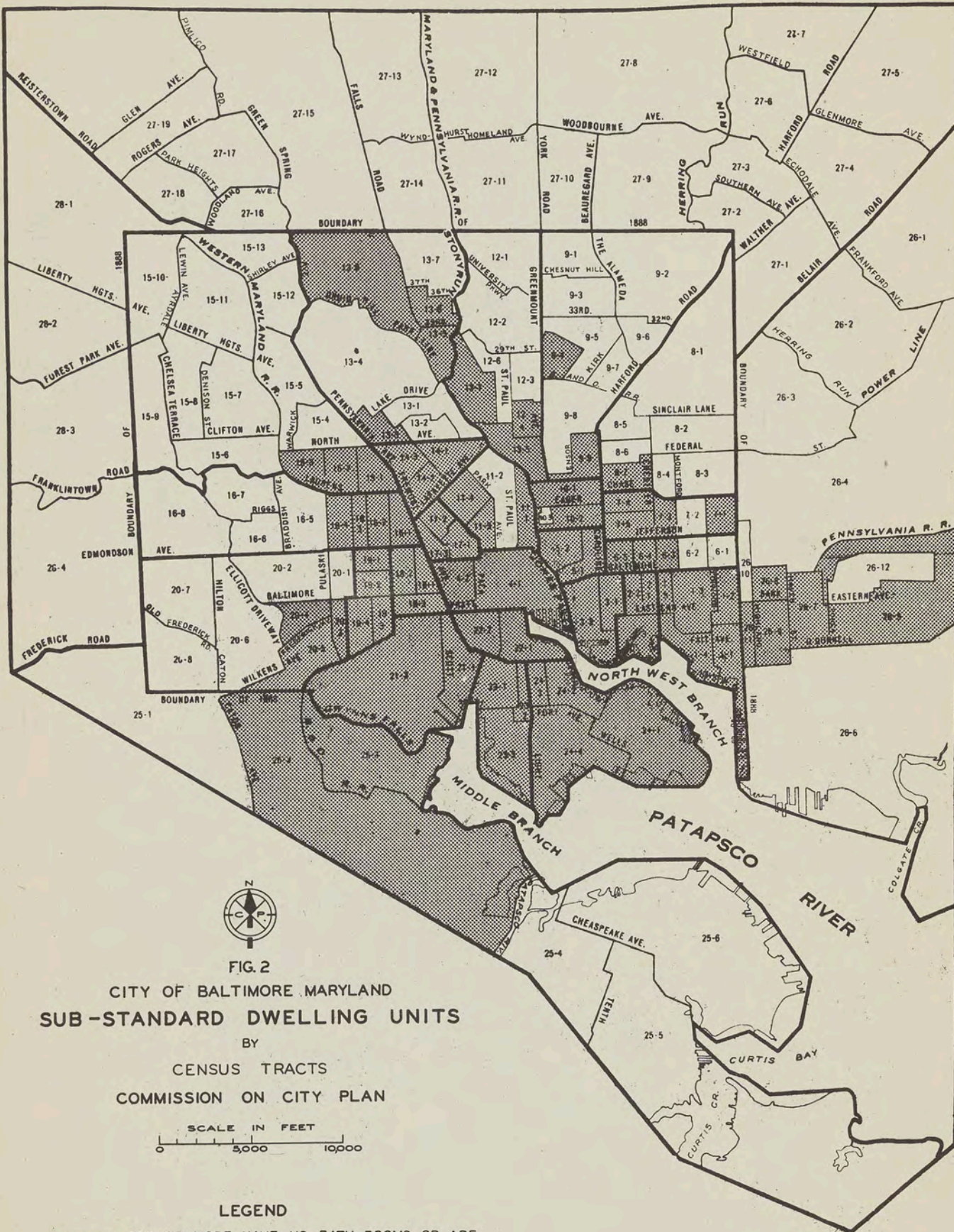



FIG. 2
 CITY OF BALTIMORE MARYLAND
 SUB-STANDARD DWELLING UNITS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5000 10000

LEGEND

 20% OR MORE HAVE NO BATH ROOMS OR ARE IN NEED OF MAJOR REPAIRS.

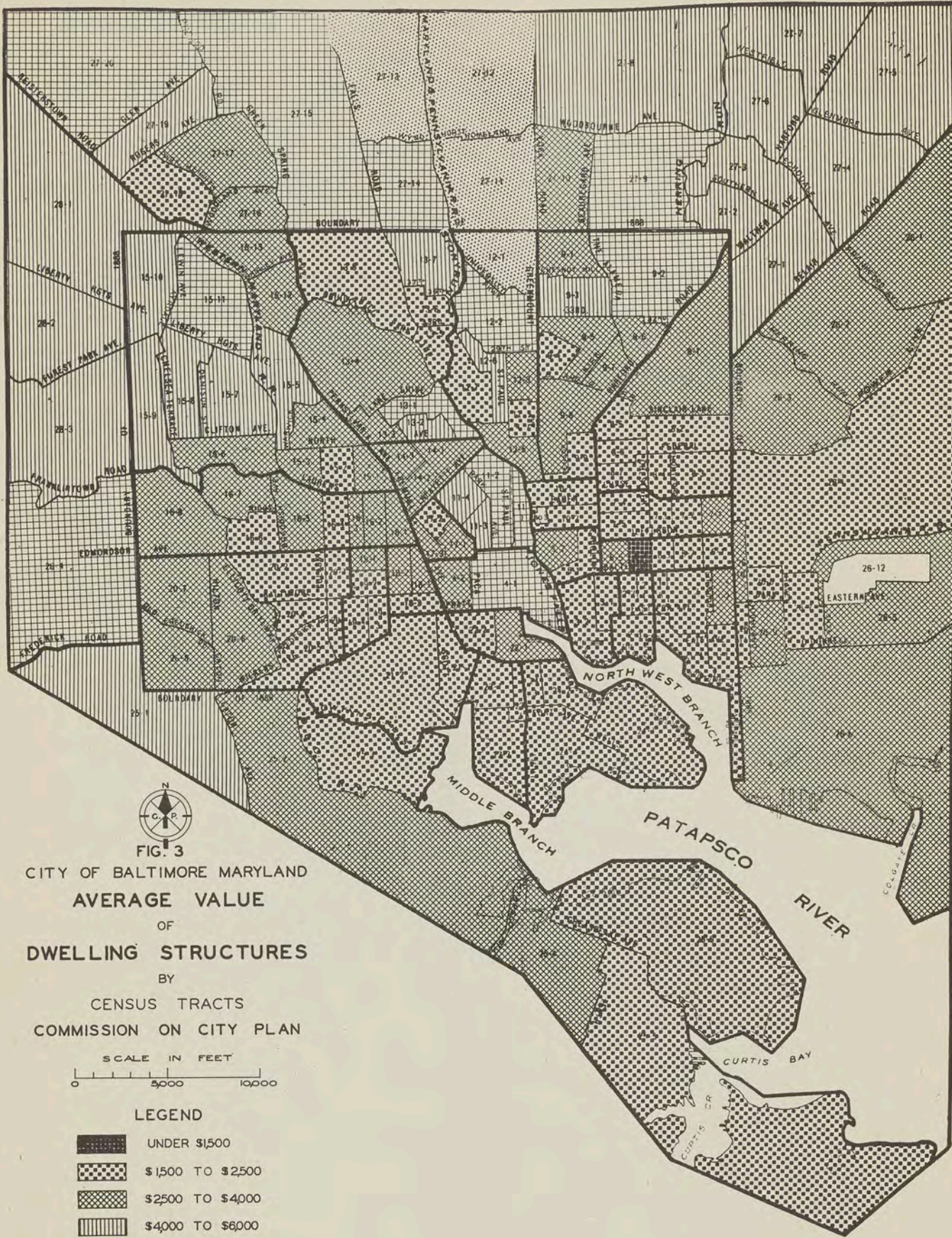
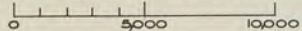


FIG. 3

CITY OF BALTIMORE MARYLAND
 AVERAGE VALUE
 OF
 DWELLING STRUCTURES
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

SCALE IN FEET



LEGEND

- UNDER \$1,500
- \$1,500 TO \$2,500
- \$2,500 TO \$4,000
- \$4,000 TO \$6,000
- \$6,000 TO \$10,000
- \$10,000 AND OVER

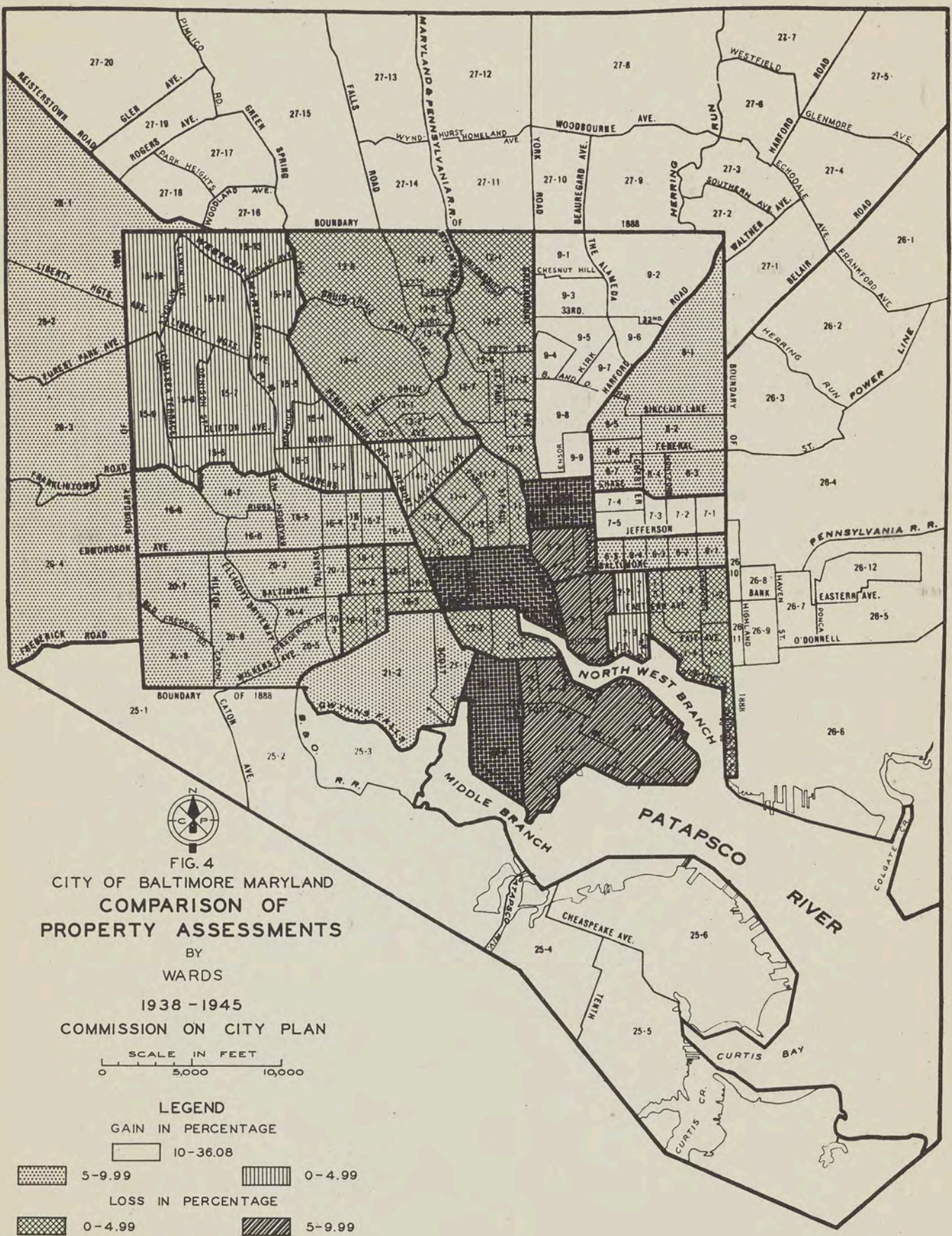


FIG. 4
 CITY OF BALTIMORE MARYLAND
 COMPARISON OF
 PROPERTY ASSESSMENTS
 BY
 WARDS
 1938 - 1945
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

LEGEND

GAIN IN PERCENTAGE	
	10-36.08
	5-9.99
	0-4.99
LOSS IN PERCENTAGE	
	0-4.99
	5-9.99
	10-14.59

SOURCE B. OF A.

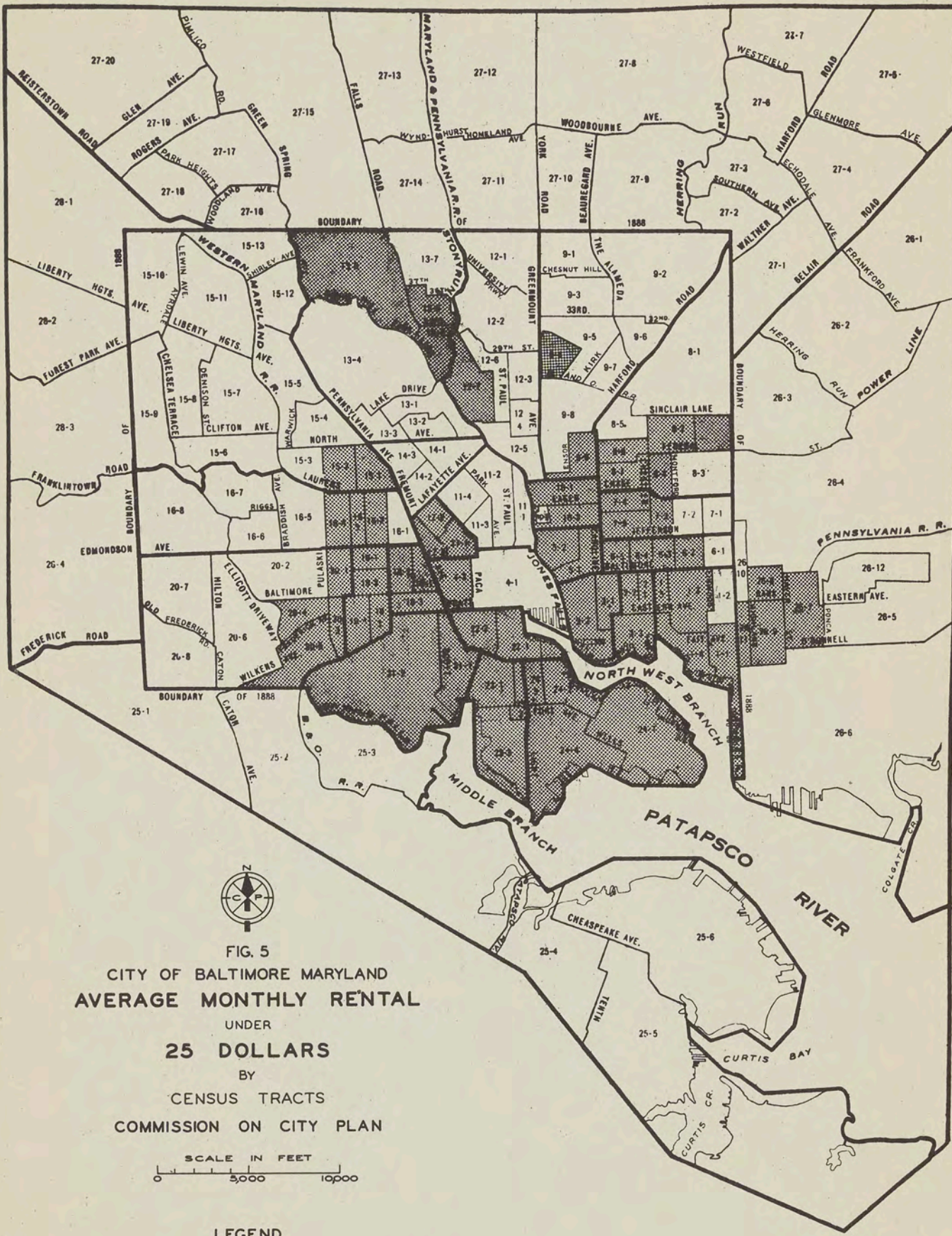
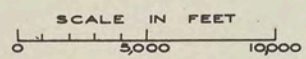



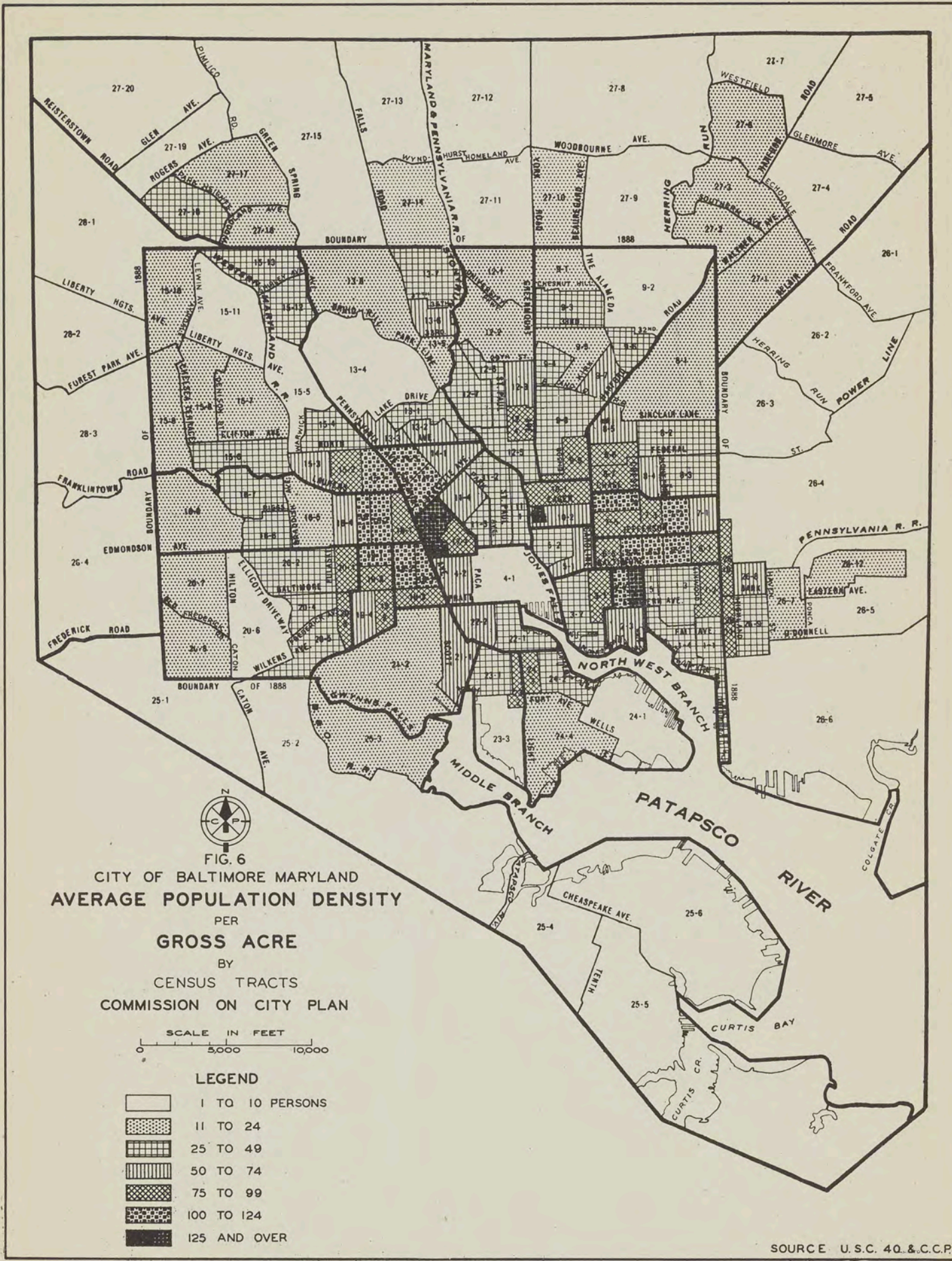
FIG. 5
 CITY OF BALTIMORE MARYLAND
 AVERAGE MONTHLY RENTAL
 UNDER
 25 DOLLARS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN



LEGEND

 DENOTES AVERAGE RENTAL UNDER 25 DOLLARS PER DWELLING UNIT

SOURCE U.S.C. 40 & C.C.P.



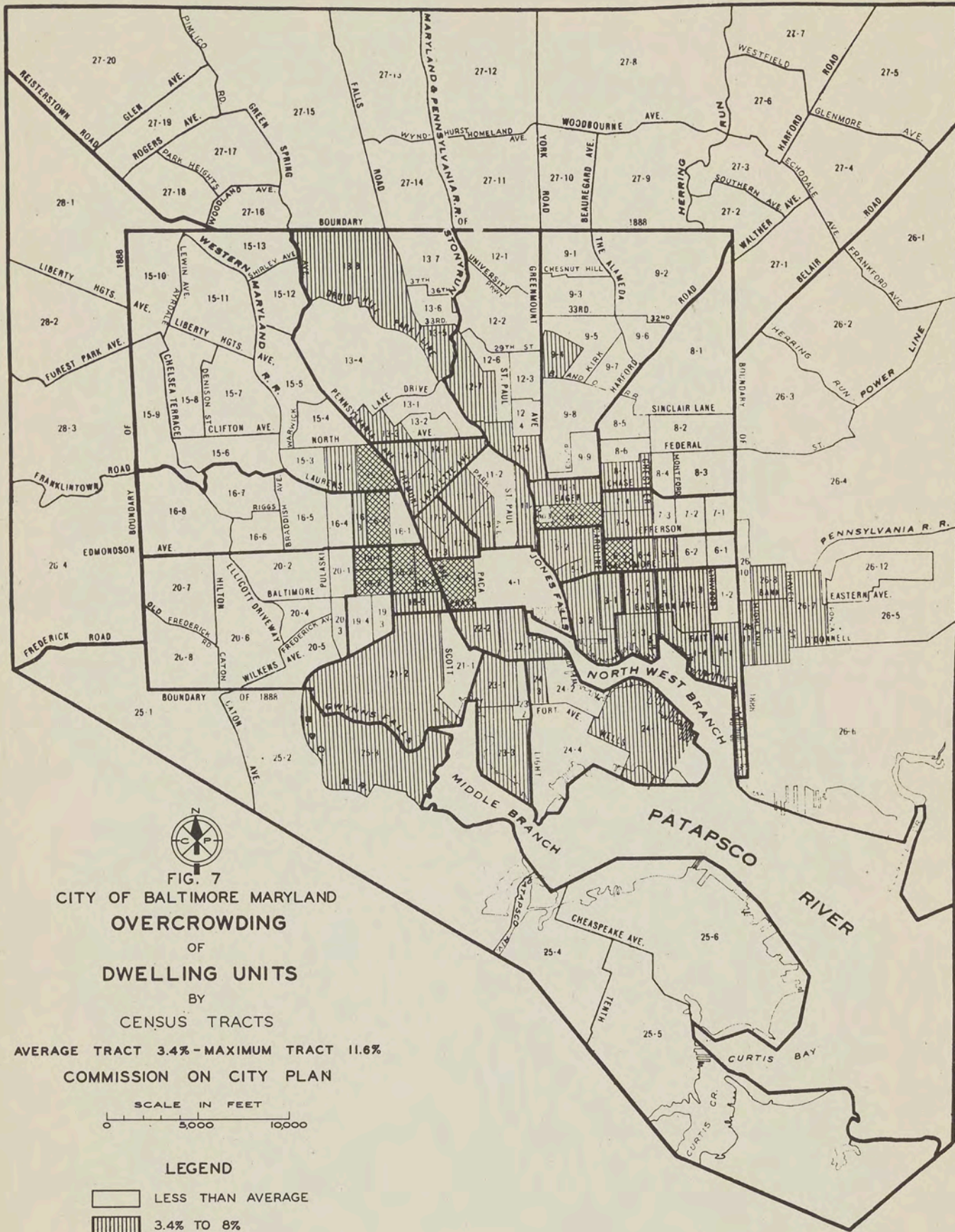


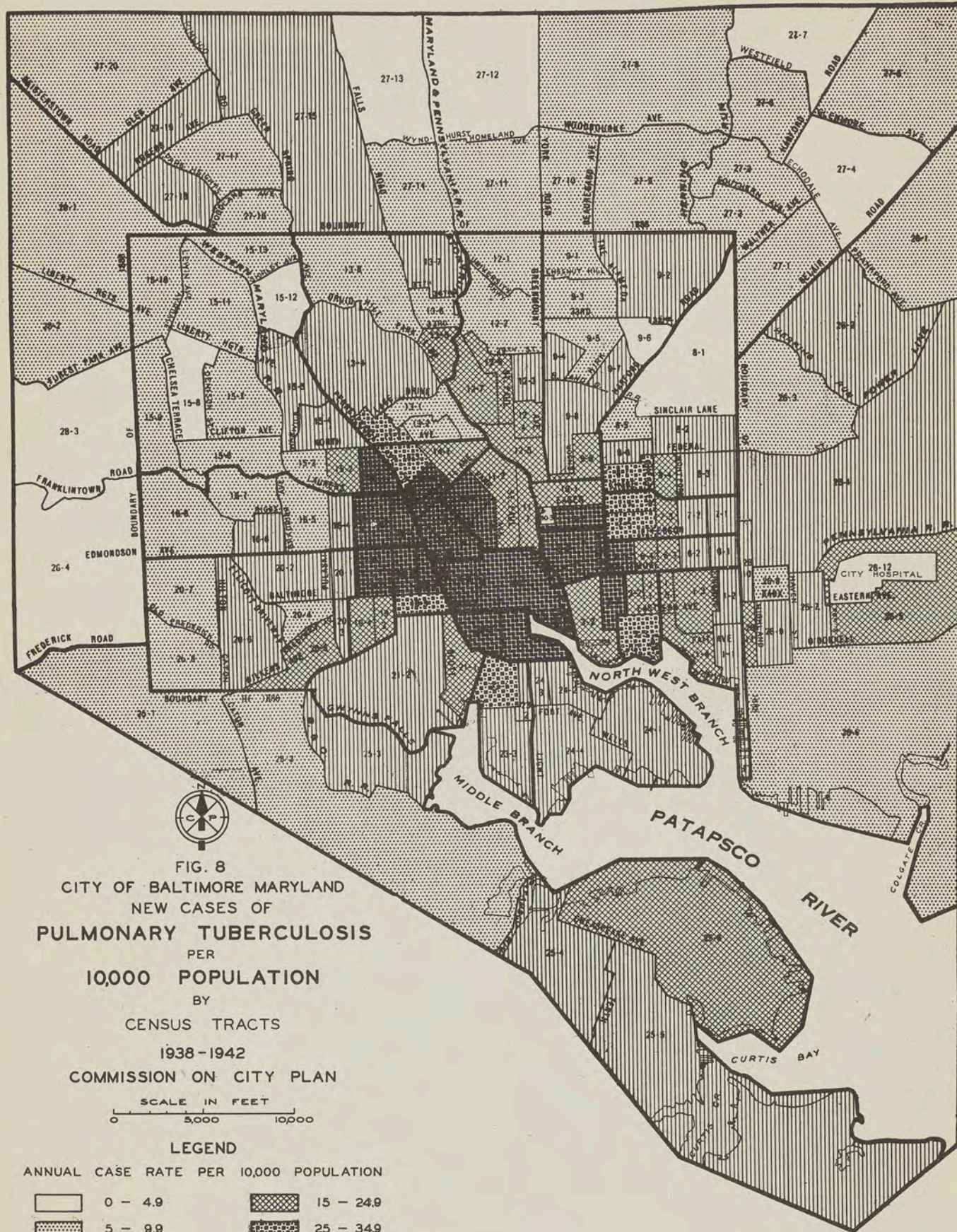
FIG. 7
 CITY OF BALTIMORE MARYLAND
 OVERCROWDING
 OF
 DWELLING UNITS
 BY
 CENSUS TRACTS
 AVERAGE TRACT 3.4% - MAXIMUM TRACT 11.6%
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

LEGEND
 [White Box] LESS THAN AVERAGE
 [Vertical Lines Box] 3.4% TO 8%
 [Cross-hatched Box] 8% TO 11.6%

OVERCROWDING BASED ON 1.5 OR MORE PERSONS PER ROOM

SOURCE USC 40 & C.C.P.



SOURCE H. D.

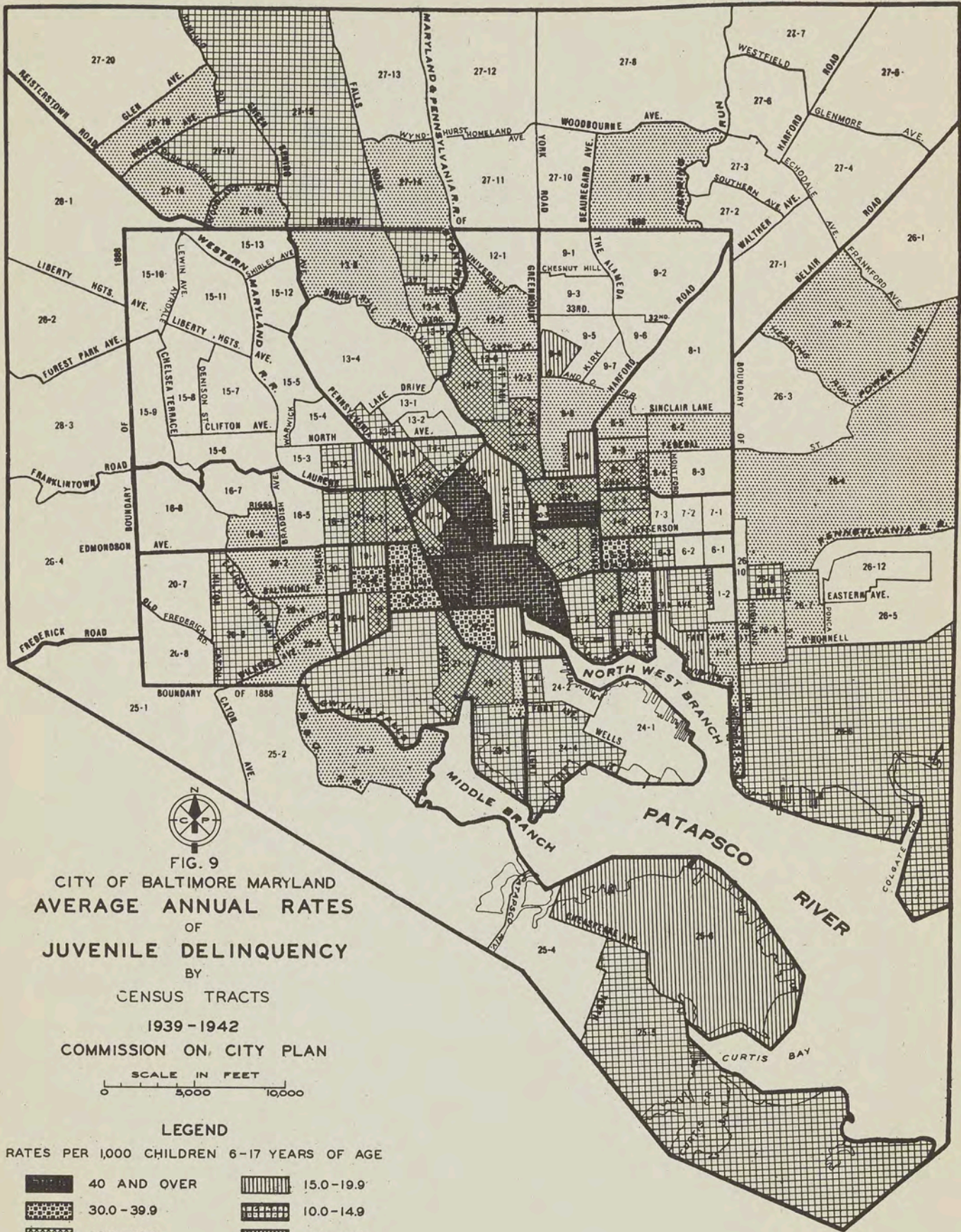









FIG. 9
 CITY OF BALTIMORE MARYLAND
 AVERAGE ANNUAL RATES
 OF
 JUVENILE DELINQUENCY
 BY
 CENSUS TRACTS
 1939-1942
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

LEGEND

RATES PER 1,000 CHILDREN 6-17 YEARS OF AGE

	40 AND OVER		15.0-19.9
	30.0-39.9		10.0-14.9
	20.0-29.9		5.0-9.9
	LESS THAN 5		

SOURCE H.D.

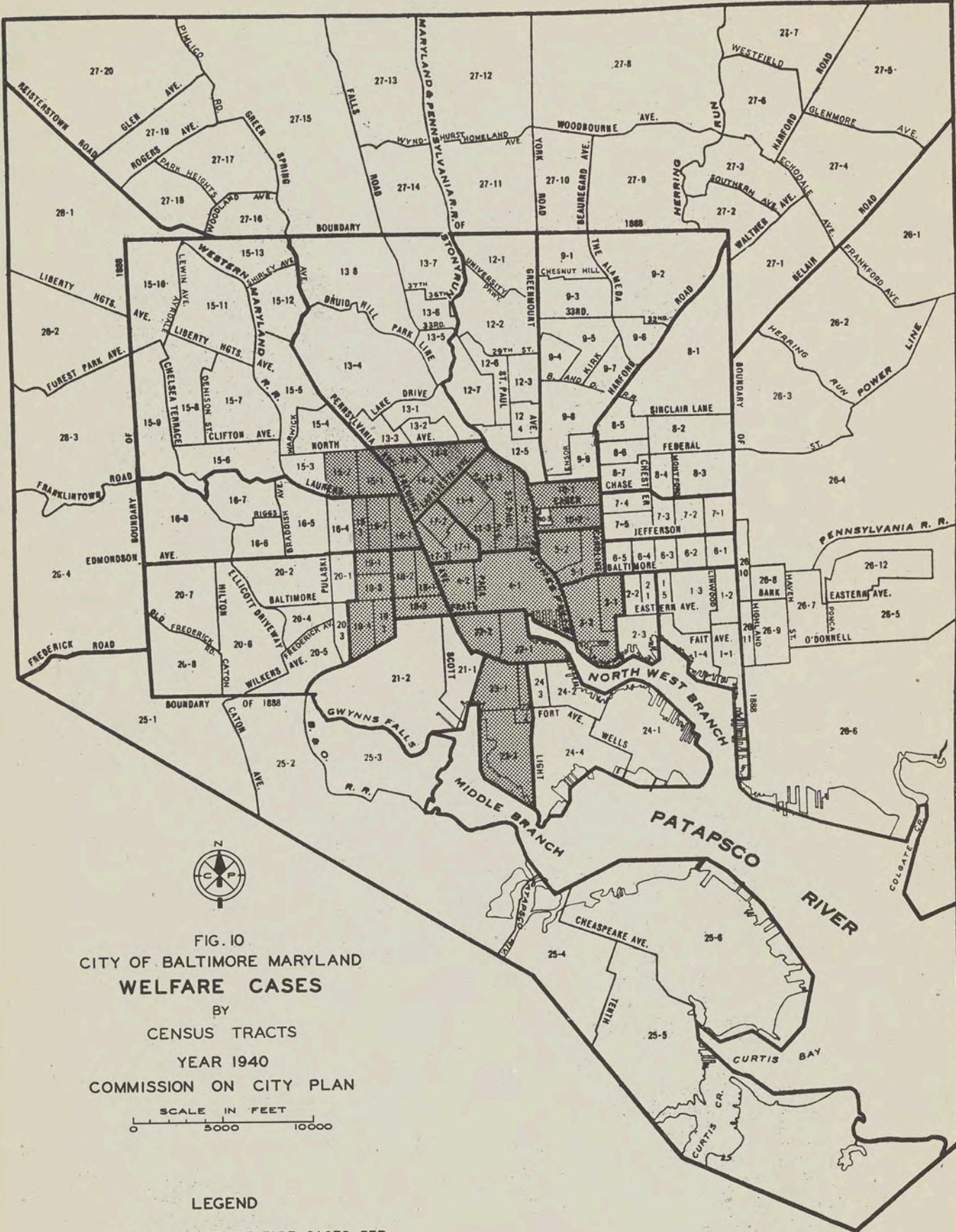



FIG. 10
 CITY OF BALTIMORE MARYLAND
WELFARE CASES
 BY
 CENSUS TRACTS
 YEAR 1940
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5000 10000

LEGEND

 40 OR MORE WELFARE CASES PER 1000 POPULATION

SOURCE D. OF P. W. & H. D.

THE "BLIGHTED AREA"

From these ten maps we have compiled one map (Fig. 11) showing the area (or more exactly the group of areas) in which at least seven of the "symptoms of blight" are coincident. It was noticeable in this compilation that where there are as many as seven of these symptoms there are very likely to be most of the others as well. Fig. 11 was plotted from the data compiled by Census tracts. Actually there is not one clearly defined boundary enclosing all the blighted area, but rather an interpenetration of the blighted and the non-blighted properties between the areas which are predominantly the one and those which are predominantly the other. However, it should be remembered that the substandard neighborhood reflects very strongly upon any piece of property, however good in itself, which is within it or next to it.

We have made this compiled map of coincidences of symptoms accepting the results of the arithmetical counts, except that in a very few borderline cases we have omitted a tract which was thrown into the "blighted" column by a small dense substandard area in an otherwise sparse tract, which area could probably be improved.

Further we have inspected on the ground the area determined on Fig. 11 and the frontispiece, considering not only the specific symptoms but also the general impression of the neighborhood and its people.

We are satisfied to say that within the "blighted area" is to be found the greater bulk of the property and the people needing help as above discussed, and that for the purposes of treatment the blighted area may be safely considered as ready for comprehensive rehabilitation. This does not mean that all parts of the area are of the same character or need the same kind of assistance. Neither does it mean that there are not, outside of this area, some small areas which also need much assistance, nor does it mean that there are not large areas elsewhere, not blighted, which need stimulation and defense to forestall threatened deterioration. It should be remembered also that these "symptoms of blight" apply to residential property. A tract would be noted as residentially blighted even if most of its area were occupied by commercial uses, whether or not blighted. Similarly noted would be a tract which was mostly open land, if the occupied part were residentially blighted.

A greater number of symptoms of blight might have been plotted city wide, each on its own map to aid in determining the blighted area, but such compilation is expensive, so in some cases we compiled such data for samples of the blighted area only, and then by comparing the conditions of the samples, thus revealed, with the City as a whole, we verified the conclusion that the sample areas were indeed blighted. This information appears as tables later in this report. Also there are

tables showing in more detail some of the data which were plotted on the above-mentioned plans.

Appendix D is a table showing in form for comparison forty-four different items of factual data for the fifty-six census tracts making up the "Blighted Area" and for the City as a whole.

OTHER CITY-WIDE CONDITIONS BEARING ON RESIDENTIAL BLIGHT

Principal Non-White Areas

Figure 12 shows those areas in which the non-white population is 10 percent or over of the total. From this map it appears that this racial group is located mostly close around the business center of the City, and that the outline of the area of its densest concentration is unfortunately similar to that of the area which we have called blighted. Figure 13 tells the same story. The non-white population is about 20 percent of the city total, but about 44.9 percent of the total of the blighted area. This subject we consider more at length later under rentals and living conditions. See page 16 and following.

Tenant-Occupied Dwelling Units

Figure 14 shows that the area preponderantly containing tenant-occupied dwelling units has large extensions into the outskirts of the City, but its central portion completely surrounds the business area and completely includes the blighted area.

It should be noted that the dark tone represents not the number of rented dwelling units but the percent of the dwelling units that are rented. The outlying dark areas, therefore, containing on the whole a sparse population, do not represent very many renters as compared with the central districts. The map suggests that in redeveloping any blighted district the persons dealt with would be mostly absentee landlords thinking of their property solely as an investment, rather than home owners clinging to their houses for sentimental reasons.

Amount of Residential Construction and Cost per Dwelling Unit

Tables 1 and 2 and Figure 15 give the number of units of residential construction, from 1900 to 1944, and the trends of their cost. Before 1922 most of the residential structures were single houses, and no differentiation in the data was made between the dwelling unit which was a whole house and the dwelling unit which was a part of a building housing more than one family.

The sudden rise in the number of "dwelling units" in 1922 was caused by the recognition of the apartment as a dwelling unit. The rise in the cost of the dwelling units, however, had shown itself strongly in 1920 and was not reversed by the addition of smaller units. No records of demolitions were kept before 1923.

TABLE 1

RESIDENTIAL CONSTRUCTION AND COST PER UNIT (1900-1944)

Year	Private Dwelling Construction		Number of Buildings Demolished	Number of Dw. Demolished
	Number of Dw. & D.U.	Average cost Dw. or D.U.		
1900	1269	\$ 931	-	-
1901	1149	1157	-	-
1902	1161	1304	-	-
1903	937	1449	-	-
1904	981	1706	-	-
1905	2016	1591	-	-
1906	2761	1640	-	-
1907	2329	1765	-	-
1908	2153	1831	-	-
1909	2307	1840	-	-
1910	2128	1935	-	-
1911	2390	1783	-	-
1912	1911	1757	-	-
1913	2125	1819	-	-
1914	3071	1429	-	-
1915	3276	986	-	-
1916	2468	1913	-	-
1917	863	2193	-	-
1918	333	2122	-	-
1919	3476	2971	-	-
1920	2056	4579	-	-
1921	1881	4247	-	-
1922 Dw. & D.U.	3658	4166	-	-
1923	4662	4025	281	210
1924	5096	4026	501	375
1925	6072	4105	436	327
1926	5267	3605	378	284
1927	3540	4019	316	237
1928	2944	4272	364	273
1929	3023	4216	352	264
1930	1464	4946	601	450
1931	1963	4150	597	447
1932	450	4820	328	246
1933	171	3479	369	276
1934	119	3722	484	363
1935	478	4037	445	333
1936	1131	4032	934	700
1937	1484	4012	761	570
1938	2290	3138	722	542
1939	2588	3196	788	591
1940	5844	3089	1877	1587
1941	7864	3128	744	602
1942	4005	3095	487	351
1943	3049	2677	163	43
1944	344	2518	192	74

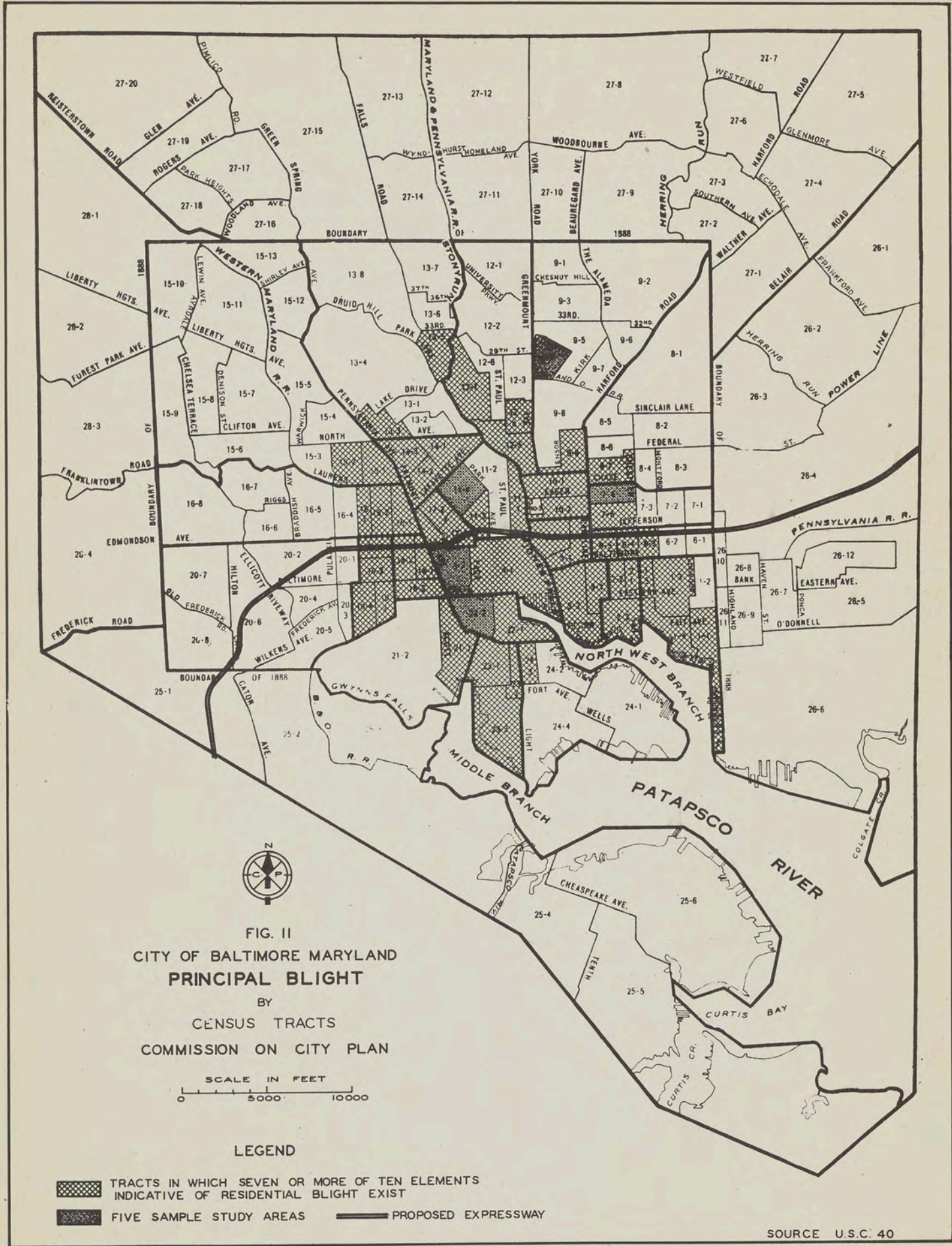





FIG. II
 CITY OF BALTIMORE MARYLAND
 PRINCIPAL BLIGHT
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5000 10000

LEGEND

-  TRACTS IN WHICH SEVEN OR MORE OF TEN ELEMENTS INDICATIVE OF RESIDENTIAL BLIGHT EXIST
-  FIVE SAMPLE STUDY AREAS
-  PROPOSED EXPRESSWAY

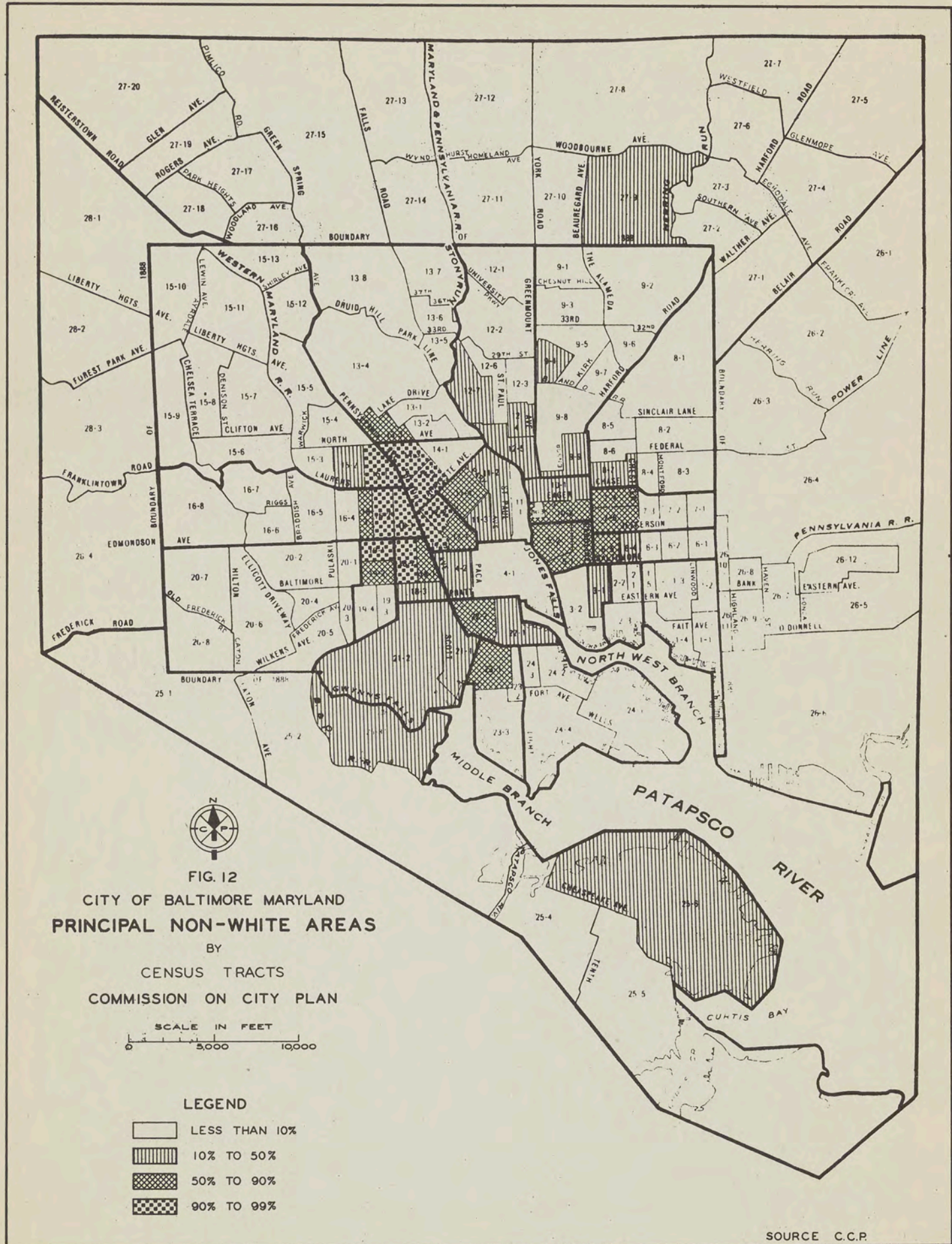
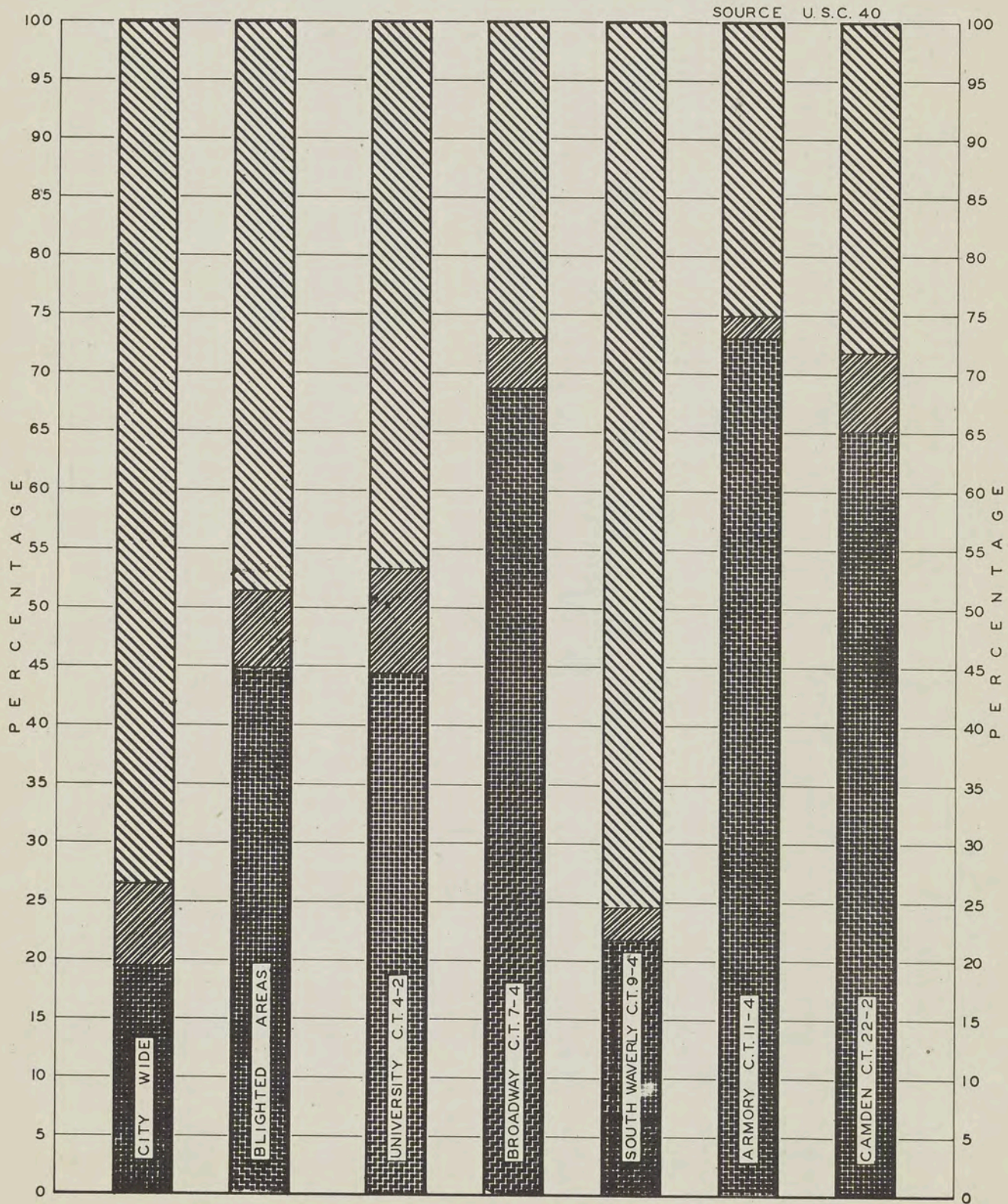
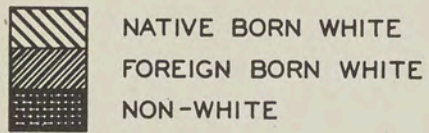


FIG. 13
 CITY OF BALTIMORE MARYLAND
 POPULATION
 BY
 RACE AND NATIVITY
 CITY WIDE - BLIGHTED AREAS
 AND
 FIVE SAMPLE AREAS
 (CENSUS TRACTS)
 COMMISSION ON CITY PLAN



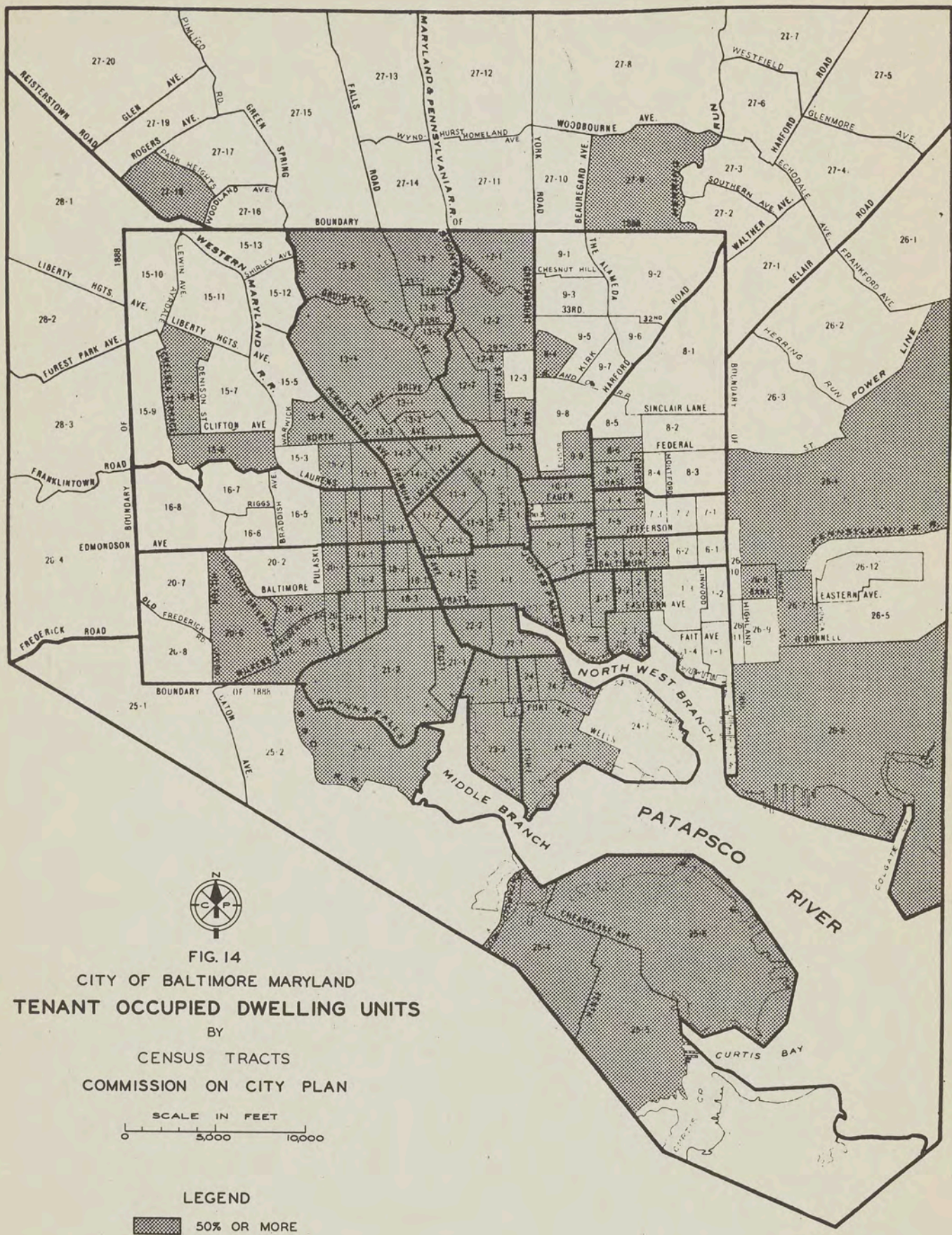


FIG. 14
 CITY OF BALTIMORE MARYLAND
 TENANT OCCUPIED DWELLING UNITS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

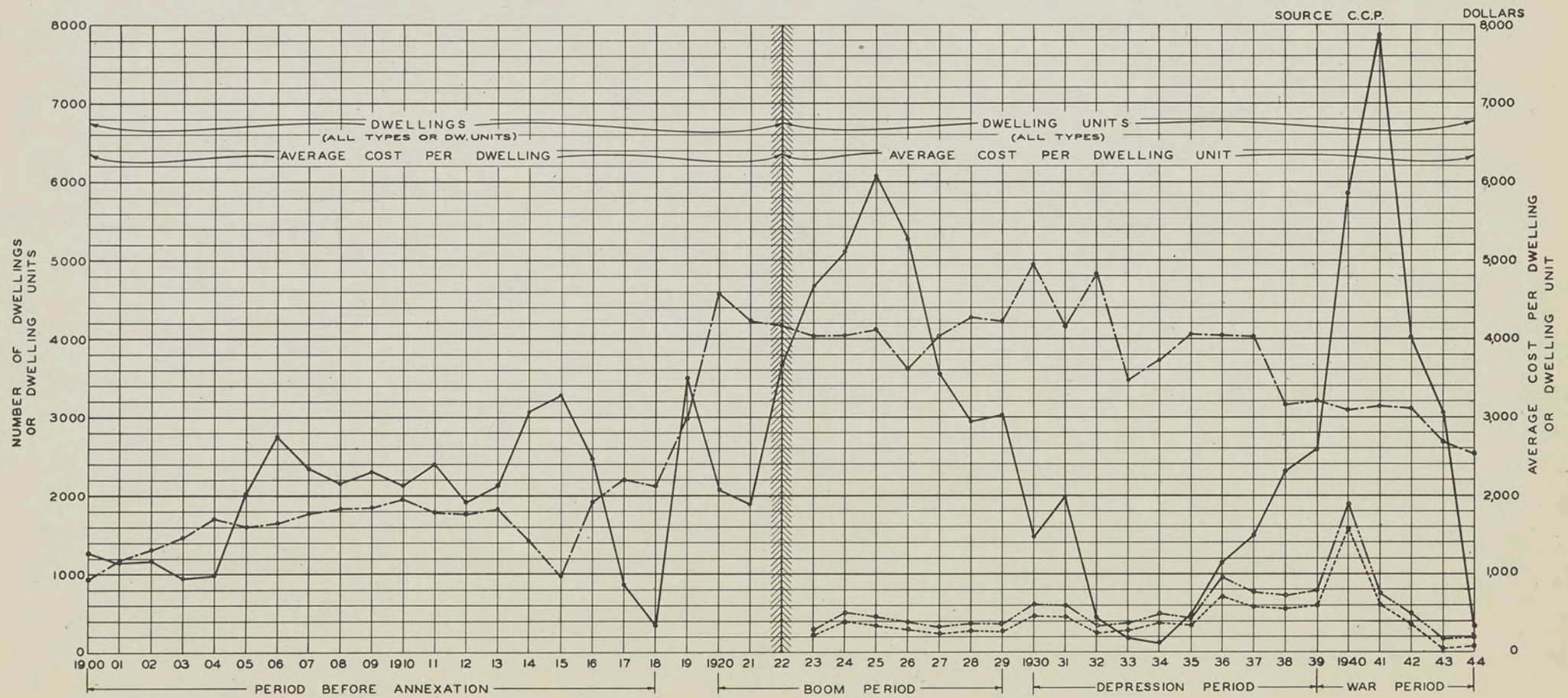
SCALE IN FEET
 0 5,000 10,000

LEGEND
 [Shaded Box] 50% OR MORE

LEGEND

- NUMBER OF DWELLINGS OR DWELLING UNITS
- - - - - AVERAGE COST PER DWELLING OR DWELLING UNIT
- · - · - · NUMBER OF STRUCTURES DEMOLISHED
- - - - - NUMBER OF DWELLINGS OR DWELLING UNITS DEMOLISHED

FIG. 15
 CITY OF BALTIMORE MARYLAND
RESIDENTIAL CONSTRUCTION
 AND
COSTS PER UNIT
 1900 - 1944
 COMMISSION ON CITY PLAN



NOTE:
 AVERAGE COST IS FIGURED FROM A PERMIT
 VALUE OF CONSTRUCTION, WHICH IS
 APPROXIMATELY THE ASSESSED VALUE.

TABLE 2

SUMMARY OF DWELLING UNIT CONSTRUCTION

<u>Year</u>	<u>Total Population</u>	<u>Dwelling Units</u>	<u>Persons Per Dwelling Unit or Family Unit</u>
1900	508,957	96,294	5.3
1920	733,826	163,685	4.5
1930	804,874	205,601	3.9
1940	859,100	236,442	3.7
1944	937,000	256,171	3.6
1940	Total Dwelling Units City Wide (White)		195,774
1940	Total Dwelling Units City Wide (Non-White)		40,668
		Total	<u>236,442</u>

	1940	1940-44		1940-44		Total
		City Wide	Blighted District	City Wide	Blighted District	
Total Dwelling Units All Types	236,442					236,442
Public		5,985	1,389	3,380	2,132	9,365
Private		11,067	-	674	-	11,741
Reconversion		863	750	208	208	1,071
Totals	236,442	17,915	2,139	4,262	2,340	258,619
Demolitions	-	2,448	-	-	-	2,448
						256,171

Source - U.S. Census
 B.H.A., War Housing Center, Bureau of Buildings

It is striking that in the dwelling units built by public agencies from 1940 to 1944 the proportion of white to colored was about 1.8 to 1, whereas in the dwelling units constructed by private agencies the proportion of white to colored was about 16.4 to 1.

Further it is important that of the dwelling units built by public agencies from 1940 to 1944 for white families 3.3 were built outside the blighted district for 1 in that district, and for the colored families only 0.59 were built outside the blighted district for 1 inside.

And of the privately built dwellings, for white or for colored families, none were in the blighted district. Evidently under the then circumstances unaided private housing capital had given up the blighted district as a place for investment.

Persons per Dwelling Unit

The numbers of persons per family unit, 5.29 in 1900 and 4.48 in 1920, as shown in Table 2, are not quite comparable with later data because, as mentioned in Table 1, the family units for these two decades were almost wholly single houses, while thereafter these units comprised among them an increasing number of apartments. For 1930 and 1940 the figures were respectively 3.87 and 3.64, showing a continued decrease. The census of 1940 used dwelling units somewhat differently defined, but the trend is probably correctly indicated. A count in 1944 gives 3.66,—practically the same as in 1940.

Vacancies in Dwelling Units

From the 1940 Federal Census the following figures may be gathered:

Area	Percentage of vacancy
4-2 University	4.93
7-4 Broadway	1.81
9-4 South Waverly	2.88
11-4 Armory	3.75
22-2 Camden	4.20
City of Baltimore	3.75
Blighted Area	3.86

From the Low Rent Housing Survey of 1941 by the Baltimore Housing Authority the vacancy rate for June-October, 1941, for the "Survey area" of that report (which lies slightly within the "Blighted Area" of this report) was 1.97 percent.

Since then the vacancy rate has still decreased, and it would appear that there is now only a negligible number of vacant dwelling units in the low-rent area and most of them are either being repaired, or are changing tenants, or are not fit to live in. It should also be noted that the percentage of vacancies bears little relation to the desirability of the dwellings. On the whole the cheaper dwellings have the fewer vacancies. People who have no alternative are often crowded together in undesirable areas, thus making the areas more undesirable.

Figure 16 shows the location of the structures most in need of major repairs. This condition is one of the two symptoms of substandard housing shown on Figure 2, the other being lack of indoor toilets. It is to be noted that the dark areas of Figure 16 lie wholly within the blighted area, while the extension of these areas due to lack of indoor toilets covers quite large regions not considered to be blighted. The point is that an outdoor toilet in a dense city is a sign of blight, but an outdoor toilet in the open country may be still compatible with decent living.

Principal Vacant Residential Areas (Figure 17)

This map shows the areas within the City of Baltimore still available for potential residential use. It does not tell the whole story. Besides the vacancies in individual dwelling units, already discussed, there are many vacant small areas and single lots not shown at the scale of the map. There are also relatively large vacant areas which are now zoned commercial and which therefore are not attractive for residential use though legally so usable and though this might be their best use. These are not here shown as now potential residential land, but better zoning might later make them so.

The main use of this map is to show the amount and location of large areas which might be developed in accordance with large local project designs and also in accordance with the comprehensive city plan. The larger vacant areas now lie, naturally, in the outskirts of the City where land is cheaper because less accessible to the heart of the City and is not completely serviced. It should not be forgotten, however, that Baltimore needs large residential areas of low density of occupancy. The denser development belongs near the center. Disproportionate dense development in the outskirts may make a speculative profit to the developer, but it raises the operating expenses of the City and lowers down-town values.

Population Trends

Figure 18 shows the trends of the population in Baltimore, in Census districts from 1930 to 1940, by shades of increasing darkness, from white representing the greatest increase, through gray representing a static condition, to nearly black representing the greatest decrease.

It should be noted, in reading this map, that the trends are recorded in percentage of the 1930 figures, and that, therefore, the four dark outlying areas, which were not densely populated in 1930, had not necessarily lost very many people in losing perhaps 10 percent by 1940.

The six outlying tracts shown in white gained 40 percent or more. There were no losses of comparable proportions. Most of the losses took place within the blighted district, except for the

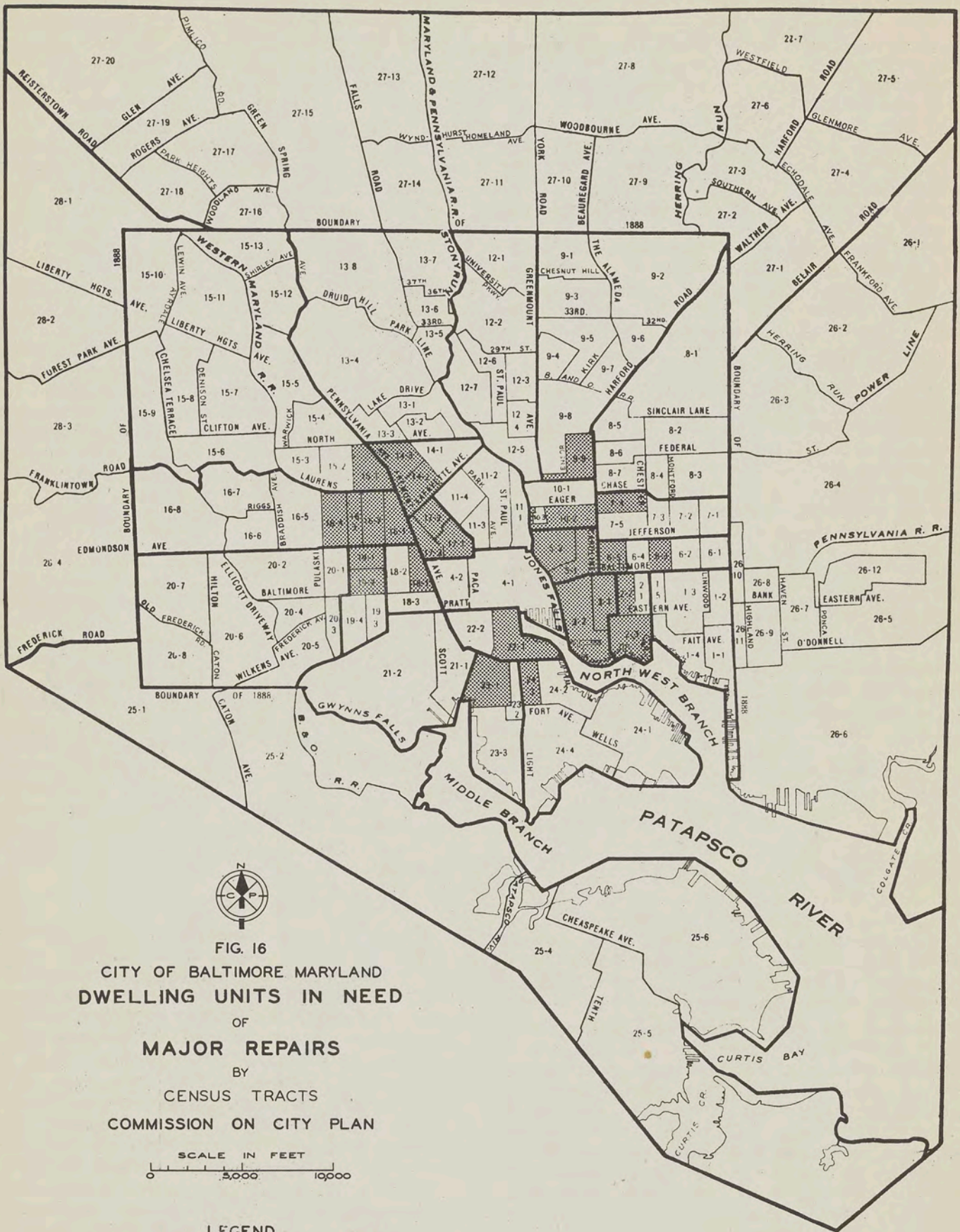
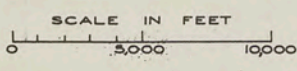


FIG. 16
 CITY OF BALTIMORE MARYLAND
 DWELLING UNITS IN NEED
 OF
 MAJOR REPAIRS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN



LEGEND
 [Shaded Box] 20% OR MORE IN NEED OF MAJOR REPAIRS

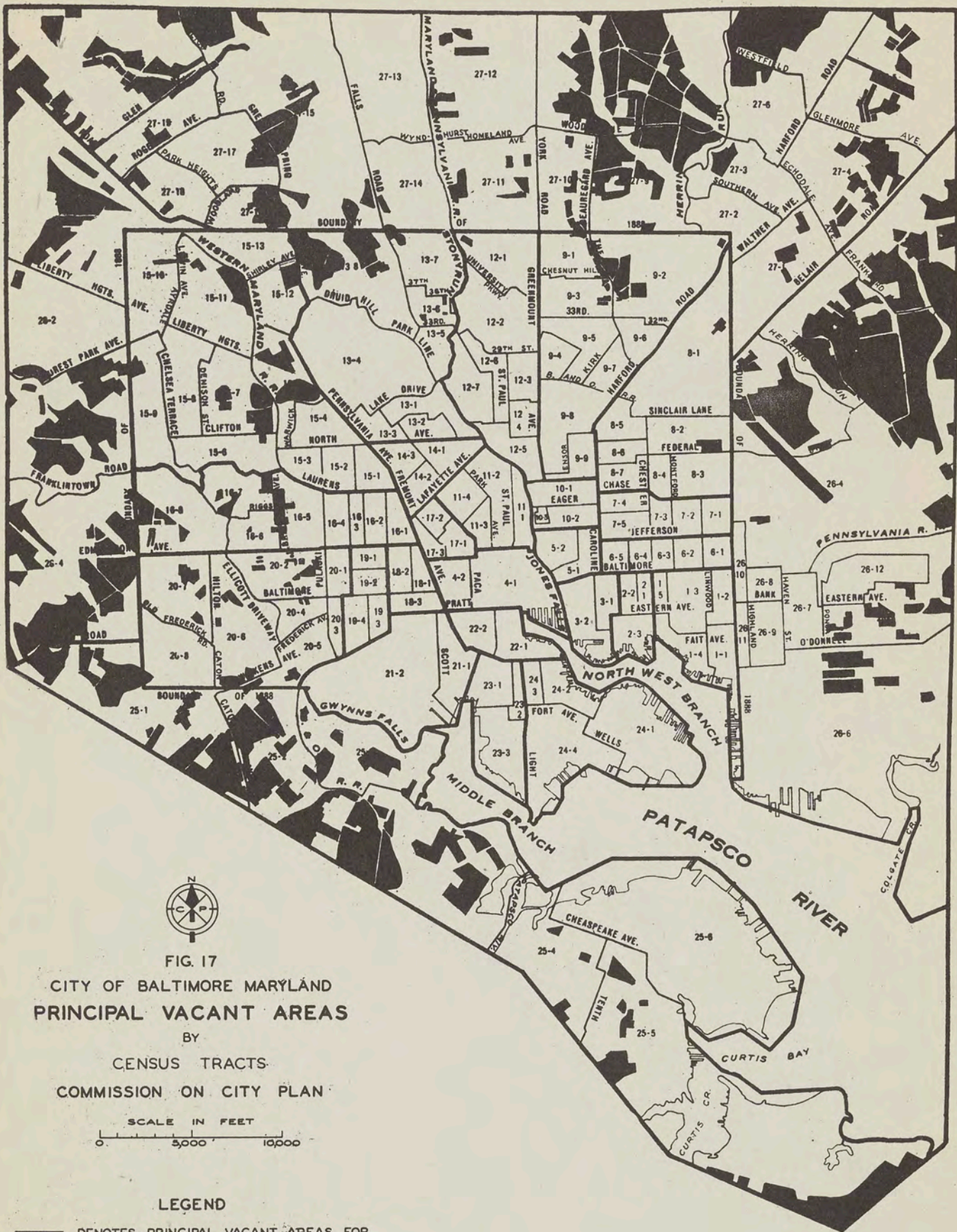


FIG. 17
 CITY OF BALTIMORE MARYLAND
 PRINCIPAL VACANT AREAS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

LEGEND

■ DENOTES PRINCIPAL VACANT AREAS FOR POTENTIAL RESIDENTIAL USE

SOURCE C.C.P.

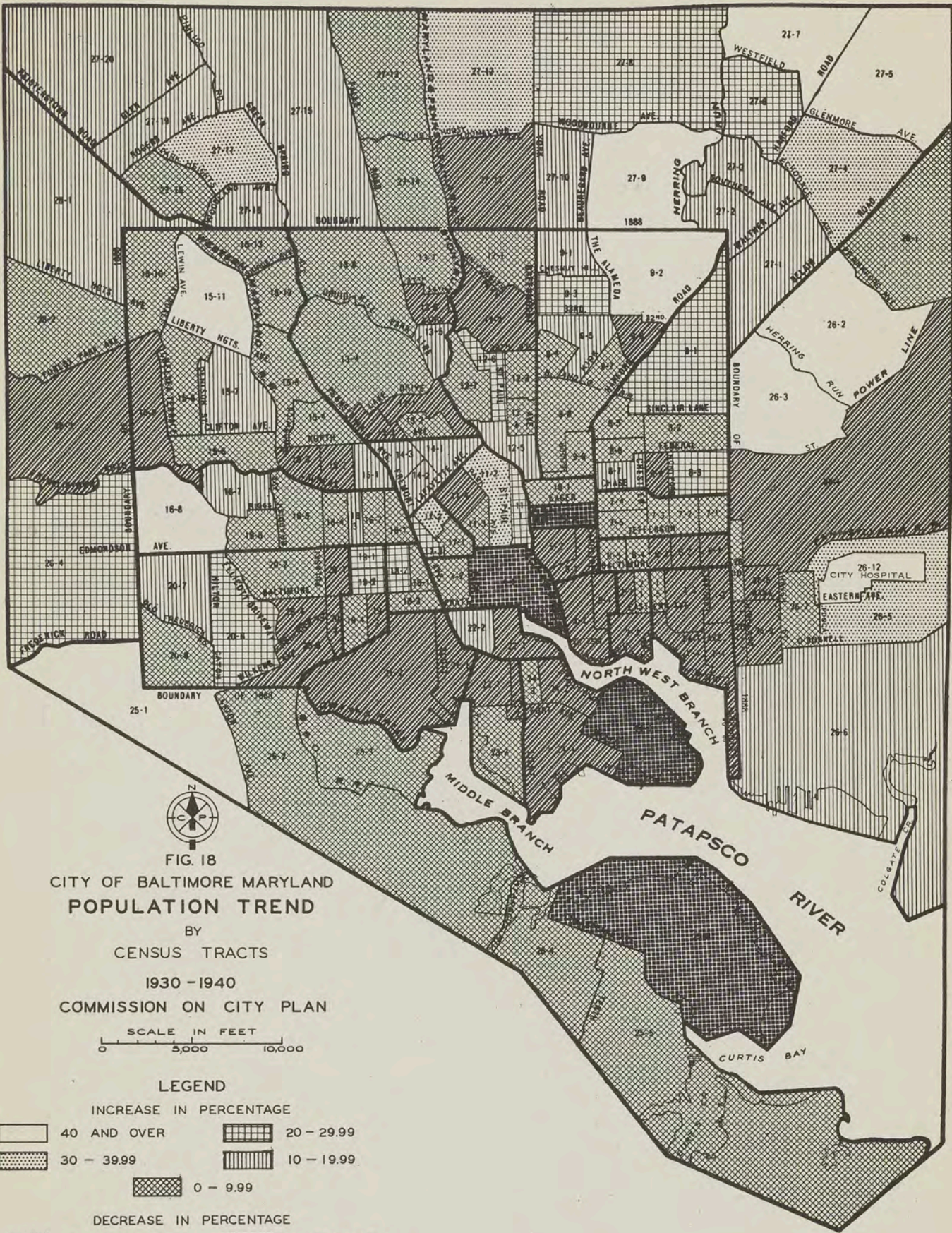


FIG. 18
 CITY OF BALTIMORE MARYLAND
 POPULATION TREND
 BY
 CENSUS TRACTS
 1930 - 1940
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

LEGEND

INCREASE IN PERCENTAGE

	40 AND OVER		20 - 29.99
	30 - 39.99		10 - 19.99
	0 - 9.99		

DECREASE IN PERCENTAGE

	0 - 9.99		10 AND OVER
--	----------	--	-------------

SOURCE U.S.C. 40

four outlying areas above mentioned. No city-wide population counts by Census tracts have been made since 1940. We know, however, that in 25-6, 24-1 and some other tracts the population has much increased from 1940 to 1944, enough in some cases to reverse the trend from loss to gain. It is obvious that a percentage gain in population that might be a sign of healthy growth in a sparsely occupied outlying region might be a sign of further degeneration in an already existing slum.

Land Uses and Present Zoning Plans

Figures 19 and 20 show the present zoning of land in and around the four in-town sample areas. It is expected that these areas, if to be developed in a wholesale way, might reasonably call for some changes in the present zoning, both to defend the proposed improved status and for the good of the surrounding neighborhood.

Figure 20 shows quite plainly, when compared with a map of really existing uses or with the ground itself, how great is the excess of area zoned second commercial and industrial by the present law. The effect of this is often to withhold the land from any new use, since residence investment in such an area is too uncertain in the face of the possibility of adjacent commercial use, while there is not enough total demand for commercial use to absorb the land for a long time to come, if ever. And meantime the taxes are influenced by the theoretical but really very slight possibility of general high values for commercial use. It is probably undesirable to undertake a complete revision of the zoning plan now; but much good can be accomplished by local realistic revisions in accordance with a comprehensive plan, but each based on the demands of the property owners concerned. (See page 67 under Recommendations.)

The Latrobe area gives an excellent example of such revisions. Figure 21 shows the changes sponsored by the Commission on City Plan and the Neighborhood Association, which were approved and passed by the Mayor and City Council as an amendment to the General Zoning Ordinance on February 26, 1945.

The Latrobe area, on the northeast edge of the central business district, is built on the gridiron pattern, with rows of two-and three-story brick houses. The families of most of the residents have lived in this neighborhood for three or more generations. In 1940 the population numbered about 11,000 persons. 20 percent of these were colored, living on the small interior streets and on the frontage of properties along the east portion of the area.

A four-acre public square is in the center of the 100-acre area, and the community is well served with religious institutions and public schools. The neighborhood was zoned in 1931 principally for second and first commercial uses,

with a spattering here and there for residence. Business and industry have increased little since then, but they are a threat to the residential values, which are now recognized as great, and the new zoning protects the area as residential.

Under this greater security many of the people of the neighborhood are now remodeling their properties and replanning the back yards, and are looking forward to other betterments which are City operations, namely additional playgrounds, highway and alley improvements and the enforcement of housing and health codes.

Other areas are being studied and ordinances prepared for sections that are likewise capable of being recaptured and preserved, to the east, south-east and west of the central business district.

Schools

As to school service to the blighted areas, the Board of School Commissioners kindly gives the following information:

"The Board of School Commissioners has recommended to the Public Improvement Commission building projects as follows:

"Two new colored elementary schools in West Baltimore, and one new colored elementary school in Southwest Baltimore.

"The approximate areas in which these buildings are to be located are indicated [on Figure 22]. In addition to the above, a site has already been purchased in East Baltimore in the block bounded by Orleans, Bond, Jefferson and Bethel Streets, on which a new colored elementary school is to be constructed. The last named project has been held in abeyance because the site would be affected by the proposed Freeway. These projects, together with transfers of pupils in existing schools, would take care of the 'blighted areas.'"

The schools mentioned are near enough to the sample areas in each case, and have capacity enough so that with the two new colored elementary schools in West Baltimore and the one new colored elementary school in Southwest Baltimore and the colored elementary school proposed in the block bounded by Orleans, Bond, Jefferson and Bethel Streets in East Baltimore, or a substitute when the Freeway is built, all the blighted areas are reasonably served by schools.

As to cost to the City, the allocation of special school costs among the areas would be very difficult, but since all areas in the city are now reasonably served, the cost per head of each type of instruction has been calculated city-wide, the number of students in each type for each sample area determined as appears in the table prepared by the Department of Education, Bureau of Research, [See Appendix C] and then the cost to the city for each type and for the total instruction of children in each area has been calculated."

Parks, Parkways and Larger Playgrounds

Park lands city-wide, including Fort Smallwood just outside the city, total 4,200 acres more or less. Of the 100 or more park areas of every description and located principally in the outer sections of the city, twelve larger parks, varying in size from 45 acres to 870 acres, represent 3,434 acres and constitute a major part of the entire park acreage.

In the district generally considered blighted, there are approximately 143 acres of all types of park areas. The population in the blighted district, which is about 343,284, is inadequately served, having only approximately one acre to each 2,400 persons, while city-wide one acre of open space is available to each 225 persons.

Outside the blighted district proper, an additional 1,150 acres are in short walking distance and with little effort the people can have some recreational activity.

As to the five sample areas, there are no park facilities directly in the sample tracts. There are, however, close by several limited open spaces.

A comparison of the map Figure 22 showing these facilities with the map of the blighted area shows how completely the parks lie outside of the blighted area, and how few are the public open spaces of any kind within that area, particularly in proportion to its population. Any complete redevelopment project for a given area, therefore, must show that there is accessible provision, either inside or outside of the project boundaries, for enough recreation space for its population, not pre-empted by some other group of people.

Recreation

Mr. H. S. Callowhill, Director, Department of Public Recreation, has kindly prepared the following data for the Commission on City Plan:

"I am listing below the recommendations, as contained in the Long Range Recreation Plan, for the development of areas in or adjacent to the five blighted areas now under study, by the Commission on City Plan:

- "1. Area bounded by Chase Street, Ashland Avenue, Chester and Caroline Sts.
 - a. Enlargement of play area at School No. 94, Chase and McDonough Sts. from .1 to 2½ acres (colored) (necessary)
 - b. Madison Square, immediately adjacent to the area, to be developed as a playground (colored) (critical)
 - c. Development of a portion of Collington Square as a playground; this location is within two blocks of the area (white)
 - "2. Area bounded by Mulberry, Pratt, Paca Streets and Fremont Avenue
 - a. The recently purchased Vorwaerts building which will be operated as a community Center is within this area (colored) (additional open space urgent)

- b. Enlargement of playground at School No. 1a, Fayette and Greene Sts., to 2½ acres (white)
- c. Acquisition of six homes on George Street to be added to present area and redesigned as a children's playground; this square is within two blocks of the area (colored) (critical)
 - "3. Area bounded by Pratt, Henrietta, Sharp Streets and Fremont Avenue
 - a. Enlargement of playground at School No. 117, Barre and Warner Streets to 2½ acres (colored)
 - b. The acquisition of at least 2½ acres in the vicinity of Sharp and Henrietta Streets as a playground (colored) (critical)
 - "4. Area bounded by Melville, Greenmount Avenues and Loch Raven Boulevard
 - a. Development of proper recreation and playground facilities in connection with the building of the Boys' Vocational School (white).
 - "5. Area bounded by Lafayette Park, Druid Hill Avenue and Biddle Street
 - a. Enlargement of play area at School No. 103, Division St. near Lanvale Street, to at least 2½ acres; this is one block outside the area (colored) (urgent)
 - b. Addition of two acres to the present three-acre playground at School No. 122, Preston Street, between Druid Hill and Pennsylvania Avenues (colored)."

Traffic Flow

The map (Figure 23) showing traffic intensity on the present streets of the center of the city is, even without verbal explanation, a good argument for the need of doing something to avoid the reciprocal slowing down of the north-south and the east-west routes of access to the center at their multitude of crossings. The proposed cross-town freeway (see Figures 11, and 24) would go far to overcome this difficulty. It would, indeed, however, at first increase the present housing problem by dispossessing present inhabitants, but it would clear up depreciated areas and create open spaces. And in turn the new housing might receive some part of the population evicted by the Freeway, as will later appear in the discussion of the University project area (see page 29).

Master Plan of Rapid Transit

Figure 25 shows that all of the five sample areas, and indeed almost all of the blighted areas, have reasonably good connection inward to the center and outward to the suburbs as far as number and directness of mass transportation routes are concerned. The great difficulty is the congestion of the crossings by mixed traffic, as has just been said, which delays all kinds of surface movement.

A reasonable long term approach to a solution of the traffic and transportation problem is a necessity for the City's prosperity. It is not, how-



FIG. 19
 CITY OF BALTIMORE
 REPRODUCTION OF THE
 AREA AND HEIGHT DISTRICT MAPS
 PART OF THE
 ZONING ORDINANCE
 ENACTED BY THE CITY COUNCIL OF BALTIMORE
 ON APRIL 15, 1925
 SCALE: 1 INCH TO 1000 FEET

LEGEND
 TWO AND ONE-HALF STORY HEIGHT DISTRICTS MARKED BY
 TWO THREE HEIGHT DISTRICTS MARKED B
 ONE AND ONE-HALF STORY HEIGHT DISTRICTS MARKED BY
 ONE TWO HEIGHT DISTRICTS MARKED I
 FORTYFOUR HEIGHT DISTRICTS MARKED 40
 AND
 *A AREA DISTRICTS MARKED A
 *B AREA DISTRICTS MARKED B
 *C AREA DISTRICTS MARKED C
 *D AREA DISTRICTS MARKED D
 *E AREA DISTRICTS MARKED E
 *F AREA DISTRICTS MARKED F
 *G AREA DISTRICTS MARKED G
 *H AREA DISTRICTS MARKED H
 *I AREA DISTRICTS MARKED I
 *J AREA DISTRICTS MARKED J
 *K AREA DISTRICTS MARKED K
 *L AREA DISTRICTS MARKED L
 *M AREA DISTRICTS MARKED M
 *N AREA DISTRICTS MARKED N
 *O AREA DISTRICTS MARKED O
 *P AREA DISTRICTS MARKED P
 *Q AREA DISTRICTS MARKED Q
 *R AREA DISTRICTS MARKED R
 *S AREA DISTRICTS MARKED S
 *T AREA DISTRICTS MARKED T
 *U AREA DISTRICTS MARKED U
 *V AREA DISTRICTS MARKED V
 *W AREA DISTRICTS MARKED W
 *X AREA DISTRICTS MARKED X
 *Y AREA DISTRICTS MARKED Y
 *Z AREA DISTRICTS MARKED Z



FIG. 20
 MAP OF
 BALTIMORE CITY

SHOWING
 USE DISTRICTS
 PART OF THE
 ZONING ORDINANCE
 SCALE IN FEET

- LEGEND**
- ▨ INDUSTRIAL USE DISTRICTS
 - ▧ SECOND COMMERCIAL USE DISTRICTS
 - ▩ FIRST COMMERCIAL USE DISTRICTS
 - RESIDENTIAL USE DISTRICTS

COPIED FROM OFFICIAL ZONING MAP



FIG. 21
 CITY OF BALTIMORE MARYLAND
 MAP SHOWING A
 RECENT ZONING AMENDMENT TO
 STABILIZE AN OLD RESIDENTIAL SECTION

SCALE IN FEET
 0 200 400

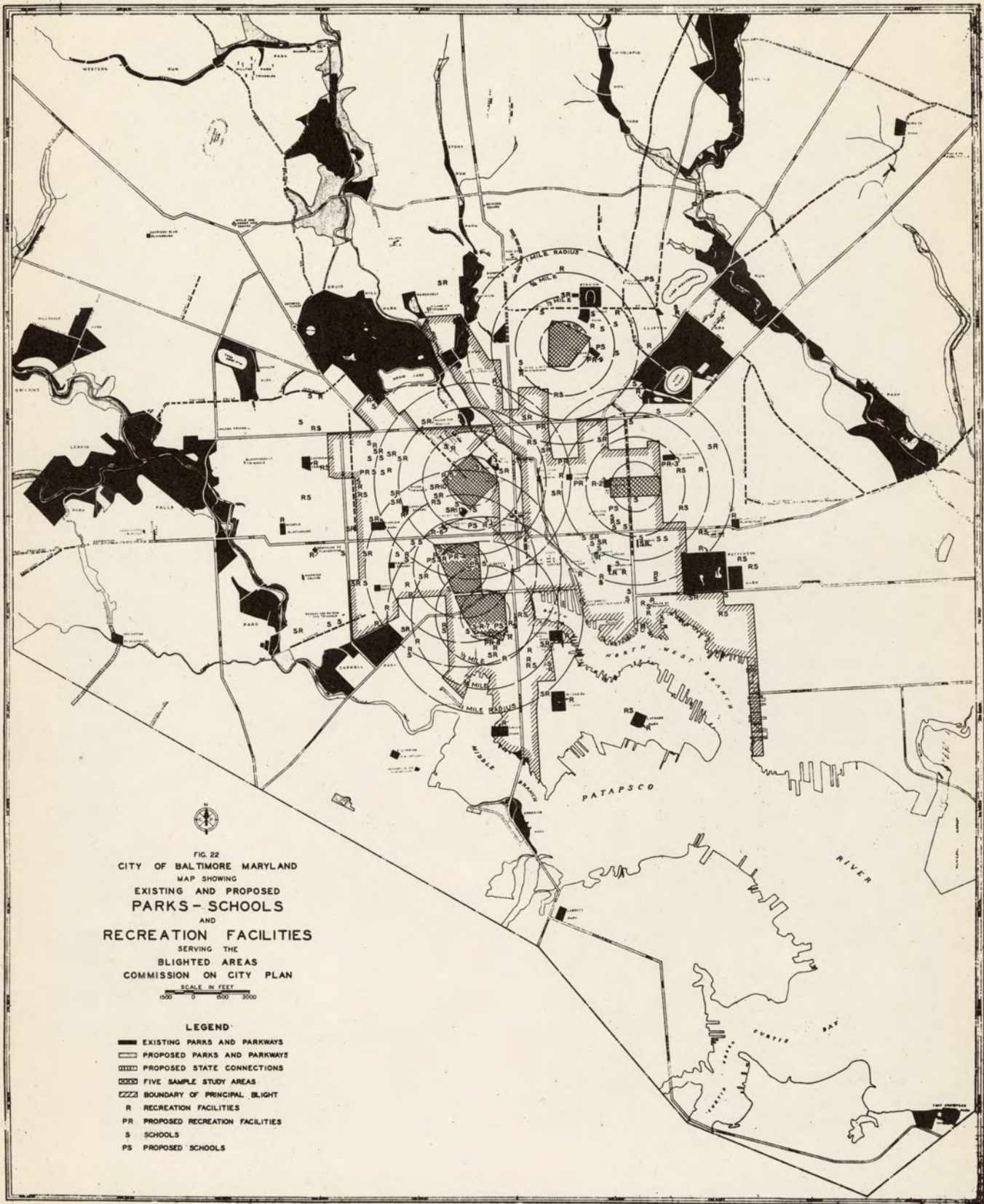


FIG. 22
 CITY OF BALTIMORE MARYLAND
 MAP SHOWING
 EXISTING AND PROPOSED
 PARKS - SCHOOLS
 AND
 RECREATION FACILITIES
 SERVING THE
 BLIGHTED AREAS
 COMMISSION ON CITY PLAN

SCALE IN FEET
 1500 0 3500

LEGEND

- EXISTING PARKS AND PARKWAYS
- PROPOSED PARKS AND PARKWAYS
- ▨ PROPOSED STATE CONNECTIONS
- ▤ FIVE SAMPLE STUDY AREAS
- ▧ BOUNDARY OF PRINCIPAL BLIGHT
- R RECREATION FACILITIES
- PR PROPOSED RECREATION FACILITIES
- S SCHOOLS
- PS PROPOSED SCHOOLS

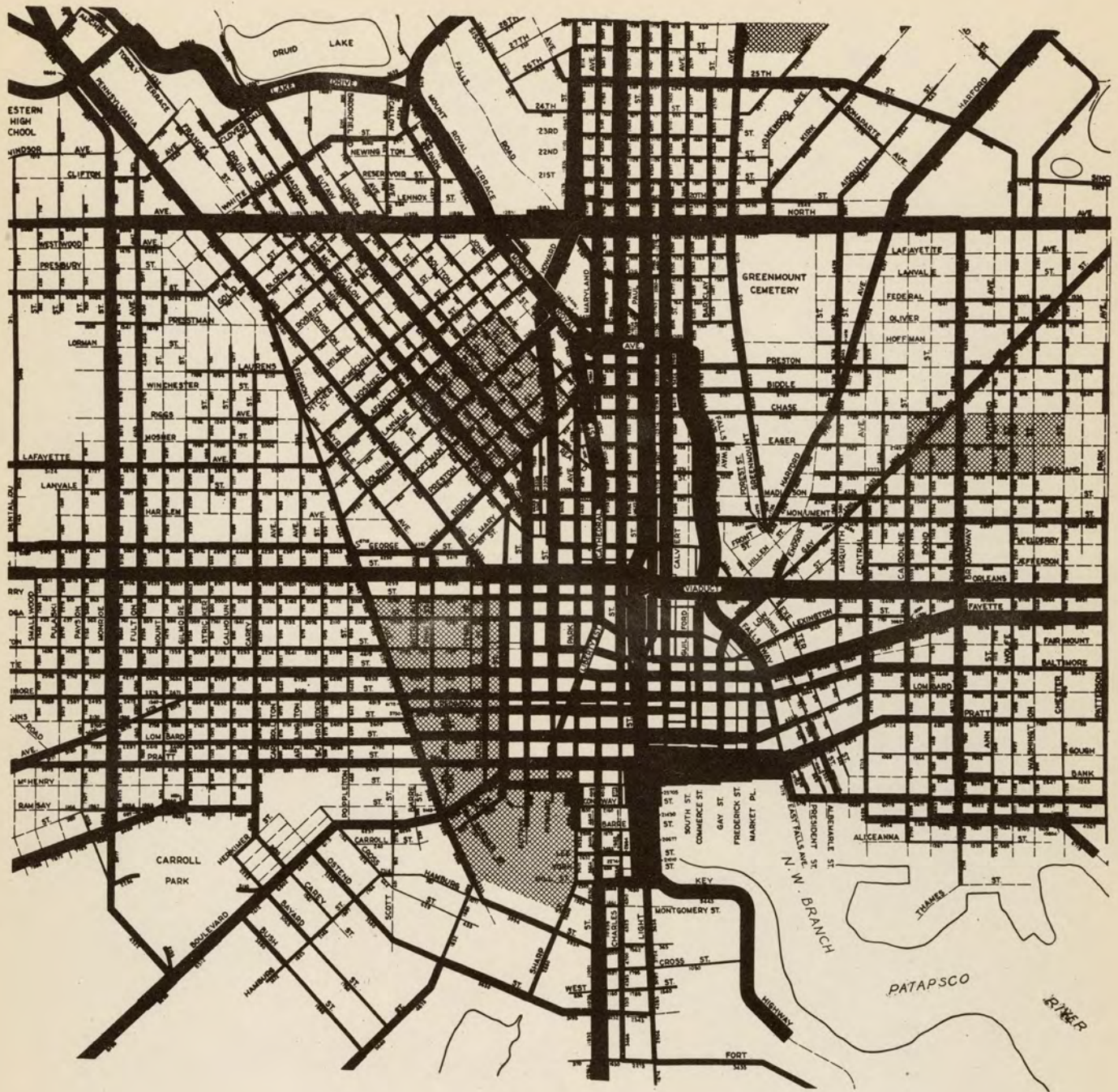



FIG. 23
 CITY OF BALTIMORE MARYLAND
 VEHICLE VOLUME FLOW
 IN RELATION TO
 PRINCIPAL BLIGHT
 COMMISSION ON CITY PLAN

B.P.D. TRAFFIC SURVEY 1938
 12 HOUR COUNT-7 A.M. TO 7 P.M.

LEGEND
 FIVE SAMPLE STUDY AREAS

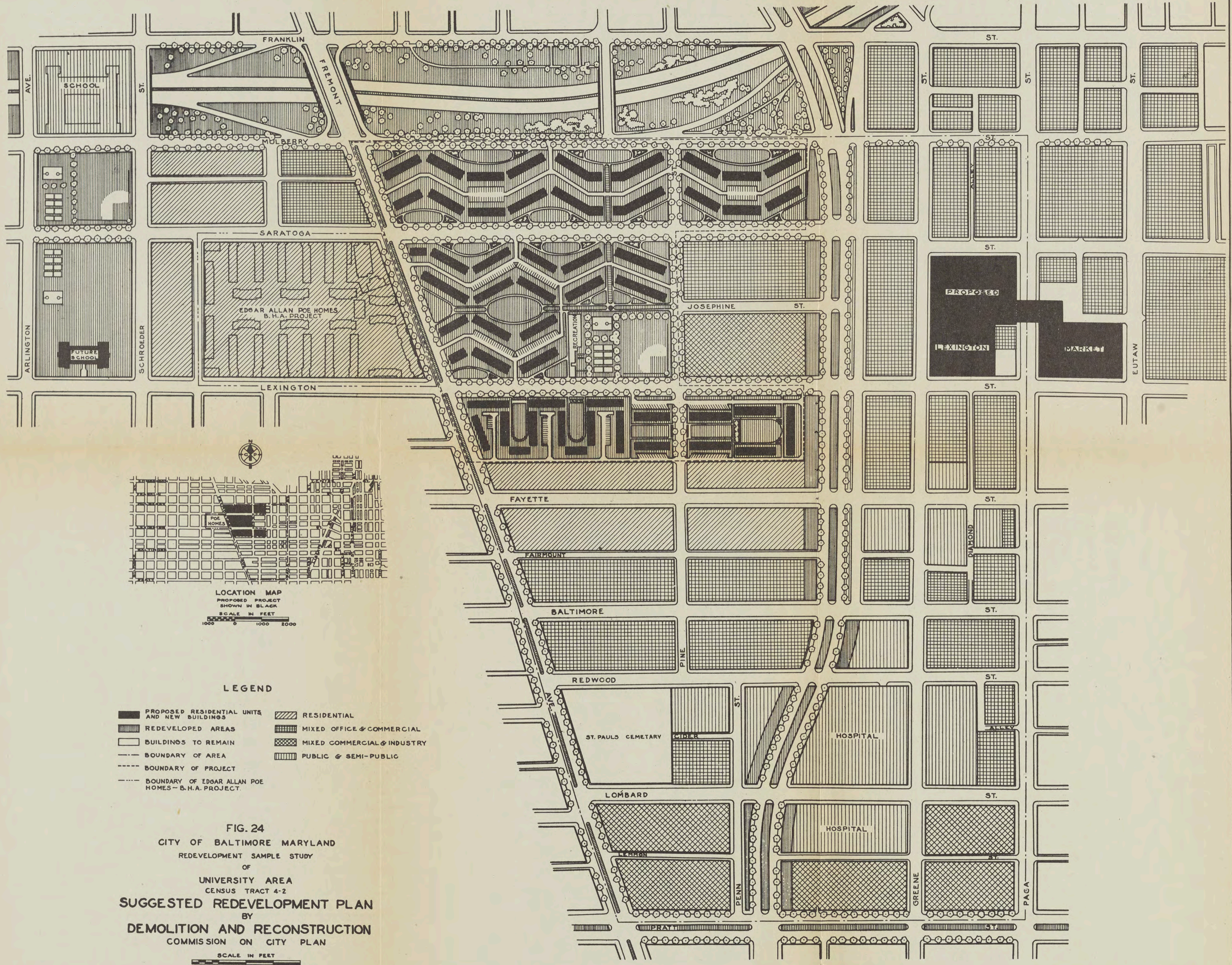


FIG. 24
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 UNIVERSITY AREA
 CENSUS TRACT 4-2
SUGGESTED REDEVELOPMENT PLAN
 BY
DEMOLITION AND RECONSTRUCTION
 COMMISSION ON CITY PLAN

SCALE IN FEET
 100 0 100 200 300

- LEGEND**
- PROPOSED RESIDENTIAL UNITS AND NEW BUILDINGS
 - REDEVELOPED AREAS
 - BUILDINGS TO REMAIN
 - BOUNDARY OF AREA
 - BOUNDARY OF PROJECT
 - BOUNDARY OF EDGAR ALLAN POE HOMES - B.H.A. PROJECT
 - RESIDENTIAL
 - MIXED OFFICE & COMMERCIAL
 - MIXED COMMERCIAL & INDUSTRY
 - PUBLIC & SEMI-PUBLIC

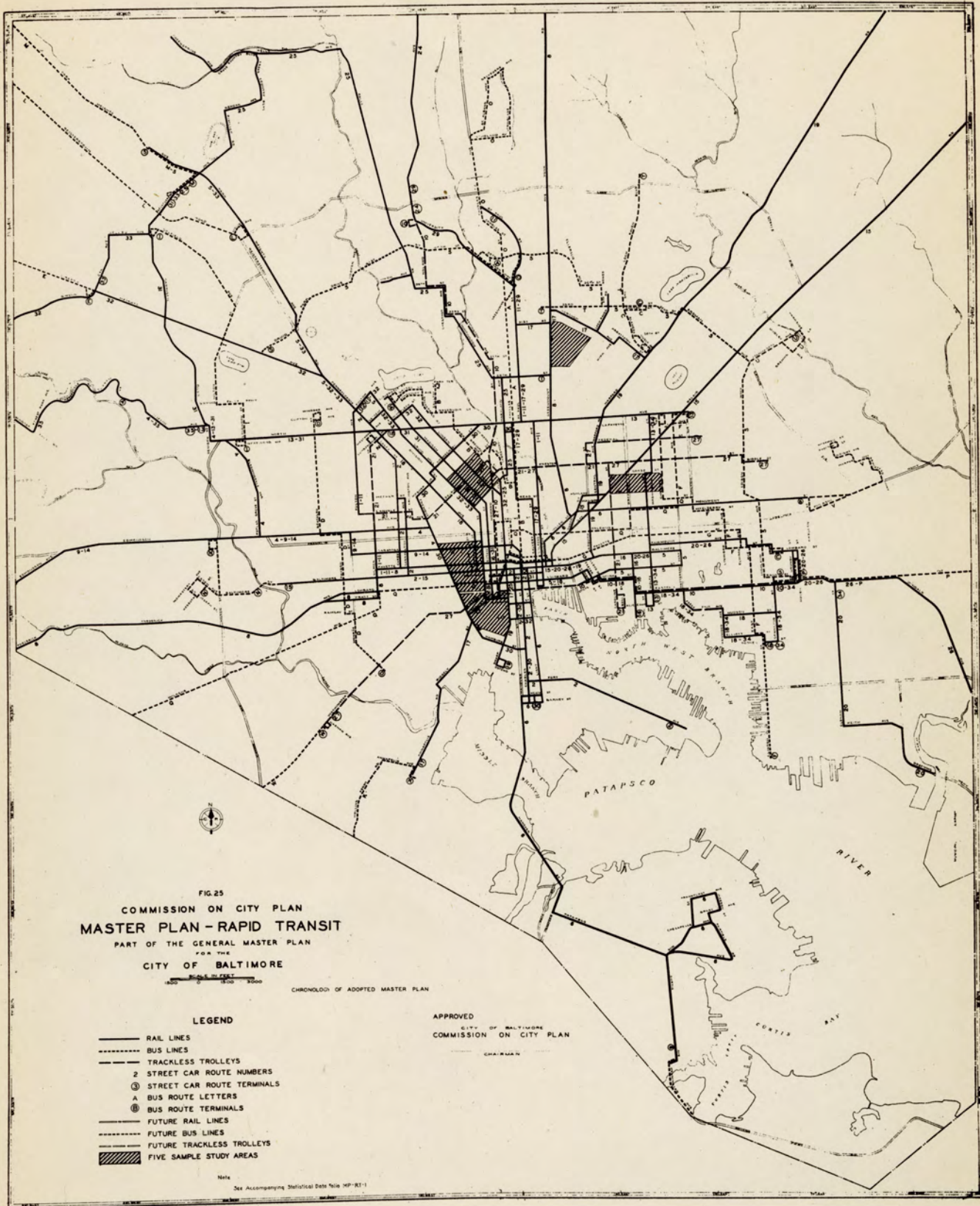


FIG. 25
 COMMISSION ON CITY PLAN
MASTER PLAN - RAPID TRANSIT
 PART OF THE GENERAL MASTER PLAN
 FOR THE
CITY OF BALTIMORE

CHRONOLOGY OF ADOPTED MASTER PLAN

- LEGEND**
- RAIL LINES
 - - - - - BUS LINES
 - - - - - TRACKLESS TROLLEYS
 - 2 STREET CAR ROUTE NUMBERS
 - ⊙ STREET CAR ROUTE TERMINALS
 - A BUS ROUTE LETTERS
 - ⊙ BUS ROUTE TERMINALS
 - - - - - FUTURE RAIL LINES
 - - - - - FUTURE BUS LINES
 - - - - - FUTURE TRACKLESS TROLLEYS
 - ▨ FIVE SAMPLE STUDY AREAS

APPROVED
 CITY OF BALTIMORE
 COMMISSION ON CITY PLAN
 CHAIRMAN

Note: See Accompanying Statistical Data File HP-RT-1

ever, the subject of this report. The blighted areas are concerned in it mostly as they may be affected by displacements of population, as in the case of the freeway just mentioned.

SOME BROAD CONSIDERATIONS AFFECTING DEMAND AND SUPPLY OF HOUSING

Population Trends in Baltimore City and Baltimore Metropolitan Area

Dr. W. Thurber Fales, Director of the Statistical Section of the Baltimore City Health Department, has very kindly prepared for this report, from his extensive data, a condensed statement which we print herewith.

"Between 1850 and 1940 the population of Baltimore City increased five-fold. The increase in the enumerated population between 1880 and 1890 of 30.7% and between 1910 and 1920 of 31.4% reflects extension of the geographic boundaries of the city which occurred during these decades.

"If the populations for the census years, 1850-1910, are adjusted to the present boundaries of the city, the observed populations follow very closely a typical growth or logistic curve. Fig. 26 presents this population curve which is extended by extrapolation to 1980. The prediction of the population of Baltimore thus obtained is as follows:

1950	918,000	1970	994,000
1960	961,000	1980	1,018,000

"Since 1940 the rapid growth of war industries resulted in an influx of war workers and their families to Baltimore and its contiguous territory. This increase was counterbalanced in part by the withdrawal of men into the armed forces. From counts of ration books and special occupancy surveys by the U.S. Bureau of the Census several estimates which have been indicated on the chart are as follows:

March, 1942 (ration books)	856,000
August, 1942 (occupancy)	947,000
March, 1943 (ration books)	931,000
November, 1943 (ration books)	927,000
June, 1944 (occupancy)	937,000

"The peak of wartime population probably occurred in the winter of 1942-1943 and this population has fluctuated from month to month with a tendency to decrease as the number of workers leaving exceeds the number of workers arriving.

"In the opinion of the Statistical Section of the Baltimore City Health Department, the net effect of this war boom will lead to a slightly higher population in 1950, perhaps 2 percent, than had been predicted from the growth curve.

"A study of war time population increases by the Bureau of the Census classified the Baltimore area as having excellent but not superior chances of retaining its growth during the post-war period.

"The metropolitan area of any city is not easily defined. The Baltimore Metropolitan District as

designated by the United States Bureau of the Census is not the only so-called 'metropolitan' district of Baltimore. The Maryland Legislature has so designated a somewhat smaller area with irregular outline which is used for Baltimore's Metropolitan Water Supply. As the boundaries of this district do not conform to any unit used by the Federal Census Bureau in its enumeration of population, the exact population of this district is not known. As a nearer approach to the population of a metropolitan area for Baltimore City than the Census Bureau's Baltimore Metropolitan District, the Statistical Section of the Baltimore City Health Department has chosen an area consisting of Baltimore City and those Election Districts most closely allied to the city. Election Districts 2, 3 and 6 of Anne Arundel County and Election District 5 of Carroll County have been omitted from the Census Bureau's Metropolitan District. At the 1940 census, the population of this area was 1,002,979.

"From the population of this area for 1870 to 1940 a curve similar to that for Baltimore City was computed and is also shown on Fig. 26. Tables 3 and 4 give the population for each census from 1850 to 1940 and the estimated populations from 1950 to 1980 on the basis of the curves shown in the chart, and also the population for the corporate city with its expanding area and for the metropolitan area as defined by the United States Census, with logistic predictions computed similarly to the two curves in Fig. 26."

The city-wide shifts of population between 1930 and 1940 are shown on Fig. 18.

This subject of population changes, in numbers and location, is a very important and complicated matter in itself. It must suffice us here to say that the general consensus of opinion of those who have studied the available pertinent facts, both within the city and in its external relations, seems to be that Baltimore may expect for the predictable future, if it works wisely for it, a considerable steady population growth but not an explosive boom.

Industrial Employment

The United States Census of 1940 gives corporate Baltimore's total population as 859,100. Of these 388,417 were in the labor force. This consisted of:

- (1) Employed workers (except on public emergency work) 348,358
 - (2) On public emergency work 7,362
 - (3) Seeking work 32,697
- (for details and figures for sample areas and blighted area, see Table 5.)

After 1940 employment greatly expanded. For instance, in 122 plants essential to the war effort in the Baltimore area employment was 164,200 in April, 1942, and at a peak of 229,400 in December, 1943. Since then there has been a decline

TABLE 3

POPULATION TRENDS IN BALTIMORE CITY : 1850 - 1980

Prepared By Dr. W. Thurber Fales
 Director, Statistical Section
 Baltimore City Health Department

YEAR	CORPORATE CITY		PRESENT CITY AREA		
	Enumerated Population	Estimated "Observed" Population	Population Estimated By Logistic Method	Estimate Based On Sample Occupancy Survey	Estimate Of Civilian Population Based On Ration Book Tabulation
1850	169,054	172,917	167,635		
1860	212,418	219,263	221,744		
1870	267,354	279,483	287,837		
1880	332,313	359,730	365,293		
1890	434,439	477,750	451,779		
1900	508,957	536,766	543,281		
1910	558,485	612,583	634,737		
1920	733,826	733,826	721,109		
1930	804,874	804,874	798,358		
1940	859,100	859,100	864,236		
1942 May					856,000
1942 August				945,000	
1943 March					930,000
1943 November					928,000
1944 June				937,000	
1950			918,000		
1960			961,000		
1970			994,000		
1980			1,018,000		

10

January 29, 1945

TABLE 4

POPULATION TRENDS IN THE BALTIMORE METROPOLITAN DISTRICT : 1870 - 1980

Prepared By Dr. W. Thurber Fales
 Director, Statistical Section
 Baltimore City Health Department

YEAR	UNITED STATES CENSUS AREA			RESTRICTED METROPOLITAN AREA		
	Enumerated Population	Population Estimated By Logistic Method	Estimate Of Civilian Population Based On Ration Book Tabulation	Enumerated Population	Population Estimated By Logistic Method	Estimate Of Civilian Population Based On Ration Book Tabulation
1870	328,846	329,080		315,286	315,437	
1880	414,926	410,466		399,328	395,009	
1890	510,487	503,685		492,368	486,039	
1900	609,106	606,796		588,283	586,380	
1910	691,500	716,571		668,894	692,587	
1920	819,834	828,735		793,385	800,176	
1930	951,589	938,694		917,503	904,554	
1940	1,046,692	1,042,143		1,002,979	1,001,520	
1942	May		1,121,220			1,040,899
1943	March		1,197,493			1,117,118
1943	November		1,207,436			1,127,115
1950		1,136,000			1,088,000	
1960		1,218,000			1,163,000	
1970		1,287,000			1,225,000	
1980		1,345,000			1,276,000	

January 30, 1945

(a) Excludes Election Districts 2, 3 and 6 of Anne Arundel County and Election District 5 of Carroll County of the Baltimore Metropolitan District as designated by the United States Bureau of the Census.

TABLE 5

EMPLOYMENT STATUS

	<u>City-Wide</u>	<u>Tract 4-2</u>	<u>Tract 7-4</u>	<u>Tract 9-4</u>	<u>Tract 11-4</u>	<u>Tract 22-2</u>	<u>Blighted Areas</u>
Total Population	859,100	8,136	7,775	3,457	6,462	6,313	343,284
Persons 14 years old and over	690,435	6,695	5,842	2,544	5,351	4,920	269,303
Percent of Pop. 14 and over in Labor Force	<u>56.3</u>	<u>62.1</u>	<u>57.6</u>	<u>55.1</u>	<u>62.3</u>	<u>58.1</u>	<u>60.0</u>
Employed (other than P.E.W.)	348,358	3,259	2,918	1,179	2,887	2,190	137,643
Public Emergency Work	7,362	158	135	55	125	139	5,398
Seeking Work	<u>32,697</u>	<u>742</u>	<u>314</u>	<u>168</u>	<u>322</u>	<u>530</u>	<u>18,724</u>
Total in Labor force	388,417	4,159	3,367	1,402	3,334	2,859	161,770
<u>Major Occupation Group</u>							
Prof. & Semi-Professional	26,292	296	105	19	238	36	7,915
Proprietors, officials, clerks, etc.	106,439	594	318	263	510	278	23,186
Craftsmen, Foremen and Operatives	121,786	883	1,081	536	436	741	43,907
Domestic and Service Workers	56,726	798	756	210	1,302	505	37,426
Laborers	33,910	677	644	138	373	617	23,736
Miscellaneous	<u>3,205</u>	<u>11</u>	<u>14</u>	<u>13</u>	<u>28</u>	<u>13</u>	<u>1,174</u>
Total	348,358	3,259	2,918	1,179	2,887	2,190	137,344

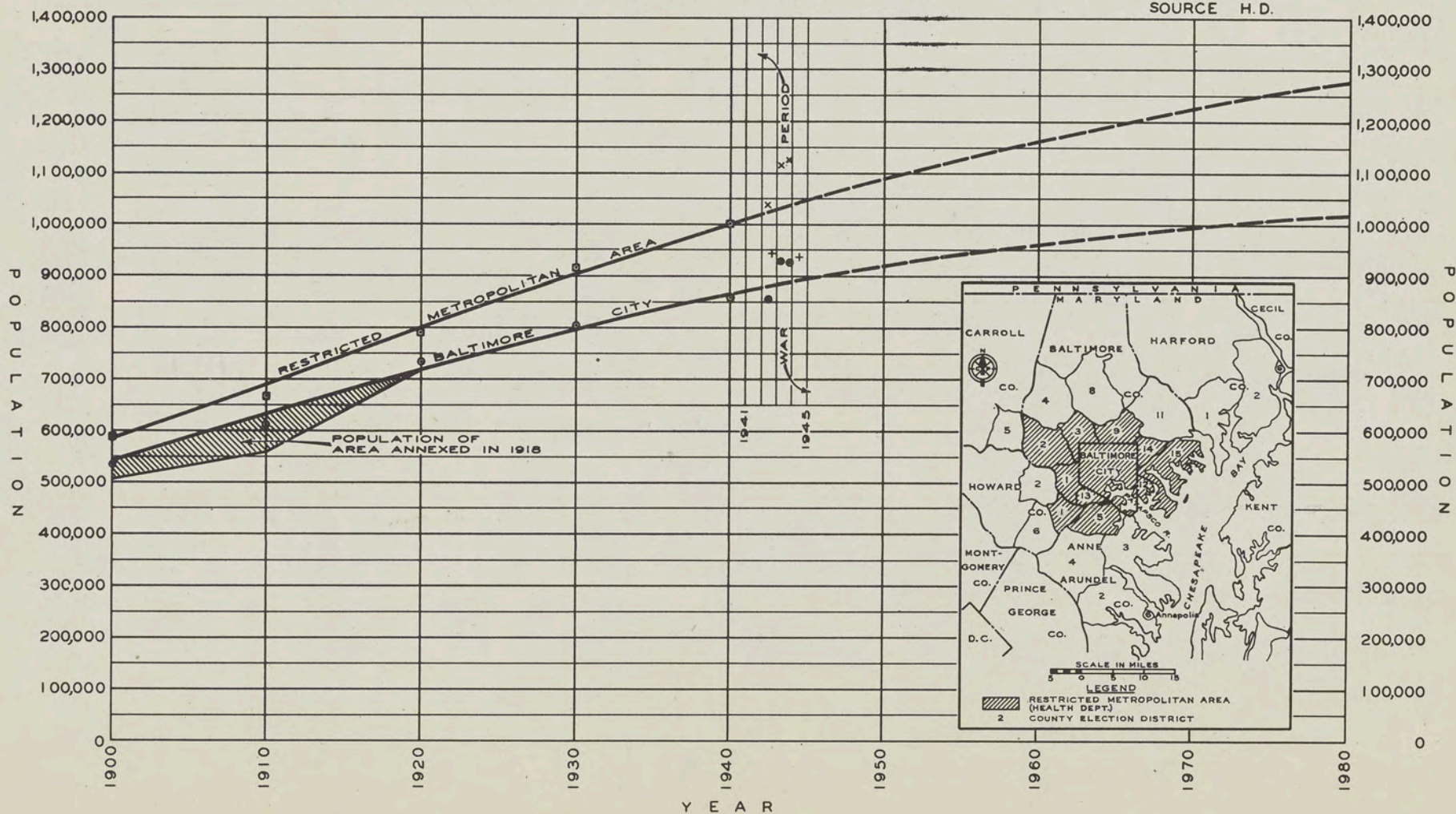
Source - U.S.C. 1940

FIG.26
CITY OF BALTIMORE MARYLAND
POPULATION TRENDS
COMMISSION ON CITY PLAN

LEGEND

- POPULATION TREND
- - - PREDICTED TREND OF FUTURE POPULATION
- ENUMERATED POPULATION OF RESTRICTED METROPOLITAN AREA
- ENUMERATED POPULATION OF BALTIMORE CITY
- x ESTIMATED POPULATION OF RESTRICTED METROPOLITAN AREA (BASED ON RATION BOOKS)
- ESTIMATED POPULATION OF BALTIMORE CITY (BASED ON RATION BOOKS)
- + ESTIMATED POPULATION OF BALTIMORE CITY (BASED ON OCCUPANCY SURVEY)

SOURCE H.D.



to about 198,400 in July, 1944, and a further decline to about 170,200 by June 30, 1945.

At the peak of in-migrant employment there were between 100,000 and 110,000 such workers employed in Baltimore. Between August 1 and December 1, 1944, a total of at least 18,186 persons who had been in the Baltimore area less than three months registered at the local office of the U.S. Employment Service, making a total of 48,570 for the entire year. Of this 48,570, 27.6% were non-whites. During the first six months of 1945, 16,000 workers registered who had been in the Baltimore area less than three months. 27.9% of these were non-whites.

Basic figures for out-migration from the Baltimore area are not available. Until 1944 out-migration was considered to be negligible, but by June, 1944, there was a net loss of in-migrant workers of between 4,000 and 5,000 per month. By the end of 1944 there would seem to have been a net loss through out-migration of about 33,000, and in-migration and out-migration were tending to balance each other. During the first six months of 1945, 33,000 persons who had been employed locally are estimated to have left the area,—a net loss of 17,000 workers in six months. This trend depends, among many other things, on the Country's need for soldiers and sailors, the fluctuating public expectation as to the progress of the war, the War Department policy as to what and how much will be needed, and when, to support the attack.

Total employment in Baltimore City and County in November, 1943, was estimated to be 570,000, an increase of 165,000 or 41% over April, 1940.

No authority, as far as we know, has recently published any official prediction for the immediate or the distant future.

We present, however, in Appendix F, an excerpt from a letter on this subject dated July 11, 1944, from Mr. A. F. Hinrichs, Acting Commissioner of Labor Statistics, United States Department of Labor.

A pamphlet of only 11 pages reprinted from the Monthly Labor Review of February, 1944, prepared by the Federal Bureau of Labor Statistics, entitled "Factors determining Post-War Job Transfers and Unemployment" gives a clear discussion of the situation as it then was. Germany succeeded in postponing for about a year the collapse then soon expected, but the general considerations are still for the most part valid.

The questions of job transfer, continued living wage, and the production and cost of low-rent housing are all inextricable parts of one problem which can be solved only by investors, constructors, tenants, City and Federal governments, all working together.

One aspect of this we discuss under Disposition of Federal War Housing, pages 56 and 57.

Inlying against Outlying Growth of the City's Residential Areas

This controversial subject can be best approached by considering **all** the costs and **all** the assets involved in each of the two alternatives. A primary difficulty in the past has been that the builder, and often the occupant as well, has considered only the **immediate** costs which are to be met by the **first purchaser** or the first few of the renters. The City, however, serves all its taxpayers and expects to last for centuries in that capacity. It should, therefore, plan not for short-time speculation, but for long-term investment in housing, as for all land uses, and it should consider **all** the investments involved in producing housing which is a working part of a business-like city. And the city is inevitably a working partner in producing and continuing this housing, and makes no small part of the investment directly itself.

Now, except as building codes may vary, the **cost of construction** of a house of any given kind is about the same whether it be in the heart of the city or in the suburbs. The main difference in the initial total cost lies in the cost of the land. This land cost covers such services as are available at the time of purchase.

Land in sparsely settled areas is cheaper because it is **not completely serviced**. It lacks good roads or mass transportation, or public water, or sewers, or fire or police protection or schools or some other of the desirable urban provisions. Also it lacks ease and cheapness of access to the advantages of the heart of the city, which lack can only in part be overcome by improved traffic facilities when they are later provided.

Land closer to the heart of the city may be more costly because it has these provisions, and in so far the greater price buys a corresponding value. Moreover, it is legitimately more costly because there is less of it. Land near the center, however, more frequently than outlying land, is also more costly because there are on it buildings which may be no longer adaptable for decent housing, but which still have a "value", even in a court of condemnation, based on rents which are in truth received, however bad may be the accommodations rented.

The "short-term investor" chooses the outlying vacant land, because **his** costs are in this way less. The **lack** of facilities falls on the purchasers. The **cost of providing** facilities later falls first on the city and then perhaps by benefit assessment or increased taxes on the then owner, but anyhow not on the first vendor. This blind and speculative procedure causes great loss and disappointment to home-seekers, and involves the City in developments badly located, badly planned, and badly timed. A housing policy by **the City and the surrounding County** which was based on long-term business-like investment in housing and land

would save money for home-seekers and responsible realtors alike.

We believe that a good idea of what is involved in the City's properly allotting its encouragement between **in-lying** and **out-lying** developments in the City may be got by comparing the figures presented in this report for the University and Broadway areas on the one hand, and for the Cherry Hill areas, both in public and in private development, on the other (see also Table 28 and general comparison tables).

Beyond the boundaries of the corporate city there is also a jurisdictional complication involved in this question of the outlying as against the inlying residential development. The population depending on Baltimore does not all reside in and pay taxes to the Corporate City of Baltimore. Therefore some of the facilities of the residents in one jurisdiction are paid for out of the taxes collected from residents of another. The unbalance is not entirely one way, but what appeared as a difference of interest between the city and its suburbs has in the past retarded the growth of any unified land policy for the fundamentally parallel interests of the total metropolitan area.

This trouble is found in almost all big cities and often is much worse than in metropolitan Baltimore. Those cities have handled this trouble best which have established a **definite machinery** for getting all the people together on their definite common problems. This matter is too long for detailed discussion in this report. One point might be made, however. Metropolitan consistency of action on metropolitan problems need not mean amalgamation into one **governmental** unit. The Metropolitan Commission management of water, sewer and large parks for Boston is an example of efficient cooperation in a region of determined local self-government of many of the outlying communities.

Some Reasons for high costs of Housing

The costs, and trends of costs, of housing are shown in Tables 1 and 2 and on Fig. 15 already discussed briefly on pages 3 and 6.

The effect of these increasing costs in keeping private building out of the blighted areas is very striking. The rise of construction costs affects all building, however, and its causes are largely nation wide. We are discussing here only such causes as the City might to some extent influence locally, and only such as will not probably cease anyhow soon after the war.

As to building laws, Baltimore is better off than many cities. In any case new materials and new methods, however little restricted, will not cause an immediate revolution in building, but still a watch should be kept that vested interests in materials or in labor processes should not perpetuate wasteful types of construction.

As to wages in the building trades, it is a commonplace that any trade which can not guarantee

steady employment must pay more per hour for the labor that it employs. The City, then, by planning for a steady building program, either public or private, and to that end providing public facilities, sufficient and in the places where most immediately needed for the City's growth, and fitting the zoning and the building laws to the proved actual present needs, could facilitate wage and hour arrangements between employers and employees profitable to both.

As to costs of financing building projects, much has been accomplished already by the Federal Housing Administration and the Home Owners' Loan Corporation, among other agencies, in reducing costs, lowering rates of interest, improving forms of mortgage, preventing unreasonable risks and insuring against unavoidable risks. But here again, a certainty as to city policy and an active prevention, by the City and by lenders, of "wild-cat" development which spoils sober investment development would justify lenders in offering better terms.

As to the cost of land, this might be said to depend on everything else in the whole life of the City. After all, land is worth what any one will pay for it for the most profitable future use which is available. But people's beliefs as to the value of this future use usually outrun the facts in an inflation and lag behind the facts in a depression. Predictability of rate and place of development brings prices nearer to true values.

Further, as has been already said in this report, prices based on illegal uses, or on uses about to become impossible, or on hoped-for uses which are in truth only remote chances, should not be construed by the Courts as "fair values". In other words, "fair values" in condemnation should not be measured merely by what has happened, partly by chance, in certain instances in the immediate vicinity. They should take into account only the value of the **chance** which the owner has that his land will be devoted to the most profitable legal and legitimate use allowed in the district. For example, not all land in Baltimore's commercial districts will **ever** come to commercial use. Estimates of value will, however, depend less and less on the evaluation of a chance as it is demonstrated and accepted by the Courts, that there is indeed an effective City land-use policy to which uses and values are tending completely to conform.

The building trade has lagged behind many other great industries in taking advantage of the savings of mass production. The reason is obvious. An automobile is equally suited to the uses of many millions of different people, and can be delivered finished where it is needed. A house is still looked on by most people as expressive of the special uses of its owner, and only in very small sizes can it be delivered in one piece.

Much will be done in the near future with ready-built houses, and much more with houses assembled from ready-built units, but there will still remain an assembly job to be done on the ground. Usually this assembly is for one house only at a time, and with the difficulty of coordinating many activities on a small job the costs tend to exceed the use-value.

This assembly and ground preparation can be greatly cheapened by wholesale procedure, but recently most of the wholesale procedure has been by governmental agencies for specific purposes, and has not been accepted as either a satisfactory substitute or a fair competitor for private capital in the whole housing field. The present proposal of the Baltimore Redevelopment Commission, however, seems to promise the advantages of large-scale procedure, conformance to city plan, and opportunity for private initiative.

As will appear later in some detail, two very large items in housing costs are interest on borrowings and Federal and local taxes. These apply not to housing alone, to be sure; but in the low rent housing in which we are here most interested the margin of profit is so low, the possible savings by good construction and management relatively so little, that the two financing items of interest and taxes have a decisive effect, particularly between the private development, which carries these burdens, and the public development, on which they rest very lightly.

FIVE SAMPLE AREAS

Having sufficiently located the problem of blight, and determined some of the forms in which it appears, and considered a number of city-wide conditions which form parts of the setting in which any intelligent study of blight must be carried on, we next proceeded to a more detailed consideration of the blighted areas, to work out some specific remedies which might be applicable for appropriate specific cases.

It was not practicable, nor was it necessary, to compile for the entire blighted area all the details which were to be studied. Therefore within the blighted area we chose five "sample areas" for further study. They are located as shown on Figures 11 and 25, and may be briefly described as follows:

SOUTH WAVERLY AREA. Census tract 9-4. Bounded by Greenmount Avenue, Mulberry Street, Loch Raven Road and the Baltimore and Ohio Railroad right-of-way. Comprises about 86 acres. Now of mixed uses and races, but predominantly a white community. Its redevelopment would eliminate an area of blight now surrounded by and spreading into unblighted territory.

UNIVERSITY AREA. Census tract 4-2. Bounded by Fremont Avenue, Mulberry Street, Paca

Street and Pratt Street. Comprises about 125 acres. Now of mixed uses and races, the northwest portion being predominantly colored. Its redevelopment would mitigate a detriment to the best shopping section, which is contiguous.

CAMDEN AREA. Census tract 22-2. Bounded by Fremont Avenue, Pratt Street, Sharp Street and Henrietta Street. Comprises about 116 acres. Now of mixed uses and races but predominantly colored. Its redevelopment would eliminate blight adjoining the Central Business District and a large commercial area.

ARMORY AREA. Census tract 11-4. Bounded by Druid Hill, Lafayette and Park Avenues and Biddle Street. Comprises about 104 acres. Now mostly residential. Of mixed races but mostly white. Its rehabilitation would create a buffer and stop further decay of the better region next to it.

BROADWAY AREA. Census tract 7-4. Bounded by Caroline, Chase and Chester Streets and Ashland Avenue. Comprises about 63 acres. Now mostly residential and mostly colored. Its rehabilitation would show what could be done in a large surrounding similar district.

These areas are representative of many of the variations found within the blighted area—as to density of occupancy, race of population, rental range, location in relation to the center of the city, degree of deterioration and other characteristics which will be discussed in detail later.

These five areas were chosen not that they were the worst of all the blighted area, nor that they offered the easiest problem in improvement, nor that as projects they would be the most profitable to the developer; but because (1) they were all in need of early help, (2) among them they involved most of the problems which must be met sometime somewhere, (3) each one was capable of more or less homogeneous development of some certain kind, or at least contained one or more areas capable of being treated as reasonable projects.

The choice was made, then, to define areas and projects which as sample studies would be most instructive to the City in fixing future procedures applicable to one part or another of the blighted area, or perhaps as defensive or developing measures to other areas in the City.

COMPARISON OF THE SAMPLE AREAS WITH ONE ANOTHER AND WITH THE CITY

Further detailed information was then compiled for the five sample areas, and recorded in maps, tables and graphs. Some of this is basic data for the two specific redevelopment proposals set up for calculation described later in this report. Some of the facts as to the people and their dwellings, however, were arranged in the form of bar diagrams to compare the sample areas one with

another and all with the average of the City. These we will next discuss.

Buildings—Age, Condition and Type of Occupancy

As to the age of the dwelling units, Fig. 27 shows that, city-wide, about 43.6% of the dwellings were built in 1899 or before, and only about 6% from 1940 to 1944, (and nearly half of this 6% consists of Government housing—see Appendix L). University and Camden areas contain practically no dwellings built in the present century. South Waverly, the best of the samples in this report, contains 60% of houses built in 1899 or earlier, and the average for the whole blighted area, including the five sample areas, shows about 87.6% of these old houses. In this respect, as in the other cases, these diagrams bear out in more detail the conclusions of the maps showing “symptoms of blight”, and indicate that the five samples, taken together, are sufficiently typical of the whole blighted area.

As to the present condition of the dwellings, and its relation to the age of the dwellings and their occupancy either by the owner or by tenants, Appendix D shows that, city-wide, 39.3% of the dwelling units are owner-occupied, while the highest of the sample areas, South Waverly, shows 31.3%, and the lowest, University, only about 8.3%. The lowest need of major repairs, 3.9% in South Waverly, goes with the highest owner occupancy (and this in spite of the fact that the owner-occupied buildings are generally the oldest), because they were well built and are still well kept. The highest need of repairs, 19.1% goes with the next to the lowest owner occupancy, 8.9% in Armory. In the case of South Waverly, the least need of repairs goes with the least age of buildings, as would be expected, but in the other cases no consistent relation appears between these two factors. Bad upkeep is more destructive than lapse of time.

Rentals—Differences among Sample Areas

Tables 6, 7, and 8 show the contract monthly rentals (that is, the rents paid by tenants, not those estimated for resident owners) for the City, the blighted district, and the five sample areas.

For the City, the average monthly rent per dwelling unit is \$25.82, with 81.35% of the rents rather evenly spread between \$10.00 and \$40.00.

For the blighted area, the average is \$19.97 with 85.72% between \$10.00 and \$40.00 and 63.02% between \$10.00 and \$25.00.

For the University area, the average is \$15.09 with 83.02% between \$7.00 and \$25.00 and 70.74% between \$10.00 and \$25.00.

For the Broadway area, the average is \$19.55 with 85.10% between \$10.00 and \$30.00 and 73.84% between \$10.00 and \$25.00.

For South Waverly, the average is \$21.96 with 96.88% between \$10.00 and \$40.00 and 87.71% between \$10.00 and \$30.00.

For Armory, the average is \$24.11 with 85.59% between \$10.00 and \$40.00.

For Camden, the average is \$15.05 with 86.87% between \$6.00 and \$25.00.

The rents for the University and Camden areas are the lowest, representing observably less desirable quarters. The average rents for the Armory area are the highest, representing the fact that this area contains two classes of residences, some much like the run of the other samples, at a rent between \$10.00 and \$20.00, but also some of a former period but still preserving much of the old values, at a rent between \$20.00 and \$50.00.

Of the other two areas, Broadway is considerably lower than South Waverly. South Waverly contains a lesser percentage of dwelling units between \$10.00 and \$14.00 and a greater percentage between \$25.00 and \$40.00, the higher rents in this case going with those few of the older houses that are rented.

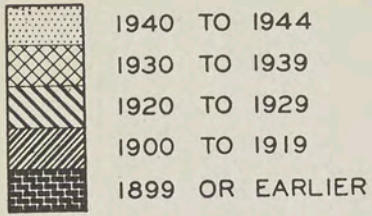
Rentals—as to Types of Occupancy, White and Non-White

Also the three tables 6, 7, and 8, and the three Figures 28, 29, and 30 differentiate as to white and non-white rentals. Table 7 gives these figures for all dwelling units, Table 8 for those occupied by whites, and Table 6 for those occupied by non-whites. The percentages are based on the number of rented dwelling units reporting. In using these tables it should be remembered that the rented dwelling units are a very high proportion of all the houses in the blighted area and in the five areas, but a less proportion of the City's total (see Fig. 14). Further, the proportion of home owners is greater in the white than in the colored population.

In the blighted areas the rents paid by the white tenants (per dwelling unit) average \$20.41 per month, and for the non-white tenants (per dwelling unit) \$19.52 per month. In the University and Camden areas, where the rents are lowest of the samples, non-whites still pay less,—\$14.67 against \$15.46 and \$14.84 against \$15.65 respectively, and their quarters are theoretically about the same size for the same rent. But the much greater average crowding of the non-whites in the dwelling units produces the result that they pay, indeed, less rent per person, but they occupy very much less space per person, thus getting less space for their rent-dollar. Their continuance in these conditions, though at present they often earn very considerable wages, is due in part to the difficulty of finding any neighborhoods available to non-whites and offering better accommodations even at considerably higher prices. The development of the Cherry Hill district is improving this situation (see page 59). In the South Waverly and Armory areas, where the rentals average higher and cover a wider range, the white rentals average considerably

FIG. 27
 CITY OF BALTIMORE MARYLAND
 AGE OF DWELLING UNITS
 CITY WIDE - BLIGHTED AREAS
 AND
 FIVE SAMPLE AREAS
 (CENSUS TRACTS)
 COMMISSION ON CITY PLAN

LEGEND



SOURCE U.S.C. 40

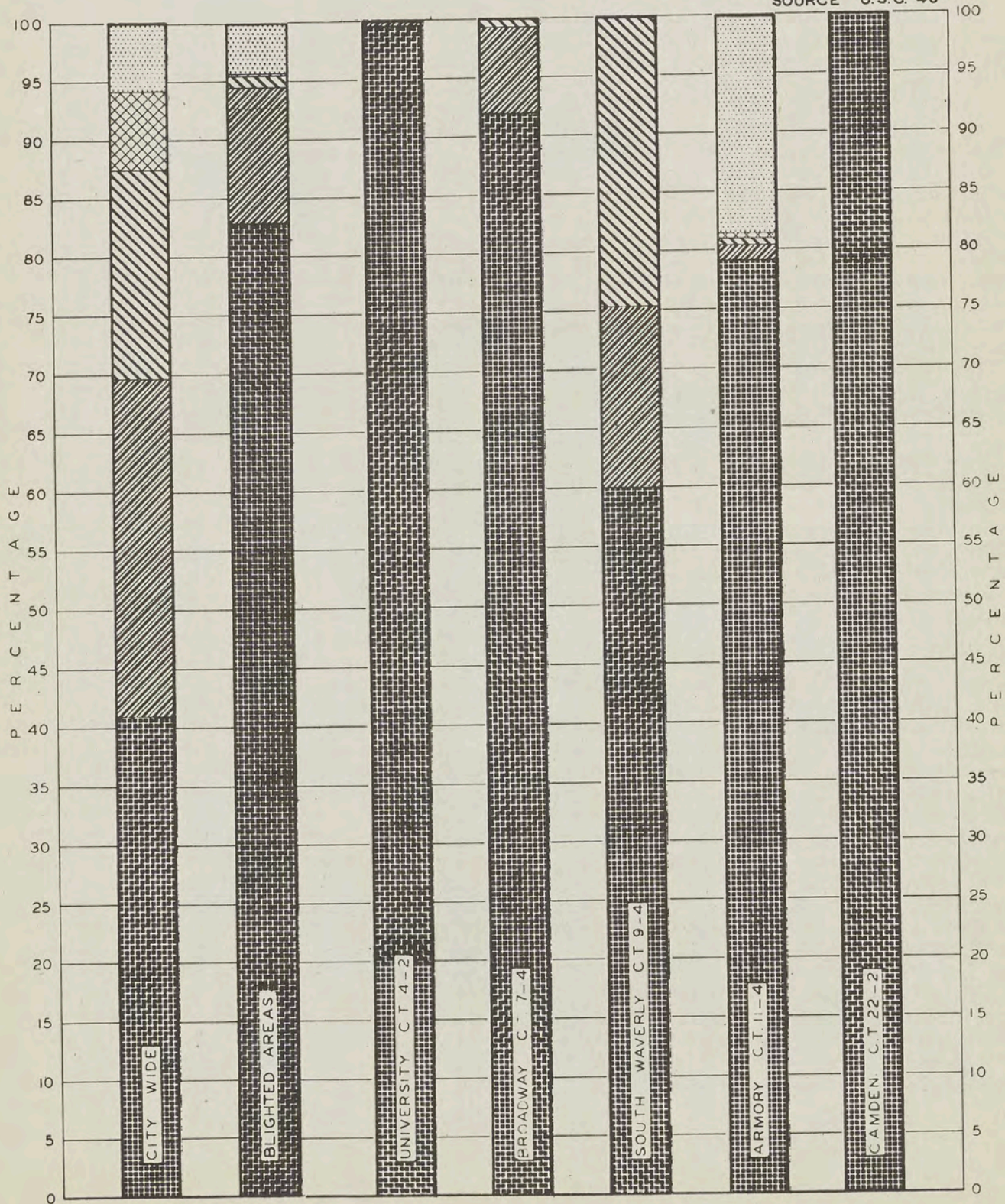


TABLE 6

CONTRACT MONTHLY RENTALS OF DWELLING UNITS OCCUPIED BY NON-WHITE HOUSEHOLDS

	City Wide		Blighted Areas		University (4-2)		Broadway (7-4)		So. Waverly (9-4)		Armory (11-4)		Camden (22-2)	
Total D.U.:	35,886		33,690		950		1,140		134		1,075		961	
Reporting :	35,728		33,580		950		1,139		133		1,070		956	
<u>Dollars</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>
Under 5	413	1.16	380	1.13	32	3.37	8	.70	0	-	0	-	12	1.25
5 - 6	929	2.60	874	2.60	65	6.84	24	2.10	0	-	17	1.58	38	3.97
7 - 9	1,940	5.43	1,862	5.54	101	10.63	54	4.73	0	-	25	2.33	94	9.80
10 - 14	8,999	25.19	8,340	24.84	322	33.89	243	21.31	19	14.29	322	30.19	425	44.40
15 - 19	6,634	18.57	6,141	18.29	180	18.95	242	21.22	31	23.31	194	18.23	154	16.10
20 - 24	7,777	21.77	7,354	21.90	182	19.16	387	33.94	77	57.90	235	21.96	183	19.10
25 - 29	3,628	10.15	3,453	10.28	46	4.84	139	12.14	4	3.00	131	12.34	31	3.24
30 - 39	4,194	11.73	4,044	12.04	22	2.32	37	3.43	2	1.50	108	10.13	15	1.62
40 - 49	1,051	2.94	1,001	2.98	0	-	4	.33	0	-	34	3.21	4	.52
50 - 59	117	.32	103	.31	0	-	1	.10	0	-	3	.02	0	-
60 - 74	35	.10	23	.07	0	-	0	-	0	-	1	.01	0	-
75 - 99	6	.02	4	.01	0	-	0	-	0	-	0	-	0	-
100 and over	5	.02	1	.003	0	-	0	-	0	-	0	-	0	-
Average Monthly Rent	\$19.46		\$19.52		\$14.67		\$18.65		\$19.23		\$19.82		\$14.84	

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Source - U.S.C. 1940

TABLE 7

CONTRACT MONTHLY RENTALS OF ALL DWELLING UNITS

	City Wide		Blighted Areas		University (4-2)		Broadway (7-4)		So. Waverly (9-4)		Armory (11-4)		Camden (22-2)	
Total D.U.:	134,622		67,838		2,020		1,513		547		1,580		1,301	
Reporting :	133,819		67,516		2,020		1,510		545		1,575		1,294	
<u>Dollars</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>
Under 5	904	.68	800	1.18	37	1.83	8	.53	0	-	1	.06	17	1.31
5 - 6	1,965	1.47	1,743	2.58	117	5.79	27	1.79	0	-	20	1.27	54	4.17
7 - 9	4,483	3.35	3,952	5.85	248	12.28	64	4.24	6	1.10	25	1.59	137	10.59
10 - 14	19,299	14.42	15,613	23.12	715	35.39	301	19.93	60	11.01	337	21.40	542	41.89
15 - 19	19,612	14.66	12,802	18.96	388	19.21	303	20.07	102	18.72	221	14.03	216	16.69
20 - 24	25,184	18.82	14,141	20.94	326	16.14	511	33.84	170	31.19	300	19.05	229	17.70
25 - 29	20,301	15.17	7,845	11.62	97	4.80	170	11.26	146	26.79	260	16.51	56	4.33
30 - 39	24,467	18.28	7,481	11.08	64	3.17	95	6.29	50	9.17	230	14.60	28	2.16
40 - 49	8,991	6.72	2,015	2.98	17	.84	24	1.58	2	.37	99	6.28	10	.77
50 - 59	3,722	2.78	576	.85	3	.15	3	.20	6	1.10	39	2.48	2	.16
60 - 74	2,412	1.80	321	.48	4	.20	4	.27	3	.55	37	2.35	3	.23
75 - 99	1,409	1.05	139	.22	1	.05	0	-	0	-	6	.38	0	-
100 and over	1,070	.80	88	.14	3	.15	0	-	0	-	0	-	0	-
Average Monthly Rent	\$25.82		\$19.97		\$15.09		\$19.55		\$21.96		\$24.11		\$15.05	

Source - U.S.C. 1940

TABLE 8

CONTRACT MONTHLY RENTALS OF DWELLING UNITS OCCUPIED BY WHITE HOUSEHOLDS

	City Wide		Blighted Areas		University (4-2)		Broadway (7-4)		So. Waverly (9-4)		Armory (11-4)		Camden (22-2)	
Total D.U.:	98,736		34,148		1,070		373		413		505		340	
Reporting :	98,091		33,936		1,070		371		412		505		338	
Dollars	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>	<u>D.U.</u>	<u>%</u>
Under 5	491	.50	420	1.24	5	.47	-	-	-	-	1	.20	5	1.48
5 - 6	1,046	1.07	869	2.56	52	4.86	3	.81	-	-	3	.59	16	4.73
7 - 9	2,543	2.58	2,090	6.16	147	13.74	10	2.70	6	1.46	-	-	43	12.72
10 - 14	10,300	10.50	7,273	21.43	393	36.73	58	15.63	41	9.95	15	2.97	117	34.62
15 - 19	12,978	13.23	6,661	19.63	208	19.43	61	16.44	71	17.23	27	5.35	62	18.34
20 - 24	17,407	17.75	6,787	20.00	144	13.46	124	33.42	93	22.57	65	12.87	46	13.61
25 - 29	16,673	17.00	4,392	12.94	51	4.77	31	8.36	142	34.47	129	25.54	25	7.40
30 - 39	20,273	20.67	3,437	10.13	42	3.93	58	15.63	48	11.65	122	24.16	13	3.85
40 - 49	7,940	8.09	1,014	2.99	17	1.59	20	5.39	2	.48	65	12.87	6	1.77
50 - 59	3,605	3.68	473	1.39	3	.28	2	.54	6	1.46	36	7.13	2	.59
60 - 74	2,377	2.42	298	.88	4	.37	4	1.08	3	.73	36	7.13	3	.89
75 - 99	1,403	1.43	135	.39	1	.09	-	-	-	-	6	1.19	-	-
100 and over	1,065	1.08	87	.26	3	.28	-	-	-	-	-	-	-	-
Average Monthly Rent	\$28.14		\$20.41		\$15.46		\$22.31		\$22.84		\$33.21		\$15.65	

Source - U.S.C. 1940

higher than those of the non-whites, but the quarters occupied by the whites are at least proportionately more desirable.

Race and Nationality of Population

Comparing the blighted area, the sample areas, and the whole City as to the race and nationality of the population, the following facts are instructive:

The U. S. Census divides the population into native-born white, foreign-born white, and non-white. The foreign-born whites, in the University area, where they are in the greatest numbers, are about 9% of the total population and about 16% of the white population. In the other four sample areas and in the total blighted area they are less than 7%, which is about their proportion in the whole City. They do not form a separate group with serious separate problems of their own.

The important factor of racial difference for our present study is the relation between the white and the non-white population.

Fig. 13 shows that, city-wide, the non-white population is about 19.4% of the whole. The South Waverly area is not far from the city average, with about 21.9% of non-whites, but the other four sample areas run from 44.4% for the University area to 73.1% for the Armory area.

Fig. 31 shows a comparison of the percentages of population, of dwelling units, and of dwelling units needing major repairs or having no private baths, all as divided between the City as a whole and the blighted area, and between white and non-white occupants. It appears that in the blighted area there lives about 39.9% of the total population of the City, but about 27.3% of the white population and about 92.6% of the non-white population. Comparing the figures in another way, in the City as a whole about 19.4% of the population is non-white, while in the blighted area about 44.9% of the population is non-white.

As to the trend of the population, Fig. 32 shows that between 1930 and 1940 the total population has gained 6.7%, the white population 4.6%, and the non-white 16.6%.

In the blighted area the total gain was 3.8%, the white loss was 5.44% and the non-white gain 17.83%.

The five sample areas show minor variations within the general tendency. These variations for the most part can be traced to known local conditions but this would probably lead too far from the main purpose of this report.

The University area shows roughly a total gain of 2.0%, a white gain of 3.4%, a non-white population practically unchanged.

The Broadway area shows a total gain of 9.1%, a white loss of 28.3%, a non-white gain of 43.2%.

The South Waverly area shows a total gain of about 1.2%, a white loss of 5.4%, a non-white gain of 35.0%.

The Armory area shows a total loss of 4.7%, a white loss of 3.3%, a non-white loss of 5.2%.

The Camden area shows a total gain of 13.5%, a white loss of 4.6%, a non-white gain of 26.4%.

Corresponding figures follow for the whole City area outside of the blighted area, for comparison with the blighted area figures on Fig. 32.

	1930	1940	Gain	% Gain
TOTAL	474,027	515,816	41,789	8.8%
White	462,080	503,548	41,468	8.9%
Non-White	11,947	12,268	321	2.7%

The decrease of white people in the blighted area as a whole is due to their increased earnings and their ability to move elsewhere, and in a less degree to their tending to have smaller families. The lesser percentage increase of the non-whites outside the blighted area, 2.7%, is reasonably expectable as the result of the difficulty before mentioned which they have experienced in finding quarters except in districts already occupied by non-whites, which districts are mostly within the blighted areas. The scarcity of new accommodations in these areas has caused still further crowding in the old structures. It is to be feared that, because of high wages and in spite of rent ceilings, these circumstances have encouraged exceptionally poor accommodations per rent dollar.

Employments of population

Table 5 shows the types of employment of the residents of the blighted area and of the City as a whole. The University, Broadway, South Waverly, and Camden tracts, and the total blighted area all follow city-wide figures in having the largest number of workers in the group "Craftsmen, foremen and operatives". The Armory tract, however, has by far its largest number in its group "Domestic and service workers", presumably because it is more conveniently located in relation both to the more well-to-do homes and to the stores.

While "Proprietors, officials, clerks, etc.," that is, the white-collar workers, are the second largest group in the City as a whole, they are the fourth in the University, Broadway, and Camden tracts and in the whole blighted area, and second only in the South Waverly and Armory tracts, where this might be expected from the difference in character between these two areas and the rest which is shown by most of the comparative data for the five sample areas.

These facts are important in predicting future rent-paying capacity, and in any consideration of possible large-scale movements of the present population, which might change the convenience of their access to their work.

Delinquency, Sick Rate, Death Rate, Poverty and Overcrowding

Table 9 gives the relative incidence, in the whole City and in each of the sample areas, of one measure of conflict with the law or with

FIG.28
CITY OF BALTIMORE MARYLAND
CONTRACT MONTHLY RENTALS
 OF
ALL DWELLING UNITS
 CITY WIDE-BLIGHTED AREAS
 AND
 FIVE SAMPLE AREAS
 (CENSUS TRACTS)
 COMMISSION ON CITY PLAN

SOURCE U.S.C. 40

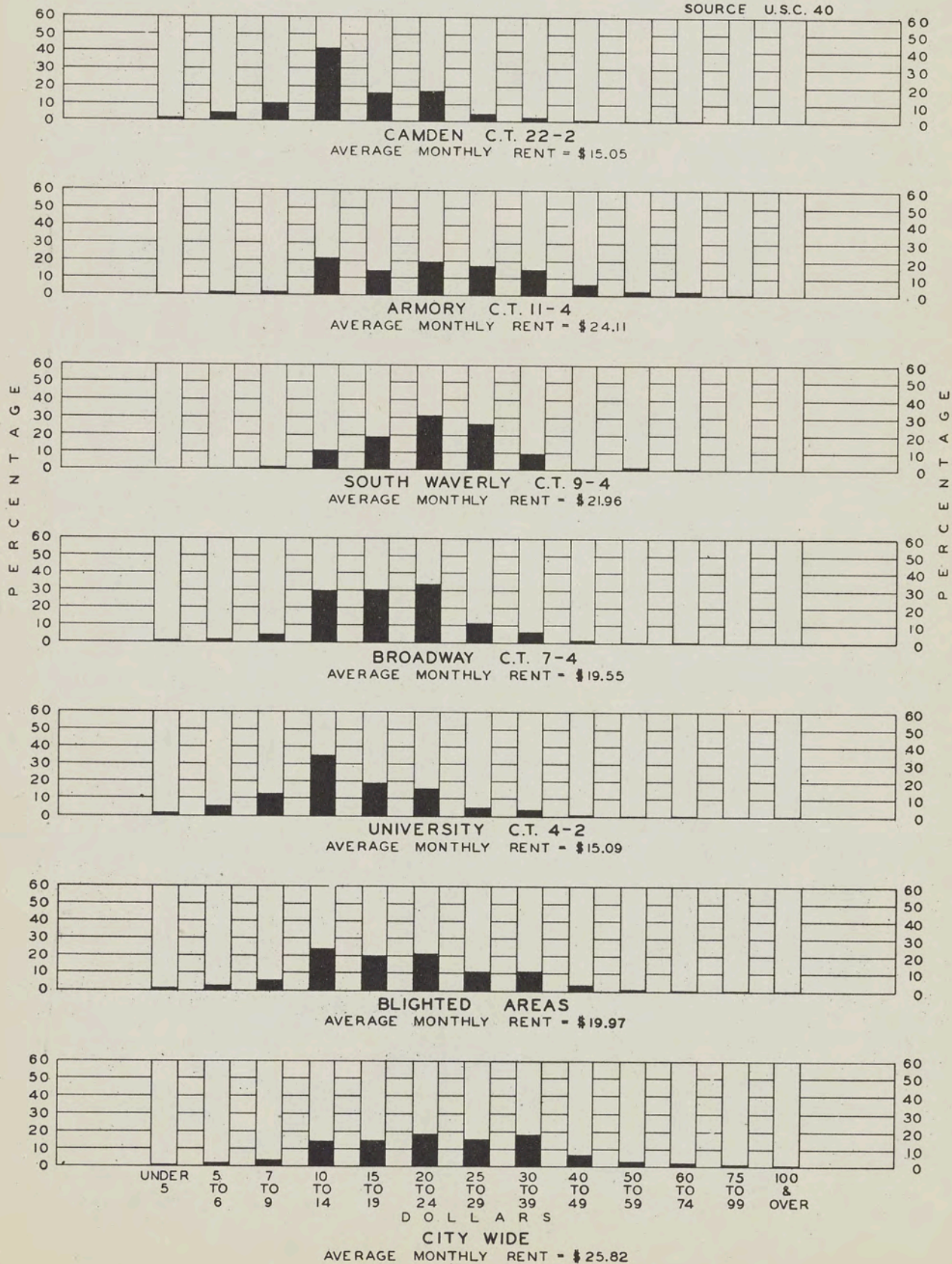


FIG. 29
CITY OF BALTIMORE MARYLAND
CONTRACT MONTHLY RENTALS
 OF
DWELLING UNITS OCCUPIED
 BY
WHITE HOUSEHOLD
 CITY WIDE - BLIGHTED AREAS
 AND
 FIVE SAMPLE AREAS
 (CENSUS TRACTS)
COMMISSION ON CITY PLAN

SOURCE U.S.C. 40

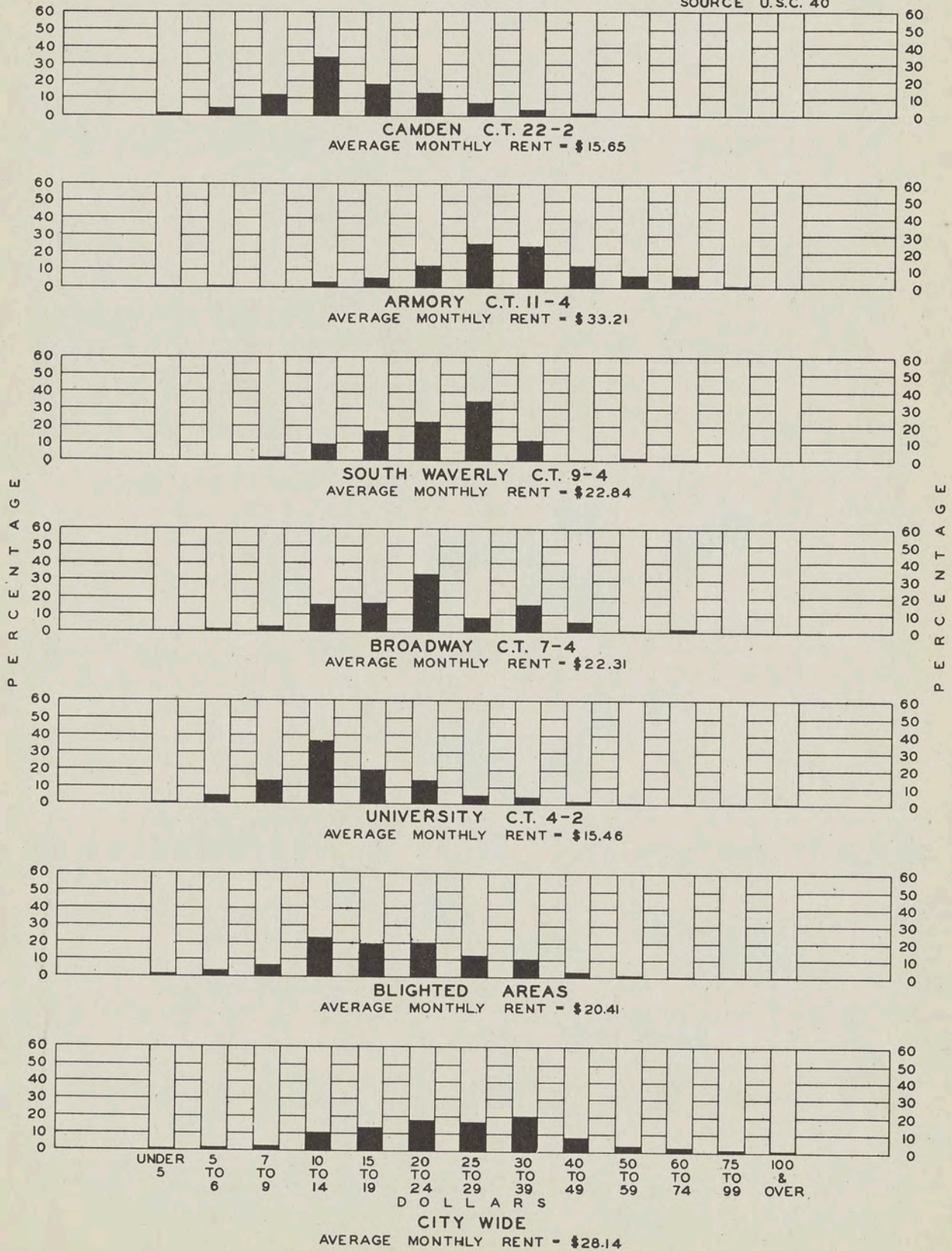


FIG. 30
 CITY OF BALTIMORE MARYLAND
CONTRACT MONTHLY RENTALS
 OF
DWELLING UNITS OCCUPIED
 BY
NON-WHITE HOUSEHOLD
 CITY WIDE-BLIGHTED AREAS
 AND
 FIVE SAMPLE AREAS
 (CENSUS TRACTS)
 COMMISSION ON CITY PLAN

SOURCE U.S.C. 40

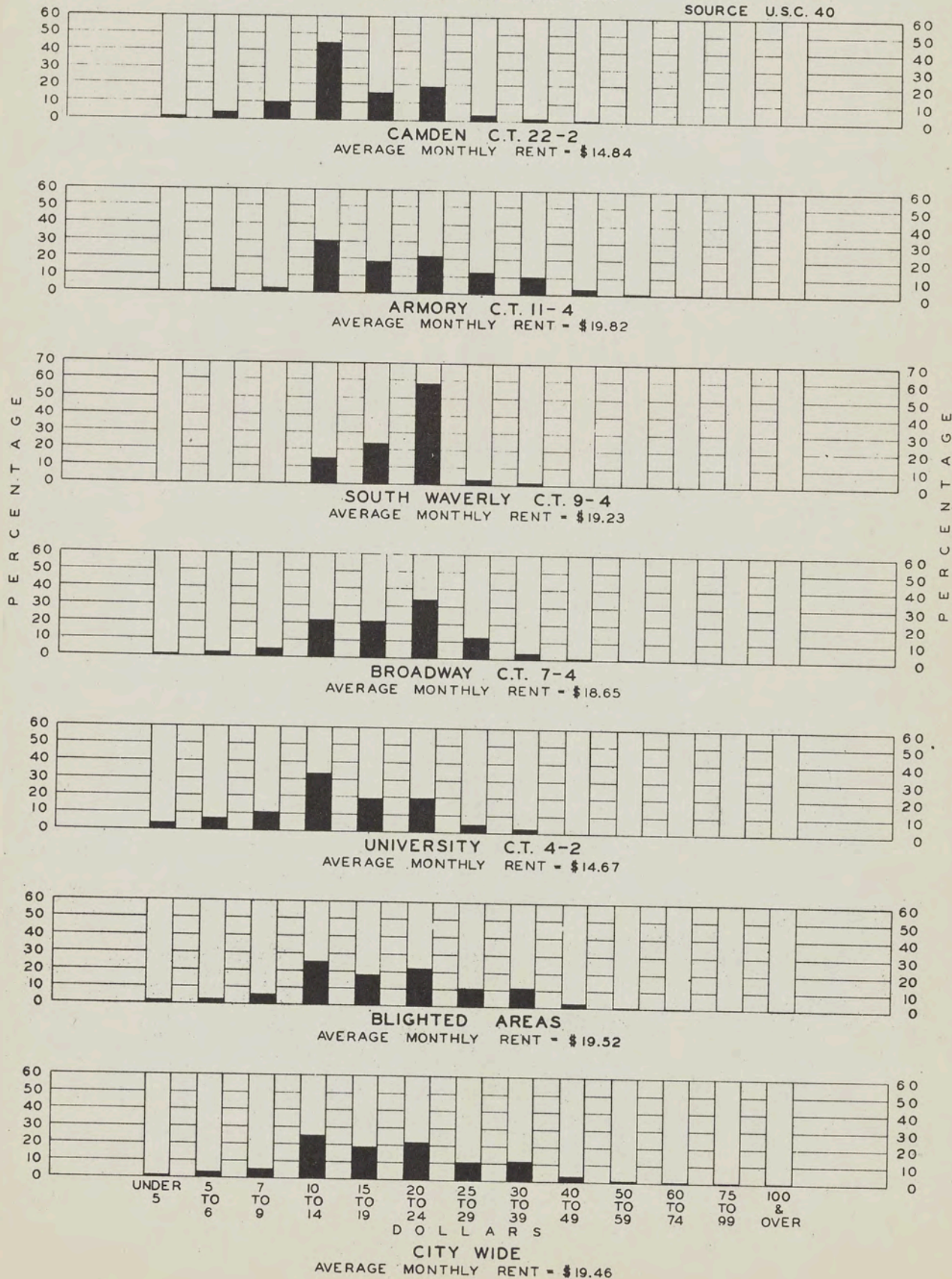


FIG. 31
 CITY OF BALTIMORE MARYLAND
 POPULATION - DWELLING UNITS
 AND
 CONDITION OF DWELLING UNITS
 CITY WIDE
 AND
 BLIGHTED AREAS
 COMMISSION ON CITY PLAN

SOURCE U.S.C. 40

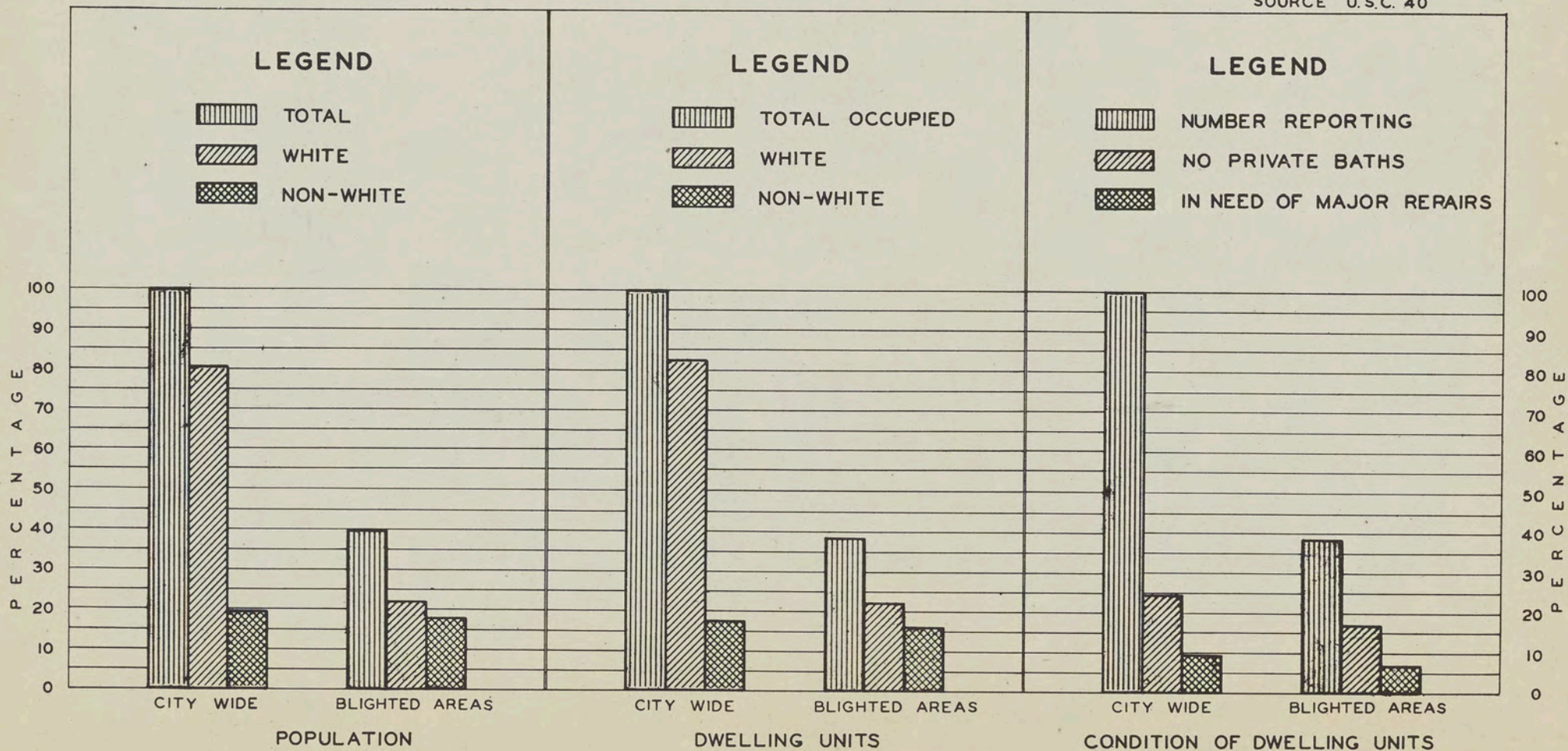


FIG. 32
 CITY OF BALTIMORE MARYLAND
 POPULATION TREND
 CITY WIDE - BLIGHTED AREAS
 AND
 FIVE SAMPLE AREAS
 (CENSUS TRACTS)
 COMMISSION ON CITY PLAN

POPULATION-CITY WIDE

	1930	1940	% GAIN OR LOSS
TOTAL	804,874	859,100	+ 6.7
WHITE	662,124	692,705	+ 4.6
NON-WHITE	142,750	166,395	+16.6

POPULATION - BLIGHTED AREAS

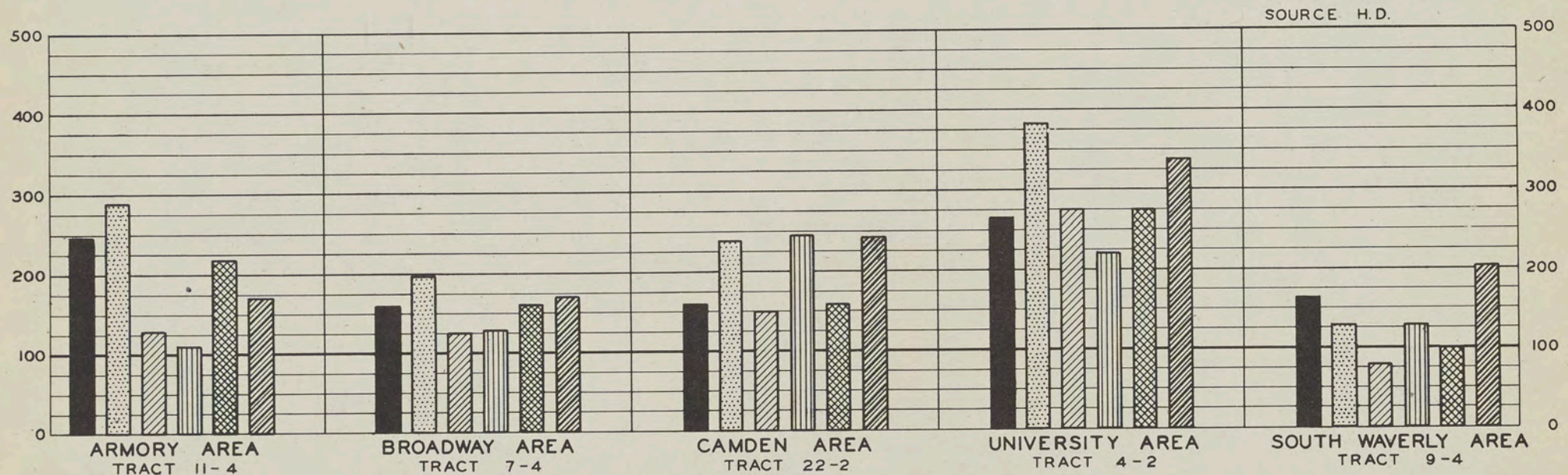
	1930	1940	% GAIN OR LOSS
TOTAL	330,847	343,284	+ 3.8
WHITE	200,044	189,157	- 5.44
NON-WHITE	130,803	154,127	+17.83



LEGEND

- INDEX OF OVERCROWDING IN D.U.
- ▤ JUVENILE DELINQUENCY INDEX
- ▥ MENINGOCOCCUS MENINGITIS INDEX
- ▧ INFANT MORTALITY INDEX
- ▨ TUBERCULOSIS INDEX
- ▩ WELFARE CASES INDEX
- CITY AVERAGE = 100

FIG. 33
CITY OF BALTIMORE MARYLAND
RATES OF CERTAIN SOCIAL AND HEALTH
FACTORS COMPARED WITH CITY-WIDE RATE
WHEN CITY AVERAGE IS COMPUTED AS 100
COMMISSION ON CITY PLAN



NOTE:

- MORE THAN 1.5 PERSONS PER ROOM DENOTES OVERCROWDING IN D.U.
- PERCENTAGE OF D.U. CITY-WIDE OVERCROWDED 3.4
- PERCENTAGE OF D.U. IN BLIGHTED AREAS OVERCROWDED 5.9
- JUVENILE DELINQUENCY: 11.4 JUVENILE DELINQUENTS PER 1000 CHILD POPULATION (6-17 YEARS OF AGE) 1939-1942
- MENINGOCOCCUS MENINGITIS: 2.4 CASES PER 10,000 POPULATION 1941-1943
- INFANT MORTALITY: 44.7 DEATHS UNDER 1 YEAR OF AGE PER 1000 LIVE BIRTHS, 1940-1942
- TUBERCULOSIS: 19.2 NEW CASES OF TUBERCULOSIS PER 10,000 POPULATION 1939-1941
- WELFARE CASES: 25.1 CASES PER 1000 POPULATION

TABLE 9

Incidence of Certain Social and Health Factors for Baltimore City
and Sample Census Tracts

	<u>Entire City</u>	<u>Armory 11-4</u>	<u>Broadway 7-4</u>	<u>Camden 22-2</u>	<u>University 4-2</u>	<u>So. Waverly 9-4</u>
Percent Non-White population	19.4	73.1	68.7	65.1	44.4	21.9
Ratio to City Rate	100	377	354	335	229	113
Average Annual Number Juvenile Delinquents per 1000 Child Population	11.4	33.0	22.5	27.3	46.5	14.7
Ratio to City Rate	100	289	197	239	408	129
Annual number cases Meningococcus Meningitis per 10,000 Population 1941-1943	2.4	3.1	3.0	3.7	6.6	1.9
Ratio to City Rate	100	129	125	150	275	79
Average Infant Mortality 1940-1942 (Deaths under 1 year of age per 1000 live births)	44.7	49.1	57.5	110.0	98.7	57.8
Ratio to City Rate	100	110	129	246	221	129
Average number of new cases Tuberculosis (All forms) per 10,000 population 1939-1941	19.2	41.8	30.9	30.5	52.8	19.3
Ratio to City Rate	100	218	161	159	275	100
Welfare cases - Estimated number of cases all forms - per 1000 population 1940	25.1	43.0	43.0	61.0	85.0	51.0
Ratio to City Rate	100	171	171	243	338	203

Source: H.D. & D.W.

neighborly behavior, namely juvenile delinquency; of two measures of morbidity, namely meningitis and tuberculosis; of one measure of death rate, namely infant mortality, and of one measure of financial insufficiency, namely number of "welfare cases".

Fig. 33 gives the same information graphically, with the addition for comparison of the index of overcrowding for the same areas. It is noticeable that these symptoms of blight, diverse in character as they are, all run parallel in a general way with the trend of the degree of overcrowding in the buildings. The exception is the South Waverly area where the overcrowding is about 163% of the City average, but the meningitis and tuberculosis are less or not more than the City average. The local reason for this may be that though the people are crowded in the houses, the houses are not for the most part crowded on the ground, but have reasonable air and sunshine. Here, however, and constantly in this discussion, we should beware of calling any one symptom the cause of other symptoms because they run parallel. More usually they are all the effects of a greater cause, or more properly they are each both cause and effect in a "vicious circle".

These figures uphold the more general plans from which were calculated the boundaries of the blighted area, and show for these samples in more detail some of the interrelations of the symptoms of blight.

Table 10 compares the figures for Baltimore City, the five sample areas and the blighted district, as to the amount and percent of the City budget spent in these areas and their acreage and population.

It is notable that the blighted district, having 9.5% of the City area, receives 40% of the City's budget, and the five sample areas are in about the same proportion.

But the blighted district, having 40% of the City's population, has 40% of the budget, and the five sample areas, having 3.7% of the City's population, have 3.5% of the City's budget. This is a curious parallelism, but it is partly made intelligible by noting that in the five sample areas, and presumably in the whole blighted area, the expenditure of the budget is 66% in services to persons and 34% in services to property; while in the City as a whole, including the whole blighted area, its proportions are 51% to persons and 49% to property. Obviously the service to property is still greater proportionately in the non-blighted parts of the City.

TWO PROJECT AREAS: UNIVERSITY AND BROADWAY

For the same reasons of economy of effort which prompted our concentration on five sample areas in getting detailed data on present conditions, we chose from these five samples two "project areas" for more minute study of exist-

ing conditions, for redesign, and for calculation of the total costs and returns.

For this study, in addition to the more general information for this area already presented in this report, which will not be repeated here, we worked out and recorded the following more detailed data as to conditions, present and proposed.

The purpose in each case is to evolve a plan and to calculate its costs and benefits to the community, to the developer, and to the tenants, all in form for comparison with the available corresponding figures for other projects.

The proposed developments were, of course, determined in their broad lines as a part of the comprehensive plan of the city as it is being evolved by the Commission on City Plan.

THE UNIVERSITY PROJECT

Plans and Tables Recording Existing Conditions in the Project Area

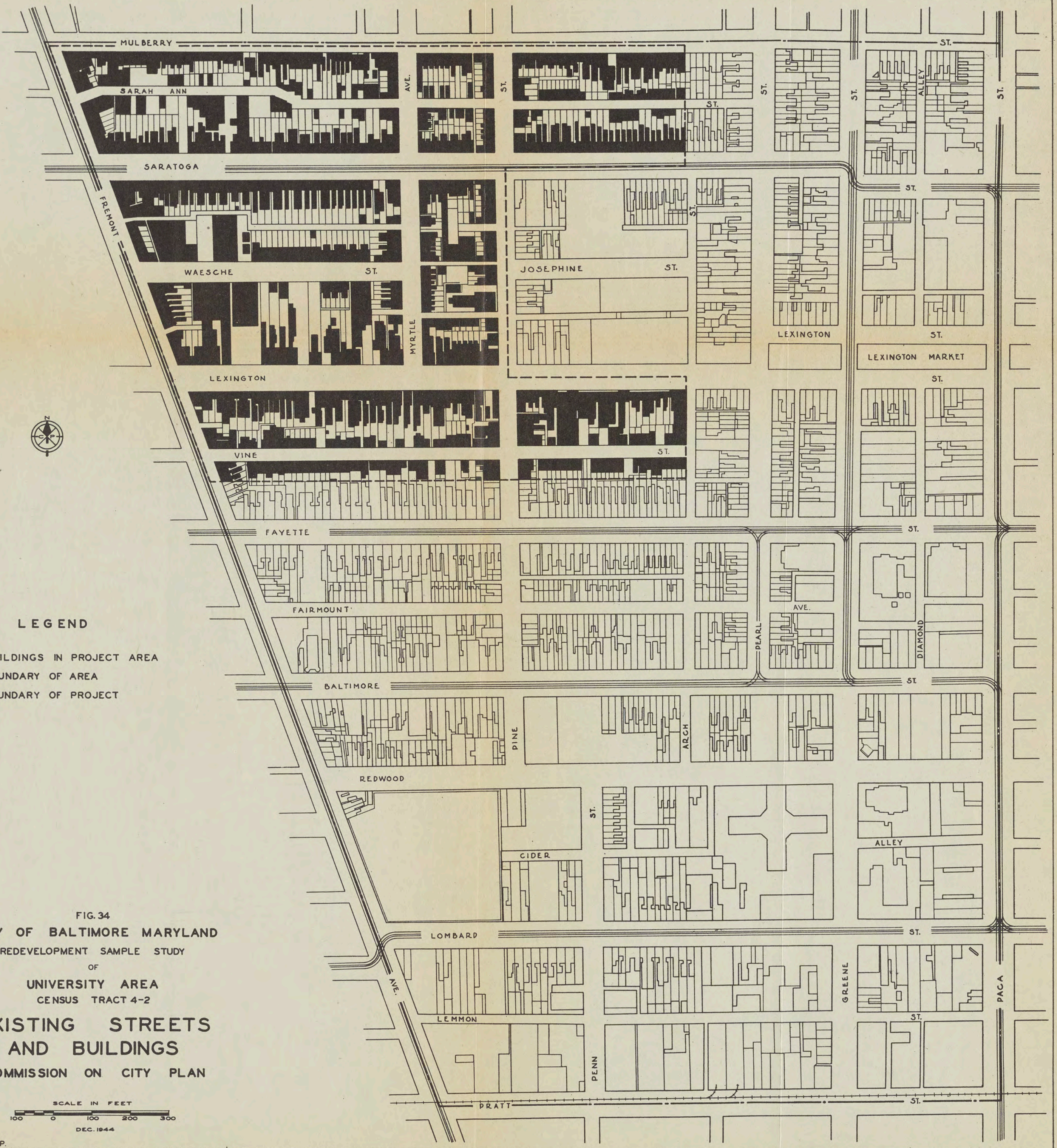
Fig. 34 shows the existing streets and buildings within the outlines of the sample area, the smaller project area being bounded by a definite line within which the buildings are drawn in solid black. This definite line is necessary, that all measurements and calculations shall have the same base of reference and be capable of being checked. The project area is seen to be reasonably typical of the sample area. The insufficiency of light, air, and all-around access to the dwellings is obvious.

Fig. 35 shows the uses of the land in the whole University sample area. It reveals an inefficient mixture of business, industry and residence. It shows the location of business under residence, discussed in relation to Table 11. It shows the insufficiency of playground space, and a school which in any case is proposed to be moved as later shown.

Fig. 36 shows the tax-assessed values of the land and buildings in the University sample area in 1944. The average combined values per square foot for each block are expressed by tones, the darkest representing the greatest value.

The trends in value 1936 to 1944 are expressed by percentage figures in circles in the middle of each block, for example—30.44%. One block shows a gain of 114.67%,—that bounded by Josephine, Saratoga, Pine and Arch Streets, where an area previously of low value has recently been partly built upon for business purposes. All other trends are downward, varying from—0.27% for the block bounded by Fayette, Baltimore, Pine and Arch Streets to—30.44% for the half block between Redwood and Lombard Streets and east of Penn Street.

A comparison of Fig. 36 with Fig. 35 will show that, with exceptions, the business areas and the tax-exempt areas are assessed at the highest values. Also Fig. 36 compared with the project



LEGEND

- BUILDINGS IN PROJECT AREA
- BOUNDARY OF AREA
- BOUNDARY OF PROJECT

FIG. 34
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 UNIVERSITY AREA
 CENSUS TRACT 4-2
**EXISTING STREETS
 AND BUILDINGS**
 COMMISSION ON CITY PLAN

SCALE IN FEET
 100 0 100 200 300
 DEC. 1944

SOURCE C.C.P.



LEGEND

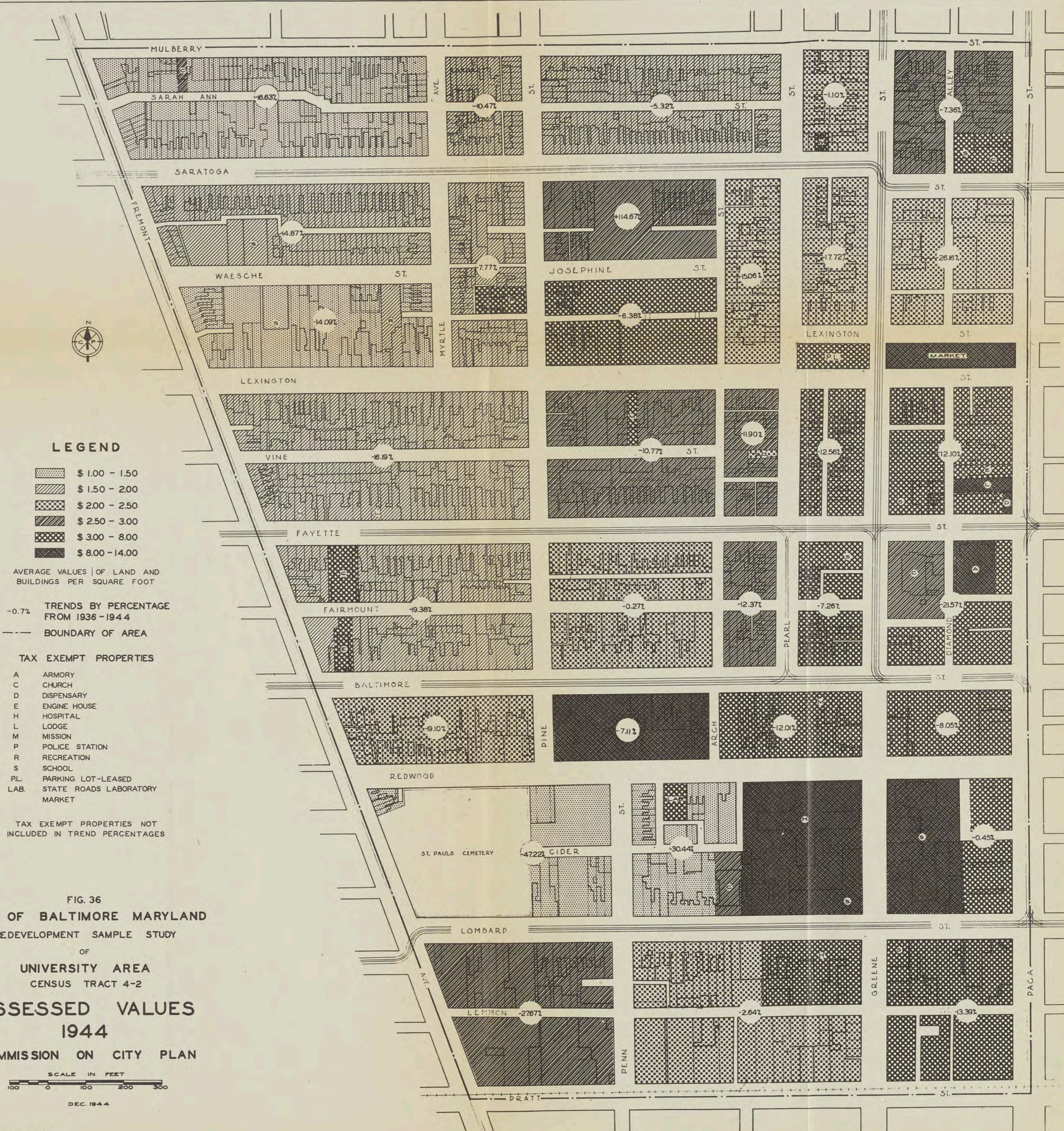
- VACANT LAND
- VACANT BUILDINGS
- PUBLIC RELIGIOUS & CHARITABLE
C-CHURCH R-RECREATION
S-SCHOOL
- RESIDENCE-ALL TYPES
- BUSINESS
B-BUSINESS UNDER ALL TYPES
VB-VACANT BUSINESS
UR-UNDER RESIDENCE
- INDUSTRY
- CONDEMNED BUILDINGS
- BOUNDARY OF AREA

FIG. 35
CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
UNIVERSITY AREA
 CENSUS TRACT 4-2
LAND USE
AS OF SEPT. 1944
 COMMISSION ON CITY PLAN

SCALE IN FEET
 100 0 100 200 300

DEC. 1944

SOURCE C.C.P.



LEGEND

- \$ 1.00 - 1.50
- \$ 1.50 - 2.00
- \$ 2.00 - 2.50
- \$ 2.50 - 3.00
- \$ 3.00 - 8.00
- \$ 8.00 - 14.00

AVERAGE VALUES OF LAND AND BUILDINGS PER SQUARE FOOT

-0.7% TRENDS BY PERCENTAGE FROM 1936-1944

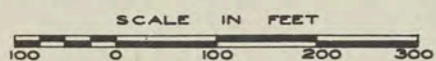
--- BOUNDARY OF AREA

TAX EXEMPT PROPERTIES

- A ARMORY
- C CHURCH
- D DISPENSARY
- E ENGINE HOUSE
- H HOSPITAL
- L LODGE
- M MISSION
- P POLICE STATION
- R RECREATION
- S SCHOOL
- PL PARKING LOT-LEASED
- LAB. STATE ROADS LABORATORY
- MARKET

TAX EXEMPT PROPERTIES NOT INCLUDED IN TREND PERCENTAGES

FIG. 36
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 UNIVERSITY AREA
 CENSUS TRACT 4-2
**ASSESSED VALUES
 1944**
 COMMISSION ON CITY PLAN



DEC. 1944

TABLE 10

DATA CONCERNING ANNUAL CITY INCOME AND COSTS
CITY-WIDE AND FOR FIVE SAMPLE AREAS

1943 - 1944

	Population	Percent of City Population	Area in Sq.Miles	Area in Acres	Percent of City Area	Budget	Percent of City Budget
1 Baltimore City, Including Harbor	859,100	100%	91.92	58,829	100%	\$62,500,000±	100%
2 Baltimore City, Fast Land Only	859,100	100%	79.00±	50,560	86%	\$62,500,000±	100%
3 Five Sample Slum Areas	32,143	3.7%	0.77	495	0.8%	\$2,212,845	3.5%
4 Blighted District	343,284	40%	8.7	5,668	9.5%	\$25,000,000± (Estimated)	40%

	City Wide	Five Sample Areas
5 Estimated Income of City per Acre	\$1,200	\$1,900
6 Estimated Average Allocation of City Budget per Acre	1,200	4,400
7 Estimated Deficiency to City per Acre	0	2,500
8 Estimated Income to City per Capita	73	29
9 Estimated Cost to City per Capita	73	61
10 Estimated Deficiency to City per Capita	0	39
11 Percent of Estimated Average Allocation of City Budget to "Service to Persons"	51%	66%
12 Percent of Estimated Average Allocation of City Budget to "Service to Property"	49%	34%

Estimated Budget for the five sample Areas \$2,212,845
 Estimated Income for the five sample Areas 957,761
 Estimated Deficiency to City for five sample Areas 1,255,084 = \$2,500 ± per Acre

Estimated Budget for City in Blighted District 25,000,000
 Estimated Income to City from Blighted District 10,700,000
 Estimated Deficiency to City from Blighted District 14,300,000 = \$2,500 ± per Acre

area shows that the land proposed to be taken avoids high values as far as practicable.

Table 11 shows the areas in private, public and semi-public ownership, the areas in different uses, and the tax-assessed valuations in December, 1944, of all the real estate in the project area. It is notable that, of the lots in private **business and industrial** ownership, only 0.35% of the total project area consisted of lots with vacant buildings, and there were no vacant lots, and in private **residential** ownership there were no vacant buildings and only 0.77% of the project area in vacant lots. 144,044 square feet of business and industrial property was valued for taxation at \$334,008, or about \$2.32 per square foot. 732,441 square feet of residence property was valued at \$1,059,352, or about \$1.45 per square foot. No bank-foreclosed property was of record at the time of the investigation, but that is not really significant. Banks are slow to foreclose, and when they do they are likely to unload the foreclosed property as rapidly as possible, lest good money be sent after bad.

The presence of business uses on the first floors of buildings having also one or more floors of residence is a complicating factor in statistical presentation as well as in actual land use. The ground area figures in columns 1, 2, 4 and 5 of Table 6 have been arrived at by pro-rating in each lot the ground area covered by the building, as between business and residence, in the same proportions as the actual occupation of the total floor area of the building between these two uses. The rest of the lot is pro-rated according to an inspection of the property as to the actual use in each case.

The tax-assessed value figures in this table for the two uses in the same building were likewise approximated. The process is somewhat arbitrary, but we believe that the results are sufficiently accurate for the uses which we are making of the figures.

Then the presence of the three following improvements had to be reckoned with.

The Cross-Town Freeway

This Freeway has not yet been decided upon by the City, but it seems to us that some such improvement must come in time. We have therefore assumed that the location of this Freeway through this neighborhood was a part of the City Plan and have adapted our design to it. This is partly for the purpose of demonstrating how the elimination of residential blight may be made to produce reciprocal benefits when integrated with other improvements.

We have accepted the design of the Freeway as it stands on the plans evolved by the Commission on City Plan during recent years, which plans, as far as affects the area covered by the University project, were incorporated in the re-

port to the Mayor and Council by Mr. Robert Moses, dated October 9, 1944.

This Freeway affects the project mainly in two ways. First, it dispossesses a large number of the inhabitants of this region, and thus makes it desirable that the project, bearing its share of this rehousing, should provide for some of those thus evicted as well as those temporarily dispossessed by the necessary clearance for the University project itself. Here the project would help the Freeway. The fact is, however, that the present population of the University project area has a density almost as great as should be accepted, even with all possible advantages of re-planning. The recommended plan for this area replaces only the present number of people. We do not redraw this plan to carry more inhabitants, but we do submit an alternative set of calculations for the area showing a maximum population density which houses enough more people than its area previously held to take care of about 17% of those evicted from that part of the course of the Freeway on which the project abuts, or 34% of those from the abutting nearest half of the Freeway. Under analysis, however, this alternative plan for the University area does not recommend itself (see pages 29 to 34).

Second, the Freeway creates along the northern edge of the project an open area with light, air and pleasant outlook, which justifies the construction on this frontage of buildings of greater density of population per acre of the land immediately attached to them than would be reasonable if they faced on an ordinary street. This locally possible greater density was taken account of in holding the proposed population as large as the present population, but with proper light and air. It would not justify any large population increase.

Other Important near-by Improvements

Another adjacent improvement, already constructed, is the Edgar Allan Poe housing project for negroes immediately across Fremont Avenue. It is a similar development to that called for by the University project in its less dense low-rental alternative, and can share to some extent in common facilities, for instance schools and playgrounds wherever accessibly placed.

Further, the recently purchased recreation building north of Lexington Street would naturally be retained, at least for some time to come, and a recreation area can be economically created immediately to the east of it.

The proposed Lexington market and the general mixed office and commercial development east of the proposed north-and-south dual highway offer near-by purchasing and employment facilities. They show a reasonable trend away from residence here which presumably should not be opposed by building dwellings east of the dual highway. Between this highway and the project the two non-residential blocks are too expensive in

TABLE 11

REHABILITATION STUDIES
 USES AND VALUES OF LAND IN THE UNIVERSITY PROJECT AREA - 4-2, BALTIMORE, MARYLAND
 As of December, 1944

25

NOTE Figures in Square Feet Unless Otherwise Noted	P R I V A T E L Y O W N E D							
	Business & Industry 144,044 = 10.27%			Residence 732,441 = 52.25%				
	1	2	3	4	5	6		
KIND OF LAND USE	Lots with Occupied Bldgs.	Lots with Vacant Bldgs.	Lots Vacant	Lots with Occupied Bldgs.	Lots with Vacant Bldgs.	Lots Vacant		
AREA	139,171	4,873	0	721,663	0	10,778		
Percentage	9.92%	0.35%	0.0%	51.48%	0.0%	0.77%		
TAX ASSESSMENT 1944 Land and Buildings	\$334,008		\$0.00	\$1,059,352		\$4,970		
Percentage	21.63%		0.0%	68.59%		0.32%		
NOTE Figures in Square Feet Unless Otherwise Noted	O W N E D B Y C I T Y						SEMI-PUBLIC	TOTALS
	Not Taxed 522,882 = 37.30%						Not Taxed 2,517 = 0.18%	1,401,884
	7	8	9	10	11	12	13	14
KIND OF LAND USE	Streets	Police Station	Recreation	School Area	Tax Foreclosed Lots with Vacant Bldgs. Lots Vacant		Religious & Charitable Bodies	
AREA	448,080	8,584	11,752	34,642	6,609	13,215	2,517	1,401,884
Percentage	31.97%	0.61%	0.84%	2.47%	0.47%	0.94%	0.18%	100%
TAX ASSESSMENT 1944 Land and Buildings	\$0.00	\$41,500	\$7,920	\$54,380	\$2,310	\$7,335	\$32,740	\$1,544,515
Percentage	0.0%	2.69%	0.51%	3.52%	0.15%	0.47%	2.12%	100%

their present use to be redeveloped for residence at this time.

Proposed Plan for Redevelopment

Fig. 24 shows the suggested scheme for the redevelopment of the project area. The first decision was whether reconditioning or reconstruction would take the greatest advantage of existing values and possibilities. After careful study it was evident that there was not enough salvage in the present buildings to outweigh the advantages of a new comprehensive design and unhampered new construction.

The second decision was as to the type of future occupancy. As the area and its surroundings were already mostly occupied by a colored population, and as such occupancy was or could be made advantageous both to that population and in its relation to the comprehensive city plan, it seemed best to provide for that use in the future.

Choice of Pattern in Design

As to the design of the project area itself, the arrangement of the buildings along the southern side of the Freeway should take every advantage of the open space. This consideration tends to set a pattern for the northernmost rank of buildings and so for the next rank north of Saratoga Street, and reasonably, though not necessarily, for much of the development southward to Lexington Street. The development south of Lexington Street must be designed to suit the shallowness of its block, which produces a somewhat smaller scale of pattern than the rest of the project, in part not unlike that of the Edgar Allan Poe Homes.

We appreciate that many patterns of buildings and appurtenant open spaces might be worked out, each presenting its own proportion of good and bad elements from the point of view of appearance. There is, indeed, for good appearance a scale relation to be preserved between the size and shape of the buildings and the size and shape of the open spaces, and further there is the whole important problem of architectural proportions and surface treatment of the buildings. But the first and fundamental matter in the conception of the design is the density of the population per acre and per room, the kind of family life and family income to be provided for, and from this as a result the density of ground coverage which can be safely allowed **under the circumstances** as being consistent with decent living, family growth, and good citizenship.

We have not allowed cost considerations to force bad accommodations upon the tenants nor to force incongruous developments upon the City. If there be an unavoidable gap between the cost of decent living and the possible rent from those who should live in the project, that gap is the measure of a necessary subsidy, as we have said before.

Fig. 37 is a diagrammatic birdseye view drawn partly to give a clearer idea of the arrangements of the building masses, but primarily to show the appearance of the sunken freeway, with an uninterrupted view across it of nearly 500 feet from building to building.

Fig. 38 gives a definite idea of the appearance and arrangement of the separate dwelling units in the main group of buildings. On the first floor is one unit with a terrace, living room, three bedrooms, kitchen and bath room. On the second and third floors is one unit, having on the second floor a living room with a balcony and a living kitchen, and on the third floor two bedrooms and a bathroom, with closets and a small storage space. The provisions for sitting outdoors are in accord with the desires of most of the expected tenants. No money has been spent purely for decoration, but the strong recurrent play of light and shade caused by the terrace and balconies should be more interesting than the uninterrupted facades of long buildings. The varied orientation of the buildings also will avoid monotony, and it produces a series of separate but related open spaces which will be better to look at and to use than one uncompromising parallel-sided street or alley would be.

Table 12 shows, arranged together for comparison, the building coverage of the University project, existing and proposed. This contrast is shown graphically by a comparison of Figures 24 and 34. Four changes in land use are evident: The present school building is replaced by a new building, planned for in any case by the School Board, west of the Poe Homes, with sufficient school playground, and serving both Poe Homes and the University project. Business and industry, now occupying buildings covering 128,520 square feet, are proposed to be abandoned. 79,930 square feet of land now densely covered, mostly with residential buildings and some streets, is proposed for open playground, and the area devoted to streets is proposed to be reduced from 448,080 square feet to 405,311 square feet in total.

The present arrangement of buildings is proposed to be entirely recast in a more open pattern, and the final result is that a total coverage for all uses of 41.7% of the whole area is reduced to a total coverage, exclusively for residence except for the playground building, of 20.1% of the whole area. The area actually covered by residential buildings only is decreased from 423,433 square feet to 279,360 square feet, but the total area of residential land both open and built upon is increased from 752,265 square feet to 907,555 square feet, thus decreasing the residential coverage from 56.29% to 30.8%.

Table 13 shows, arranged for comparison, the population density of the University project area in 1930, in 1940, as proposed in the plan now being discussed, and at maximum density as assumed for discussion and calculation of cost.

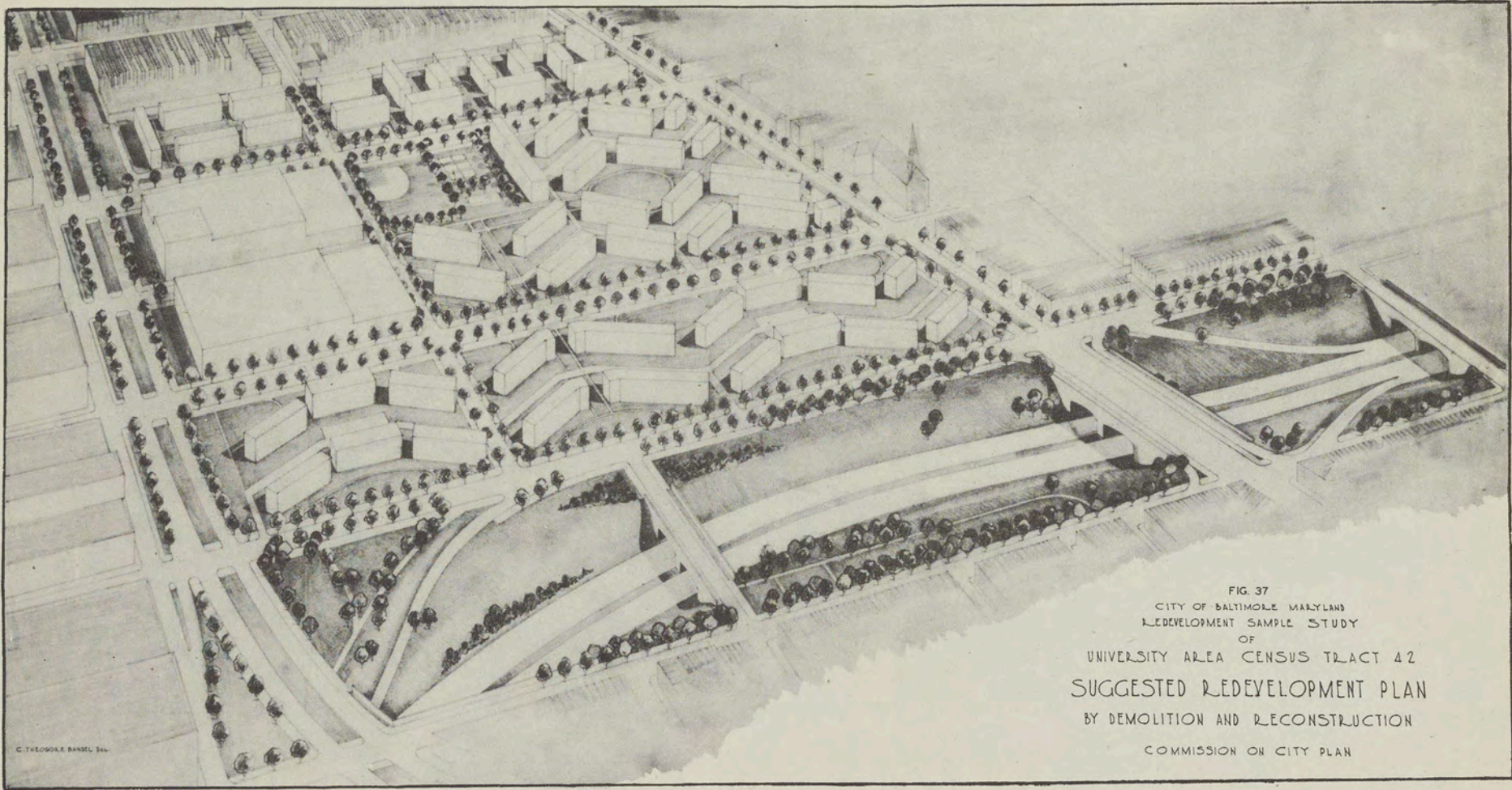
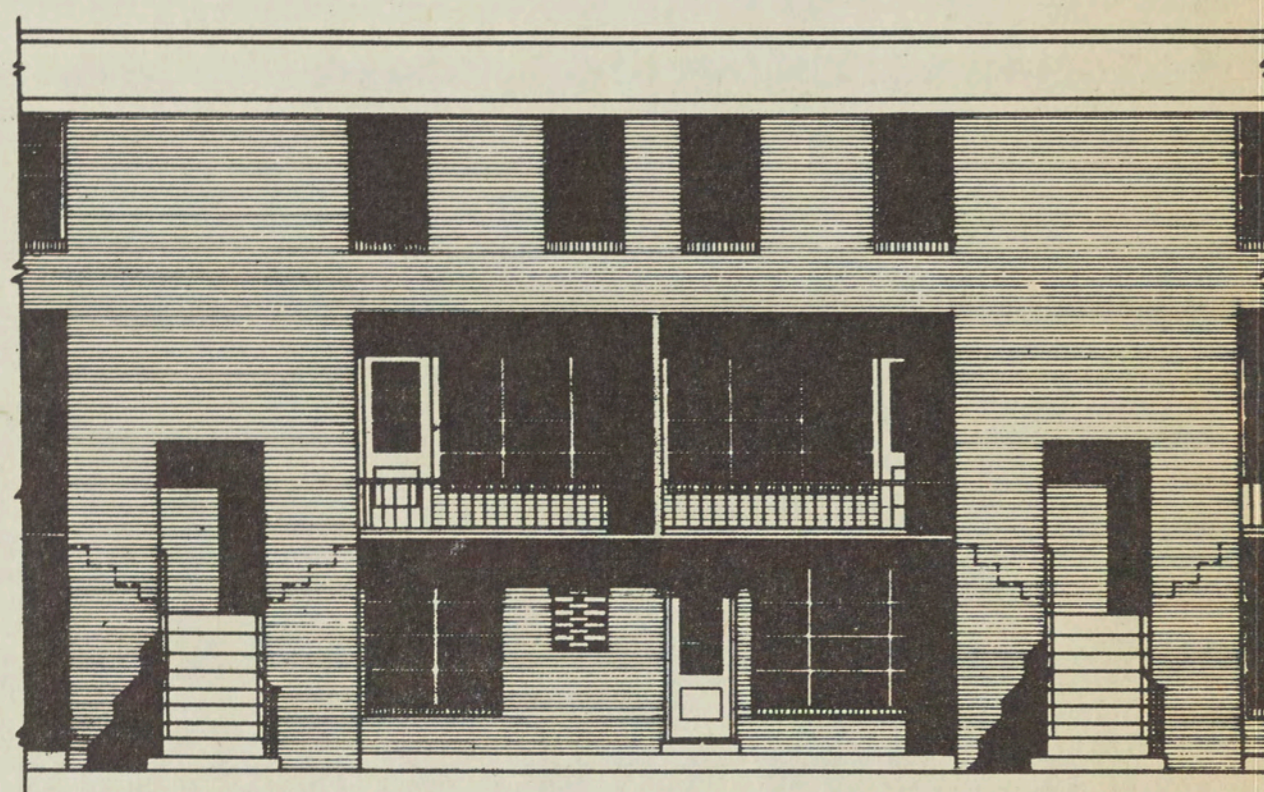
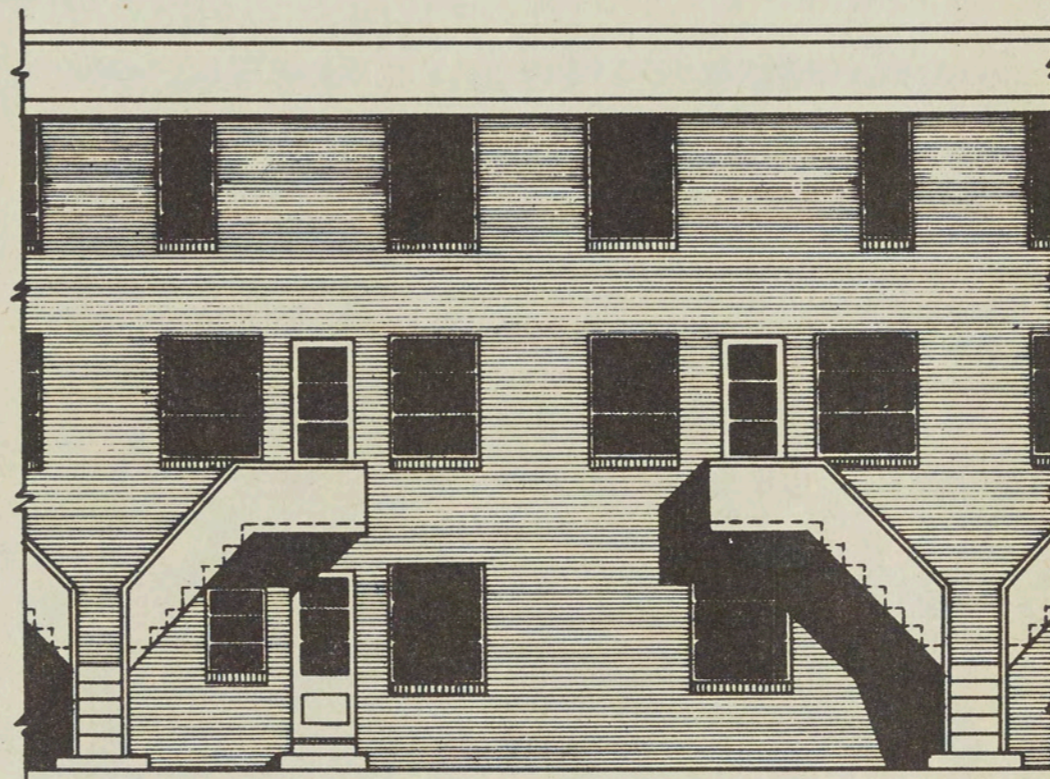


FIG. 37
CITY OF BALTIMORE, MARYLAND
REDEVELOPMENT SAMPLE STUDY
OF
UNIVERSITY AREA CENSUS TRACT 42
SUGGESTED REDEVELOPMENT PLAN
BY DEMOLITION AND RECONSTRUCTION
COMMISSION ON CITY PLAN

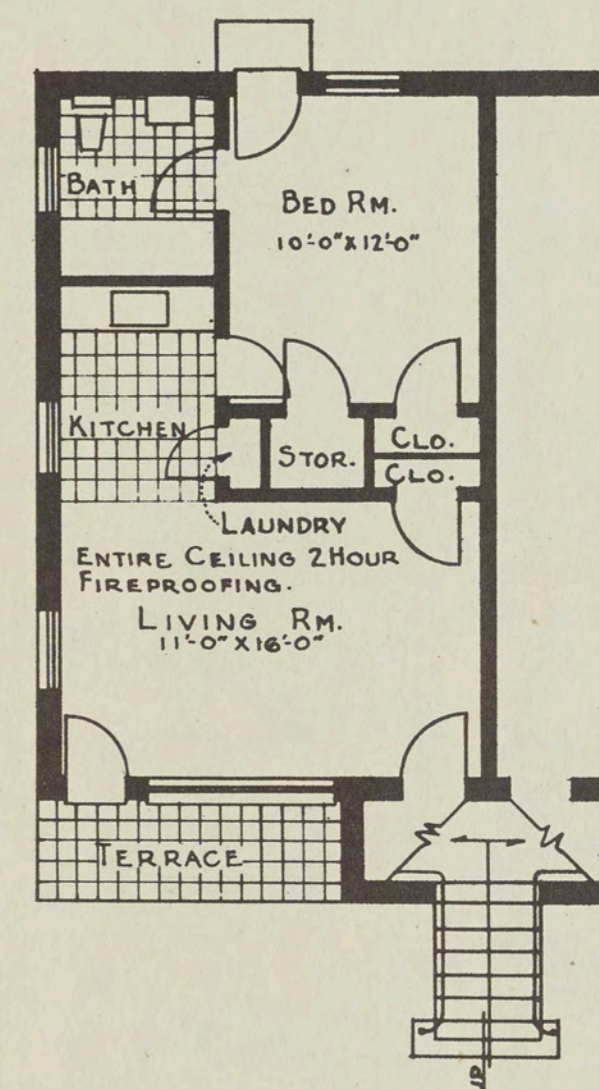
C. THEODORE BARNES, INC.



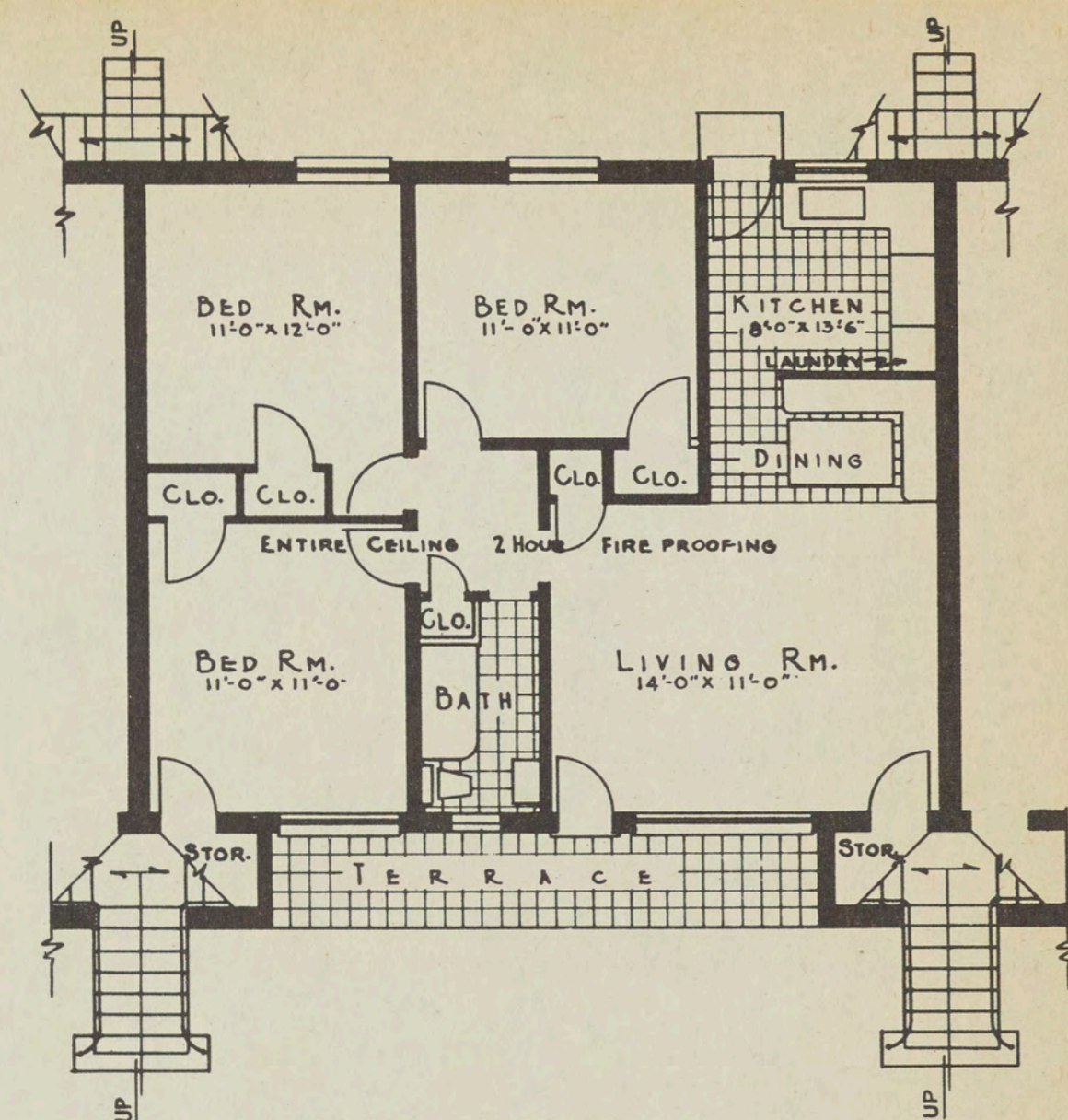
FRONT ELEVATION



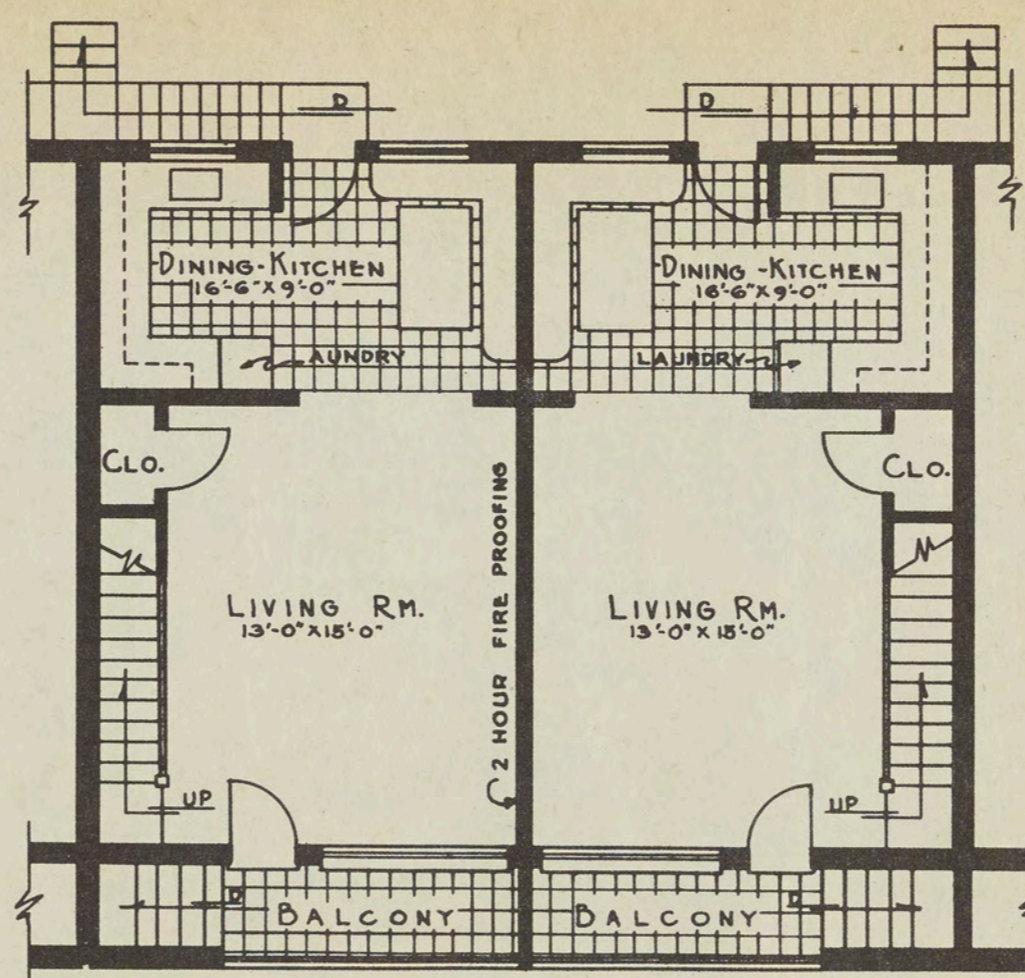
REAR ELEVATION



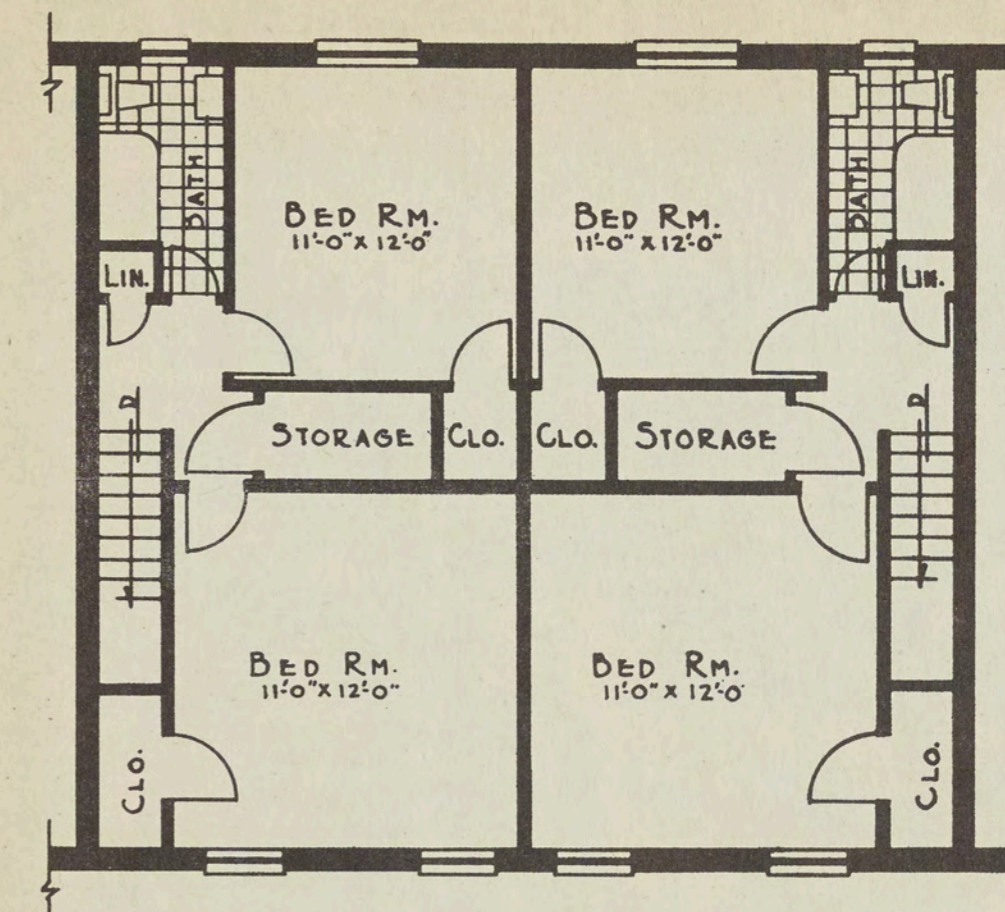
FIRST FLOOR PLAN
TYPICAL 1-BED ROOM UNIT



FIRST FLOOR PLAN
TYPICAL 3-BED ROOM UNIT



SECOND FLOOR PLAN
TYPICAL 2-BED ROOM UNIT



THIRD FLOOR PLAN

FIG.38
CITY OF BALTIMORE MARYLAND
REDEVELOPMENT SAMPLE STUDY
OF
UNIVERSITY AREA
CENSUS TRACT 4-2
TYPICAL FLOOR PLANS AND ELEVATIONS
FOR
SUGGESTED REDEVELOPMENT PLAN
COMMISSION ON CITY PLAN

SCALE IN FEET
0 5 10

TABLE 12

REHABILITATION STUDIES

COVERAGE, EXISTING AND PROPOSED, IN THE UNIVERSITY PROJECT AREA, BALTIMORE, MD.

NOTE Figures in Square Feet Unless Otherwise Noted		BUSINESS & INDUSTRY 1	RESIDENCE INCL. TAX FORECLOSURES 2	NET TAXABLE AREA (1 & 2) 3	POLICE RELIGIOUS & CHARITABLE 4	SCHOOL 5	STREETS 6	RECREA- TION 7	TOTAL AREA 8
EXISTING JULY 1944	BUILDING	128,520	423,433	551,953	7,518	16,431		9,088	
	ATTACHED LAND	15,524	304,839	320,363	3,583	18,211		2,664	
	VACANT LAND	0	23,993	23,993	0	0	448,080 Open Land		
	TOTAL AREA	144,044	752,265 17.27 Ac	896,309 20.58 Ac	11,101	34,642	448,080	11,752	1,401,884 32.18 Ac
	COVERAGE	89.22%	56.29%	61.58%	67.72%	47.43%		77.33%	41.7%
PROPOSED	BUILDING	0	279,360	279,360	0	0		9,088	
	ATTACHED LAND)	0	628,195	628,195	0	0		79,930	
	APPURTENANT) OPEN LAND						405,311 Open Land		
	TOTAL AREA	0	907,555 20.83 Ac	907,555 20.83 Ac	0	0	405,311	89,018	1,401,884 32.18 Ac
	COVERAGE	0	30.8%	30.8%	0	0		10.2%	20.1%

TABLE 13

REHABILITATION STUDIES
POPULATION DENSITY OF THE UNIVERSITY PROJECT AREA - BALTIMORE, MD.

	POPULATION		DWELLING UNITS	POPULATION PER ACRE				GROSS AREA	NET RESID. AREA
	PERSONS	FAMILIES		PERSONS	FAMILIES	PERSONS	FAMILIES			ACRES	ACRES
1930	*3,384	910	910	105.1	28.2	195.9	52.7	32.18	17.27
1940	**3,453	929	929	107.3	28.8	199.9	53.7	"	17.27
PROPOSED	#3,744	936	936	116.3	29.0	179.5	44.8	"	20.83
MAX.DENSITY DISCUSSED	4,183	1,046	1,046	130.0	32.5	200.6	50.1	"	"

* U.S.C. 1930 = 2% less than U.S.C. 1940

** Source - U.S.C. 40

Estimate 4.0 persons per family

Financial Considerations—The Plan as a “Slum-Clearance” Project

Table 14 presents in compact form what might be considered a part of the financial statement of the Redevelopment Corporation. It contains, set up in such a way that it can be related to the other tables and plans picturing the present state of the area, an estimate of the capital costs of acquiring the real estate and developing it in accordance with the proposed plans. This works out at \$5,643,084 for 936 dwelling units and 3,846 rooms (not counting the bathroom as a room) (see Table 16) or an average of about \$6,029 per dwelling unit and \$1,467 per room, covering all costs up to the time of opening the buildings and land for occupancy.

Table 15 gives an explanation of certain figures of annual expense and of maintenance and management and real estate taxes, and Table 16 gives a summary of the annual income, totalling \$483,828, on the basis of rents of \$129.23 per head per year. Table 17 is an estimated annual operating statement and Appendix H a further breakdown of operating expenses.

Table 17 then takes the above information, and arranges as much of it as pertains to the financing of borrowed money and the payment of taxes in a way largely similar to a summary of the items which would be submitted to the F.H.A. by a developer seeking the insurance of a loan. There are added, however, since we are endeavoring to present the whole financial picture of the developer, the figures pertaining to the capital stock, and its dividends and final retirement. F.H.A. mortgage insurance, premiums, etc., are included in the tables since it is assumed that the typical financing would be through the F.H.A. This does not mean that this project as it stands would be eligible for F.H.A. mortgage insurance. If the financing were to be without F.H.A. mortgage insurance all F.H.A. charges would be omitted but there would be changes in interest rates, percentages and terms which might be less favorable.

As one way of showing the financing of this stock, the figures provide for annual payments of \$54,985 at 2½% compound interest (which two items together amount to an average annual sum of \$80,101) into a sinking fund to retire the stock, to be added for that purpose to the capital assets represented by land and depreciated buildings when amortized after 27 7/12 years. But there must be also a dividend of, say, 6% on this stock, if any private capital is to be interested in it. This dividend would be \$132,565 per year, making a total expectancy of \$212,666. Toward this there is only left \$34,202 plus capital assets of \$90,043, which shows an insufficiency of \$88,421 which has to be made up in some way by a subsidy. Here arises one of many troubles concerned with income taxes. If the payments into the sinking fund are made by the developer they

will presumably all come out of taxable income. In so far, then, as this requirement of \$88,421 is considered to be an addition to the income already taxed, it may be itself still taxable. It would appear possible, therefore, that under present laws and rates a subsidy to increase income must be 1 2/3 times as great as the needed increase of income if it is to serve its purpose. In this case the further subsidy would have to be about \$147,368 and its tax \$58,947 to leave a usable sum of \$88,421. This complication would blind our figures of comparison. It is expected that Federal corporate income taxes will in any case be much reduced, but in any case it is quite reasonable that there should be no income taxes on a subsidy for a public-purpose project which produces a limited dividend. We, therefore, in our calculations do not treat subsidies to the projects earning only 6% as taxable income.

The total taxes, then, City, State, and Federal, would be \$88,504. And the project would be receiving two subsidies, one from the City and State, through “frozen” real estate taxes (see Appendix I) of \$44,926, and the other in some way not here specified, presumably from Federal sources, of \$88,421, making a total subsidy of \$133,347.

It seems probable that if the developer were relieved of all taxes and were assured of an income, even though small, he might sell his stock for small enough dividend expectation to produce and manage the required housing as a solvent and continuing business without further subsidy.

It becomes evident that the greatest difficulties in the redevelopment problem are matters of out-moded laws and labor procedure in construction, of misfit financing methods, and especially of paralyzing taxation, rather than of unskillful construction or maintenance. This will be further discussed.

Summary of Alternative Calculations Based on Maximum Density of Occupancy

The calculations just considered are based on Fig. 24 which calls for a population density of 116.35 per gross acre. This is not quite the maximum consistent with decent living under the circumstances. A somewhat greater density of population, though not more desirable in itself, is worth considering here, since there is a special reason for it, namely the possible rehousing of people dispossessed from the path of the Freeway to the north of the University project (see page 24). Assuming that this population is of the same density as that now within the project, and calculating the number of persons who would live in one half the width of the Freeway for the length of its abuttal on the project, we find a total of 1,300 people. Adding this number to the present population of the University area we have 5,044 people, who would produce a density of 157 people per gross acre if they all lived in the project.

TABLE 14

**REHABILITATION STUDIES
COST OF REDEVELOPMENT TO REDEVELOPMENT CORPORATION
FOR THE UNIVERSITY PROJECT AREA - BALTIMORE, MD.
JANUARY, 1945**

A. COST OF LAND AND BUILDINGS BOUGHT					
	1	2	3	4	5
OWNED BY CITY	AREA Sq.Ft.	TAX ASSESSED VALUE		ESTIMATED PRICE TO DEVELOPMENT CORPORATION	
		LAND	BUILDINGS	LAND	BUILDINGS
STREETS, NET AREA Sold By City At 25¢ Pr.Sq.Ft.	170,590	0	0	42,647	0
Schools	34,642	\$ 15,430	\$ 38,950	\$ 23,145	\$ 58,425
TAX FORECLOSED Land With Bldgs. Vacant Land	6,609 13,215	7,335	2,310	11,003	3,465
OWNED BY INDIVIDUALS					
BUSINESS AND INDUSTRY Land With Occupied Bldgs. Land With Vacant Bldgs. Vacant Land	139,171 4,873 0	156,357	177,651	234,536	266,476
RESIDENCE Land With Occupied Bldgs. Land With Vacant Bldgs. Vacant Land	721,663 0 10,778	506,003 4,970	553,349 0	759,004 7,455	830,024 0
OWNED BY RELIGIOUS AND CHARITABLE BODIES	2,517	15,690	17,050	23,535	25,575
TOTALS	1,104,058	\$705,785	\$789,310	\$1,101,325	\$1,183,965

COL. 4 + 5 (INCLUDING REALTOR AND LAWYER'S FEES)	TOTAL - - - -	\$2,285,290
Cost Per Sq.Ft. Land With Old Bldgs. \$2.07		
Additional Playground 53,458 Sq. Ft. To Be Bought By City	\$110,658	
Widening Of Fremont Ave. 33,661 Sq. Ft.	69,678	
To Be Acquired By City At \$2.07 Per Sq. Ft.		<u>-180,336</u>
A. COST OF SITE TO DEVELOPER		
Land \$1,014,206 And Old Buildings \$1,090,748	TOTAL	\$2,104,954
B. COST OF BUILDINGS CONSTRUCTED (8,660,160 Cu.Ft.) AND DEVELOPER'S LAND IMPROVEMENT (628,195 Sq.Ft.) (INCLUDING PROFESSIONAL FEES)	TOTAL	<u>3,277,870</u>
C. SUBTOTAL OF A + B = COST OF LAND AND BLDGS.		\$5,382,824
D. CARRYING CHARGES; FINANCING; ORGANIZATION:		
TAXES On Land Before And During Construction At Present Rate		
\$639,923 At \$3.01 Per \$100 For 1 Yr. -	\$ 19,262	
INSURANCE (Fire, Windstorm, Liability, Etc. During Construction) -	3,089	
INTEREST On A.		
\$2,104,954 At 4% For 1 Yr. -	84,198	
CONSTRUCTION LOAN		
B. \$3,277,870 At 4% For Advances During 1 Yr. (Pro-rated) -	65,557	
Examination Fee, Mortgage Insurance, Financing, Title and Recording, Legal and Organization Expenses -	<u>88,154</u>	<u>260,260</u>
TOTAL CAPITAL COSTS		\$5,643,084

TABLE 15

REHABILITATION STUDIES
EXPLANATION OF CERTAIN ANNUAL COSTS TO
REDEVELOPMENT CORPORATION FOR THE UNIVERSITY PROJECT AREA - BALTIMORE, MD.
January, 1945

A. FINANCING OF MORTGAGE		
First Mortgage (80% Of Land And Replacement Cost For 27 Years, 7 Months Term)		
\$4,292,076 x 80% = \$3,433,661 (Mortgage Amount)		
To Amortize And Cover Interest = \$5.00 Per \$1,000 Per Month		
Annual Cost \$3,433.661 x 5 x 12)	-	\$206,020
Mortgage Insurance Premium (Average Per Annum)	-	10,270
B. FINANCING STOCK		
Required Expectation Of Dividends		
Equity = \$5,643,084 - \$3,433,661 = \$2,209,423		
Yearly Dividends On \$2,209,423 At 6%	-	132,565
Payment To Retire Stock At End Of 27 Years, 7 Months	\$54,985	
Interest (Per Year Average) Earned On Payments To Retire Stock	<u>25,116</u>	- 80,101
C. MAINTENANCE AND MANAGEMENT		
Rooms 3,846 At \$37.66 Per Year	-	144,832
(See Estimates Of Maintenance and Management, Appendix H)		
D. TAXES ON REAL ESTATE		
Frozen As Equalling Present City and State Assessment		
For The Area \$1,355,531 At \$3.01 Per Hundred	-	40,801
(For Other Corporate Taxes See Table 17)		
E. DEPRECIATION		
Value Of Buildings \$3,277,870 Depreciated At 2% Per Year	-	65,561

TABLE 16

REHABILITATION STUDIES
ANNUAL INCOME TO REDEVELOPMENT CORPORATION FOR THE UNIVERSITY PROJECT AREA - BALTIMORE, MD.
January, 1945

NEW DWELLING UNITS		
126 - Living Room, 1 Bedroom, Kitchen & Bath At \$38.50 Per Month	-	\$ 4,851
582 - Living Room, 2 Bedrooms, Kitchen & Bath At \$45.00 Per Month	-	26,190
228 - Living Room, 3 Bedrooms, Kitchen & Bath At \$50.00 Per Month	-	<u>11,400</u>
<u>936</u>		
Total Monthly Rent Value	-	\$ 42,441
Less 5% Vacant	-	2,122
Total Monthly Rent (Including Services)	-	\$ 40,319
		<u>x 12</u>
ANNUAL INCOME FROM RENTS	-	\$483,828
CAPITAL ASSETS (After 27 Years, 7 Months)		
Value Of Buildings (Depreciated 2% Per Year)	\$1,469,469	
Value Of Land (First Cost Of Bare Land To Developer)	1,014,206	
Value Of Property	<u>\$2,483,675</u>	
CAPITAL ASSETS (Per Year, Average)		
Value Of Buildings After 27 Years, 7 Months	\$53,274	
Value Of Land After 27 Years, 7 Months	<u>36,769</u>	
Value Of Property After 27 Years, 7 Months		\$ 90,043

TABLE 17

UNIVERSITY PROJECT, ALTERNATIVE 1
ESTIMATED ANNUAL OPERATING STATEMENT

INCOME			
From Dwelling Units At 100% Occupancy		\$509,292	
Gross Income Expectancy. 95% Occupancy			\$483,828
OPERATING EXPENSES & LOCAL TAXES			
Maintenance And Management		\$144,832	
Taxes, Local, Excluding Franchise And State And Federal Income Taxes		<u>40,801</u>	<u>185,633</u>
Net Income After Local Taxes			\$298,195
ANNUAL FIXED CHARGES			
Mortgage Insurance (Average Per Annum)		\$ 10,270	
Amortization Of Loan (Including Interest)		<u>206,020</u>	
Total Debt Service Requirements			216,290
Cash Available For Further Taxes, Dividends And Surplus			\$ 81,905
CAPITAL STOCK, FRANCHISE AND INCOME TAXES			
Gross Income Expectancy			\$483,828
Less: Depreciation (Maximum Allowed - 2½%)	\$81,947		
Maintenance And Management	144,832		
Real Estate And Other Taxes	40,801		
Interest (Average Per Annum On Mortgage)	81,540		
F.H.A. Insurance (Average Per Annum)	10,270		
Financing, Pro-rated Annually	<u>9,435</u>	<u>368,825</u>	
Taxable Income			\$115,003
Federal Capital Stock Tax	\$ 1,438		
Franchise Tax	180		
State Income Tax	1,150		
Federal Income Tax	<u>44,935</u>		
Total Corporate Taxes			<u>47,703</u>
Cash Available For Dividends And Surplus			\$ 34,202
CAPITAL ASSETS (Per Year, Average)			
Value Of Buildings After 27 Years, 7 Months		\$ 53,274	
Value Of Land After 27 Years, 7 Months		<u>36,769</u>	<u>90,043</u>
Total Available To Finance Stock			\$124,245
CAPITAL STOCK			
Dividends, 6% On \$2,209,423		\$132,565	
Annual Payment To Sinking Fund To Retire Stock In 27 Years, 7 Months (To Earn 2½% Compound Interest)	\$ 54,985		
Interest (Per Year Average) Earned On Payments To Sinking Fund	<u>25,116</u>	<u>80,101</u>	
Required Expectancy To Finance Stock			<u>212,666</u>
DEFICIENCY - NECESSARY SUBSIDY			\$ 88,421

This density is, we believe, too great for decent living under all the local circumstances. We know that greater existing densities are tolerated in parts of some of our cities, but it would be most wasteful of public funds in the long run to build new dwellings at such density. We choose, therefore, a density of 130 people per gross acre as a maximum figure. This gives a total population for the project area of 4,183 people, and might absorb 439 people from the abutting half-width of the Freeway or about 33.7% of its present population (see Table 13). It must be remembered here that the land for local schools and local playgrounds, being based on the requirements per head of the population, should be more as the population is greater, thus further increasing the congestion of the population per acre of the land still remaining for residence within the project boundary. The net density of population so arrived at would be about 200 per residential acre. This is about the density existing in this area in 1940. With all advantages of new design it is still too great to be allowed except in a few chosen areas, the density of which is counterbalanced by areas near-by of a much less density. We do not recommend it. We calculated it as a limiting case.

The costs of this procedure, set up for comparison with the costs of this project at the less density would be roughly as follows:

	Pop. 4183	Pop. 3744
A Cost of land and Bldgs. Bo't.	\$2,104,954	\$2,104,954
B Cost of Bldgs. Constructed	3,663,092	3,277,870
C = A + B = Cost of land and Bldgs. Constructed	5,768,046	5,382,824
D = Financing during Construction	276,654	260,260
TOTAL CAPITAL COST	\$6,044,700	\$5,643,084
Debt Service	235,702	216,290
Maintenance and Management	161,853	144,832
Real Estate Taxes, City and State (Frozen)	40,801	40,801
State and Federal Income Taxes....	56,501	47,703
Capital Stock Dividends and Retirement	221,660	212,666
TOTAL ANNUAL COST	\$ 716,517	\$ 662,292
RENT	540,688	483,828
DEFICIENCY	175,829	178,464
CAPITAL ASSETS EARNED ANNUALLY	96,309	90,043
ANNUAL DEFICIT = SUBSIDY ..	79,520	88,421
TAXES ABATED	54,116	44,926
TOTAL SUBSIDY	\$ 133,636	\$ 133,347

The congestion increases from 3,744 people to 4,183 people on the same area, an increase of 11.7%.

The capital cost per individual occupant decreases 4.1%. The annual cost to the developer per occupant decreases 2.89%, a lesser decrease primarily because, although no greater real estate taxes are paid by the developer due to the greater values created, the maintenance and management costs vary practically with the number of occupants.

The total subsidy per occupant granted by the community to the project, however, decreases 10.4%, this being not far from the reverse of the 11.7% increase in congestion.

This is on the assumption that the rents per head are the same for the more congested quarters as for those less congested.

The point is that on every item except the cost of the land and old buildings and the frozen real estate taxes the costs vary approximately with the number of tenants, and the saving by increased numbers, where it occurs, is only a small percent of the cost per head in any case.

Plainly there is a limit, not far from that which we set in our original calculation of the project, beyond which the concentration of population will cost the City more by upsetting the pattern of services and increasing their cost, and by producing less desirable conditions as to light, air and space, than can be made up merely by dividing the land cost among more inhabitants. This conclusion is even more valid in the case of very low rents.

In our calculations for the first alternative financing scheme for the University project (page 29), we have assumed that the project, considering its relations to the Freeway and other improvements, could be occupied by people paying a considerably bigger rent than the present inhabitants can afford.

We knew that the project with these rents would be in itself a more attractive financial venture than the same project with lower rents, but we knew also that the difference in income would not be a fair measure of the total difference to the community in cost and subsidy. The original tenants, evicted because they could not pay the higher rents, must be housed somewhere. Since they would scatter to many other locations, there is no accurate way of calculating the total of the deteriorating effect of their move on their new neighborhood and on themselves.

If, however, they were all decently housed in some one other place, or helped to decent housing by desirable personal subsidy—if such there be—the cost per head of this housing of those dispossessed by the “slum clearance” project would be a very large sum in addition to the cost of the “slum clearance” project, and only one set of tenants who need low cost housing would have been accommodated.

Annual Expense to the City from Present and Proposed Conditions

In all the above discussion it has been understood that the City is an active partner in the process of redevelopment. It cannot, if it would, divest itself of this responsibility. It must now aid in setting the blighted area back on its feet, and it must also in the future do better what it has always done after a fashion, namely, supply to the neighborhood all those facilities and ser-

vices which the total taxes of the City are supposed to pay for as furnished to the total City.

The subsidy costs and capital rehabilitation costs to the City of setting the neighborhood on its feet we have considered already in two alternative forms, and shall discuss in other aspects later. The current costs per year and the income per year to the City obviously depend on the character and condition of the neighborhood. It is not a proof that a neighborhood is undesirable, merely because the City's spendings in that neighborhood exceed the taxes collected (see page 48); but nevertheless it is a fact that the loss to the City increases as the neighborhood degenerates, and intelligent redevelopment can considerably offset its cost to the City by the ensuing annual savings in City services of various kinds.

Table 18 shows the income and outgo for the City in respect to the five sample study areas as they now exist, and for the two project areas, University and Broadway as they now exist. Further, it shows the figures of income and outgo for University and Broadway, as these items would be if these two areas were rehabilitated as proposed in this report. These figures are based on careful estimates made by most of the different city departments involved. It should be realized, however, that these allocations of costs, even for the existing conditions, can be only intelligent but often arbitrary estimates. They are, of course, in no way binding upon the Departments concerned.

The total costs for each item for the City are known. The allocation of its proper part of this total to any specific area can be made in three ways. In some cases it can be allotted by unit measurements, as so much per street light, or per square yard of pavement. In some cases it can be allotted as so much per person, as, for instance, the cost of schools or libraries. In most cases it is at least in part the cost of services to property, as for fire protection.

We have indicated, carefully but perforce arbitrarily, an allocation of each item between service to persons and service to property. When the item could be calculated by actual count or measurement it was so arrived at, and the total then allotted between person and property. When the item could be arrived at only by allocation of the city-wide figure, the proportions of personal and property service were first set up, and the two parts allocated one by population and the other by tax-assessed value.

A difficulty is unavoidable in considering the "fairness" of allocation of taxes assessed. The assessment is made not solely according to services rendered by the City, but in part at least according to ability to pay. This means that a rehabilitation project which does not increase taxable values does not show in these figures any profit or saving to the city except by such reduction as it may make in city costs. And often

the project would properly involve a **greater** expense by the city, in doing properly what the city had previously neglected or postponed.

Further, as discussed on page 33, the income and outgo **on the site** is by no means a full measure of the effects of a project which involves the migration of some of its inhabitants to other sites.

We believe that Table 18 is very useful but it pretends to be no more than a partial statement of the financial relation between the City and the Project.

The table, Appendix E, shows the money spent by City, State and Nation through the Department of Public Welfare in Baltimore. The totals for 1944 are: City, \$3,698,235.10; State, about \$2,033,656; Federal government, about \$1,445,900. Fig. 10 showing the locations of the greatest welfare expenditure shows that of the areas in which there were 40 or more welfare cases per thousand of the population all were in the blighted area.

The City's part of this expenditure within the University area may properly be added to its other expenditures in this area, and a future diminution of this sum may properly be estimated as one result of the project.

It should be noted that still our figures take no account of private charity, institutional and personal, which cannot be closely determined but must be considerable.

The foregoing set of tables and discussions and calculations of costs and benefits all relating to the University project attempt to show the present relation of profit and loss between the City and the project area (as far as this can be measured in dollars, which is by no means the whole story), and similarly the corresponding profit-and-loss relation between City and project if the project be carried out as proposed. These figures will not be repeated in so much detail for other projects or alternative procedures, but they are typical of all. They all would show what amounts to a subsidy **now being given** by the City to the project area. They all call for a subsidy from the City to the executed project, at first more, but ultimately, it is hoped and believed, much less. It appears that the City's choice lies only between an increasing subsidy to a spreading blight, and a diminishing subsidy to a spreading rehabilitation. Financially, the choice is plain in the long run. Socially, the choice is obvious beyond cavil.

We have spoken, for simplicity, of the City as the source of subsidy. Actually the State and the United States have large and unquestionable responsibilities in the City's blighted areas. All the detriments from a slum which we have pointed out are detriments to the State and to the Nation. The loss of taxes, the increasing drain from degeneration of property and of people,—fall on the Nation and the State just as truly

TABLE 18

**COMPARISON OF ANNUAL INCOME AND OUTGO
OF 5 SAMPLE STUDY AREAS AND 2 PROJECT AREAS**

	University Project Area Existing 4-2 Pop. 8,136 125 Acres	University Project Area Existing 25% of 4-2 Pop. 3,453 32 Acres	University Project Area Proposed 25% of 4-2 Pop. 3,744 32 Acres	Broadway Project Area Existing 7-4 Pop. 7,775 63 Acres	Broadway Project Area Proposed 7-4 Pop. 7,608 63 Acres	Waverly Area Existing 9-4 Pop. 3,457 84 Acres	Armory Area Existing 11-4 Pop. 6,462 104 Acres	Camden Area Existing 22-2 Pop. 6,313 116 Acres	5 Sample Areas Cols. A, D, F, G, H Existing Pop. 32,143 495 Acres
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
City Services									
<u>City Courts and Jail</u>	\$7,300	\$2,610	\$2,610	\$5,781	\$5,781	\$2,760	\$5,639	\$5,328	\$26,808
Service to Persons	5,258	2,237	2,237	5,034	5,034	2,237	4,195	4,083	20,807
Service to Property	2,042	373	373	747	747	523	1,444	1,245	6,001
<u>Debts & General Services</u>	125,593	22,974	38,290	45,948	52,075	32,164	88,834	76,581	369,120
Service to Persons	---	---	---	---	---	---	---	---	---
Service to Property	125,593	22,974	38,290	45,948	52,075	32,164	88,834	76,581	369,120
<u>Fire Department</u>	27,041	5,560	5,560	10,435	10,435	7,286	14,579	16,692	76,033
Service to Persons	560	264	264	549	549	225	456	450	2,240
Service to Property	26,481	5,296	5,296	9,886	9,886	7,061	14,123	16,242	73,793
<u>Health Department</u>	14,310	5,179	5,616	15,060	11,412	3,913	12,773	12,379	58,435
Service to Persons	14,310	5,179	5,616	15,060	11,412	3,913	12,773	12,379	58,435
Service to Property	---	---	---	---	---	---	---	---	---
<u>Library Service</u>	5,825	2,479	2,665	5,578	5,454	2,479	4,648	4,524	23,054
Service to Persons	5,825	2,479	2,665	5,578	5,454	2,479	4,648	4,524	23,054
Service to Property	---	---	---	---	---	---	---	---	---
<u>Miscellaneous</u>	35,547	6,692	10,956	13,469	15,148	9,236	25,214	21,805	105,271
Service to Persons	786	334	359	752	735	334	627	610	3,109
Service to Property	34,761	6,358	10,597	12,717	14,413	8,902	24,587	21,195	102,162
<u>Park Dept., Recreation & Public Baths</u>	14,127	6,011	5,960	13,526	12,197	6,011	11,271	10,971	55,906
Service to Persons	14,127	6,011	5,960	13,526	12,197	6,011	11,271	10,971	55,906
Service to Property	---	---	---	---	---	---	---	---	---
<u>Police Department</u>	124,865	32,000	32,000	16,950	16,950	4,710	38,135	74,960	259,620
Service to Persons	62,433	16,000	16,000	8,475	8,475	2,355	19,068	37,480	129,810
Service to Property	62,432	16,000	16,000	8,475	8,475	2,355	19,067	37,480	129,810
<u>Public Works, Dept. of</u>	43,621	19,076	20,142	28,308	27,240	17,630	45,074	37,518	172,151
Service to Persons	25,772	15,156	13,016	17,373	13,932	12,388	27,470	25,359	108,362
Service to Property	17,849	3,920	7,126	10,935	13,308	5,242	17,604	12,159	63,789
<u>School Department</u>	75,811	30,800	33,560	102,931	100,700	46,970	63,354	72,626	361,692
Service to Persons	75,811	* 30,800	33,560	102,931	100,700	46,970	63,354	72,626	361,692
Service to Property	---	---	---	---	---	---	---	---	---
<u>Welfare, Public</u>	256,034	106,966	56,984	130,748	115,794	59,555	115,236	142,822	704,395
Service to Persons	256,034	106,966	56,984	130,748	115,794	59,555	115,236	142,822	704,395
Service to Property	---	---	---	---	---	---	---	---	---
Total Annual Services Costs by City	\$736,074	\$240,347	\$214,343	\$388,734	\$373,186	\$192,714	\$424,757	\$476,206	\$2,212,485
Total Annual Income to City	314,965	53,759	52,522	129,305	119,586	82,505	227,757	200,229	957,761
Less Estimated Annual Savings in 2 Project Areas to City	\$415,109	\$186,588	\$161,821	\$259,429	\$253,600	\$110,209	\$197,000	\$275,977	\$1,254,724
		(B - C) -	\$ 24,767	(D - E) -	\$ 5,829				

Year 1944-1945

as upon the City. The City should be the executive, as far as possible, but the State and the Nation should be the City's active backers.

THE BROADWAY PROJECT

Plans and Tables Recording Existing Conditions in the Project Area

Since the corresponding information for the University project has been discussed at some length, we will here rely almost entirely on the plans.

Fig. 39 shows the existing streets and buildings, a heavy load of structures on the land, but suffering not so much from lack of total open space as from having the open space badly arranged.

Fig. 40 shows the land uses, mostly residential in the central portion, industry in the northeast corner, a tangle of conflicting uses in the western part. It shows the location of business under residence, discussed in relation to Table 21.

Fig. 41 shows the tax-assessed values in 1944 and the trends of value from 1936 to 1944. With one exception of a gain of a fraction of 1%, every block shows a loss.

In 1945 the assessed values have been raised, as shown in Appendix G, which reverses the trend in some cases. This increase recognizes the present scarcity value of even such accommodations as are here offered. We believe, however, that after World War II the values shown on Fig. 41 will be again nearer the facts for the residential property at least.

Fig. 42 shows the conditions in a typical block of the project area. The projections on the rear of the buildings when constructed with the houses at the beginning, a whole row at a time, are bad enough in restricting light and air, but when added afterward or built singly, house by house, they are even worse. Wheeled access to the rears of the buildings is in every case awkward, and in some places practically impossible.

Table 19 shows in detail for each block the number of dwelling units "substandard" by the test of needing major repairs and/or having no private bath. It shows also the number of mortgaged owner-occupied dwelling units, and the average monthly rent per dwelling unit for each block. These last two characteristics are not of themselves a test of blight, but taken with the other elements they are significant. The rents are low, compared with the city at large, but set against the sanitary and maintenance deficiencies they are high.

The following tabulation of a field check shows the racial proportions and the rent paying abilities of the present population.

Total white population	651
Total colored population	4,265
Number of white D. U.'s rented	161

Number of colored D. U.'s rented	843
Total monthly rent paid by white	\$ 4,769.26
Total monthly rent paid by colored	\$20,808.64
Average monthly rent paid by white ..	\$29.62
Average monthly rent paid by colored ..	\$24.68

The project area is reasonably typical of its immediate surroundings. There are no particular near-by elements, present or proposed, which would suggest any radical change in the use of the area beyond housing decently the class of people who now live there.

Proposed Plan for Redevelopment.

Fig. 43 shows a suggested scheme for redevelopment. Here the first decision, between reconditioning and reconstruction, swung to at least partial reconditioning and not to practically total reconstruction as in the University project. The second decision was that, as in the University project, it was best to provide for the most part for colored occupancy of the area, as at present. If, however, there is a tendency to white occupancy of any block, the design of self-contained blocks with pleasant open courts would tend to make this use by two classes more practicable than in the present densely crowded and intermingled housing. There is nothing in the proposed plan to compel the development to be used totally by any one class of people.

The endeavor to save as many as possible of the present structures has operated to freeze the present street pattern, but a good many of the present unnecessary narrow streets have become block-interior access alleys in the proposed plan. The worst buildings are now on the narrower streets. Removing these completely in many cases would in effect turn two congested blocks into one amply open block. The loss of housing capacity caused by these demolitions we recover in large part by reconstructing the corners of the blocks to a greater height, and by improvements in the existing buildings.

A school playground is provided adjacent on the south to the present school on Chase Street. The school facilities—present and proposed—are sufficient. The playground is meager, but a great improvement on the present situation.

The coal yard in the north-east corner of the property is allowed to remain.

The small businesses now scattered among the dwellings are removed, but business is concentrated on Gay Street, particularly in the two triangular blocks redesigned for this purpose.

The concentrated business area which takes the place of an undesirable mixture of areas is proposed as a general improvement, being one good form of "slum clearance" where it is appropriate, as here. We do not, however, calculate the costs of of the development of this business area. We merely credit the housing part of the project with the cost of purchasing the business area, on the

TABLE 19
BROADWAY AREA

CHARACTERISTICS OF HOUSING BY BLOCKS (ENUMERATION DISTRICTS)

Block	Total Structures	D.U. Number Reporting	ALL DWELLING UNITS BY STATE OF REPAIR AND PLUMBING EQUIPMENT			OWNER-OCCUPIED UNITS BY MORTGAGE STATUS		ALL DWELLING UNITS BY CONTRACT OR ESTIMATED RENT	
			Needing Repair or Private Bath	No Needing Repair	No Private Bath	Number Reporting	Mortgaged	Number Reporting	Average Monthly Rent (Dollars)
1	47	49	17	1	16	17	4	49	19.57
2	61	74	21	3	20	31	5	75	19.52
3	59	73	43	26	38	16	4	73	17.74
4	56	69	56	47	47	9	2	69	17.64
5	66	70	33	10	33	2	1	72	20.90
6	67	85	38	1	38	11	6	86	19.88
7	56	68	46	---	46	11	7	68	21.90
8	58	90	26	---	26	17	7	90	26.98
9	3	5	---	---	---	2	1	5	34.00
10	88	114	55	27	54	23	6	117	21.39
11	38	49	26	12	22	8	1	50	17.52
12	38	64	57	45	45	4	3	65	16.83
13	41	56	32	23	24	11	2	57	21.25
14	14	19	13	5	8	---	---	19	20.84
15	37	43	17	---	17	4	3	43	23.98
16	64	66	40	---	40	4	1	66	25.97
17	54	55	35	---	35	6	2	55	20.02
18	69	75	50	14	45	10	1	79	18.70
19	62	92	59	23	54	11	2	92	18.64
20	21	26	5	1	4	5	2	30	28.90
21	34	62	42	5	41	12	1	72	24.14
22	34	39	17	---	17	1	1	39	21.54
23	36	55	45	17	41	---	---	56	15.73
24	37	56	41	21	31	7	1	56	16.84
25	64	76	48	---	48	15	10	76	18.92
26	66	74	58	---	58	10	6	74	20.03
27	64	64	50	37	45	21	11	64	20.20
28	69	75	43	29	39	29	11	75	19.37
29	74	76	15	7	11	44	16	77	22.43
30	72	78	30	5	27	25	12	78	20.82

NR*

1

* = Detailed data not shown for blocks containing fewer than 3 dwelling units, nor for dwelling units not allocated by blocks (designated by NR)

Source - U.S.C. - 1940

TABLE 20

REDEVELOPMENT SAMPLE STUDY - BROADWAY AREA 7-4

CHARACTERISTICS OF HOUSING

	<u>1940 U.S.C.</u>	<u>Proposed</u>
Total Structures	1550	1081
Total Dwelling Units	1932	1902
Owner Occupied	384	383
Tenant Occupied	1513	1519
Vacant	35	

BREAKDOWN

Structures

Total Present Structures	1548	
Structures Demolished	<u>467</u>	
Total Proposed Structures		1081
Structures Reconditioned	383	
Structures Remodeled	<u>698</u>	
Total Proposed Structures		1081

Dwelling Units

Apartments	1519 D.U.	(79.8%)	
Single Family Structures	383 D.U.	(20.2%)	
Total Proposed Dwelling Units			1902

Tabulation of Rooms

<u>Dwelling Units</u>	<u>No. Rooms per D.U.</u>		
513 - 1 Bedroom (26.9%)	2 $\frac{1}{2}$	=	1282 $\frac{1}{2}$ Rooms
1225 - 2 Bedrooms (64.4%)	3 $\frac{3}{8}$	=	4287 $\frac{3}{8}$ "
151 - 3 Bedrooms (7.9%)	4 $\frac{3}{8}$	=	697 $\frac{3}{8}$ "
13 - 4 Bedrooms (0.8%)	5 $\frac{3}{8}$	=	71 $\frac{3}{8}$ "
1902 (100.0%)		=	6321 Rooms

Total Proposed Rooms 6321

Density

Total Families per Gross Acre	30.1
Total Families per Net Acre	50.8

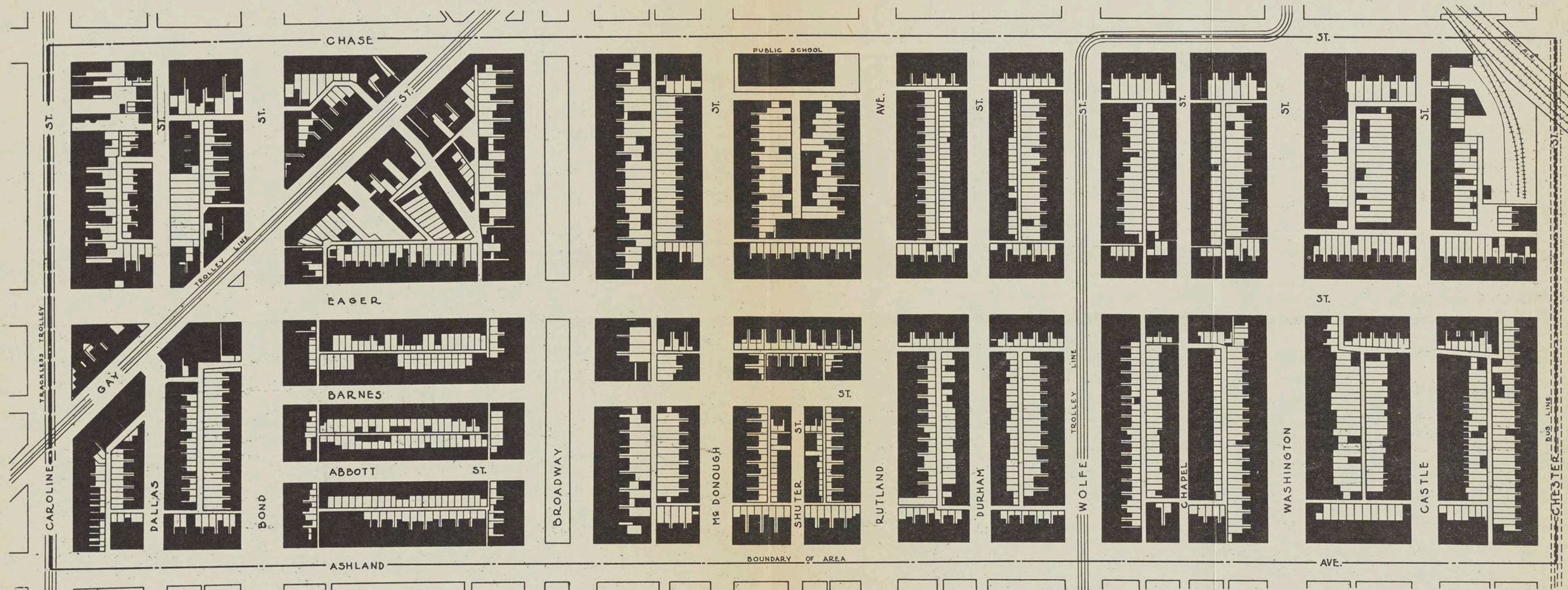
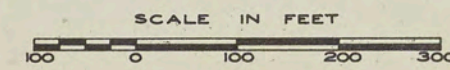
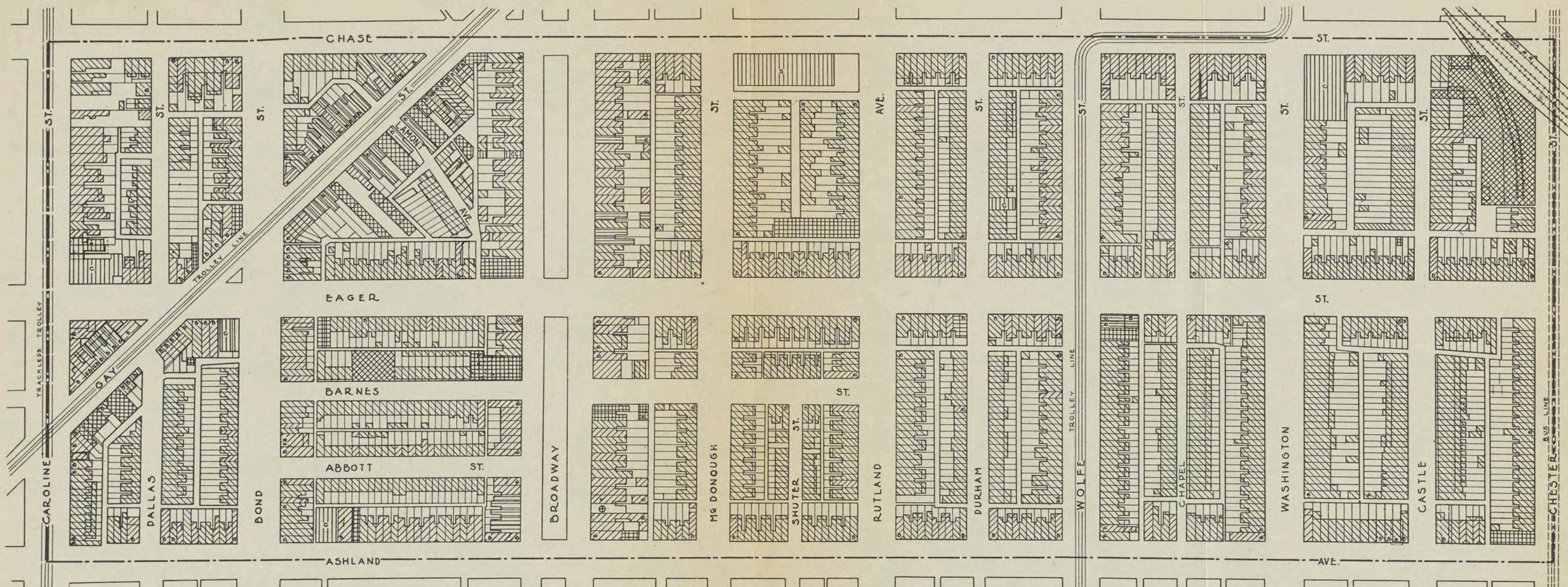


FIG. 39
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 BROADWAY AREA
 CENSUS TRACT 7-4
 EXISTING STREETS
 AND BUILDINGS
 COMMISSION ON CITY PLAN



OCT. 1944

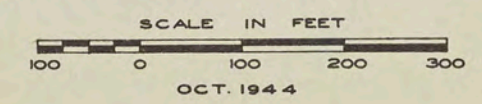
SOURCE C.C.P.



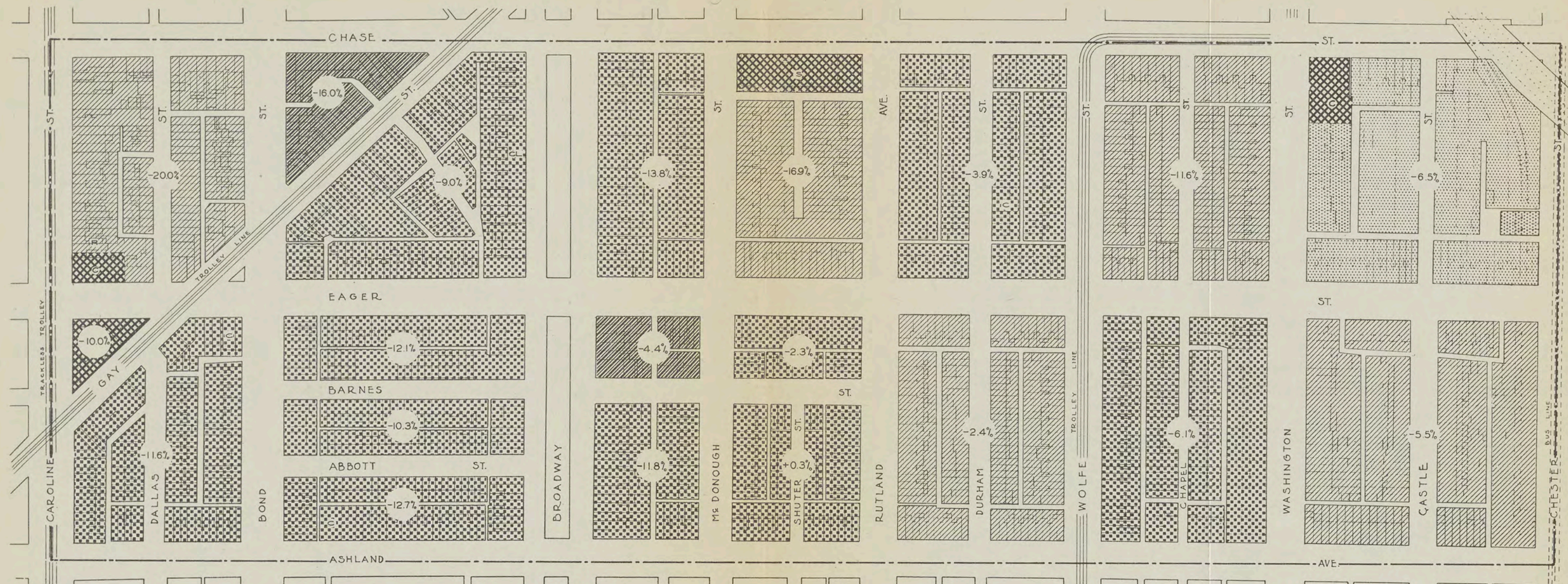
LEGEND

- | | |
|---|---|
|  VACANT LAND |  ROOMING HOUSES |
|  VACANT BUILDINGS |  BUSINESS |
|  PUBLIC RELIGIOUS & CHARITABLE | B-BUSINESS UNDER RESIDENCE |
| C- CHURCH R- RECTORY | VB- VACANT BUSINESS UNDER RESIDENCE |
| S- SCHOOL CL- CLINIC |  INDUSTRY |
|  SINGLE FAMILIES | ⊕ CONDEMNED BUILDINGS |
|  APARTMENTS | --- BOUNDARY OF AREA |

FIG. 40
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 BROADWAY AREA
 CENSUS TRACT 7-4
LAND USE
AS OF SEPT. 1944
 COMMISSION ON CITY PLAN



SOURCE C.C.P.



LEGEND

- | | | | |
|-------|---------------------------------------|-----------|------------------|
| | \$ 1.00 - 1.50 | | \$ 2.50 - 3.00 |
| | \$ 1.50 - 2.00 | | \$ 3.00 - 8.00 |
| | \$ 2.00 - 2.50 | C CHURCH | } TAX EXEMPT |
| -0.7% | TRENDS BY PERCENTAGE FROM 1936 - 1944 | S SCHOOL | |
| | | CL CLINIC | |
| | | R RECTORY | |
| | | --- | BOUNDARY OF AREA |

AVERAGE VALUES OF LAND AND BUILDINGS PER SQUARE FOOT

TAX EXEMPT PROPERTIES NOT INCLUDED IN TREND PERCENTAGES

SOURCE C.C.P. & B.A.

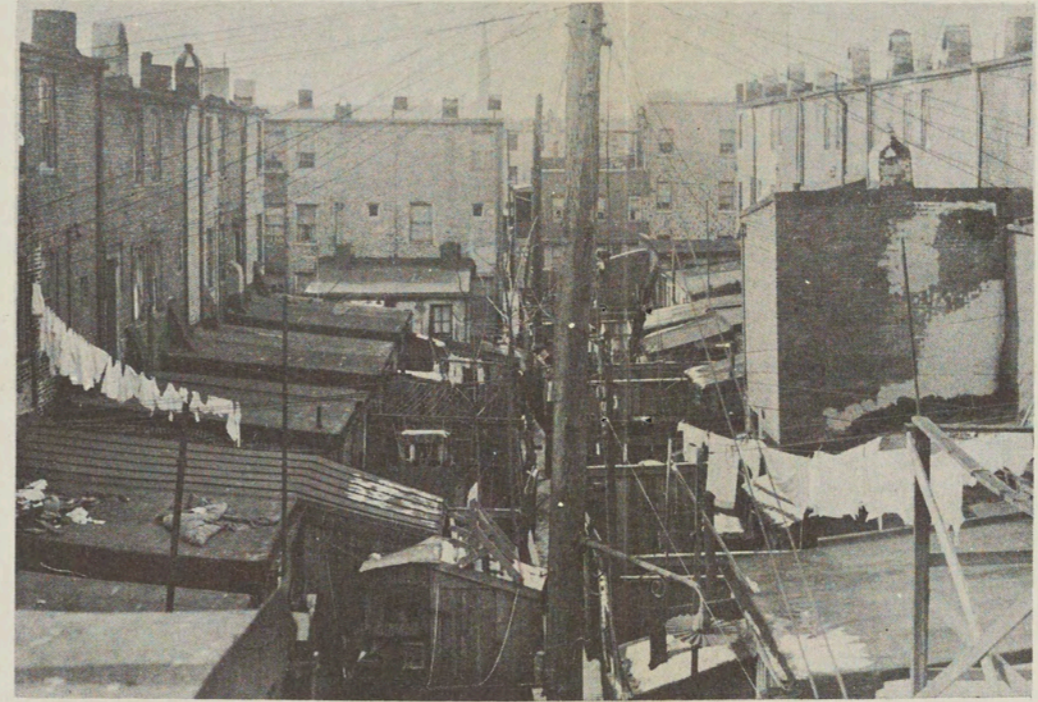


FIG. 41
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 BROADWAY AREA
 CENSUS TRACT 7-4

**ASSESSED VALUES
 1944**

COMMISSION ON CITY PLAN



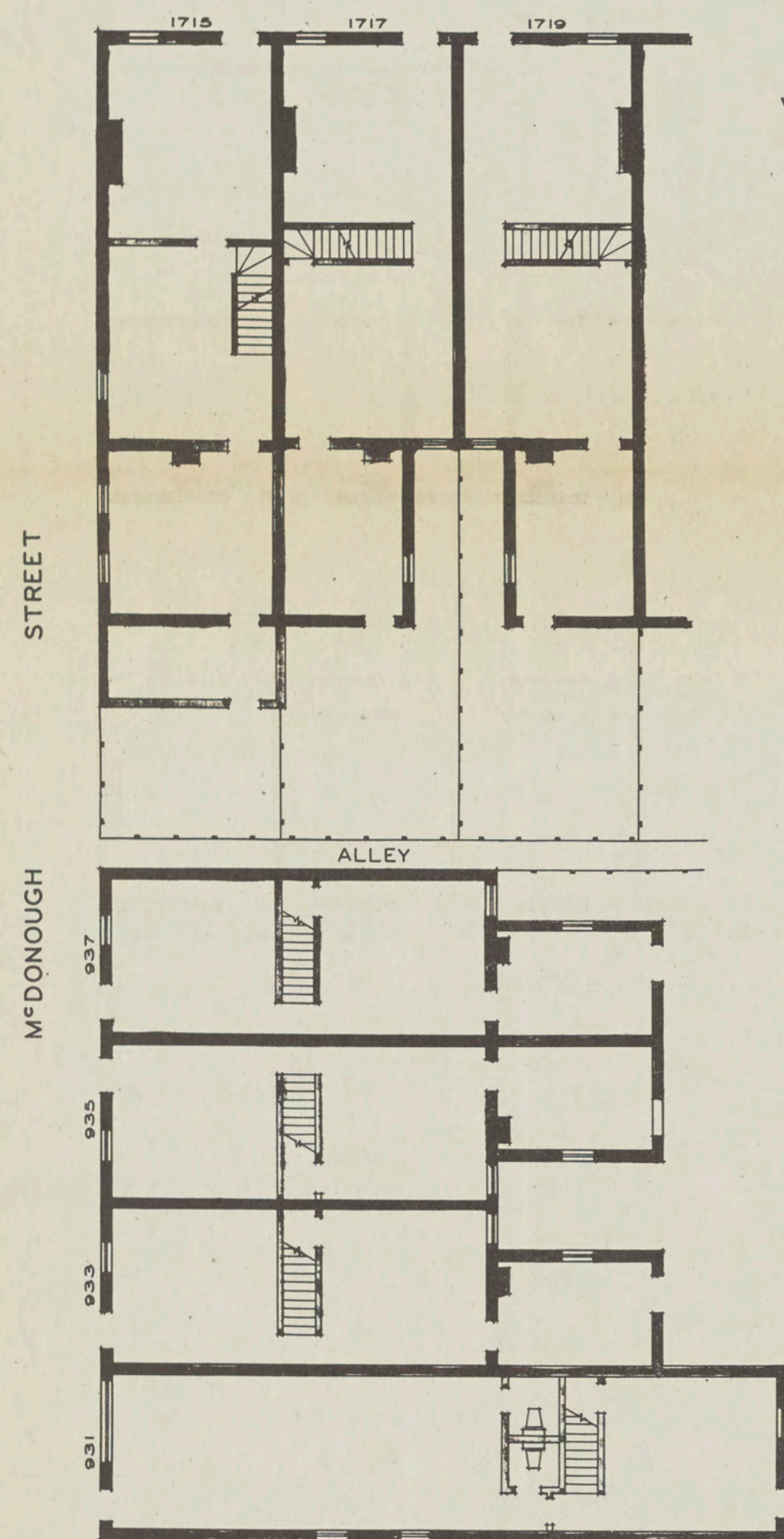


E. EAGER STREET

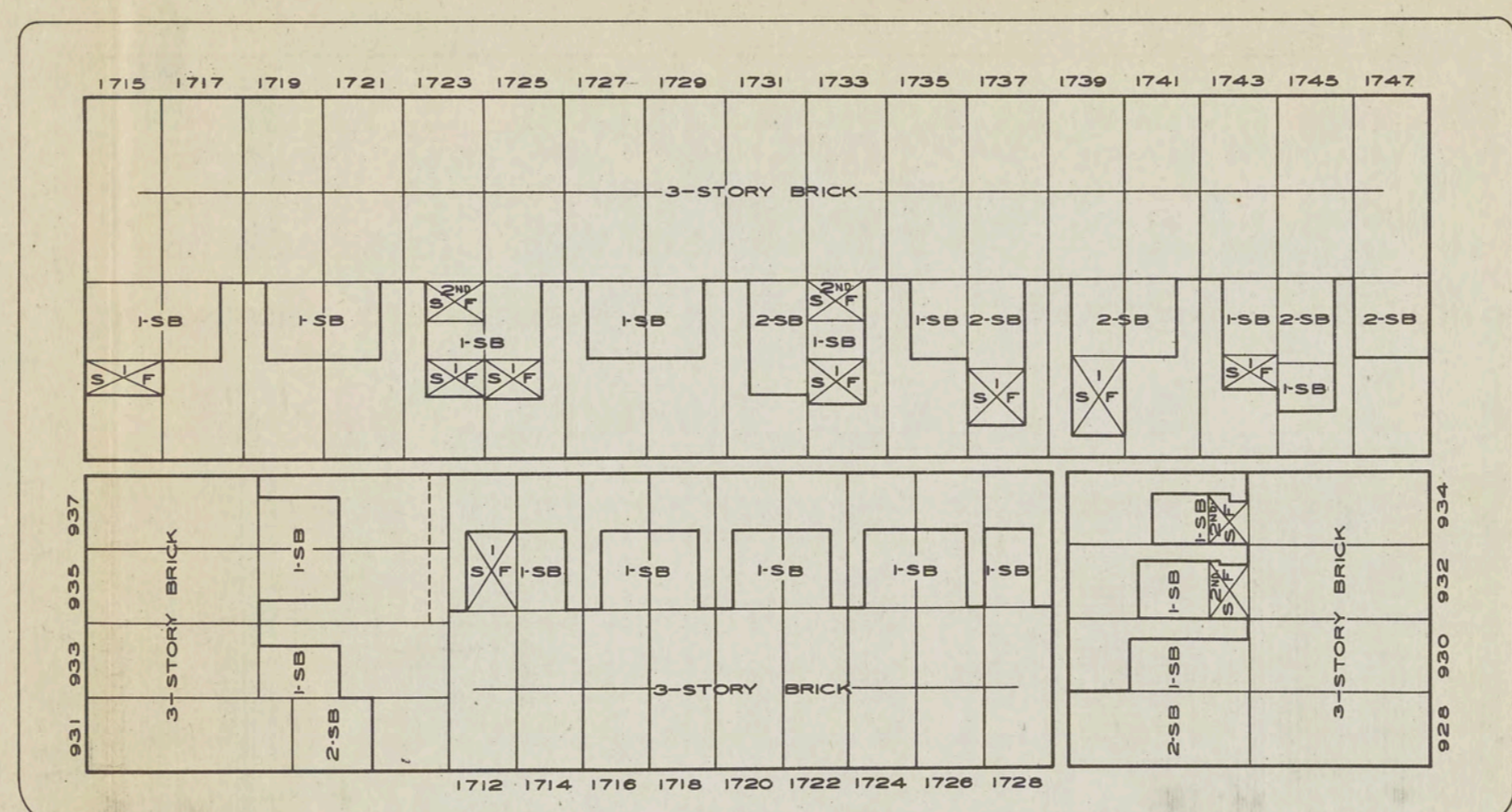
E. EAGER STREET

VIEW LOOKING NORTHEAST AT MCDONOUGH AND BARNES STS.

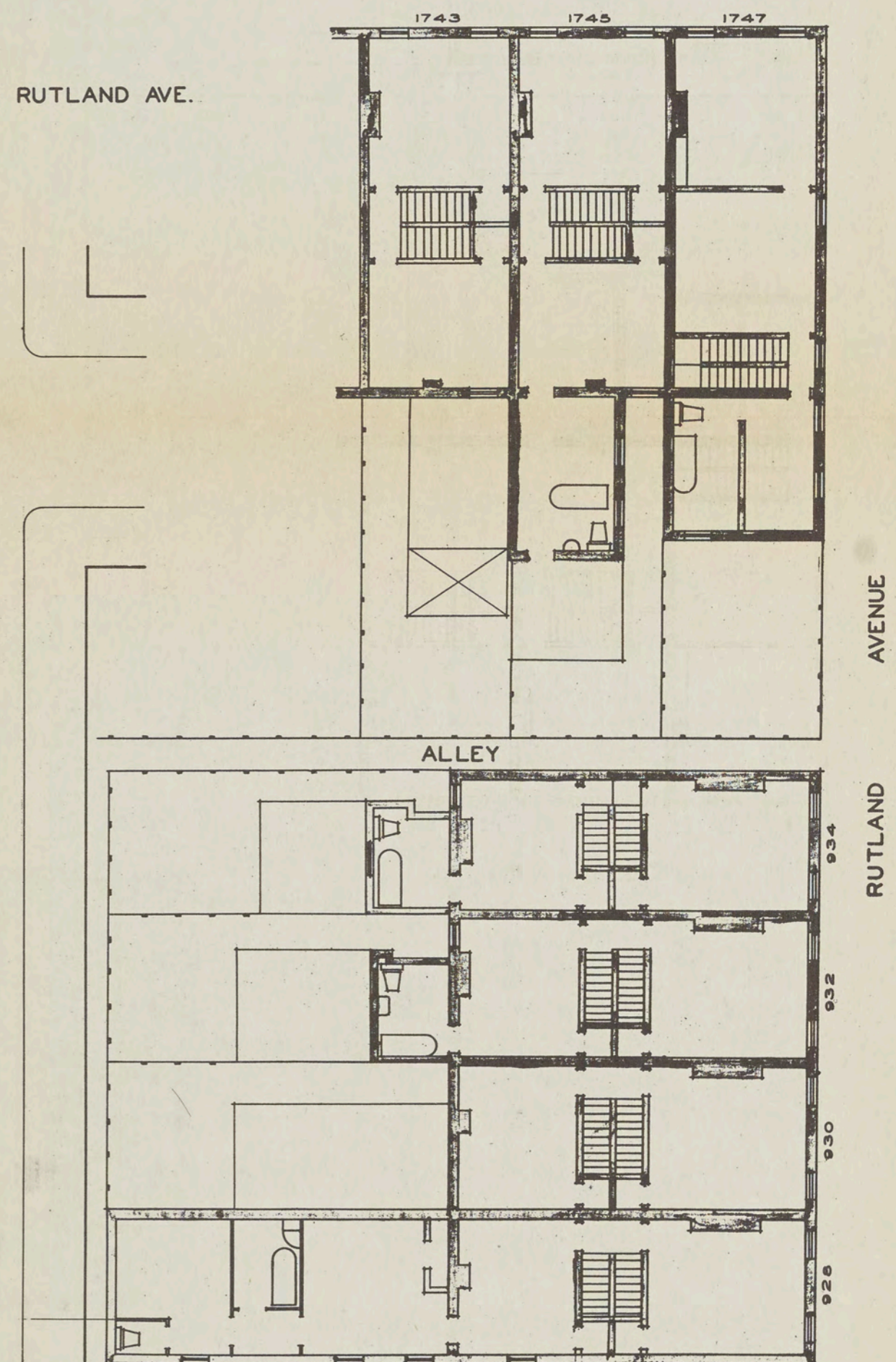
VIEW LOOKING WEST FROM REAR OF 932 RUTLAND AVE.



FIRST FLOOR PLAN
SCALE IN FEET
0 5 10 15 20



PLOT PLAN OF TYPICAL BLOCK
SCALE IN FEET
0 10 20 30 40 50



SECOND FLOOR PLAN
SCALE IN FEET
0 5 10 15 20

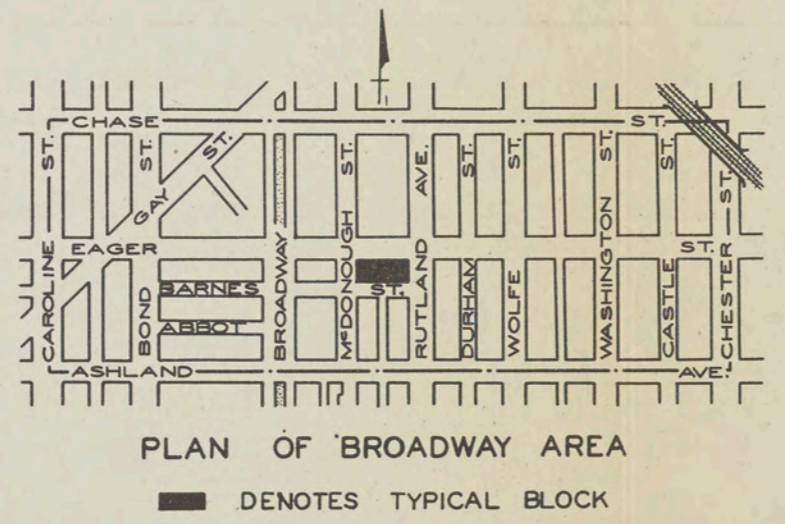
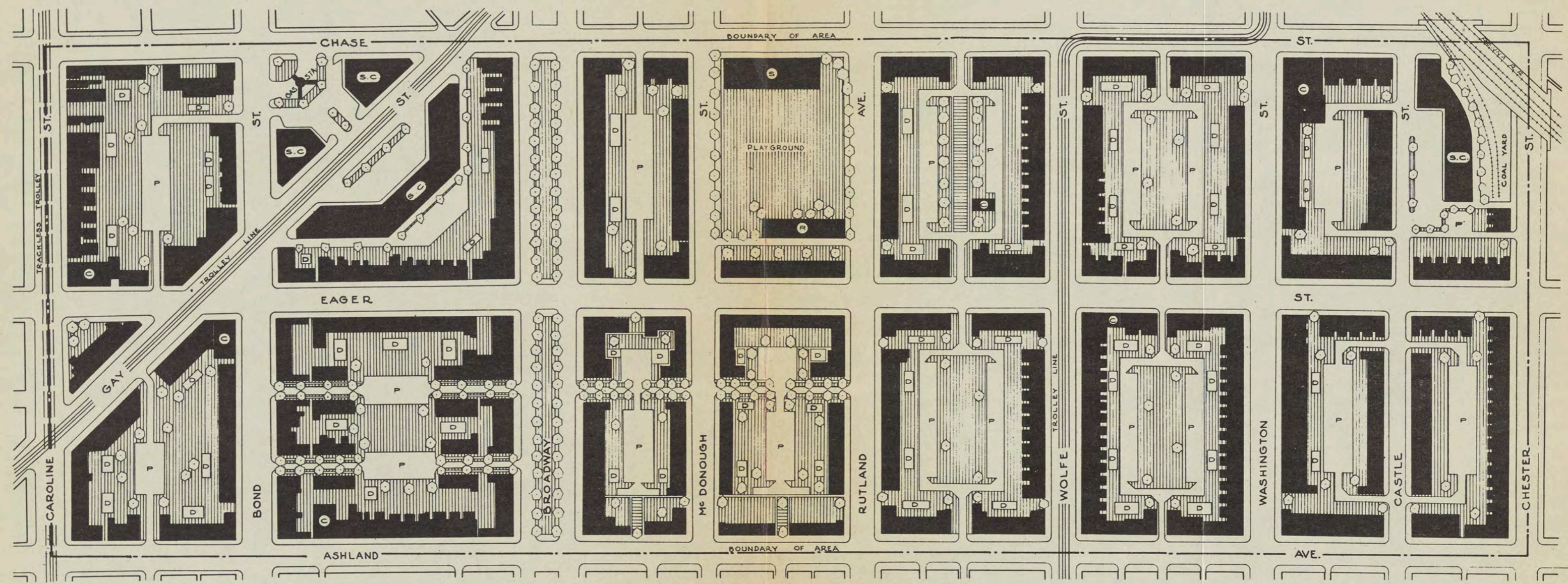








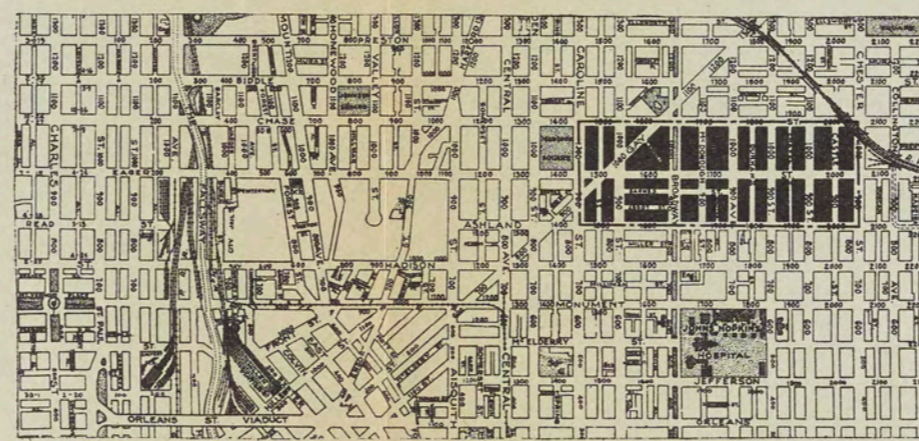


FIG. 42
CITY OF BALTIMORE MARYLAND
REDEVELOPMENT SAMPLE STUDY
OF
BROADWAY AREA
CENSUS TRACT 7-4
PRESENT CONDITIONS OF
A TYPICAL BLOCK
COMMISSION ON CITY PLAN



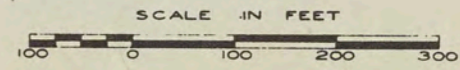
LEGEND

- | | | | |
|---|----------------|---|-----------------|
|  | DWELLING UNITS |  | RECREATION |
|  | CHURCH |  | SHOPPING CENTER |
|  | SCHOOL |  | OPEN AREA |
|  | PARKING COURT |  | DRYING YARD |



LOCATION MAP
 PROPOSED PROJECT
 SHOWN IN BLACK
 SCALE IN FEET
 1000 0 1000 2000

FIG. 43
 CITY OF BALTIMORE MARYLAND
 REDEVELOPMENT SAMPLE STUDY
 OF
 BROADWAY AREA
 CENSUS TRACT 7-4
SUGGESTED REDEVELOPMENT PLAN
 BY
DEMOLITION AND RECONDITIONING
 COMMISSION ON CITY PLAN



SOURCE C.C.P.

TABLE 21

REHABILITATION STUDIES
 USES AND VALUES OF LAND IN BROADWAY AREA - 7-4, BALTIMORE, MARYLAND
 As of January, 1945

NOTE Figures in Square Feet Unless Other- wise Noted	P R I V A T E L Y O W N E D							
	All Taxed 534,115 = 55.7%							
	Business & Industry 149,754 = 5.4%			Residence 1,384,361 = 50.3%				
	1	2	3	4	5	6		
KIND OF LAND USE	Lots with Occupied Bldgs.	Lots with Vacant Bldgs.	Lots Vacant	Lots with Occupied Bldgs.	Lots with Vacant Bldgs.	Lots Vacant		
AREA	148,246	1,508	0	1,370,693	1,754	11,914		
Percentage	5.35%	0.05%	0.0%	49.8%	0.06%	0.44%		
TAX ASSESSMENT 1944 Land and Buildings	\$390,997		\$0.00	\$3,055,203		\$4,200		
Percentage	10.75%		0.0%	83.97%		0.12%		
NOTE Figures in Square Feet Unless Other- wise Noted	O W N E D B Y C I T Y						SEMI-PUBLIC	TOTALS
	Not Taxed 1,191,187 = 43.3%						Not Taxed 26,819 = 1.0%	2,752,121
	7	8	9	10	11	12	13	14
KIND OF LAND USE	Streets	Park	Play Ground	School Area	Tax Foreclosed Lots with Vacant Bldgs.	Lots Vacant	Public, Re- ligious & Charitable Bodies	
AREA	1,172,635	496	0	17,254	0	802	26,819	2,752,121
Percentage	42.62%	0.02%	0.0%	0.63%	0.0%	0.03%	1.0%	100%
TAX ASSESSMENT 1944 Land and Buildings	\$0.00	\$1,420	\$0.00	\$54,700	\$0.00	\$240	\$131,690	\$3,638,450
Percentage	0.0%	0.04%	0.00%	1.5%	0.0%	0.01%	3.61%	100%

assumption that it is sold at cost to another development agency. Actually it is probable that the business development, located and surrounded as here proposed, would be profitable to its sponsors without a subsidy in normal times, and so might carry a part of the housing expenses if all were treated as one project.

The proposed open interiors of the blocks are used partly as back yards for abutting houses, partly for drying yards, partly as communal open space, but largely as automobile parking areas and/or wheeled access to the rear of the houses.

The dwelling units, as redesigned, have each the access and fire escape egress called for by law, and complete plumbing and sanitary facilities in every case. The providing of ample light and pleasant outlooks and access on both front and back has made possible various interior arrangements which before were out of the question.

The outside appearance of the blocks is better, if only by using the available light and air on the corners by putting enough windows on each street. The inside appearance of the block, because of the removal of the interior buildings and the blinding projections on the remaining buildings, is vastly improved.

Fig. 44 shows in more detail the proposed reconditioning of the sample block shown in its present condition, and diagrammatically in relation to the whole project, on Fig. 42. This produces almost as much living space as before, better lighted and more convenient, in the same area.

Table 20 shows the number of dwelling units, structures and people now on the ground and as proposed. The proposed building coverage is less, but the number of dwelling units is held about the same by making the units somewhat smaller and turning waste space to dwelling use and adding another floor at some of the corners. The number of people remains practically the same.

Table 22 gives in detail the building coverage present and proposed.

Table 23 gives the detailed figures, present and proposed, for population density.

FINANCIAL CONSIDERATIONS

Table 24 gives the capital cost of the Broadway project. Comparison of Table 24 with Table 14 for the University project is instructive.

Table 14 gives a capital cost of \$5,643,084, a cost per head of \$1,507.21, while Table 24 gives a capital cost of \$8,229,725, a cost per head of \$1,081.71. To offset this large saving, to a very small extent, the population density for University is 116.3 per acre and for Broadway 120.4. As a more real difference the dwellings in Broadway are largely second hand, and must be credited with a shorter future economic life than the new structures in University. And the Broadway dwelling units would be considered, we believe, less attractive than those in University.

There is, however, a large difference in the rents,—an average of \$129.23 per head per year for University, and of \$92.79 for Broadway.

Tables 25, 26, 27, and their supporting breakdowns have been worked out in the same manner as Tables 15, 16 and 17 for University. The final figures for Broadway show a tax reduction subsidy of \$3.33 per head per year, a further subsidy needed of \$24.40, or a total subsidy of \$27.73, to be compared with \$35.60 for University.

Broadway, then, primarily because it is a reconditioning project, is able to furnish quarters to the tenant at about 1/3 less, while requiring in total subsidy about 1/5 less. These figures are, however, based on a 27 7/12 years amortization for both projects. Very soon thereafter, Broadway might require complete reconstruction, while University might continue to serve its purpose up to an economic life of even 60 years.

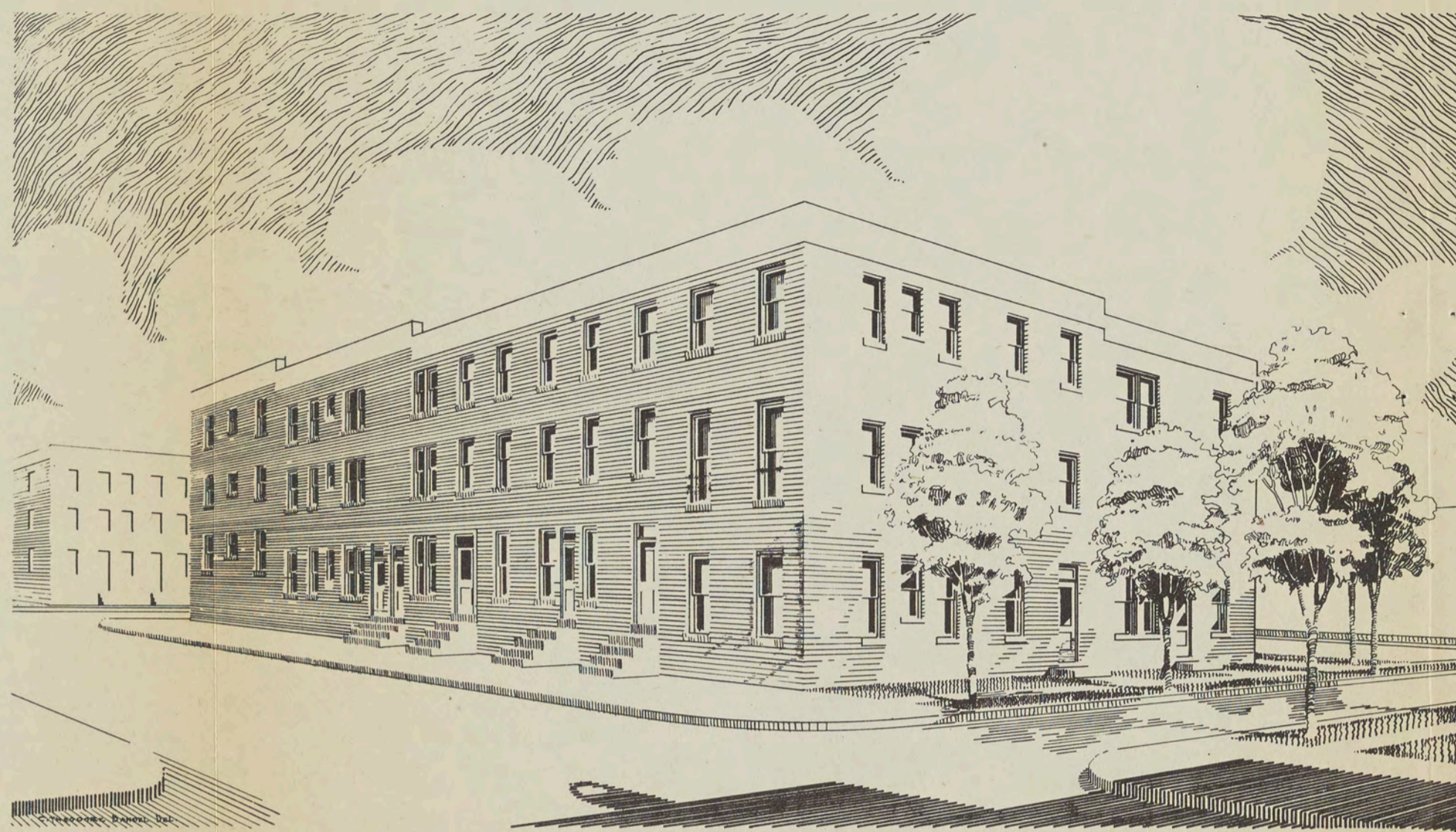
The subsidy per head per year for University, if amortized in 60 years, would be \$21.02 to compare with \$27.73 for Broadway. But the probability of actually attaining these respective figures is greater in the case of Broadway with its shorter amortization period. It would appear, therefore, that the Broadway reconditioning would be, for each year of its life, as inexpensive a venture for the City as the University reconstruction.

However, the two projects are not alternatives to be freely applied anywhere. According to the character and circumstances of the site one or the other procedure is likely to be demonstrably the better, as is true in the two cases here compared.

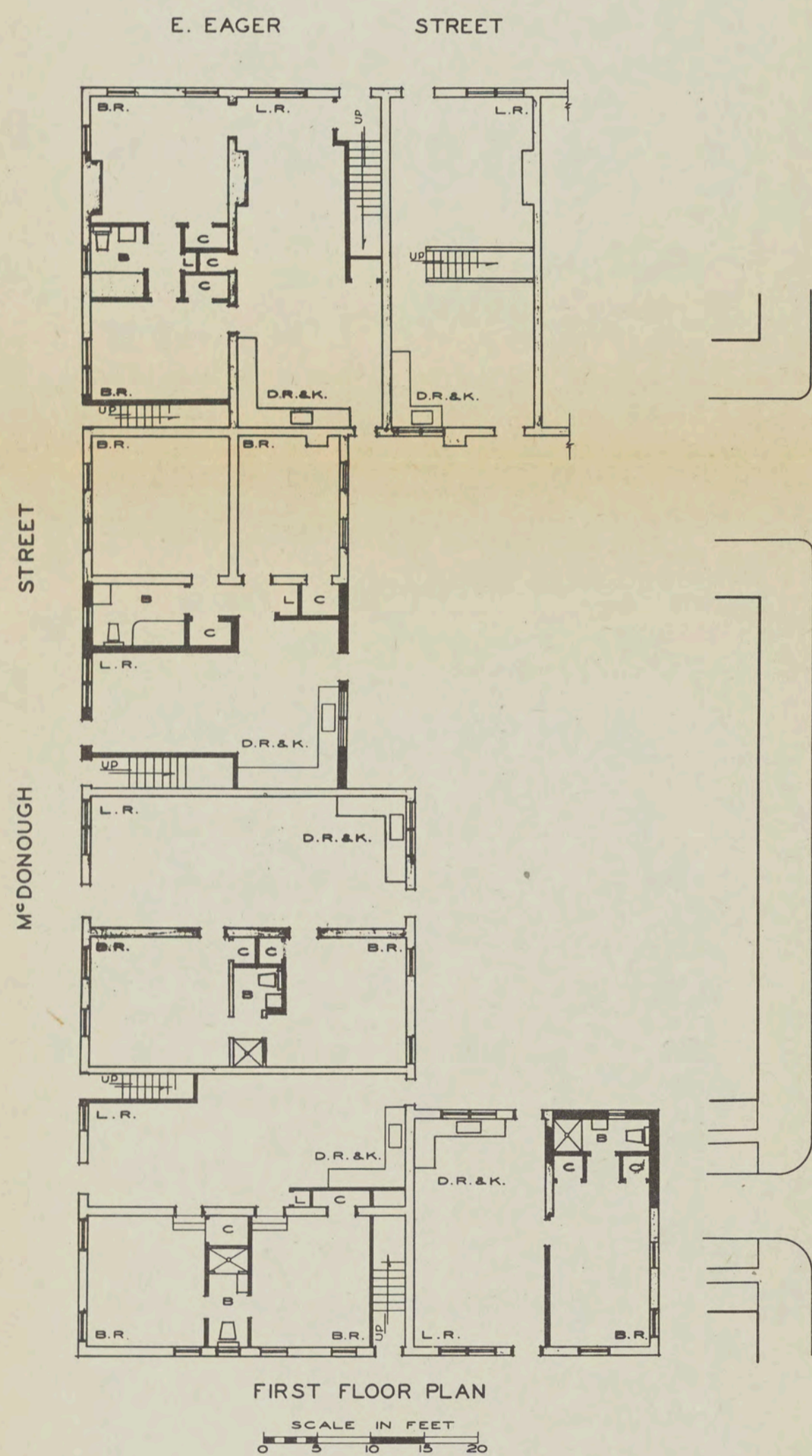
FEDERAL HOUSING

Existing Public Housing Projects

Under the pressure of the war these projects have become of two kinds:—low rent housing and war industry housing (see Fig. 45). The first consists of those projects within the blighted area, primarily designed to diminish the slums and to house some of the people who could not decently house themselves. Those projects are by name Poe, McCulloh, Latrobe and Douglass. The second kind consists of housing now used for war workers. Of these, Gilmor, Somerset and Perkins were built as low rent housing but were turned over to war industry housing. The rest of the war industry housing projects were built on outlying cheaper land, and did not directly reduce the slums. Therefore they were not subsidized by the City, as are the low rent housing projects, through being allowed to make a payment in lieu of taxes less than the normal tax on their full valuations. These war industry projects are by name Banniker, Fairfield, Brooklyn demountable houses, Brooklyn Homes, Cherry Hill, Westport, Armistead Gardens, O'Donnell Heights and HOLA-

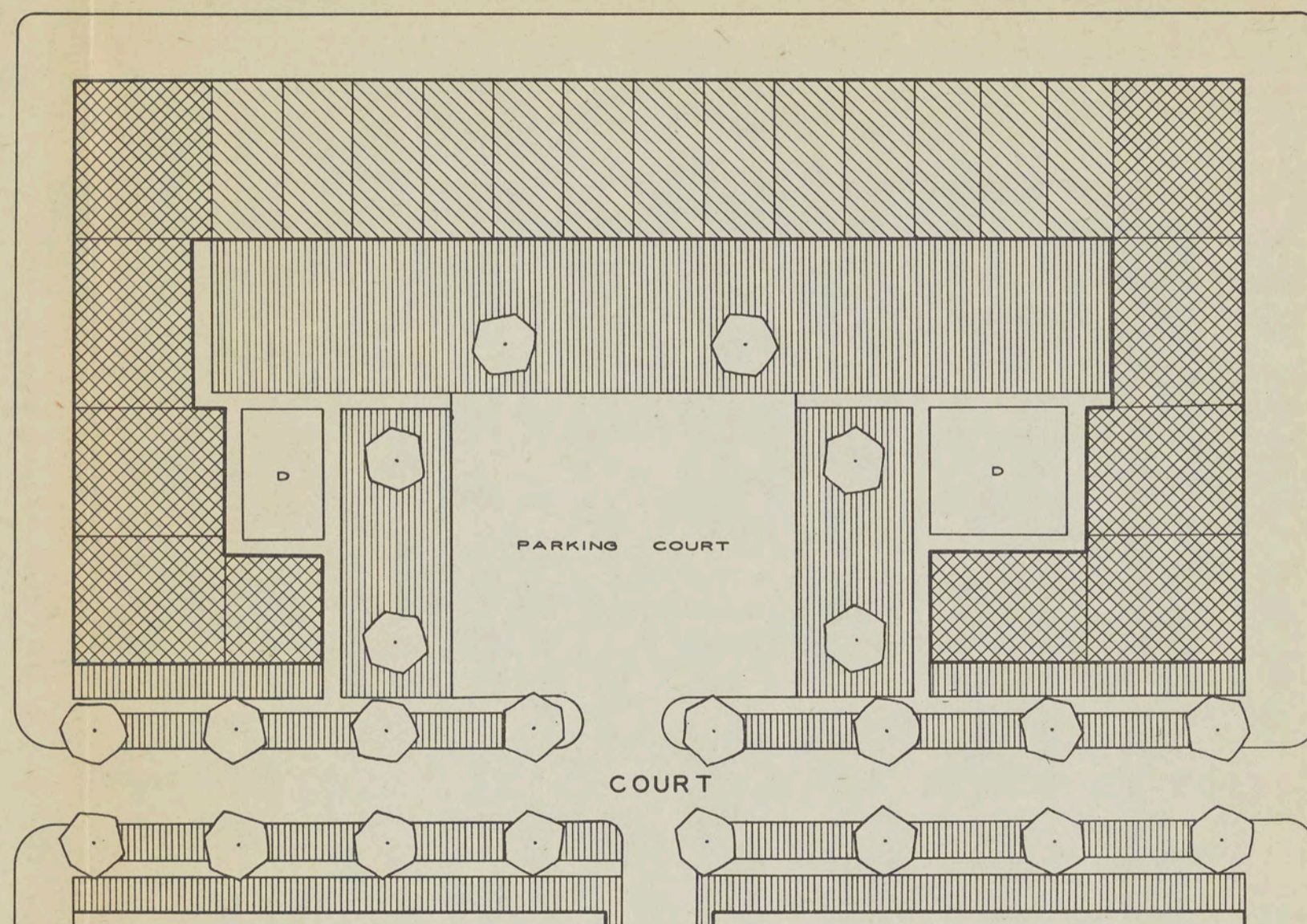


VIEW LOOKING NORTHEAST AT M^cDONOUGH AND BARNES STS.



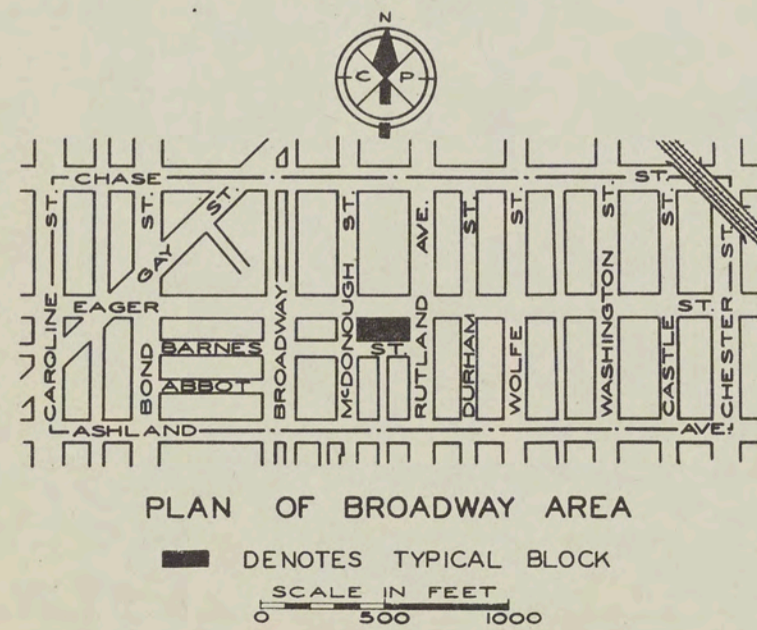
FIRST FLOOR PLAN

SCALE IN FEET



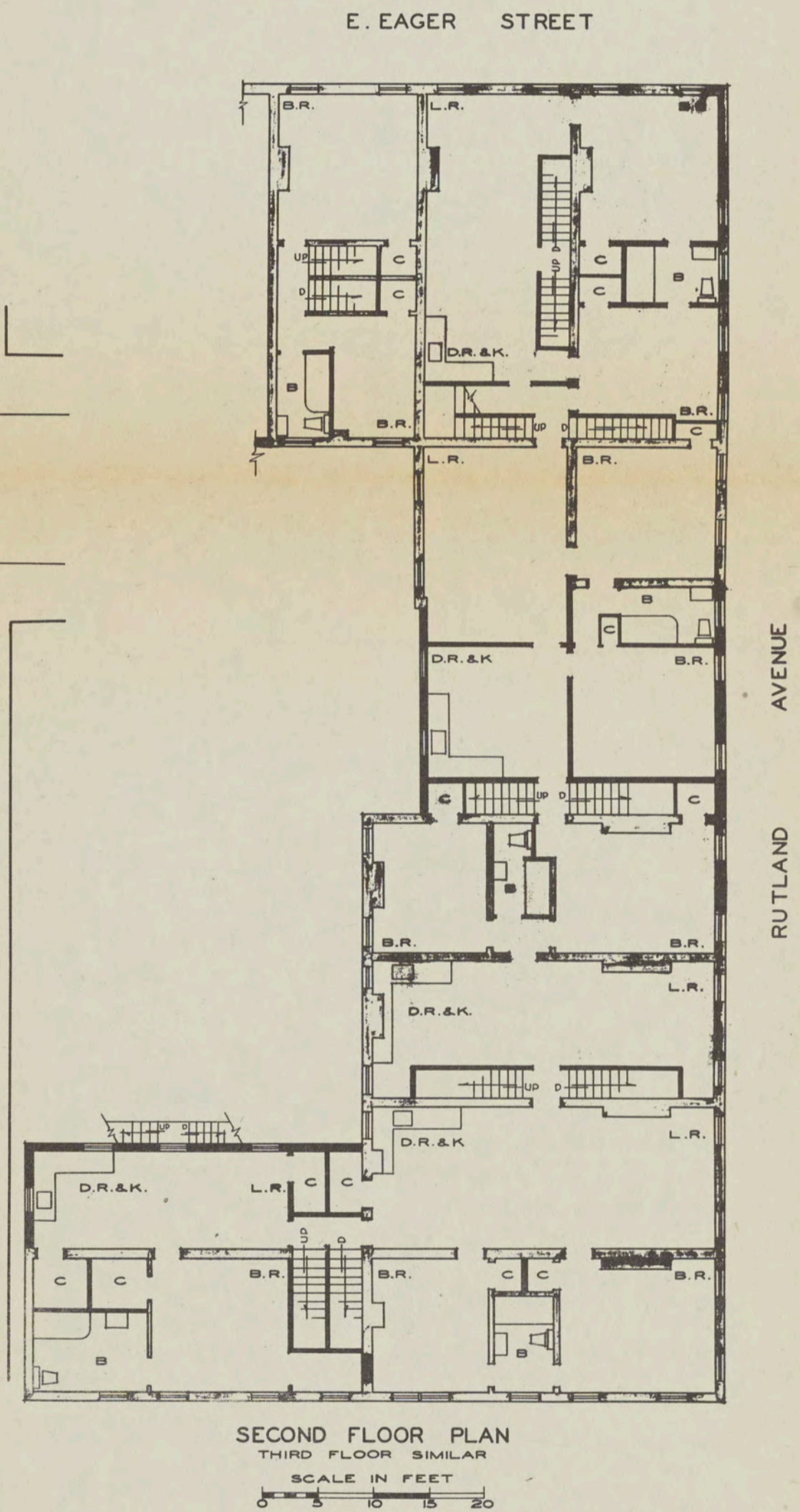
PLOT PLAN OF TYPICAL BLOCK

SCALE IN FEET



PLAN OF BROADWAY AREA

SCALE IN FEET



SECOND FLOOR PLAN

THIRD FLOOR SIMILAR
SCALE IN FEET

FIG. 44

CITY OF BALTIMORE MARYLAND
REDEVELOPMENT SAMPLE STUDY

OF
BROADWAY AREA
CENSUS TRACT 7-4

SUGGESTED REDEVELOPMENT PLAN
OF A TYPICAL BLOCK
COMMISSION ON CITY PLAN

LEGEND

- | | |
|---|--|
|  RECONDITIONED |  OPEN AREAS |
|  REMODELED |  DRYING YARD |
|  NEW WORK |  PRESENT WORK |

TABLE 22
REHABILITATION STUDIES

COVERAGE, EXISTING AND PROPOSED, IN THE BROADWAY AREA, BALTIMORE, MD.

NOTE Figures in Square Feet Unless Otherwise Noted		BUSINESS & INDUSTRY	RESIDENCE	NET TAXABLE AREA (1 & 2)	RELIGIOUS & CHARITABLE	SCHOOL	STREETS	PLAY- GROUND AND PARK LOT	TOTAL AREA
		1	2	3	4	5	6	7	8
EXISTING JULY 1944	BUILDING	129,611	853,993	983,604	23,916	10,294		0	
	ATTACHED LAND	15,145	518,454	533,599	2,903	6,960		0	
	VACANT LAND	0	12,716	12,716	0	0	1,172,635 Open Land	496	
	R.R. R/W	4,998		4,998					
	TOTAL AREA	149,754	1,385,163 31.8 Ac	1,534,917 35.2 Ac	26,819	17,254	1,172,635	496	2,752,121 63.18 Ac
	COVERAGE	86.55%	61.65%	64.08%	89.18%	59.66%			37.2%
PROPOSED	BUILDING	52,550	579,921	632,471	23,916	10,294		5,735	
	ATTACHED LAND)	83,458	788,484	871,942	2,903	6,960		60,971	
	APPURTENANT) OPEN LAND						1,131,931 Open Land		
	R.R. R/W	4,998		4,998					
	TOTAL AREA	141,006	1,368,405 31.4 Ac	1,509,411 34.65 Ac	26,819	17,254	1,131,931	66,706	2,752,121 63.18 Ac
	COVERAGE	37.2%	42.4%	41.9%	89.18%	59.66%		8.59%	24.4%

TABLE 23

REHABILITATION STUDIES
POPULATION DENSITY OF THE BROADWAY AREA - BALTIMORE, MD.

	POPULATION		DWELLING UNITS	POPULATION PER ACRE				GROSS AREA	NET RESID. AREA
	PERSONS	FAMILIES		PERSONS	FAMILIES	PERSONS	FAMILIES			ACRES	ACRES
1930	*7,127	1,781	1,781	112.0	28.0	224.1	56.00	63.18	31.8
1940	*7,775	1,932	1,932	122.0	30.5	244.5	60.75	"	"
PROPOSED	**7,608	1,902	1,902	120.4	30.1	242.3	60.60	"	31.4

* Source - U.S.C. 40

** Estimate 4.0 persons per family

TABLE 24

REHABILITATION STUDIES
 COST OF REDEVELOPMENT TO REDEVELOPMENT CORPORATION
 FOR THE BROADWAY AREA - BALTIMORE, MD.
 JANUARY, 1945

A. COST OF LAND AND BUILDINGS BOUGHT					
OWNED BY CITY	1	2	3	4	5
	AREA Sq.Ft.	TAX ASSESSED VALUE		ESTIMATED PRICE TO DEVELOPMENT CORPORATION	
		LAND	BUILDINGS	LAND	BUILDINGS
STREETS, NET AREA Sold By City At 25¢ Pr.Sq.Ft.	64,200	0	0	16,050	0
TAX FORECLOSED Land With Bldgs. Vacant Land	0 802	\$ 240	0	\$ 360	0
OWNED BY INDIVIDUALS					
BUSINESS AND INDUSTRY Land With Occupied Bldgs. Land With Vacant Bldgs. Vacant Land	120,115 1,508 0	\$ 110,888 1,660 0	\$ 260,028 3,401 0	166,332 2,490	\$ 390,042 5,101
RESIDENCE Land With Occupied Bldgs. Land With Vacant Bldgs. Vacant Land	1,370,693 1,754 11,914	922,669 1,578 4,200	2,127,556 3,400 0	1,384,003 2,367 6,300	3,191,334 5,100 0
TOTALS	1,570,986	\$1,041,235	\$2,394,385	\$1,577,902	\$3,591,577

COL. 4 + 5 (INCLUDING REALTOR AND LAWYER'S FEES) TOTAL - - - - \$5,169,479
 Cost Per Sq.Ft. Land With Old Buildings = \$3.29
 Recreational Area, 66,706 Sq.Ft. \$219,463
 Widening Of Gay St. 23,000 Sq.Ft. 75,670
 To Be Acquired By City At \$3.29 Per Sq.Ft. \$295,133

COMMERCIAL SITE (For Future Development)
 112,875 Sq.Ft. At \$3.29 Per Sq.Ft. 371,359 -666,492

A. COST OF RESIDENTIAL SITE TO DEVELOPER
 Land \$1,375,321 + Buildings \$3,127,666 TOTAL \$4,502,987

B. COST OF NEW BUILDINGS, RECONDITIONING AND CONVERTING
 OLD BUILDINGS (Including Professional Fees And Land
 Developed)
 16 New Buildings (48 Apartments)
 361,522 Cu.Ft. At 37.85¢ = \$136,836
 Reconditioning 383 Buildings At \$1,988 = 761,404
 Converting 698 Buildings To
 1471 Apartments At \$1,784 = 2,624,264 3,522,504

C. SUBTOTAL OF A + B = COST OF LAND, BUILDINGS
 AND IMPROVEMENTS \$8,025,491

D. CARRYING CHARGES; FINANCING; ORGANIZATION:
 TAXES On Land And Buildings At Present Rate
 \$2,973,532 At \$3.01 Per \$100 For 1 Year = \$ 89,503
 INSURANCE (Fire, Windstorm, Liability, etc. = 4,152
 INTEREST On A.
 \$4,502,987 At 4% For 1 Year = 180,119
 CONSTRUCTION LOAN
 B. \$3,522,504 At 4% For Advances
 During 1 Yr. (Pro-rated) = 70,450
 Examination Fee, Mortgage Insurance,
 Financing, Title and Recording, Legal
 and Organization Expenses = 127,850
 \$472,074
 Income From Rents During Construction = 267,840 264,234
 TOTAL CAPITAL COSTS \$8,229,725

TABLE 25

REHABILITATION STUDIES
EXPLANATION OF CERTAIN ANNUAL COSTS TO
REDEVELOPMENT CORPORATION FOR THE BROADWAY AREA - BALTIMORE, MD.
January, 1945

A. FINANCING MORTGAGE		
First Mortgage (80% Of Land Cost And Value Of Buildings After Improvements For 27 Years, 7 Months Term)		
\$6,250,000+ x 80% = \$5,000,000 (Mortgage Amount)		
To Amortize And Cover Interest = \$5.00 Per \$1,000 Per Month		
Annual Cost (\$5,000.00 x 5 x 12)		= \$300,000
Mortgage Insurance Premium (Average Per Annum)		= 14,955
B. FINANCING STOCK		
Required Expectation Of Dividends		
Equity = \$8,229,725 - \$5,000,000 = \$3,229,725		
Yearly Dividends On \$3,229,725 At 6%		= 193,784
Payment To Retire Stock At End Of 27 Years, 7 Months	\$ 80,376	
Interest (Per Year Average) Earned On Payments To Retire Stock	<u>36,715</u>	= 117,091
C. MAINTENANCE AND MANAGEMENT		
Rooms 5,570 At \$36.93 Per Year	\$205,690	
Rooms 751 At \$35.00 Per Year	<u>26,285</u>	= 231,975
(See Estimates Of Maintenance and Management, Appendix H)		
D. TAXES ON REAL ESTATE		
Frozen As Equalling Present City and State Assessment		
For The Area \$2,973,532 At \$3.01 Per Hundred		= 89,503
(For Other Corporate Taxes See Table 27)		
E. DEPRECIATION		
Value Of New Buildings \$136,836 Depreciated		
At 2% Per Year	\$ 2,737	
Value Of Reconditioned And Remodeled Buildings		
\$4,776,843 Depreciated At 2 1/2% Per Year	<u>119,423</u>	= 122,160

TABLE 26

REHABILITATION STUDIES
ANNUAL INCOME TO REDEVELOPMENT CORPORATION FOR THE BROADWAY AREA - BALTIMORE, MD.
January, 1945

DWELLING UNITS		
513 - Living Room, 1 Bedroom, Kitchen & Bath At \$25.00 Per Month		= \$ 12,825
1,006 - Living Room, 2 Bedrooms, Kitchen & Bath At \$35.00 Per Month		= 35,210
* 370 - Living Room, 3 Bedrooms, Kitchen & Bath At \$36.00 Per Month		= 13,320
* 13 - Living Room, 4 Bedrooms, Kitchen & Bath At \$44.00 Per Month		= <u>572</u>
	Total Monthly Rent Value	= \$ 61,927
	Less 5% Vacant	= <u>3,096</u>
	Total Monthly Rent (Including Services)	= \$ 58,831
		<u>x 12</u>
		= \$705,972
ANNUAL INCOME FROM RENTS		

CAPITAL ASSETS (After 27 Years, 7 Months)		
Value Of New Buildings (Depreciated 2% Per Year) And Reconditioned And Remodeled Buildings (Depreciated 2 1/2% Per Year)	\$1,544,076	
Value Of Land (First Cost Of Bare Land To Developer)	<u>1,375,321</u>	
Value Of Property	<u>\$2,919,397</u>	
CAPITAL ASSETS (Per Year, Average)		
Value Of Buildings After 27 Years, 7 Months	\$55,979	
Value Of Land After 27 Years, 7 Months	<u>49,861</u>	
Value Of Property After 27 Years, 7 Months		\$105,840

* Single Family Structures, No Services

TABLE 27

BROADWAY PROJECT, ALTERNATIVE 5
ESTIMATED ANNUAL OPERATING STATEMENT

INCOME		
From Dwelling Units At 100% Occupancy	\$743,128	
Gross Income Expectancy. 95% Occupancy		\$705,972
OPERATING EXPENSES & LOCAL TAXES		
Maintenance And Management	\$231,975	
Taxes, Local, Excluding Franchise And State And Federal Income Taxes	<u>89,503</u>	<u>321,478</u>
Net Income After Local Taxes		\$384,494
ANNUAL FIXED CHARGES		
Mortgage Insurance (Average Per Annum)	\$ 14,955	
Amortization Of Loan (Including Interest)	<u>300,000</u>	
Total Debt Service Requirements		<u>314,955</u>
Cash Available For Further Taxes, Dividends And Surplus		\$ 69,539
CAPITAL STOCK, FRANCHISE AND INCOME TAXES		
Annual Income From Rents	\$705,972	
Income From Rents During Construction, Pro-rated Annually	<u>9,710</u>	
Gross Income Expectancy	<u>\$715,682</u>	
Less: Depreciation	\$122,160	
Maintenance And Management	231,975	
Real Estate And Other Taxes	89,503	
Interest (Average Per Annum On Mortgage)	118,728	
F.H.A. Insurance (Average Per Annum)	14,955	
Financing, Pro-rated Annually	<u>17,114</u>	
Total Deductions	<u>594,435</u>	
Taxable Income	<u>\$121,247</u>	
Federal Capital Stock Tax	\$ 1,515	
Franchise Tax	220	
State Income Tax	1,212	
Federal Income Tax	<u>47,320</u>	
Total Corporate Taxes		50,267
Cash Available For Dividends And Surplus		\$ 19,272
CAPITAL ASSETS (Per Year, Average)		
Value Of Buildings After 27 Years, 7 Months	\$ 55,979	
Value Of Land After 27 Years, 7 Months	<u>49,861</u>	105,840
Total Available To Finance Stock		<u>\$125,112</u>
CAPITAL STOCK		
Dividends, 6% On \$3,229,725	\$193,784	
Annual Payment To Sinking Fund To Retire Stock in 27 Years, 7 Months (To Earn 2 $\frac{1}{2}$ % Compound Interest)	\$ 80,376	
Interest (Per Year Average) Earned On Payments To Sinking Fund	<u>36,715</u>	<u>117,091</u>
Required Expectancy To Finance Stock		<u>310,875</u>
DEFICIENCY - NECESSARY SUBSIDY		\$185,763

bird. Of these, Cherry Hill, Fairfield, O'Donnell Heights, Brooklyn Homes, Westport and part of Armistead Gardens are rated as "permanent". The dwelling units in the remaining projects, considered temporary, should be demolished after the end of World War II. The "permanent" projects, however, may automatically become a permanent part of the City's responsibilities, whether or not they are all ideally designed and located to be so.

All the above-named projects of course are now carrying a real part of the load of the general housing problem. Their experience, their costs to the City and to the Federal government, their rents in relation to the character of the quarters which they provide and in relation to what private enterprise can offer, and in general their long-term effect on the City as a whole, are all information directly pertinent to the subject of this report.

Financing of Public Housing

Appendix L is a table of certain information furnished by the Housing Authority of Baltimore City. It is presented in summary form for such uses as those of this report. Inevitably it contains figures which are approximations, and simplifications which can be thoroughly understood only by reference to masses of detail. It covers, however, the main items necessary for a rough evaluation of such projects from the broad public financial point of view. Appendices J, K, and M are tables giving data, respectively, on population density, Tax Revenue to the City and Shelter Rents and Taxes.

Amortization

Some very instructive points appear from these figures. We will take, for instance, the figures for the Latrobe project. The stated debt service of \$113,312 per year on the stated borrowing of \$3,777,060 is 3%. Amortization in equal annual payments in 60 years as contemplated is 1 2/3%, leaving a sum equal to 1 1/3% per year of the whole borrowing for interest on outstanding balance, or, throughout the 60 years, an average of 2 2/3% of the gradually diminishing outstanding balance. All of this is reasonable for Government lending at present interest rates if 60 years is a proper amortization period for these structures. Sixty years is certainly longer than the term accepted in private real estate practice for such buildings, and would probably indicate at any rate a very high average expenditure for maintenance and repairs or else an almost complete loss of value in the structures toward the end of the period.

Disposition when amortized. Alternatives

The question of the disposition of the property at the end of 60 years arises here as a matter of long-term policy and finance. Apparently it is now contemplated that the Housing Authority of

Baltimore City continue to own and manage it indefinitely. Even if, having amortized the original acquisition and construction cost, the project, continued or rebuilt, could then pay full taxes to the City, which is not proposed, as far as we know, this would create a precedent for a policy which the City has not as yet officially accepted. If the blighted areas were to be largely rehabilitated by this method, ultimately the Baltimore Housing Authority, a body supported by the Federal Public Housing Authority, would own a goodly part of all the real estate in Baltimore. The functioning of this property as a part of the City would then tend to depend more on the local application of a Federal policy than on the decisions of the Mayor and Council.

There is no decisive evidence, as far as we are aware, that (for any given excellence of living facilities provided) the management costs per person housed by a federal bureau, counting all expenses and overhead, both locally and in Washington, are less than those of private local management (see Tables 32 and 35). Equal restrictions in the public interest can indeed theoretically be applied to either public or private management, and any necessary financial help to implement compliance with these restrictions may be given to either, but there remains the fact that personal financial responsibility under competition produces on the whole more progressive practical efficiency in this kind of effort than the inevitably stiff procedure of a governmental bureau, however honest and earnest its personnel may be.

But if, at the end of 60 years, the Housing Authority of Baltimore City, instead of keeping the property, sells it or gives it to the City, free and unencumbered, what then does the City receive? Apparently it receives more or less outworn and outmoded buildings which might already have been "blighted" except that the Housing Authority had kept them up at large public cost toward the end of their ownership. These buildings could not then be sold by the City unrestricted without almost at once becoming a slum. If they are sold, restricted as to low rents and decent service and accommodations, as they should be restricted in any case, the value of the sixty-year-old property would probably be no more than the present purchase price of the bare land. The buildings would probably be demolished, or repaired for only a short further lease of life.

We believe that if the City received the property as above suggested, it would do well to sell the property, reasonably restricted, for whatever value it proved to have, and thus put it back into private ownership on the tax list. The restrictions, running with the land, being in effect a contract between the purchaser and his successor in title on the one hand and the City on the other, could be drawn to keep the land in desirable use

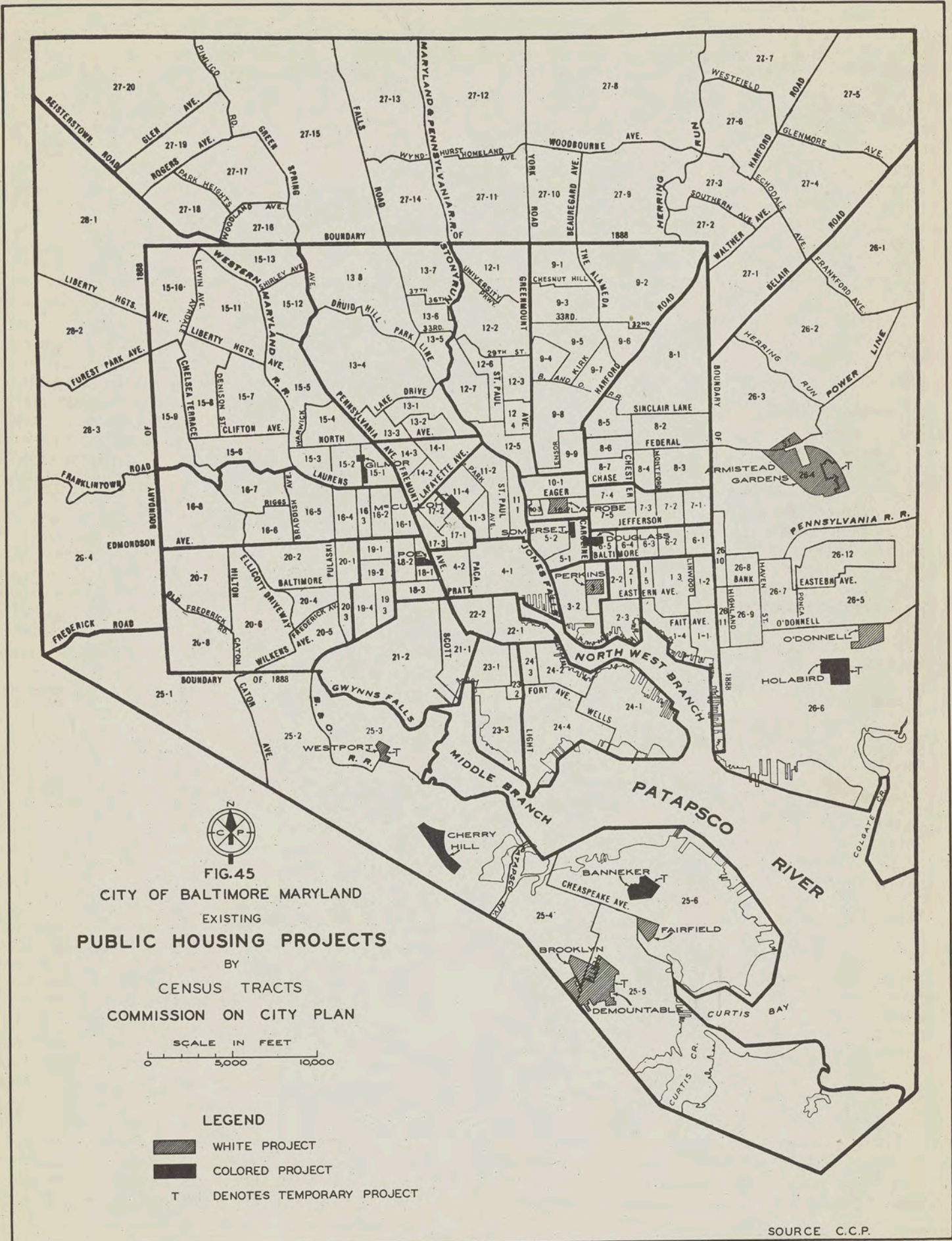


FIG. 45
 CITY OF BALTIMORE MARYLAND
 EXISTING
PUBLIC HOUSING PROJECTS
 BY
 CENSUS TRACTS
 COMMISSION ON CITY PLAN

SCALE IN FEET
 0 5,000 10,000

- LEGEND**
- WHITE PROJECT
 - COLORED PROJECT
 - T DENOTES TEMPORARY PROJECT

SOURCE C.C.P.

TABLE 28

CHERRY HILL DEVELOPMENT

	<u>Proposed C.H. Site Plan Sept. 1943</u>	<u>Actual Cherry Hill As of June 1944</u>	<u>Actual Cherry Hill As of Jan. 1945</u>
Area in Acres	375	450	375
Population Estimated	14,000 ±	280 ±	2,900 ±
Occupancy	Non-White	White	Non-White
Number Dwelling Units (Private)	3,000	57	674-Completed
Number Dwelling Units (Public)	600	None	600-Under Construction
Number Business or Com. Units	40	13	23
Zoning	D-9-40 & E-40 Res.; a 1st Com. Area	Industrial Use	D-9-40 & E-40 Res.; a 1st Com. Area
Public Buildings	5	None	Elementary School - Under Construction
Playgrounds	20 Ac.	None	10 Ac. adjoining School
Parks	45 Ac.	25 Ac. abutting Site	Undetermined
Average Assessment per Acre	-----	\$330.00	\$10,000 - \$12,000
Average Cost per Acre	-----	\$1600.00	\$1800.00
Gross Density Families per Acre (Private Housing)	10 Families	0.8 Families	18 Families
Gross Density Persons per Acre (Private Housing)	40 Persons	1.6 Persons	73 Persons
Estimated Gross Density Families per Acre (BHA) (1945) Plans	9.6 ±	None	Project incomplete
Estimated Gross Density Persons per Acre (BHA) (1945) Plans	54 ±	None	Project incomplete
Number Acres Developed by BHA	79 ±	-----	62 ± being developed
Number Acres Developed by Private Companies	294 ±	Scattered Lots	36 ±
Zoned Families per Acre	40 Families	80 Families	40 Families
Number Dwelling Units per Acre, Private	-----	-----	17 D.U.
Number Dwelling Units per Acre, BHA	-----	-----	9.6 ± (Incomplete)

indefinitely, and would be cheaply bought by the City even if it transferred for nothing the land title secured from the Housing Authority of Baltimore City as above suggested.

A possible workable alternative would be for the City to continue to own the property, but to lease it to private interests, the restrictions in that case being a part of the lease instead of a part of a contract of sale, and so perhaps more easily enforced by the City as time went on.

Again, the City might keep the land, sooner or later rebuild the buildings, and go into the housing business itself. But this, we believe, would be an unprofitable procedure. The City is not set up to do an efficient job of housing management. If enough houses were thus handled to overcome the residential blight, the City would ultimately find itself owning and managing a large part of all the dwellings within its boundaries. The fear is by no means groundless that under such an arrangement the rents of the dwellings would be determined politically by the personal interests of the organized tenant voters rather than economically by any business-like bookkeeping of the City landlord.

This basic question of the ultimate disposition of Government-financed low-rent housing is essentially like that of the disposition of Government war-housing and, indeed, of Government construction generally when no longer required to be run by the Government. This we shall discuss later (see page 56).

Possible Rents

Now, if it is even approximately the fact that the value of the property of a Government low-rent housing project, toward the end of 60 years with only the amount of maintenance and repairs provided for by the figures before us, will be not far from the present purchase price of the bare land, or even if in addition there should remain 20% of the use-value of the buildings, what rents could be charged during these closing years? The average monthly rent for the 60 years is set for the Latrobe project at \$19.71 per dwelling unit. This is a little lower than the average rent of \$19.97 now paid in the whole blighted area, though it includes more service and very much better quarters. The shelter rent alone in the Latrobe project is \$14.06 (see Appendix M). Of course, no one can now be sure just what rent will later be possible; but a private developer, we believe, if he were to be held personally responsible for success on the basis of all the figures shown in Appendix L, would watch with much uneasiness the shifting balance between falling rentability and rising needs of maintenance and repairs as time went on.

Subsidies—necessary for new Low-rent Housing

Even with the utmost optimism we should not expect that these particular projects which we

are discussing should pay from their rents all the costs involved in their creation and continued existence. We believe that it can be demonstrated that at present prices of real estate and of construction, to say nothing of taxes, no decent new housing in such blighted areas, approximately for rents to be paid after the war by the present dwellers in such areas, can be produced without some subsidy. We wish to know, however, what is the total amount of the subsidy in this case and who pays it, so that we may compare this method of producing low-rent housing with other methods which are available.

Subsidy by tax relief not new

The subsidy granted to public housing in Baltimore by the City and by the State of Maryland is in the form of relief from taxes. There is nothing new in such subsidy granted by Federal, state or municipal authority (See also Frozen Taxes, Appendix I). Various public service corporations have been so encouraged. Churches, colleges and charitable institutions almost always are tax exempt. Furthermore, in the ordinary operation of taxation there is something which could be called subsidy.

The tax burden bears equally upon every person according to the category of taxation in which he falls, but there is, and can be, no accurate correspondence between what a man pays to the City in taxes and what the City expends in money to serve him directly. He pays the same part of his taxes for fire protection, whether or not the City puts out a fire in his house. A man with six children pays no more for schools than a man with none. The use of streets, parks and libraries is open equally to all.

There are, therefore, people and regions of people paying to the City less in taxes than they receive in countable dollars-worth of public service. But the City is justified so long as these people, taking all their activities into account, pull their weight in the community boat.

In this sense some low-rent residential regions in every community receive a sort of tax-reduction subsidy, and this is not in itself undesirable if the region in truth benefits the community, and if the subsidy tends to improve the region, and if the community as a whole can afford it and can not get the essential results more cheaply in some other way.

There are regions in Baltimore now heavily subsidized in this way,—not only by low taxes which do not cover ordinary city services, but by higher-than-average City expenses for police, fire protection, "welfare", and so on. Further, these regions receive private charity in amounts disproportionate to the number of their population. But unfortunately these subsidies are not sufficiently remedial. Indeed the community is sometimes in the position of subsidizing a slum to remain a slum.

TABLE 29

COMPARISON OF PERMANENT LOW RENT HOUSING PROJECTS
PRIVATE - PUBLIC - PROPOSED

Name of Project	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	Character of Development	
	Gross Area of Project	Area of Land Bought	Total Cost of Acquiring Site	Cost of Bldgs. Bought (All Destroyed)	Cost of Land Bought	Cost of Buildings Const'd.	Total Cap. Cost Incl. Financing During Const.	Dwelling Units Built	No. of People on Land Bought	No. of People Housed	Total Annual Gross Income From Rents	Annual Rent per D.U.	Average Cost of Site per Acre	Relation of Rent to Cap. Cost	Proposed Gross Density Pop. per Acre	Capital Cost per D.U.	Cap. Cost per Person Housed	Average Annual Rent per Room in New Development	Average Annual Rent per Room Before Improvements	Total Subsidy per D.U. per Year for Amort. Period 27.583 Yrs.	Total Subsidy per D.U. per Year for Amort. Period 60 Years	Total Subsidy per Head for Amort. Period 27.583 Yrs.	Total Subsidy per Head for Amort. Period 60 Years		
Cherry Hill Village (Myerberg)	13.9 Ac.	13.9 Ac.	\$ 22,240	None	Inc.in Col.3	\$ 989,060	\$1,011,300	196	None	784	\$112,476	\$574.00	\$ 1,600	11.12%	56.4	\$5,159	\$1,289	\$143.46	-	0	0	0	0	196 Single Family Group Houses at 4 Persons Per Family (Colored)	
Cherrywood (Macht)	13.6 "	13.6 "	21,760	None	Inc.in Col.3	1,320,845	1,342,605	326	None	1,304	162,309	498.00	1,600	12.09%	95.9	4,118	1,022	124.47	-	0	0	0	0	163 Two Family Group Houses at 4 Persons Per Family (Colored)	
Dupont Manor (Jerome Kahn)	9.25 "	9.25 "	14,800	None	Inc.in Col.3	733,560	748,360	152	None	608	84,360	555.00	1,600	11.27%	65.7	4,923	1,231	138.75	-	0	0	0	0	152 Single Family Group Houses at 4 Persons Per Family (Colored)	
Latrobe	22.0 "	18.67 "	1,078,555	\$ 757,231	\$ 279,903	2,215,313	3,777,060	701	2,053	2,242	165,837	236.57	57,769	4.39%	101.91	5,388	1,685	55.44	\$34.08	-	\$164.67	-	\$3,089	Permanent Low Rent Housing Project (White)	
McCulloh	13.6 "	9.28 "	599,812	Inc.in Col.3	Inc.in Col.3	1,209,774	2,151,734	434	1,255	1,356	103,076	237.50	64,635	4.79%	99.71	4,958	1,587	58.33	56.88	-	144.48	-	2,775	Permanent Low Rent Housing Project (Colored)	
Perkins	24.3 "	16.75 "	1,153,816	Inc.in Col.3	Inc.in Col.3	2,252,322	3,665,819	688	2,304	2,232	-	-	68,885	-	91.85	5,328	1,642	-	28.32	-	-	-	-	War Industry Housing Project (White)	
Poe	8.8 "	7.49 "	454,505	302,223	122,751	1,021,742	1,749,397	298	1,140	915	67,600	226.85	60,682	3.86%	103.98	5,870	1,912	56.19	39.72	-	180.15	-	3,520	Permanent Low Rent Housing Project (Colored)	
Douglass	15.8 "	10.52 "	686,629	Inc.in Col.3	Inc.in Col.3	1,192,827	2,198,309	393	1,210	1,311	86,027	218.90	65,269	3.91%	82.97	5,594	1,677	53.15	42.60	-	192.89	-	3,469	Permanent Low Rent Housing Project (Colored)	
Gilmor	14.8 "	11.88 "	757,171	Inc.in Col.3	Inc.in Col.3	1,729,600	2,709,730	587	1,441	1,942	-	-	63,743	-	131.22	4,616	1,395	-	44.64	-	-	-	-	War Industry Housing Project (Colored)	
O'Donnell	66.88 "	62.87 "	140,078	None	Inc.in Col.3	3,467,564	4,360,614	900	None	3,678	-	-	2,228	-	54.99	4,845	1,186	-	-	-	-	-	-	War Industry Housing Project (White)	
Somerset	10.4 "	8.7 "	584,305	Inc.in Col.3	Inc.in Col.3	1,719,952	2,590,646	420	1,199	1,348	-	-	67,161	-	129.62	6,168	1,922	-	37.56	-	-	-	-	War Industry Housing Project (Colored)	
Cherry Hill	79.07 "	79.07 "	56,650	None	Inc.in Col.3	2,750,869	3,622,670	600	None	Finished	Not Finished	Not Determined	716	-	-	6,037	-	-	-	-	-	-	-	-	Not Finished (Colored)
University #1	32.18 "	20.83 "	2,104,954	1,090,748	1,014,206	3,277,870	5,643,084	936	3,453	3,744	483,828	516.91	101,054	8.57%	116.35	6,029	1,507	125.80	-	\$142.46	84.05	\$ 982	1,261	Sample Study Project Area (Colored)	
University (Max.Density)	32.18 "	20.83 "	2,104,954	1,090,748	1,014,206	3,663,092	6,044,700	1,046	3,453	4,183	540,688	516.91	101,054	8.94%	130.0	5,779	1,445	125.80	-	127.76	-	881	-	Sample Study Project Area (Colored)	
University #3	32.18 "	20.83 "	2,104,954	1,090,748	1,014,206	3,277,870	5,643,084	936	3,453	3,744	276,944	295.45	101,054	4.90%	116.35	6,029	1,507	72.00	-	312.53	233.67	2,155	3,505	Sample Study Project Area (Colored)	
University #4	32.18 "	20.83 "	Subsidized	-	-	3,277,870	3,453,932	936	3,453	3,744	276,944	295.45	-	8.01%	116.35	3,679	922	72.00	-	197.05	113.58	1,359	1,704	Sample Study Project Area (Colored)	
Broadway	63.18 "	31.40 "	4,502,987	3,127,666*	1,375,321	3,522,504	8,229,725	1,902	7,775	7,608	705,972	371.11	143,407	8.58%	120.41	4,326	1,082	111.68	-	110.97	-	765	-	Sample Study Project Area (Colored)	

Note: * Approximate Cost of Buildings Demolished \$500,000

TABLE 30

UNIVERSITY ALTERNATIVE NO. 1

POPULATION 3744

RENT PER HEAD PER YR. = \$129.23

95% OCCUPANCY

I T E M	FIRST PERIOD 27.583 Yrs.			SECOND PERIOD 32.417 Yrs.		60 YEARS	
	ANNUAL Col. 1	TOTAL Col. 2	TOTAL PER HEAD Col. 3	ANNUAL Col. 4	TOTAL Col. 5	TOTAL Col. 6	TOTAL PER HEAD Col. 7
A RECEIPTS							
Rents 95% Occupancy	483,828	13,345,428	3,564	483,828	15,684,252	29,029,680	7.754
OPERATING EXPENSES							
B Maintenance & Management	144,832	3,994,901	1,067	144,832	4,695,019	8,689,920	2,321
C Debt Service	216,290	5,965,927	1,593	-	-	5,965,927	1,593
D Taxes, Real Estate, City & State (Frozen)	40,801	1,125,414	301	40,801	1,322,646	2,448,060	654
E TOTAL OUTGO (B+C+D)	401,923	11,086,242	2,961	185,633	6,017,665	17,103,907	4,568
F NET INCOME BEFORE TAXES (A-E)	81,905	2,259,186	603	298,195	9,666,587	11,925,773	3,185
G CORPORATE TAXES (Federal and State)	47,703	1,315,792	351	107,529	3,485,768	4,801,560	1,282
H NET INCOME AFTER TAXES	34,202	943,394	252	190,666	6,180,820	7,124,214	1,902
CAPITAL STOCK							
I Dividends Expected	132,565	3,656,540	977	132,565	4,297,360	7,953,900	2,124
J ₁ Amort. Expected in 27.583 Yrs.	*80,101	2,209,423	590	-	-	-	-
J ₂ [Amort. Expected in 60 Yrs.]	**20,632	[569,096]	-	***50,601	1,640,327	2,209,423	590
K ₁ DEFICIENCY = H - (I+J ₁)	178,464	4,922,573	1,315	-	-	-	-
K ₂ [DEFICIENCY (-) or GAIN (+) = H - (I+J ₂)]	[-118,995]	[-3,282,239]	-	+7,500	+243,133	-3,039,106	812
CAPITAL ASSETS (Per Yr. Average)							
L Value of Bldgs. at End of Period	53,274	1,469,469	392	Declines to → 0	-	-	-
M Value of Land at End of Period	36,769	1,014,206	271	Constant at → 1,014,206	1,014,206	1,014,206	271
N TOTAL CAPITAL ASSETS	90,043	2,483,675	663	(Declines to Land Value → 1,014,206	1,014,206	1,014,206	271
O SUBSIDY NEEDED IF PROJECT CLOSES AT 27.583 YRS. = K ₁ -N	88,421	2,438,916	651	-	-	-	-
P SUBSIDY NEEDED IF PROJECT IS TO RUN TO 60 YRS.	33,748 (Col. 6/60)	-	-	-	-	(K ₂ -N) 2,024,900	541
Q TAXES, REAL ESTATE, ABATED, CITY & STATE	44,926	1,239,194	331	44,926	1,456,366	2,695,560	720
R TOTAL SUBSIDY 27.583 YRS. = O+Q	133,347	3,678,110	982	-	-	-	-
S TOTAL SUBSIDY 60 YRS. = P+Q	78,674	-	-	-	-	4,720,460	1,261

Items in brackets refer to condition of Project at end of 27.583 years if it is to continue to own its real estate and amortize at end of 60 years

* \$54,985 (Annual Payment) + \$25,116 (Average Yearly Interest based on 2½% compound interest) = \$80,101 = Annual amount needed to retire stock at end of 27.583 years

** \$15,916 (Annual Payment) + \$4,716 (Average Yearly Interest based on 2½% compound interest) = \$20,632 = Annual amount needed during first period to retire stock at the end of 60 years

*** \$15,916 (Annual Payment) + \$34,685 (Average Yearly Interest based on 2½% compound interest) = \$50,601 = Annual amount needed during second period to retire stock at the end of 60 years

TABLE 31

UNIVERSITY ALTERNATIVE NO. 2

POPULATION 3744

RENT PER HEAD PER YR. = \$129.23

95% OCCUPANCY

I T E M	FIRST PERIOD 27.583 Yrs.			SECOND PERIOD 32.417 Yrs.		60 YEARS	
	ANNUAL Col. 1	TOTAL Col. 2	TOTAL PER HEAD Col. 3	ANNUAL Col. 4	TOTAL Col. 5	TOTAL Col. 6	TOTAL PER HEAD Col. 7
RECEIPTS							
A Rents 95% Occupancy	\$ 483,828	\$ 13,345,428	\$ 3,564	\$ 483,828	\$ 15,684,252	\$ 29,029,680	\$ 7,754
OPERATING EXPENSES							
B Maintenance & Management	144,832	3,994,901	1,067	144,832	4,695,019	8,689,920	2,321
C Debt Service	216,290	5,965,927	1,593	-	-	5,965,927	1,593
D Taxes, Real Estate, City & State (Full)	85,727	2,364,608	632	85,727	2,779,012	5,143,620	1,374
E TOTAL OUTGO (B+C+D)	446,849	12,325,436	3,292	230,559	7,474,031	19,799,467	5,288
F NET INCOME BEFORE TAXES (A-E)	36,979	1,019,992	272	253,269	8,210,221	9,230,213	2,465
G CORPORATE TAXES (Federal and State)	29,084	802,224	214	91,855	2,977,664	3,779,888	1,010
H NET INCOME AFTER TAXES	7,895	217,768	58	161,414	5,232,558	5,450,326	1,456
CAPITAL STOCK							
I Dividends Expected	132,565	3,656,540	977	132,565	4,297,360	7,953,900	2,124
J ₁ Amort. Expected in 27.583 Yrs.	\$80,101	2,209,423	590	-	-	-	-
J ₂ [Amort. Expected in 60 Yrs.]	[**20,632]	[569,096]	-	***50,601	1,640,327	2,209,423	590
K ₁ DEFICIENCY = H - (I+J ₁)	204,771	5,648,198	1,509	-	-	-	-
K ₂ [DEFICIENCY = H - (I+J ₂)]	[145,302]	[4,007,865]	-	21,752	705,129	4,712,994	1,259
CAPITAL ASSETS (Per Yr. Average)							
L Value of Bldgs. at End of Period	53,274	1,469,469	392	Declines to → 0	-	-	-
M Value of Land at End of Period	36,769	1,014,206	271	Constant at → 1,014,206	1,014,206	1,014,206	271
N TOTAL CAPITAL ASSETS	90,043	2,483,675	663	(Declines to → 1,014,206 (Land Value	1,014,206	1,014,206	271
O SUBSIDY NEEDED IF PROJECT CLOSES AT 27.583 YRS. = K ₁ -N	114,728	3,164,542	846	-	-	-	-
P SUBSIDY NEEDED IF PROJECT IS TO RUN TO 60 YRS.	61,646(Col.6/60) -	-	-	-	-	(K ₂ -N) 3,698,788	988

Items in brackets refer to condition of Project at end of 27.583 years if it is to continue to own its real estate and amortize at end of 60 years

* \$54,985 (Annual Payment) + \$25,116 (Average Yearly Interest based on 2 1/2% compound interest) = \$80,101 = Annual amount needed to retire stock at end of 27.583 years

** \$15,916 (Annual Payment) + \$4,716 (Average Yearly Interest based on 2 1/2% compound interest) = \$20,632 = Annual amount needed during first period to retire stock at the end of 60 years

*** \$15,916 (Annual Payment) + \$34,685 (Average Yearly Interest based on 2 1/2% compound interest) = \$50,601 = Annual amount needed during second period to retire stock at the end of 60 years

TABLE 32

UNIVERSITY ALTERNATIVE NO. 3

POPULATION 3744

RENT PER HEAD PER YR. = \$73.97

95% OCCUPANCY

I T E M	FIRST PERIOD 27.583 Yrs.			SECOND PERIOD 32.417 Yrs.		60 YEARS	
	ANNUAL Col. 1	TOTAL Col. 2	TOTAL PER HEAD Col. 3	ANNUAL Col. 4	TOTAL Col. 5	TOTAL Col. 6	TOTAL PER HEAD Col. 7
RECEIPTS							
A Rents 95% Occupancy	276,944	7,638,946	2,040	276,944	8,977,694	16,616,640	4,438
OPERATING EXPENSES							
B Maintenance & Management	144,832	3,994,901	1,067	144,832	4,695,019	8,689,920	2,321
C Debt Service	216,290	5,965,927	1,593	-	-	5,965,927	1,593
D Taxes, Real Estate, City & State (Frozen)	40,801	1,125,414	301	40,801	1,322,646	2,448,060	654
E TOTAL OUTGO (B+C+D)	401,923	11,086,242	2,961	185,633	6,017,665	17,103,907	4,568
F NET INCOME BEFORE TAXES (A-E)	-124,979	-3,447,296	-921	+91,311	+2,960,029	-487,267	-130
G CORPORATE TAXES (Federal and State)	None	None	-	24,405	791,137	791,137	211
H NET INCOME AFTER TAXES	-124,979	-3,447,296	-921	+66,906	+2,168,892	-1,278,404	-341
CAPITAL STOCK							
I Dividends Expected	132,565	3,656,540	977	132,565	4,297,360	7,953,900	2,124
J ₁ Amort. Expected in 27.583 Yrs.	*80,101	2,209,423	590	-	-	-	-
J ₂ [Amort. Expected in 60 Yrs.]	[**20,632]	[569,096]	-	***50,601	1,640,327	2,209,423	590
K ₁ [DEFICIENCY = H - (I+J ₁)]	337,645	9,313,262	2,488	-	-	11,441,724	3,056
K ₂ [DEFICIENCY = H - (I+J ₂)]	[278,176]	[7,672,929]	-	116,260	3,768,795	-	-
CAPITAL ASSETS (Per Yr. Average)							
L Value of Bldgs. at End of Period	53,274	1,469,469	392	Declines to → 0	-	-	-
M Value of Land at End of Period	36,769	1,014,206	271	Constant at → 1,014,206	1,014,206	1,014,206	271
N TOTAL CAPITAL ASSETS	90,043	2,483,675	663	(Declines to → 1,014,206 (Land Value)	1,014,206	1,014,206	271
O SUBSIDY NEEDED IF PROJECT CLOSES AT 27.583 YRS. = K ₁ -N	247,602	6,829,606	1,824	-	-	-	-
P SUBSIDY NEEDED IF PROJECT IS TO RUN TO 60 YRS.	173,792 (Col. 6/60)-	-	-	-	-	(K ₂ -N) 10,427,518	2,785
Q TAXES, REAL ESTATE, ABATED, CITY & STATE	44,926	1,239,194	331	44,926	1,456,366	2,695,560	720
R TOTAL SUBSIDY 27.583 YRS. = O+Q	292,528	8,068,800	2,155	-	-	-	-
S TOTAL SUBSIDY 60 YRS. = P+Q	218,718	-	-	-	-	13,123,078	3,505

Items in brackets refer to condition of Project at end of 27.583 years if it is to continue to own its real estate and amortize at end of 60 years

* \$4,985 (Annual Payment) + \$25,116 (Average Yearly Interest based on 2 1/2% compound interest) = \$80,101 = Annual amount needed to retire stock at end of 27.583 years

** \$15,916 (Annual Payment) + \$4,716 (Average Yearly Interest based on 2 1/2% compound interest) = \$20,632 = Annual amount needed during first period to retire stock at the end of 60 years

*** \$15,916 (Annual Payment) + \$34,685 (Average Yearly Interest based on 2 1/2% compound interest) = \$50,601 = Annual amount needed during second period to retire stock at the end of 60 years

TABLE 33

UNIVERSITY ALTERNATIVE NO. 4

POPULATION 3744

RENT PER HEAD PER YR. = \$73.97

95% OCCUPANCY

I T E M	FIRST PERIOD 27.583 Yrs.			SECOND PERIOD 32.417 Yrs.		60 YEARS	
	ANNUAL Col. 1	TOTAL Col. 2	TOTAL PER HEAD Col. 3	ANNUAL Col. 4	TOTAL Col. 5	TOTAL Col. 6	TOTAL PER HEAD Col. 7
A RECEIPTS							
Rents 95% Occupancy	\$ 276,944	\$ 7,638,946	\$ 2,040	\$ 276,944	\$ 8,977,694	\$ 16,616,640	\$ 4,438
B OPERATING EXPENSES							
Maintenance & Management	144,832	3,994,901	1,067	144,832	4,695,019	8,689,920	2,321
Debt Service	216,290	5,965,927	1,593	-	-	5,965,927	1,593
Taxes, Real Estate, City & State (Full)	85,727	2,364,608	632	85,727	2,779,012	5,143,620	1,374
TOTAL OUTGO (B+C+D)	446,849	12,325,436	3,292	230,559	7,474,031	19,799,467	5,288
F NET INCOME BEFORE TAXES (A-E)	-169,905	-4,686,490	-1,252	+ 46,385	+1,503,663	-3,182,827	-850
G CORPORATE TAXES (Federal and State)	None	None	-	13,363	433,180	433,180	116
H NET INCOME AFTER TAXES	-169,905	-4,686,490	-1,252	+ 33,022	+1,070,483	-3,616,007	-966
I CAPITAL STOCK							
Dividends Expected	1,216	33,541	9	1,216	39,419	72,960	19
Amort. Expected in 27.583 Yrs.	*735	20,271	5	-	-	-	-
[Amort. Expected in 60 Yrs.]	[**190]	[5,234]	-	***464	15,037	20,271	5
DEFICIENCY = H - (I+J ₁)	171,856	4,740,304	1,266	-	-	-	-
[DEFICIENCY (-) or GAIN (+) = H - (I+J ₂)]	[-171,311]	[-4,725,271]	-1,262	+ 31,342	+1,016,027	-3,709,244	-991
L CAPITAL ASSETS (Per Yr. Average)							
Value of Bldgs. at End of Period	53,274	1,469,469	392	Declines to → 0	-	-	-
Value of Land at End of Period	36,769	1,014,206	271	Constant at → 1,014,206	1,014,206	1,014,206	271
TOTAL CAPITAL ASSETS	90,043	2,483,675	663	(Declines to → 1,014,206 Land Value)	1,014,206	1,014,206	271
O SUBSIDY NEEDED IF PROJECT CLOSES AT 27.583 YRS. = K ₁ -N	81,813	2,256,648	603	-	-	-	-
P SUBSIDY NEEDED IF PROJECT IS TO RUN TO 60 YRS.	44,917(Col.6/60)	-	-	-	-	(K ₂ -N) 2,695,038	720
Q₁ ORIGINAL LAND AND OLD BLDG. COST	= 102,625	** 2,830,718	756	-	-	-	-
Q₂ ORIGINAL LAND AND OLD BLDG. COST	61,395(Col.6/60)	-	-	-	-	▲ 3,683,674	984
R TOTAL SUBSIDY 27.583 YRS. = O+Q ₁	184,438	5,087,353	1,359	-	-	-	-
S TOTAL SUBSIDY 60 YRS. = P+Q ₂	106,312	-	-	-	-	6,378,712	1,704

Items in brackets refer to condition of Project at end of 27.583 years if it is to continue to own its real estate and amortize at the end of 60 years

* \$504 (Annual Payment) + \$231 (Average Yearly Interest based on 2% compound interest) = \$735 = Annual amount needed to retire stock at end of 27.583 years

** \$146 (Annual Payment) + \$44 (Average Yearly Interest based on 2% compound interest) = \$190 = Annual amount needed in first period to retire stock at end of 60 years

*** \$146 (Annual Payment) + \$318 (Average Yearly Interest based on 2% compound interest) = \$464 = Annual amount needed in second period to retire stock at end of 60 years

- Annual Value of City's Land Subsidy, Amort. in 27-7/12 Years

** Total Value of City's Land Subsidy, Amort. in 27-7/12 Years } (See Page 64)

▲ Total Value of City's Land Subsidy, Amort. in 60 Years

TABLE 34

BROADWAY ALTERNATIVE NO. 5

POPULATION 7608

RENT PER HEAD PER YEAR - \$92.79+

95% OCCUPANCY

I T E M		27.583 YEAR PERIOD		
		ANNUAL Col. 1	TOTAL Col.2	TOTAL PER HEAD
	RECEIPTS	\$	\$	\$
A	Rents 95% Occupancy	705,972	19,472,826	2,560
	OPERATING EXPENSES			
B	Maintenance & Management	231,975	6,398,566	841
C	Debt Service	314,955	8,687,404	1,142
D	Taxes, Real Estate, City and State (Frozen)	89,503	2,468,761	324
E	TOTAL OUTGO (B+C+D)	636,433	17,554,731	2,307
F	NET INCOME BEFORE TAXES (A-E)	69,539	1,918,094	252
G	CORPORATE TAXES (Federal and State)	50,267	1,386,515	182
H	NET INCOME AFTER TAXES	19,272	531,580	70
	CAPITAL STOCK			
I	Dividends Expected	193,784	5,345,144	703
J	Amort. Expected in 27.583 Yrs.	*117,091	3,229,725	425
K	DEFICIENCY = H - (I+J)	291,603	8,043,286	1,057
	CAPITAL ASSETS (Per Yr. Average)			
L	Value of Bldgs. at End of Period	55,979	1,544,069	203
M	Value of Land at End of Period	49,861	1,375,316	181
N	TOTAL CAPITAL ASSETS	105,840	2,919,385	384
O	SUBSIDY NEEDED IF PROJECT CLOSES AT 27.583 YRS. = K-N	185,763	5,123,901	673
Q	TAXES, REAL ESTATE, ABATED, CITY AND STATE	25,305	697,988	92
R	TOTAL SUBSIDY 27.583 YRS. = O+Q	211,068	5,821,889	765

* \$80,376 (Annual Payment) + \$36,715 (Average Yearly Interest Based On 2 $\frac{1}{2}$ % Compound Interest) = \$117,091 = Annual Amount Needed To Retire Stock At The End of 27.583 Years

TABLE 35

LATROBE PROJECT NO. 6

POPULATION 2242 RENT PER HEAD PER YEAR = \$73.97 95% OCCUPANCY

I T E M	60 YEAR PERIOD		
	ANNUAL Col. 1	TOTAL Col.2	TOTAL PER HEAD
	\$	\$	\$
A RECEIPTS			
A Rents 95% Occupancy	165,837	9,950,220	4,438
B OPERATING EXPENSES			
B Maintenance & Management	100,521	6,031,260	2,690
C Debt Service	113,312	6,798,720	3,032
D Taxes, Real Estate, City (Frozen)	16,216	972,960	434
E TOTAL OUTGO (B+C+D)	230,049	13,802,940	6,157
K DEFICIENCY, FED. SUB. REC'D. (A-E)	64,212	3,852,720	1,718
L CAPITAL ASSETS			
L Value of Bldgs. in 60 Yrs.	0	0	-
M Value of Land in 60 Yrs.	4,665	279,903	125
N TOTAL CAPITAL ASSETS	4,665	279,903	125
P SUBSIDY REQUIRED = K-N	59,547	3,572,817	1,593
Q TAXES, REAL ESTATE, ABATED, CITY & STATE	55,885	3,353,100	1,496
S TOTAL SUBSIDY = P+Q	115,432	6,925,917	3,089

Subsidized Public Housing and the Private Developer

Turning from this chaotic condition, the direct attack by a subsidized governmental agency on at least the housing aspect of blight has much to recommend it. But bringing a public agency into possible competition with private enterprise raises some difficulties which have not always been enough considered. Private enterprise, which must balance its budget or go out of business, must carefully estimate what its competition will be before it embarks on any new venture. In the construction of homes for the lower range of rents, therefore, the private builders cannot risk the possible competition of the Federal government, because they cannot meet it at a profit. This is in many cases not because the Government builds more cheaply, or better per dollar spent, or because it manages residential property better. It is primarily because the Government pays less interest, often no taxes, and because it can, and in many cases does, operate at a loss which is ultimately paid out of general taxes. The effect of this threat of unmeetable competition is to discourage the private investor in the field between that accepted as private housing and that accepted as public housing, and so to tend to lead the Government, whether willingly or not, ultimately to occupy most of this intermediate field itself. There should be, therefore, in the general public interest, much more cleanly drawn than it is in present legislation, a line beyond which the private investor may be reasonably sure that the Government bureaus cannot go. Such a line will be very difficult to draw, and will never be ideal in its results, but it must be drawn, or otherwise it will draw itself, and perhaps not at the place where the greatest amount of slum clearance or even of low-rent housing could be done per dollar spent, or even per year elapsed.

City and State tax subsidies—Federal direct Subsidy

The figures for the Latrobe project show the amortization in 60 years of \$,777.060 (see Appendix L), which includes the acquisition of the site. The "payment in lieu of taxes", if reckoned as 10% of the ordinary shelter rent of \$118,245, would be \$11,825 (see Appendix M). The latest payment (for 1944) is greater because the tenants' earnings are (temporarily) greater, and stands at \$16,216 (see Appendix K) instead of \$11,825. However, these payments depend on the policy of the F.P.H.A., which may be changed as that Authority sees fit, and presumably the payments will presently diminish. Nevertheless we follow here the figures of Appendix K, except that we take the 1945 rate of City taxation since that is used in our other comparable calculations. The City taxes on the property at the present tax-assessed value of \$2,395,390, in Appendix K, at the 1945 rate for the City of .0289, would be

\$69,227. Subtracting the payment in lieu of taxes, \$16,216, the City subsidizes the project by \$53,011. The State taxes at .0012 would be \$2,874. Since they are forgiven entirely, they constitute a State subsidy of this amount. The Federal subsidy is \$64,212 per year. The sum of these subsidies is \$120,097 per year for at least the 60 years of life of the project, or in total \$7,205,820. This works out as \$53.57 per year per head of the inhabitants. If the project turns over its assets at the end of 60 years to the City, the public subsidy would thus be reduced to about \$51.48 per head per year (see Table 35).

Further, the above figures do not quite completely explain the full amount of the subsidy. A proportionate part of the overhead and salaries of the Housing Authority of Baltimore City is not itemized, nor a similar apportionment of the expenses of the Federal Public Housing Authority in Washington and in the field. We do not know what these figures are, and do not attempt to estimate them, but they are presumably considerable. It is, we believe, assumed that part or all of these expenses will be covered by the difference between the rate of interest which the Government pays on its borrowings and the rate at which it lends money to the Housing Authority. Even so, this sum remains a payment toward maintenance and management to be considered in comparing these projects with other alternatives.

Furthermore, the bonds of the Baltimore Housing Authority are entirely tax-exempt. Whether this can fairly be called a subsidy is sometimes questioned, since it is said that all that is lent thereby is the credit of the United States. But it is still true that for every dollar invested in Housing Authority bonds the United States foregoes the receipt of a percentage in taxes, which either diminishes total Federal tax receipts or is made good by other taxpayers. At least it might be reasonable that bonds and subsidies of private ventures for the same purposes, when properly restricted and regulated, be also tax free.

And in general, in comparing Federal and private projects, a very large difference as to taxes must be remembered. A private corporation would pay corporate taxes, Federal capital stock tax, franchise tax, State and Federal income tax, the last being the greatest, and in all amounting to about \$12.73 per head per year (see Table 17). The Federal project does not make this contribution to the general welfare.

The other Housing Authority projects, so designed and so managed up to now, are McCulloh, Poe and Douglass. The same calculations as for Latrobe, if applied to these three projects, give the subsidy per head per year from City, State and Nation as \$46.24 for McCulloh, \$58.67 for Poe, and \$57.83 for Douglass. The differences for the four projects are hardly significant in the discussion now before us as to the probable costs and

effects of this procedure, as compared with other possible procedures.

Tax reduction subsidies represent real expenditures by the City and State

Two points ought perhaps to be mentioned here for the sake of clarity of thinking.

The above-calculated "subsidies" by the City and by the State are really subsidies, not meaningless paper figures. The City of Baltimore runs itself on the taxes which it collects. It spends for its people in the long run all that it collects. It may well be that the present method of taxation can be improved, though we are not discussing that point here. However poor the process, its various provisions are applied equally to all persons and all properties of the classes which are specified in the law. If some class of property is exempted, then either the City has less to spend by the amount of the exemption or the rest of the property pays more taxes by this amount. And similarly for the State of Maryland. Taxes are indeed easier to collect now from the Housing Authority of Baltimore City than formerly from the many private owners of the project sites. But there were not in the past, even for those lands, many ultimate losses of taxes by the City.

Again, subsidy from the Federal government is not manna from Heaven. It comes out of Federal taxes, which come out of the citizens of Baltimore in full proportion.

It may be that very low-rent housing areas must always return less in taxes **only** than they receive in city services. If so, the difference is a subsidy, whoever pays it. But it is of the greatest importance that this subsidy, and every subsidy, should be plainly stated as such, so that the people who vote the money shall know how much in truth they are paying and what they get for what they pay, and may not in ignorance subsidize a worse rather than a better alternative in civic redevelopment.

Present Government Housing in Baltimore not necessarily a pattern for the future

It should be remembered that with the exception of the Latrobe, McCulloh, Poe and Douglass projects, and with the exception of the original set-up of Perkins and Gilmor and Somerset, the projects here discussed were located and organized and are now run not primarily as a part of peace-time Baltimore, but as a part of a national war effort which concentrated on immediate military results. The accomplishments of these projects, therefore, are not necessarily models for Baltimore's post-war procedure. Further, it is not necessarily true that the City's and State's subsidy up to now in reduced taxes to the low-rent housing projects can or should be repeated indefinitely to other similar efforts (see Appendix K).

Use of Present War Housing as Low-rent Housing

The end of the war will see a natural and strong tendency to reverse the change which the war has made, and not only to turn back all the projects designed for low-rent housing to that first intended use, but also to use for low-rent housing all the structures which were recently erected for war housing with little thought at the time of their fitness for anything else but such war use. This raises at once several questions affecting the City's procedure, both generally and in relation to the redevelopment of blighted areas.

Will "temporary" houses be indeed removed soon after the war? They should be so removed. If not, a sort of prescriptive right in their continuance will arise, to their tenants or to employers depending on the labor of these tenants, or to the City which must find better accommodations for these tenants elsewhere if the temporary dwellings are done away with. But a very few years of occupancy will turn these projects into slums.

Are the "permanent" war housing projects so located in their relation to peace-time living and working by their tenants that the City can afford to subsidize them by the new construction of such sewers, schools, transportation, recreation, etc., as have not been completely provided in time of war, and also accept only the small tax returns which would be necessary to make possible the post-war lower rents without increased Federal subsidy? Some City subsidy may be desirable for a few years, perhaps, until better procedure can be evolved, but is the present method and amount of City tax subsidy to low-rent housing, even when this housing is properly located as such, something which can be repeated indefinitely together with the other City expenses for such areas until all the slums are abolished? It would appear that this would be financially impracticable.

Further, will the Federal government continue to pay the subsidies toward the construction and maintenance of more and more of these projects as now set up, and therefore necessarily regulate their construction and management, as it has in the recent past? Indeed, can it afford to do so, nation-wide? And even granting that it could, is it good for our cities that it should do so in this way, even when some Federal subsidy is unavoidable? That is to say, is there no better way of applying Federal subsidy to local low-rent housing? Other alternatives discussed in this report could use Federal subsidy as readily as, or in addition to, City and State subsidies.

Disposition of Federal War Housing

The disposition of Federal war housing is an inseparable part of the much larger problem which includes also the disposition of other constructions made for war purposes, the construction of housing and all kinds of necessities, public

and private, to meet the accumulated demands after the war, and the furnishing of employment for those released from the armed forces and from war work. Congress will presumably pass legislation on these nation-wide economic problems which will inevitably influence Federal procedure and every one's expectation as to the future in this field of housing.

The Federal government should set up machinery, presumably nation-wide, but with local representatives, to discharge its responsibilities in this matter. Baltimore, like all communities containing considerable amounts of Federal war construction or private construction for war purposes, should be prepared to go into intelligent conference with Government representatives, and work for a meeting of minds on this question, which will prove to have two sides. It is to be hoped, however, that the Federal representatives concerned with disposition of Federal structures will be clearly instructed by the legislation which appoints them as to the basic policy of the Federal government.

We believe that this policy, and likewise the policy of the City, should rest on the following fundamental ideas.

The disposition of war housing and other war structures by the Federal government and the City in collaboration should conduce to the best future development of the City as a whole, and not primarily to the quickest termination of Federal responsibility or the greatest immediate recovery of Federal money. Any extra cost or diminution to return to the Federal government caused by such appropriate disposition should be deemed a proper part of the cost of the war.

Housing property, however, and indeed any kind of property, should not indefinitely remain in Government ownership, except for legally defined continuing governmental purposes.

With the exception of housing for persons of very low income, especially when this housing must be on expensive land, it is in the public interest that all residential property in a community should normally be equally subject to local community regulation and taxation, and similarly also be subject to fair market competition as to price and value.

As has been said in part before, some Federal war housing will be found to be, in various degrees, unsuited in location or in character to play an efficient part in the future development of the City. Expenses of completing such housing or adding facilities to make it an asset rather than a liability to the community; expenses of demolishing houses which can be only a liability; expenses of so marketing the housing as not to hamper private housing efforts; these are all legitimate war costs except as the greater cost is in truth offset by sufficiently greater tax returns or other values to the City.

Specifically, the following questions among others must be answered for each war project:

First, as to plants for war manufacturing, transportation and service, can they be turned to peacetime uses? Does the City desire this and will it exert itself to this end?

Second, as to war housing, should it be destroyed, removed, sold to a local housing agency, sold to a "Community Housing Mutual", sold in groups to private parties to rent, sold by separate family units to private persons, or otherwise disposed of?

What restrictions as to future use shall be made a part of the contract of sale?

What further facilities should be furnished by the Government,—such as streets, sewers, water, schools, playgrounds, etc.?

What of these further facilities should be furnished by the City?

What will the City do in improved legislation and regulation and the enforcement thereof, as zoning, building laws, health laws, policing, public upkeep, etc.?

What precautions should be observed as to manner, volume and timing of sale so as not to affect the real estate market too adversely?

The answers to these questions can not be got at by rule or set governmental policy. They should be the agenda of the official discussions mentioned above and again under Recommendations.

Plainly, the problem might be summed up by saying that though some of these decisions depend on nation-wide factors which will presumably be subject to Federal action, still as they appear in Baltimore they are all parts of the fitting of structures and activities into the City Plan and the City Budget. Thus the Commission on City Plan would be expected to have the facts, and then to be entitled and required to have an opinion. It would be only reasonable if responsible representatives of the Commission On City Plan were among those speaking for the City in dealing with the Government on the whole matter of disposition of war construction.

BALTIMORE REDEVELOPMENT COMMISSION

By an amendment of the Constitution of Maryland, adopted by referendum on November 7, 1944, the General Assembly was empowered to authorize the Mayor and Council of Baltimore to create a Baltimore Redevelopment Commission (see Appendix N).

In virtue of this power the General Assembly on May 4, 1945, granted this authority to the Mayor and Council of Baltimore, carefully specifying, in accordance with the amendment, the way in which such Baltimore Redevelopment Commission should be set up and should operate and

the functions of the Commission on City Plan in this new procedure (see Appendix O).

A further constitutional amendment is now proposed, eliminating from the previous amendment the requirement that the Redevelopment Commission must have purchased or optioned 50% or more of the property concerned before acquiring any property in a project by condemnation. This amendment will come before the people in November, 1946 (see Appendix P).

The Mayor and Council on June 11, 1945, passed a resolution setting up the Redevelopment Commission as above provided (see Appendix Q).

Briefly stated, it is intended by this legislation that the function of preparation and development of the Master Plan and facilitating its application to specific cases, all as now required, shall remain the responsibility of the Commission on City Plan.

Again briefly stated, it is intended that the essential function of the Redevelopment Commission shall be the assembly of blighted or slum areas at the best obtainable price, by voluntary sale and purchase or by condemnation if necessary, and the resale of such areas to public agencies for public uses, and to private individuals and corporations for private uses, at a price which shall allow of development, in accordance with the requirements of the act, to do away with blighted and slum conditions.

There is involved, as is essential, a close cooperative procedure between the Redevelopment Commission and the Commission on City Plan.

The types of procedure of the two cooperating commissions and the kinds of skills which they would have in their staffs are clearly very different, but judicious purchase or sale of land will depend on knowledge of what is contemplated in the Master Plan, and details of the Master Plan may be modified according to the shape and price of available land. The two commissions, therefore, will have to work hand in hand, and not by either doing alone what it conceives to be its part and then making way for the other.

This legislation is intended to provide an opportunity for private initiative and private capital to operate in eliminating blight. It applies to any kind of blighted area, and contemplates any kind of improved use in accord with the city plan, but its first and principal use is likely to be in the elimination of residential blight. A subsidy is contemplated which in this case (though other subsidies are not precluded) consists in the difference which will exist between the price paid to the owners for the land with whatever "improvements" may be upon it, whether or not usable, and the price at which the developer can afford to buy it, with the necessary restrictions upon it as to "population density, property maintenance, type of land use, and other standards established as above provided". The subsidy is definite in amount, paid all at once, and the pub-

lic knows who pays it and who receives it. Since the developer is under contract to carry out the **public purpose** of the redevelopment of a slum or blighted district, it follows that his activities must be restricted and scrutinized by the Redevelopment Commission to ensure that he does in fact carry out this purpose.

It should be noted here that the choosing of the developer from among several applicants, or even accepting or rejecting a single applicant, will not be dependent only on the competency and financial standing of the developer and the relative figure at which he offers to buy the land.

The City agencies cannot be expected to make complete and detailed construction plans for the project. And if they could, each contractor would suggest different variations by which he might produce as good a result more efficiently. The developer should not be restricted in originality of layout or construction or management beyond the requirements of the purposes of the legislation.

The choice of a developer, therefore, must be made on the basis of a **whole proposal**, not alone of a price, in this respect resembling the choice of an architect by competition.

The restrictions which are a part of the contract of sale will always be broadly related to the land use called for by the City plan, but in some details they should vary with the project. The drafting of these restrictions will be a matter for the most careful thought. We do not presume here to go into this problem at length.

Among other alternatives we have calculated the finances of the University project area in this report as they might be if this project were contracted to be carried out under the legislation establishing the Baltimore Redevelopment Commission (see page 69). A study of these new possibilities has brought out the following points.

As related to residential uses, the primary interest, perhaps the sole interest, of the act seems to be the **doing away with slums, not the provision of low-rent housing**. But if a present slum area plainly has for its best future use the decent housing of low income families, how may this be ensured except by a requirement of low rents? And of course such a requirement diminishes the value of the land to the developer and in effect increases the necessary subsidy. But, on the other hand, supposing that the developer, while being held to good construction, management and maintenance, is allowed to charge any rents which he can get, then the present dwellers in the slum must move elsewhere. They take their poverty with them, and the result of the project is the physical abolition of one slum, but the creation of an extra amount of tendency to slum conditions somewhere else.

In taking a long view of these projects as investment financing, the question also arises, how long shall the restrictions remain, and what machinery can be arranged for changes in the re-

restrictions to fit inevitable unpredictable changes in circumstances? The simplest procedure, and one which the taxpayers could most readily understand, would be to follow further the precedent already adopted in the new law, namely that of restrictions "running with the land", and to have these restrictions possible of revision at intervals of (say) twenty-five years by settlement between the parties concerned, or oftener if agreed to. Since in this case one party is a public agency, and since the tenants are presumably not parties, a required public hearing would be desirable, so that the tenants and the voters generally could be informed as to whether the purposes of the original public subsidy were being fulfilled, and neither party to the contractual restrictions could with impunity adopt a too unreasonable attitude. Under these circumstances there would seem to be no reason for providing at the outset for a terminal date for the restrictions, except by later mutual agreement.

It is argued that, instead of the lump-sum subsidy provided for by the Baltimore Redevelopment Commission legislation, an indefinitely extended annual subsidy, such as relief from taxes, has the advantage that it can be withheld to compel performance by the developer. This, however, further complicates matters in its shifting relations to the tax levy of the City at large and to depreciation and amortization of the property. The annual subsidy has really no advantage over the lump-sum subsidy by being split into many payments, since the lump sum can be realized from the sale of bonds amortized by annual payments and running (say) for the economic life of the new or improved buildings.

The simplicity of operation of the type of subsidy provided for in the new law is obvious. It has one limitation, however, namely that there may be cases where, even if the land were given to the developer, still he could not produce decent quarters at a profit for the rents paid by the present dwellers in the slum to be rehabilitated. This means that some other form of subsidy would then have to be added. The total of the subsidy necessary to make the project practicable for the developer, however, would not thereby be increased (see Table 33).

PRIVATE MODERATE-RENT HOUSING— COOPERATIVE PROCEDURE

Most of the houses in Baltimore have been produced by private effort. It is to be hoped that private effort may be made sufficiently safe and sufficiently profitable hereafter to operate not only in the region of higher rents but also well into the region of lower rents, though presumably not in the lowest without considerable subsidy, as would be the case equally with public effort. This hope must apply to the small and scattered individual ventures as well as to the larger

projects, but obviously the larger projects cooperating with other agencies are likely to be the more economical in cost per person housed. We have already discussed subsidy to large private housing efforts (see pages 57 to 59) and we have mentioned encouragement of small private housing by help direct to both landlord and tenant (see page 66).

We discuss here briefly an actual case, now to be seen in its promising beginnings, of **cooperative housing effort** at considerable total scale by private developers and City and Federal agencies. This is the Cherry Hill neighborhood.

Some economies from cooperation are obvious by inspection of this area. Not so obvious but just as real is the absence of the mutually destructive conflicts and overlaps and omissions which would have occurred and which often occur elsewhere, but which here were forestalled by a consultation of all hands on the plan from the start.

In 1942 and 1943 there was an increasing need for more housing, especially for negroes, readily accessible from Baltimore's critical war industries. The F.P.H.A. proposed several sites for temporary housing of this kind. Much opposition was voiced to some of these suggestions, by this Commission and by other bodies and interests, on the ground that such development on the proposed sites would be incongruous with the neighborhoods in which they were to be placed.

Still it was necessary that such developments be built, in appropriate places. This Commission, therefore, made a careful study of housing sites which would be accessible to the industrial areas to be served and also in accordance with a good over-all pattern for the City. The Cherry Hill site proved to be in many ways desirable (see Fig. 46).

In March, 1943, the Commission prepared a site plan embracing about 375 acres at Cherry Hill, extending from Hanover Street southerly to the Curtis Bay branch of the Baltimore and Ohio Railroad and from the Middle Branch of the Patapsco River on the north to Reedbird Avenue on the south (see Fig. 47). To make this project a proper permanent addition to the City, and to hasten its accomplishment, the local F.H.A. officials and a number of private builders worked with the Commission's staff in producing a plan in accordance with which all concerned could cooperate to develop a community complete with all neighborhood essentials.

In May, 1943, the Baltimore Housing Authority proposed to use a portion of Cherry Hill for the necessary housing units for war workers in that area.

Early in 1944 private interests began acquiring tracts of land from 10 to 40 acres for the construction of permanent Negro dwellings, for which plans and commitments were approved by the F.H.A., and the Baltimore Housing Authority

developed plans and took steps to acquire by condemnation some 79 acres for a public war housing project to contain about 600 dwelling units. The developments of these areas were integrated with the general plan of the neighborhood.

At the present time—June 1945—over 600 private dwellings have been completed and 600 units by the Baltimore Housing Authority are nearing completion. Private interests have acquired the land where the site plan calls for a shopping center and a group of ten stores is now under construction (see Fig. 48).

The zoning plan was changed where necessary from industrial to residential in accordance with the general plan, to protect and stabilize the values which were being created. A court case contending for land use which would have injured the neighborhood was decided favorably to the purpose of the neighborhood plan.

All this is a most encouraging example of what can be done under favorable circumstances by cooperation of various interests, private, municipal and Federal. The Commission on City Plan went further than is usual as a clarifying influence in the careful detailed inter-relation of private and public plans, but the success of this procedure suggests that it be repeated where it is appropriate, not only in Baltimore but in other cities.

In considering this Cherry Hill development certain facts must be remembered.

The project was on practically vacant land. It was not, therefore, a "slum clearance" effort.

The privately constructed dwellings are not unduly expensive, but their rents are more than what the average dweller in the blighted area is now paying. They are therefore not by definition "low-rent housing."

The housing especially built for war workers has so far charged rents in accord with the good pay of such workers. After the war these rents may fall to equal those of housing built as "low-rent". At that time the question will arise how far the City should go in subsidizing this particular housing.

The new school was partly subsidized by the Federal government to serve the war workers, and this subsidy is properly a part of the cost of the war.

The municipal services furnished and to be furnished are only those which are furnished in proper time and place by the City to any taxpayer. The only special help financially from the City, to the private developer at least, was in the immediate provision of some services which under normal circumstances might have been long-postponed.

The special function of this private development in the City is one which is much needed. It produces a desirable living neighborhood for colored families now living in blighted areas, but

willing and able to provide themselves with better accommodations.

Table 28 shows in brief form for comparison many of the essential points concerning the Cherry Hill Development, related to the three plans already mentioned. Comparative costs and related data are shown in Table 29.

TABULAR COMPARISON OF PROJECTS

Any comparisons of projects involving costs of construction are bound to be uncertain. Such costs vary from site to site and from month to month. Moreover, Federal projects have sometimes been forced to take into account different objectives mutually incompatible as, in the past, unemployment relief and cheap construction of dwellings. Further, city-wide considerations may run counter to local profit, as when a slum clearance project is located not where it is the cheapest, but where it is the most needed.

In general, figures coming from actual construction of a project, if all the figures are recorded, are more solid than figures for a future or theoretical project, even though based on realistic unit prices.

Nevertheless, we believe that certain inferences and preferences can reasonably be based on the comparisons made in this report.

We have presented the information in tabular form, because we could thus in a short space show many cross-relations which would have occupied many pages of text in explanation. We have confined our textual comments to a few salient points.

Comparison of Corresponding Figures for Permanent Lower Rent Housing Projects

Table 29 gives 23 significant figures, mostly financial, about each of the 14 projects, actual and proposed, which we have been discussing. The comparisons of these figures are enlightening.

The three private projects were all built on empty land, costing only \$1,600 per acre. Of the public projects only two, O'Donnell and Cherry Hill, were on empty land, at about \$2,228 and \$716 per acre respectively. The rest of the B.H.A. projects paid from \$57,769 to \$68,885 per acre (land and old buildings). The two proposed sample projects, University and Broadway, were calculated to pay \$48,689 and \$43,800 per acre for the raw land, but to pay \$101,054 and \$143,407 per acre respectively for the land plus existing buildings.

In every case but one, Broadway, the buildings bought—if any—were practically worthless to the project. Broadway, being a reconditioning project, made use of 60% of its old buildings, and reflects the saving in its cost per dwelling unit.

In every case, with insignificant exceptions, the population housed in the new project was slightly more than that on the site, where this site was already built up. The existing population density

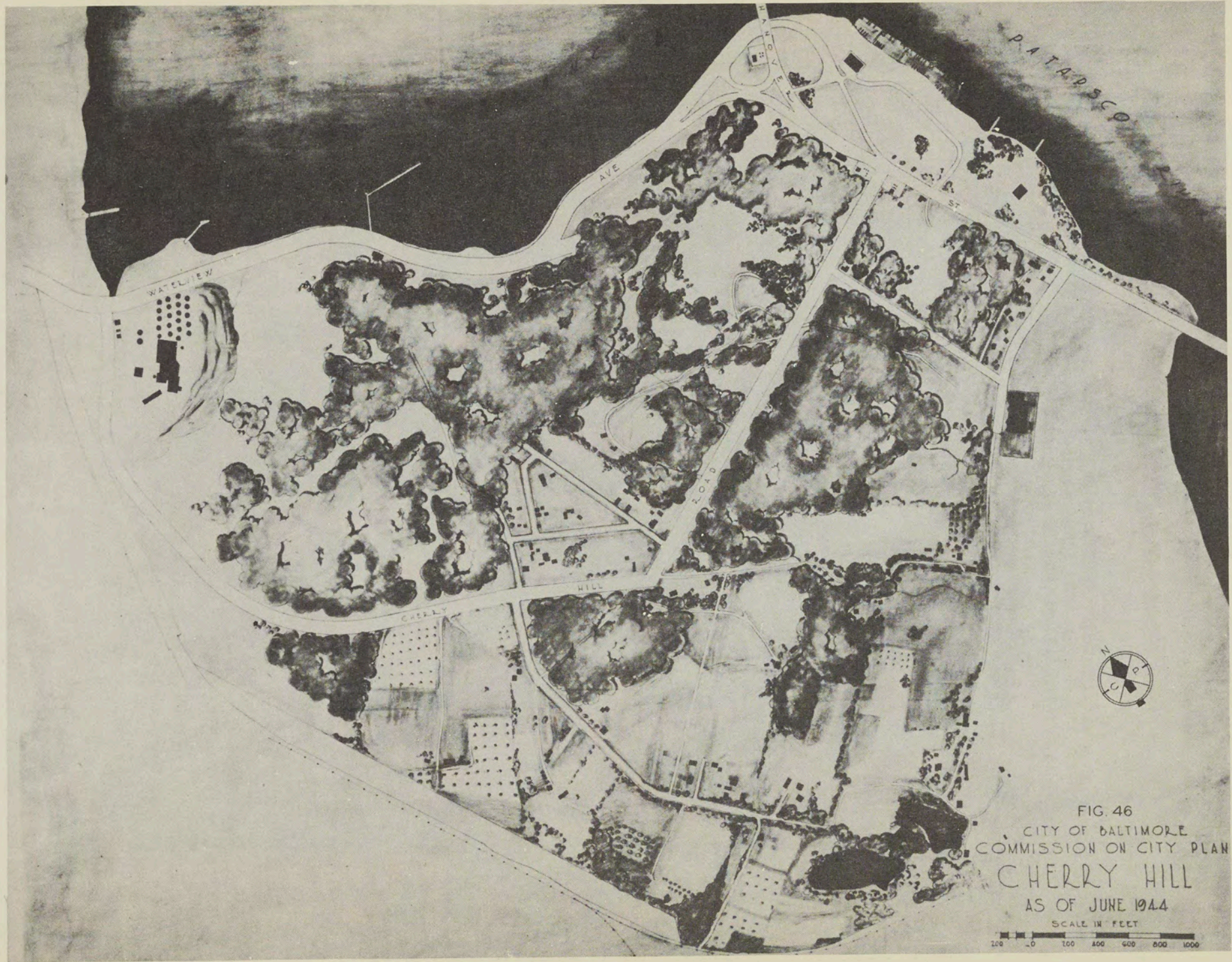
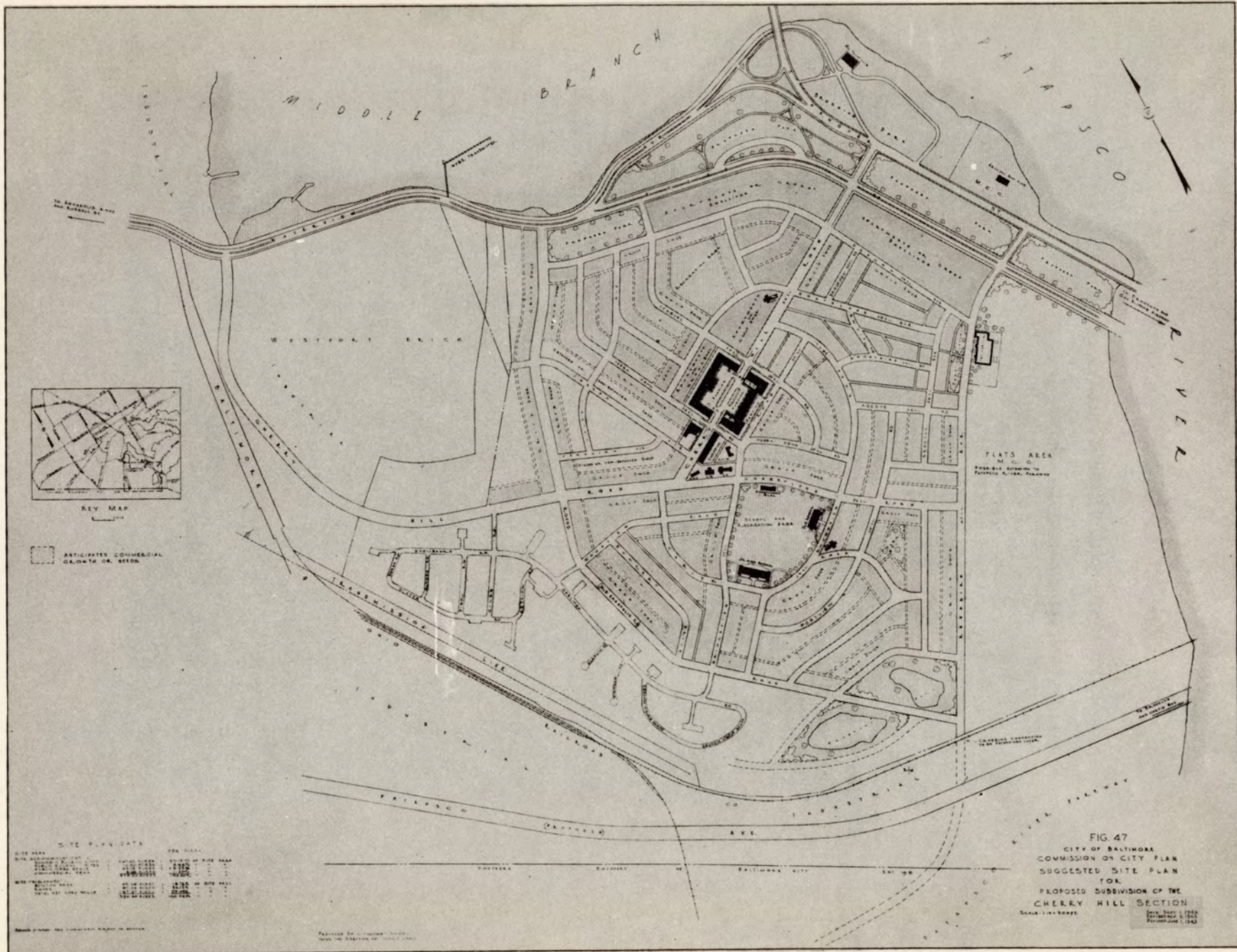


FIG. 46
CITY OF BALTIMORE
COMMISSION ON CITY PLAN
CHERRY HILL
AS OF JUNE 1944

SCALE IN FEET
200 0 100 200 300 400 500 600 700 800 900 1000



REV. MAP

ANTICIPATED COMMERCIAL GROWTH OR USE

SITE PLAN DATA

TYPE AREA	AREA (ACRES)	PERCENT OF TOTAL AREA
RESIDENTIAL	100.00	100.00
COMMERCIAL	10.00	10.00
PARK	5.00	5.00
INDUSTRIAL	2.00	2.00
UNDEVELOPED	1.00	1.00
TOTAL	128.00	128.00

FIG. 47
CITY OF BALTIMORE
COMMISSION ON CITY PLAN
SUGGESTED SITE PLAN
FOR
PROPOSED SUBDIVISION OF THE
CHERRY HILL SECTION
SCALE: 1/4" = 100 FT.
DATE: MAY 1, 1928
DRAWN BY: J. H. HARRIS
PROJECT: JUNE 1, 1928



of the built-up blighted areas was considered to be as high as should be perpetuated, even considering the great advantages as to light, air and access of the new planned developments over the old chaotic growth. This proposed density, on land already built up, ran from 82.97 people per gross acre for Douglass to 131.22 for Gilmor. On land not built up when bought, the density ran from 54.99 for O'Donnell to 95.9 for Cherrywood. This latter density is reflected in a lower rent per head per year, \$124.47, as against the ampler development of Cherry Hill Village at a density of 56.4 and a rent of \$134.46.

The annual rent per D.U. in those cases where it has not been reduced to make the project "low-rent housing", runs fairly parallel:—\$574, \$498 and \$555 for the private housing and \$517 for the University slum clearance project. Broadway is not directly comparable, being partly "second-hand" housing.

The capital costs per D.U. are not widely different. In the 13 comparable cases, in spite of great differences in land cost and considerable differences in the accommodations offered by the D.U.'s, these costs run only from \$6,037 for Cherry Hill and \$6,029 for University to \$4,118 for Cherrywood and \$4,616 for Gilmor. There was evidently here a general effort to produce dwelling units for a price between \$4,000 and \$6,000, and this was accomplished by producing smaller and more crowded quarters on the dearer land. This is reflected again in the capital cost per person housed (Col. 17, Table 29). This varies between the extremes from \$1,022 for Cherrywood to \$1,912 for Poe.

Comparing the other private projects with the eight completed public projects, as to capital cost per person housed, it is notable that the one public project on vacant land, O'Donnell, has about the same cost as the average of the three private projects. Comparing the quarters themselves, however, it appears that the private projects are offsetting their greater distance from the center by offering much ampler facilities.

The rents per room of the private projects are about two and one half times as much as the subsidized rents of the public projects. Apparently, if they were to be without subsidy but still with the power of condemnation, the public projects would have to charge comparable rents with the private projects to avoid loss. This impression is strengthened by the figures for University which, even with some subsidy, is calculated to make only 6% on its stock at a rent practically the same as the lowest of the private ventures.

If the subsidies per D.U. per year received by the public projects (Col. 21, Table 29) are added to their reduced rents per D.U. (Col. 12), the totals are not far from constant at about \$400, and fall below what the private projects receive annually for rent per D.U. (Col. 12), which is about

\$550 as an average. But the public projects are amortizing their costs in 60 years, and receiving subsidy all that time, while the private projects are amortizing their costs in 27 7/12 years, paying heavy taxes, and paying—or reckoning to pay—a profit to the developer. These greater costs per year to be covered by the private project, though for a term less than half as long, would more than account for the differences in rents between private and public projects per year during the amortization of the private projects. Apparently, if the private developer were equally helped, he could afford to charge at least as low rents as could the public agency.

The University sample project works out to have a capital cost per D.U. almost the same as the three highest of the B.H.A. projects, Poe, Douglass, and Somerset. In comparing these figures it should be noted that both land prices and construction prices have been rising constantly since the first of the B.H.A. projects were begun.

The Broadway project capital cost per person housed is the lowest of all except Cherrywood. Broadway being a "reconditioning" project, its economic life would be shorter, but this is taken account of in the amortization period, which does not run beyond 27 7/12 years.

The shorter amortization period during which the subsidy is paid for the University, Broadway, and alternative University projects gives these projects considerable claim to preference over the public projects, as far as this set of figures is concerned.

SUMMARY COMPARISON OF SIX TYPICAL PROJECTS HAVING DIFFERENT CONDITIONS OF SETUP AND SUBSIDY

All procedures in rehabilitation must start by considering the cost of decent housing in the place and for the people of the contemplated project. They all must also consider what these people can pay for housing. At this point the schemes fall into two classes,—(1) those which aim at getting rid of the physical slum, but are willing to replace its people with any population that will pay the highest rents and will be in accord with the city plan, and (2) those which aim at decent housing for the people now in the slum, this housing to be in its proper place in the city plan but not necessarily in the place where the people now live. As a rule, because it dispossesses the poorer people, the first alternative ultimately in fairness involves the second.

As has already been said, the gap, if any, between the cost of a housing project and the payments which its appropriate tenants can afford for rent cannot be bridged by private financing, and requires, therefore, a public subsidy if the project is to go ahead. This subsidy may be applied in different ways.

From the many possibilities in Rehabilitation financing, this report sets down six, each as the case-history of a project, in tabular form for ease of discussion and comparison.

The figures of cost and income for each project are the basis of comparisons, but they can not be compared directly, since the projects differ in so many ways one from another. Indeed no matter how much pains are taken in fairness of comparison, there will always remain some elements for which there is no exact "common denominator". For instance, the character of the "average dwelling unit" differs from project to project. And the relative desirability of two projects of different design and different location cannot be exactly compared in figures.

The difficulty applies to the value of the dollar as well as to the value of what is built for the dollar. All our calculations are for the future, and no man can say just what is the relation between a dollar spent now and a dollar spent 60 years hence, since no one knows what will be the purchasing power of a dollar then, or the rate of interest over the intervening period. Nevertheless, since the City must choose, and soon, among methods of City participation in rehabilitation, the comparisons in this report are submitted in the belief that though they may not be decisive, they will at least be clarifying.

The main items, which can be expressed in a commensurate way to allow of instructive comparisons, are the following:

- Number of persons housed
- Rents received
- Fixed charges on capital costs
- Operating expenses
- Taxes paid
- Stock, dividends and retirement
- Subsidy received directly by money payment
- Subsidy received by tax abatement, land given, etc.
- Length of amortization period

Tables of comparison of various items and aspects of projects, existing and suggested, we have just discussed. Now we attempt to make a direct financial comparison through chosen significant items of six whole projects. These six examples are each represented by a separate summary table, and then the essential figures of all six Tables 30, 31, 32, 33, 34, and 35, are set down in one comparative Table 36, so that their differences and similarities may be quickly seen.

In these six summary tables the figures are reduced finally, in all but the sixth case, to cost or income to the developer per person housed over a period of 27 7/12 years, and also, in all but the fifth case, similarly over a period of 60 years including the first period. The "person housed" is after all the basic unit for which all other units

in the problem exist. The Latrobe project, like all B.H.A. projects, is calculated only for amortization in 60 years. The borrowings of all the other projects, however, must be amortized in 27 years and 7 months. So for all projects except Latrobe we have calculated a first period of amortization of 27 years and 7 months, at the end of which the books could be closed, with the results stated in detail in Tables 30 and 34 respectively, for University No. 1 and Broadway No. 5. Then for all projects but Latrobe and Broadway we calculate a second period, free from debt service on borrowings, to complete a span of 60 years. For Latrobe the amortization runs evenly for the whole 60 years.

The expenses of producing and maintaining the housing are assumed to be the same for all four University alternatives, since the same number of people are housed in the same buildings.

We assume for all cases but Broadway that the value of the buildings decreases by 2% per year*, thus having still left about 45% of the original value at the end of 27 7/12 years, but no value at the end of 50 or 60 years, in the sense that then they would no longer properly earn the rents required, and the necessary repairs would be so expensive that total rebuilding, according to the requirements then in vogue, would be preferable. In the case of Broadway we assume 2 1/2% depreciation on all the reconditioned buildings, and the arrival of the time for rebuilding in 40 years. We do not therefore calculate Broadway for 60 years, though, using some optimism, we do calculate all the others at 60 years, if only for purposes of comparison, which at least is equally fair to all the projects concerned.

We then divide the 60 year figures and the 27 7/12 years figures by the population in each case, and produce total figures per head for 60 years and for 27 7/12 years.

For purposes of direct comparison the figures in Table 36 for subsidy less taxes for the period of 27 years, 7 months, and similarly for subsidy less taxes and taxes less subsidy for the total period of 60 years are here reduced to figures per head per year. The comparison of these figures is instructive, both between one project and another and between the shorter term and the longer term for the same project. As in the total figures in Table 36, the University No. 4 project and the Broadway No. 5 project appear in a particularly favorable light in contrast to the other projects as far as these figures are concerned.

* In the calculation of Federal corporate income taxes we take a depreciation item of 2 1/2%, this being the arbitrary figure for the type of building concerned which we understand is allowed. In the tables here which are compared with the B.H.A. project Latrobe which has an amortization period of 60 years (i.e. 1 2/3% depreciation) we take a depreciation of 2%. The figures are, of course, incapable of exact prediction in any case.

TABLE 36

PROJECT	FOR PERIOD OF 27 YEARS, 7 MONTHS										FOR TOTAL PERIOD OF 60 YEARS									
	RENT		TAXES				SUBSIDY			SUBSIDY LESS TAXES	RENT	TAXES				SUBSIDY			SUBSIDY LESS TAXES	TAXES LESS SUBSIDY
	Per Head Per Year	Total Per Head	Corpo- rate	Real Estate			City & State	Fed.	Total			Corpo- rate	Real Estate			City & State	Fed.	Total		
				State & Fed. Paid	City & State Paid	Total Paid				City & State Abated	State & Fed. Paid		City & State Paid	Total Paid	City & State Abated				City & State	
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
University No. 1	129.23	3,564	351	301	652	331 →	651	982	330	7.754	1,282	654	1,936	720 →	541	1,261			675	
University No. 2	129.23	3,564	214	632	846	0	846	846	0	7.754	1,010	1,374	2,384	0	988	988			1,396	
University No. 3	73.97	2,040	0	301	301	331 →	1,824	2,155	1,854	4,438	211	654	865	720 →	2,785	3,505	2,640			
University No. 4	73.97	2,040	0	632	632	0	756	603	1,359	727	4,438	116	1,374	1,490	0	984	720	1,704	214	
Broadway No. 5	92.79	2,560	182	324	506	92 →	673	765	259	Not Calculated - Too Long Amortisation										
Latrobe No. 6	73.97	Not Separately Calculated								4,438	0	434	434	1,496 →	1,593	3,089	2,655			

* Payment in lieu of taxes to City only

Per Head Per Year
For 27 yrs. 7 months

University 1	Subsidy less taxes.....	\$11.96
University 2	Subsidy less taxes.....	0
University 3	Subsidy less taxes.....	67.22
University 4	Subsidy less taxes.....	26.36
Broadway 5	Subsidy less taxes.....	9.39
Latrobe 6	.....	.....

Per Head Per Year
For 60 years

University 1	Taxes less subsidy.....	\$11.25
University 2	Taxes less subsidy.....	23.27
University 3	Subsidy less taxes.....	44.00
University 4	Subsidy less taxes.....	3.57
Broadway 5	.....	.....
Latrobe 6	Subsidy less taxes.....	44.25

We compare first the University project No. 1 paying only "frozen" local taxes, with the University project No. 2 paying full taxes. It is noticeable that, under present laws, in a solvent project which pays full taxes the loss to the project by paying greater local taxes is largely made up by the lessening of the "taxable income", 40% or so of which goes in Federal taxes. If a Federal subsidy is used, not to pay debts but to increase dividends to attract private investment, strictly interpreted, this subsidy would increase taxable income and so increase income taxes, as we have said before. Presumably, Federal subsidy to pay City taxes would not be taxable. We hope, however, that all Federal subsidy to rehabilitation may not be taxable when dividends are limited by the setup of the public service corporation (see page 29).

In this comparison the only difference in net costs is that between frozen and full taxes—but No. 2 by paying full city taxes diminishes its taxable income for Federal taxes, so the difference between No. 1 and No. 2 in subsidy received is not the amount of the abated city taxes, \$331, but the difference between \$982 and \$846, or only \$136.

We compare next the University project as a slum-clearance effort (No. 1), at an average rental per tenant of \$129.23 per year, with the University project as a low-rent effort (No. 3), receiving an average rental of \$73.97 per head per year which is \$19.71 per dwelling unit per month, the same rent which is estimated for Latrobe No. 6. The subsidy by frozen taxes remains the same for projects Nos. 1 and 3 throughout the 60 years.

In this comparison the only difference is between low and higher rents, which difference is \$55.26 per head per year, or for 27 7/12 years \$1,524. The subsidy received minus taxes paid is respectively \$330 for No. 1 and \$1,854 for No. 3 per head for 27 7/12 years, a difference of \$1,524. That is, the diminution in rent to the tenant is exactly made up in this case by a net increase in

payment from the community to the project. In 60 years, however, No. 1 pays \$675 excess in taxes while No. 3 receives \$2,640 excess in subsidy.

Third, we compare the University project, a case of reconstruction (No. 1), with the Broadway project, a case of reconditioning (No. 5). In both cases the local taxes are frozen.

There is an initial saving in the Broadway case by the less capital cost per head at the beginning; \$1,082 against \$1,507. But the rate of amortization of the reconditioned buildings is greater. At the end of 27 7/12 years the remaining percentage of value in the older buildings is much less than in the buildings only 27 7/12 years old. Still this relative saving to Broadway makes possible the lesser rent charged by Broadway, \$92.79 per head per year, total for 27 7/12 years of \$2,559.53, against \$129.23 per head per year, total per 27 7/12 years of \$3,564.55, for University. The very much less call on the community for net payment per head for No. 5 where subsidy minus taxes is \$259 as compared with No. 1 where subsidy minus taxes is \$330 is due to the fact that No. 5 is a job of reconditioning for the most part, not of reconstruction, that the capital cost per head is therefore less, and the Federal taxes less. The debt service per head for No. 5 is \$1,142, while for No. 1 it is \$1,593.

It should be remembered in comparing these net payments from community to project that they measure relatively small differences between large expenditures and large necessary receipts by the project, and that their proportional variations may therefore be great for a relatively small percentage variation in income or in outgo for either of the projects compared.

Fourth, we compare University, paying frozen taxes, charging low rents and receiving the necessary subsidy in direct payments (No. 3), with University paying full taxes, charging low rents and receiving subsidy partly by direct payment and partly by being provided with the land for nothing (No. 4).

The subsidy received by No. 4 is partly in the form of the expenditure for the site by the City of a lump sum of \$2,104,954 (see Table 14). If borrowed by the City at 2½% this would be roughly equivalent to \$102,625 per year for 27 7/12 years or \$61,395 per year for 60 years, a total payment per head of \$756 in 27 7/12 years or \$984 in 60 years. In addition to this there is a Federal subsidy of \$603 per head in 27 7/12 years or \$720 in 60 years. This makes total subsidies per head of \$1,359 in 27 7/12 years or \$1,704 in 60 years. This total would be compared with the payments for No. 3 of a total subsidy per head of \$2,155 for 27 7/12 years or \$3,505 for 60 years.

The test figures of subsidy received minus taxes paid, are \$727 for No. 4 and \$1,854 for No. 3 for 27 7/12 years, and \$214 for No. 4 and \$2,640 for No. 3 for 60 years.

Finally, we compare the three "low rental" alternatives, University No. 3, University No. 4 and the B.H.A. low-rental project, Latrobe No. 6.

We start with the question whether the average rental of \$73.97 per head per year (or to use a more common measure, a revenue of \$19.71 per dwelling unit per month, which is the rental of Latrobe) will be after World War II in truth a "low rental". The average rental in 1940 for the University area was \$15.09 and for the Census tract containing Latrobe \$17.86. But in the University area there were 55.29% of the rents below \$15.00, and in the whole blighted area 32.73% below \$15.00. True, these rents are now frozen and many of the present tenants could afford to pay more, but it is by no means certain that after World War II they can afford to do so. A considerable proportion of the present population would therefore be dispossessed by a rent of \$19.71. However, for purposes of comparison we assume the rent for University to be \$19.71. We show elsewhere the undesirable results of increasing the population density of University in the attempt to diminish the cost per tenant (see page 33).

In any case it is not reasonable to try to house all the present tenants simply by reducing all the rents. Some scale of rents must be chosen, and those present tenants unable to pay these rents must be aided to do so by some sort of personal subsidy or provided for in some way elsewhere. See the discussion beginning on page 64.

We have, then, for comparison, taken the average rent of Latrobe, \$73.97 per head per year, as the average rent of the two alternative University projects. This is, as we have said, \$19.71 per dwelling unit per month for Latrobe, and \$23.75 for University, higher because there are more persons accommodated per dwelling unit in University: 3.76 against 3.20.

Reduced to totals per head, cumulative at the end of 60 years, University No. 3 receives a subsidy of \$3,505 and pays taxes of \$865, the net payment from the community to the project being \$2,640 per head. This counts abated taxes as a subsidy. Latrobe No. 6 receives a subsidy of \$3,089 and pays taxes of \$434, the net community payment being \$2,655, or about $\frac{1}{2}$ of 1% more than that paid to University No. 3.

During this time University No. 3 has paid dividends to investors, preferably local, of \$2,124 per head of the tenants. Counting this \$2,124 as outgo and adding the other items of expense, the total outgo (and income) for University is \$7,493 per head. The corresponding figure for Latrobe is \$6,157.

The University project thus seems to do a larger business per head housed than does Latrobe. This difference is largely made up, however, of two "wash items", namely \$431 more

paid out in taxes by University, increasing subsidy by the same amount, and \$776 more abated in taxes to Latrobe, decreasing the required subsidy correspondingly.

It would seem, then, on the face of all these figures, that a low-rent housing project set up as is University, case No. 3, can not be done by private enterprise except with about the same subsidy by the community than is now being given to Federal-subsidized housing of the same character. But the 60 year amortization period of the borrowings of the Federal project here used for comparison is much more uncertain than is the 27 years 7 months period here used for the borrowings of the private venture. The private venture is the stronger during the second period because it then has the lesser load to carry. The later period of the private housing being much less costly, should reduce the average cost for the 60-year period as Table 36 shows. But if these hopes are partly disappointed, at least the amortization will have kept pace with the depreciation of the structures, and there would be little likelihood of the project being left with a debt larger than could be handled by the out-worn and out-moded housing without still further subsidy not foreseen in the calculations.

Another significant difference between the private project such as University No. 3 and the Federal project such as Latrobe No. 6 is the fact that the Government can borrow money at 2% or less, whereas the private developer has to pay considerably more; while for that part of his capital which is represented by stock he has to produce dividends of 6% or so and be ready to retire the stock while there is still equity behind it, in order to tempt any investor to buy the stock. But the great difference between these comparative figures is due to the fact that the private developer pays large taxes while the Federal agency pays but little. At the present rate of Federal income taxes alone, the private developer pays about 40% per year on his taxable income. And as the law now stands a subsidy might be considered taxable income, though we have, optimistically for the future, not so considered it (see page 29).

We say that the deficiency in the accounts of the private developer has to be made up by a subsidy. The situation is rather absurd in any case, as there are two large figures in the developer's accounts,—one, subsidy received, and the other, more or less equal, taxes paid. If, then, the Federal aid to the developer should consist in relieving him of Federal taxes instead of giving him a subsidy, the result to the Federal government would be the same and the simplification of the procedure of the developer would be very considerable.

We now compare Latrobe No. 6 with University No. 4. As we have said, University No. 4, figured with no intentional omission of expenses, shows a

figure of subsidy minus taxes for 60 years of \$214, while Latrobe shows \$2,655. This would seem to be a wide enough margin in favor of No. 4 to encourage the trial of the methods of the new Baltimore Redevelopment Commission legislation. It is striking that though the land is figured as given to the developer in No. 4, still he needs a considerable further subsidy. But these two helps added together are so nearly offset by taxes paid that the difference comes to only \$214 per head for 60 years, which total is far less than that figured for University No. 3 (\$2,640), and for Latrobe No. 6 (\$2,655), the other two low rent projects. One conclusion is to be drawn from all these figures, namely that no amount of ingenuity in reducing capital cost nor in reducing maintenance and management cost will allow a private developer without subsidy to pay 40% per year income taxes and compete with a public development that pays no taxes. If the private development has to seek money, as it must, in competition with other possibilities of private investment, then it must somehow receive enough subsidy to make the expectation of gain as much as the expectation of gain in the other alternatives that might be sought in private investment.

It is reasonable to hope that all income taxes will presently be reduced, but the provision of low rent housing, by the very definition of the rate of earnings of its tenants, is an unprofitable task if without subsidy. Legislation now proposed (see especially S.1342, "A bill to establish a national housing policy and provide for its execution") should be carefully studied as steps on the way to many of the goals which are here discussed. But in any case, on the average, the money spent as subsidy for better housing in a city comes from the taxpayers of the city. In the method of its spending, therefore, there should be undoubted and enforceable legal provisions that the Federal government does only those things, if any, which it can do more efficiently than any other agency, and that the price of this service to the City shall not include the shifting of primary responsibility for this intensely local problem from the City and its citizens to the Federal government.

We do not say that the figures in this section of this report are a full and fair measure of the comparative desirability of the various procedures to the City, though we do not know to which alternative they may be unfair. The figures are, however, a rough comparative measure of the "present worth" of the total financial obligation to be assumed now by the public in subsidy under the stated conditions,—by choosing one procedure rather than another, other things being equal, as assumed in our statements. In one respect, however, other things cannot be equal. The short-term subsidy is less likely to overrun the economic worth of the thing subsidized. The longer term

of amortization, with any given constant subsidy, calls for a less payment of fixed charges per year by the developer, but it also requires the repeated payment of subsidy by the City over a longer term of years, which, as with Latrobe, produces a large ultimate total. We do not attempt to evaluate the present worth of an indefinitely extending subsidy. We are not discussing, still less approving, saddling the public with a perpetual subsidy and its cumulative effects (see page 46).

Subsidy to the Tenant, not to the Project

A quite different form of subsidy should here be mentioned, namely a subsidy not to the project but to the tenant direct. This applies only to low-rent housing and requires, as all low-rent housing must require, a scrutinizing of the applicant to determine whether he really needs help, and how much, and a regulation of the tenant to ensure that he continues to need help and uses it effectively and fairly to others, and a supervision of the landlord to see that he produces full worth in housing for the public moneys which are expended. All this supervision is obviously simpler in a large project operated by a government agency. This occurs in the National Capital Housing Authority projects, where an economic rent is determined from the costs of providing the dwelling unit. The tenant pays as much of this as he can afford, and the rest is paid by the National Capital Housing Authority. The tenant knows by how much he is helped, but the figures do not have to be publicized. By this process the expenses of slum clearance and of low-rent housing are kept separate although they form parts of the finances of the same project.

Whether the costs of such housing are as low as is possible under present circumstances is now the subject of strong differences of opinion, but this does not affect the excellence of the idea of keeping the two different purposes of the housing separate financially.

Another scheme which has been proposed is that a government agency periodically inspect and approve such housing as is suitable for persons of low income, and investigate and approve persons seeking such housing. Then when approved tenant and approved landlord agree on a lease, at an approved figure, the government agency pays directly to the landlord that part of the rent which the tenant cannot afford to pay. It is evident that such a scheme is much more difficult of inspection, but it has the great advantage of making use of any suitable housing now existing or to be privately constructed, anywhere and in any quantity.

In the financial calculations in this section of the report we assume that the earning capacity of the tenants and the costs of land and of house construction will be again essentially as they were in 1942. This is the best prediction which we now

can make. It is rather arbitrary, but some consistent basis is necessary for any set of comparable calculations.

It is to be hoped, indeed, and most earnestly to be striven for, that the wages of the more poorly paid citizens will increase beyond their present rate, without a corresponding and nullifying increase in the prices of what they buy, but it is not known to us how this may be brought about except by the complicated interaction of causes which may make "prosperity" country wide,—a matter which we are not discussing in this report. Various causes of the present high cost of housing in relation to general price levels have already been discussed.

It is important to choose wisely among these alternative procedures, and choice cannot be delayed awaiting an Utopian alternative. Some of the decisions must still be little better than intelligent guesses, but the most outstanding fact in all present alternatives is that the heaviest burden of costs in every case does not arise of necessity from anything within the power of the developer. It is a matter of illogically large unit costs of construction, of illogically high costs of out-moded buildings and unfortunately used land, and perhaps most of all of illogical and destructively expensive financial procedures particularly as to taxation and subsidy. Here the remedy lies more in Washington than in Baltimore, and by no means exclusively in the field of housing.

RECOMMENDATIONS

Revision of Zoning Law and Plans

The Commission on City Plan has the duty of keeping informed on the working of the zoning laws and suggesting to the Mayor and Council any revisions which appear desirable. On page 7 one example of such revision is discussed. Zoning laws must grow and change with the changing city. On the other hand they must be resistant to sudden high-pressure single-interest attacks. This combination of flexibility and stiffness is hard to maintain, and can be maintained only by reference to the Master Plan.

We believe that at least for some time to come it will be best for the Commission on City Plan to follow its present policy, and help and guide the neighborhoods of the City in obtaining amendments of the zoning which are at the same time locally beneficial and in accordance with the broad policy of the City. These amendments will then be based on the actual experience and worked-out desires of each neighborhood, and, unlike a city-wide new plan, will discount untried theories on the one hand, and possible intersectional log-rolling on the other.

Enforcement of Present Laws

Some new laws are needed, as we have seen, to deal with residential blight, but much can be done also by enforcing laws which already exist.

Under present law, uninhabitable dwellings can be condemned and destroyed, and under this threat owners of badly deteriorated dwellings can be forced either to repair or to abandon them.

So long as there is no other place for their tenants to go, the buildings cannot reasonably be destroyed. But the first move in post-war housing should be the provision of quarters for the dwellers in the first installment of buildings to be destroyed. And thereafter each provision of proper housing should be paralleled by a corresponding removal of buildings "not fit for human occupancy." Demolition can probably keep pace with reconstruction. But the total task is very great. Table 37 shows the figures involved if all the sub-standard structures were to be razed within ten years.

We believe that up to the budgetary possibilities, demolition of unfit buildings will be the policy of the City. Such a policy will have results beyond the actual demolition. It will, for instance, affect the prices to be paid for the property taken for low-rent housing or slum clearance.

At present, whether or not it is properly contemplated by the law, the price paid for buildings taken by condemnation, as well as those bought in the open market, is influenced by the rents received for those buildings, however bad the rented quarters may be or however near they may be to final collapse.

If the law were absolutely enforced, either these bad structures would be made fit to live in, or, if this were unprofitable to the owner, the structures would be torn down and the bare land would be all that remained to be taxed or to be valued for use in a new project.

Again, when the City has taken property for taxes, and the buildings are really uninhabitable, as they are likely to be, the City should obey its own laws. The City should demolish the buildings at once, and not sell them to some one who can only wring out the last drop of private profit by continuing a use to the public detriment.

Further, before any property is sold by the City to "put it back on the tax list" the future use of the property and of the neighborhood should be considered. Will the City soon need the land as part of a playground or for a school site? Is the abutting street likely to be widened, or is there to be a housing development in the neighborhood?

Choice of Methods of Subsidy for Residential Developments

If a subsidy is calculated to fill a definite gap between the income and the outgo of the developer of a project, this effect can be produced by a number of different ways of applying the subsidy.

It would be possible, that is, to choose a direct payment of subsidy, or a price at which the

TABLE 37
NUMBER AND STATUS OF BUILDINGS

	<u>City-Wide</u>	<u>Blighted Areas</u>	<u>4-2</u>	<u>7-4</u>	<u>9-4</u>	<u>11-4</u>	<u>22-2</u>	<u>Total 5 S.A.</u>
Dwellings	220,000	60,500	1,505	1,479	702	956	1,282	5,924
Commercial Bldgs.	47,000	5,300	285	66	52	90	248	741
Non-Commercial Bldgs.	6,000	600	24	8	3	14	8	57
Minor Bldgs.	19,000	1,200	16	12	123	14	15	180
∞ Total No. of Bldgs.	294,000	67,600	1,830	1,565	880	1,074	1,553	6,902
Bldgs. to be Razed Dw.	23,000	15,000	-	-	-	-	-	-
Bldgs. to be Razed Others	2,000	1,000	-	-	-	-	-	-
Total to be Razed	25,000	16,000	1,752	1,555	866	914	1,493	-
Total to be Razed per annum	2,500	1,600	175	156	86	91	150	-
Bldgs. to be Repaired	-	-	78	10	14	160	58	320

Source - Bureau of Buildings

land was to be sold to the developer, or a freezing of taxes at a constant amount, or a formula of taxation applied to the completed project, any one of which would seem financially reasonable on the same set of assumptions of future facts. But future fluctuations from these assumptions would affect each alternative differently. Also there will always be very important inherent differences in the ease and clarity of administration, and, most important of all, differences in the political and economic effects on the community of the different methods of subsidy.

Tables 30, 31, 32, 33, 34 and 35 are Summary Tables for University Alternatives Nos. 1, 2, 3, and 4, for Broadway Alternative No. 5 and for Latrobe No. 6 respectively. These together with Table 36 (Comparative Table) show in convenient form for comparison a number of essential figures of cost and income for the different kinds of residential redevelopment discussed in this report. We do not believe that any one method is always the best. We think that the first question as to subsidy as a matter of public financing is the total net amount of subsidy granted less taxes received, bearing in mind that ultimately all subsidy comes out of the taxpayers. Choice should not be made merely because the Federal government would under present procedure bear a larger share. Nor should present annual payments be the only test, but rather the number of years of good housing per tenant in total that is produced by a given expenditure.

Of the alternatives discussed, Broadway No. 5, a reconditioning project, and University No. 4, a project set up largely in accord with the procedure of the Baltimore Redevelopment Commission legislation, seem especially promising.

New Federal legislation, and not only on the subject of Housing, will greatly affect any choice of City procedure,—for which reason it is highly important, as we repeat in our last recommendation, that the City should take pains to be up-to-date on such legislation and ready to express a considered opinion.

Baltimore Redevelopment Commission

On pages 57 to 59 we discuss the legislation providing for a Baltimore Redevelopment Commission. The text of the legislation is given in the Appendix to this report.

The final step, the actual acceptance of these powers by the City and the setting up of the Redevelopment Commission, was taken June 11, 1945, by the Mayor and Council.

To any one who has not before devoted a good deal of time to the subject, this legislation may appear radical. If the Mayor and Council appropriate the money, and if the Commission set up by the City and responsible to the City votes to do so, it can involve the City in considerable straight-out money payments. It authorizes the City to put slum property into the hands of the

private developer, at a price at which he can afford to make it something better than a slum.

The cost will be great, but one thing at least is sure. The necessary subsidy, which is plainly and simply provided for under this law, must exist (though not always so plainly expressed), in any procedure which will result in effective slum clearance and low-rent housing. And under this law the expenditures, by whatever governmental agency, are correctly related to the City plan and budget. The Redevelopment Commission with the Commission on City Plan determines, as parts of one decision, what the developer must do to abolish the slum, and how much help he must have to enable him to do it. Each project is decided on its own facts.

We believe that it is no mistake for the City to give itself this set of weapons—among others—against the slum.

It need hardly be said that these weapons are to be wielded by the Redevelopment Commission and the Commission on City Plan, as allies, and that without sufficient City support to both bodies nothing more than futile flourishings can possibly come to pass.

Mandatory Referral to Commission on City Plan

Constructions by City authorities now require the consideration of the advice of the Commission on City Plan before actual execution. Private constructions which influence the street patterns come definitely before the Commission. But in the production of low-cost housing and in slum clearance there has been in the past an incomplete working of the machinery in determining whether all these efforts were really, in kind, in location and in timing, the steps most appropriate in the comprehensive City Plan and Budget.

In addition to the obvious reason of war pressure there have been two causes for this inefficiency. First, where projects must be reported on by the Commission, they may come first to its attention only when the plans have been far advanced. True, land cannot be bought for City purposes without reference to the Commission; but for the Commission to refuse acceptance of a proposal worked out in considerable detail, because the Commission considers that the proposed site is wrong, is a wasteful and exasperating procedure, however fully justified in any special case. There should be here a **requirement**, in law or in accepted custom, that proposals which will ultimately need the approval of the Commission shall come before it in their early tentative stages for discussion, to avoid working at cross purposes. The cooperation discussed between the Baltimore Redevelopment Commission and the Commission on City Plan (see page 58 and above) is an example of what should be accomplished.

A second reason for inefficiency is that governmental projects have not been subject consis-

tently to City regulations. Of course war projects serve dominant Federal needs, and all other needs must stand aside when this is necessary. But there has been in the past in some of our cities unnecessary dominance by Federal agencies in such cases, for instance, as choice of site and design for Federal post offices. In the Federal low-rent housing which may be built in the future there should be, for the efficiency and convenience of all agencies concerned, a definite requirement and machinery of cooperation from the first inception of the projects, between the Federal agencies and the City as represented by its agencies and in this case particularly by the Commission on City Plan.

In all the above instances the basic point is the same. Such special-purpose constructions, whether made by City agencies, or by State or Federal agencies, or by private agencies, add important elements to the city plan. They must therefore be considered from the first as to whether they fit the city plan and the city budget, and not merely the single purpose of their constructing agency. This general fitness is the admitted province of the Commission on City Plan. We recommend that the Commission consider how it may best be implemented to perform this duty.

Disposition of Federal War Construction Generally

The case arises again in the disposition of existing Federal war construction (see page 56). We call attention, as one of our recommendations, to the services of the Commission on City Plan in cooperation with Federal agencies, which we advocate more specifically in the text of this report, to make this disposition in the best interests of the City. We realize that City regulations can not always apply to Federal activities, especially on Federal property, but the procedures of Federal bureaus, particularly when, as with housing, they are for local benefit, can be made a part of the City's planned procedure.

Disposition of Federal Housing

We have discussed (see page 56 and following) the effects on the economy of the whole City which may depend upon the way in which Federal war housing, among other constructions, is handled after the war need is over. We wish here to make plain our belief that the same general considerations apply to all Federal housing, that this matter is important, that the City can influence the outcome if it will, and that the City should be prepared and active now in informing itself and in keeping its representatives in Washington informed, not only that the City shall be ready to do its part intelligently, but also that the City may not be faced with a Federal policy determined without due consideration of how it affects the broad development of the City of Baltimore.

City Long-Term Budget and Priorities

The Commission on City Plan has the duty of preparing and keeping up to date a comprehensive plan for the City. Further the Commission has strong advisory power as to the fitness of a proposed improvement to become a part of that ever-growing plan and so ultimately a part of the growing city.

Such a proposal can be evaluated only if the following things are known: What net advantages will it bring to every one affected? What will be its net cost to every one affected? When will it be completely paid for? During the time of payment can those who will pay for it afford its cost among all the things for which they will also be paying?

These questions test the proposal not for itself alone. They evaluate it as a part of the business of the whole community. The first two questions involve a knowledge of the city plan. The last two questions involve a knowledge of a city long-term budget as a part of the city plan.

The plan and the budget must thus interlock as parts of one machine. The plan shows what and where things are and are to be. The budget shows what things cost and when they are to happen. The good plan avoids trying to put two things in the same place or incongruous things together. The good budget brings desirable things to accomplishment when they are needed, with the least sacrifice of other desirable things. Both deal with values in the future, sometimes inevitably far in the future.

True, such values cannot be accurately predicted. But we have to act now, anyhow, by commission or omission, and the worth of whatever we decide will depend on these same future values. It is better to act with what light we can get than to act in the dark.

In any case the duration of the commitments involved by these decisions is precisely the same under a "six year budget" as under the old-fashioned hand-to-mouth procedure, namely for the specified budgetary period or the life of a structure or its bonds.

In such a six year budget, as each time of annual budgetary decision comes around, the items, mostly from the head of the list and long foreseen but not necessarily so, are chosen to be actually accomplished in the opening fiscal year, and their places are taken in the waiting list by the most worthy and most pressing of the remainder, the places at the six-years-in-the future end of the list being filled largely by new proposals, as it were, entering upon their apprenticeship.

In this way each item of expenditure, whether new or old on the budget list, is considered in relation to all other reputedly proposed competing ideas. Sudden high-pressure salesmanship is more difficult, and changes of administration are not so likely to cause good things to be forgotten.

Of course only a relatively small part of the whole budget is free to be devoted to new construction or improvements of any kind. There are fixed charges for debt service to be met first. There are also the normal expenditures of all the City agencies, which expenditures may be modified but which seldom can be very greatly changed in any one year.

This report does not presume to set down the exact budgetary procedure of the City. It states here only the belief that the Commission on City Plan cannot do all of its designated job competently unless it may refer to some sort of accepted long-term budget of the City. And many cities, large and small, have in the last few years set up a long-term budget integrated with a general city plan, and found the procedure to be good business.

Metropolitan Cooperation In Housing

Neither the corporate City of Baltimore nor the surrounding less densely occupied territory can best house its own people without the cooperation of the other. Though the housing problems neither stop nor usually change in character at the boundaries of the corporate city, still each of the two jurisdictions is best qualified on the whole to provide its own types of housing. There is a great demand for both kinds, and thus a great need for an agreed-upon plan to put each kind where it belongs (see brief discussion, pages 13 to 14).

We strongly recommend that the Mayor and City Council of Baltimore do what they can to bring about a discussion of interests and a pooling of information by those officially responsible in this larger problem. Plainly such a discussion must touch on more than housing. The desirable and predictable trends of development as to transportation, business, recreation and so on should be roughly set down so that it could be decided on a solid basis at least what moves could and should be made first in actual regulation and construction, even if it should prove, which would be very unfortunate at this juncture, that the outlines of a practical official general plan could not yet be laid down.

Private and Public Effort

The problem of private effort and public effort in relation to rehabilitation of blighted areas is only one manifestation of a question which applies to all plans for future national progress,—the question of how far shall the Federal government **itself do things** for the people, and how far shall it aid and stimulate the people to **do things for themselves**.

This report is not the place for a philosophic discussion of this point. We only honestly state our own belief, since several of our recommendations must inevitably lean in one or the other of the two directions. We believe that in the provision of housing for persons of low income, and in the rehabilitation of blighted areas, the problem and the responsibility is for the local community, and that the Federal government should do, by advice and information, by cheapening financing procedure, by lifting the burden of taxes from approved developments, or even by direct money payment, only as much as the community cannot do, and cannot be enabled to do, for itself.

We have come to this belief, but we have taken much care in this report to set down the facts honestly, no matter what they prove. We have presented facts rather than opinions, and we have stated the facts so that they can be compared and checked, and anyone may draw from them his own conclusions.

We make the above statement because it is evident that the attitude of the Federal government in this matter will be of paramount importance. It is idle to expect private initiative to produce risk capital for low-cost housing so long as Federal corporate income taxes apply at their present rates to these projects, without some offsetting subsidy, because equal returns can be expected from other ventures at lesser risks.

Yet it would seem that,—given as great a subsidy as the public efforts are now given, private capital might do as well, and therefore, we believe, better.

It appears to us that the Commission on City Plan and the Mayor and Council of the City of Baltimore should familiarize themselves carefully and constantly with Federal legislation now being proposed, and see that their representatives in Congress are informed of their desires.

APPENDICES

APPENDIX A

PULMONARY TUBERCULOSIS
CASE RATE PER 10,000 ESTIMATED POPULATION
BY CENSUS TRACTS
BALTIMORE: 1938-1942

Census Tract	Case Rate Per 10,000 Population	Census Tract	Case Rate Per 10,000 Population	Census Tract	Case Rate Per 10,000 Population	Census Tract	Case Rate Per 10,000 Population	Census Tract	Case Rate Per 10,000 Population
1-1	12.31	9-2	10.90	14-3	34.07	20-1	11.76	26-8	7.79
1-2	12.97	9-3	6.56	15-1	38.70	20-2	10.90	26-9	10.44
1-3	15.87	9-4	13.88	15-2	24.66	20-3	14.76	26-10	12.58
1-4	18.88	9-5	7.64	15-3	9.11	20-4	8.90	26-11	15.26
1-5	16.17	9-6	4.46	15-4	11.42	20-5	15.09	26-12	49.86
2-1	19.30	9-7	10.83	15-5	10.35	20-6	10.06	27-1	8.66
2-2	20.12	9-8	10.14	15-6	9.15	20-7	7.49	27-2	7.35
2-3	25.98	9-9	16.80	15-7	7.29	20-8	9.26	27-3	5.12
3-1	36.82	10-1	19.09	15-8	4.93	21-1	24.86	27-4	3.80
3-2	22.27	10-2	44.32	15-9	5.78	21-2	12.27	27-5	7.59
4-1	40.48	10-3	3.65	15-10	6.27	22-1	37.27	27-6	5.96
4-2	45.48	11-1	19.52	15-11	8.01	22-2	47.84	27-7	4.45
5-1	45.63	11-2	16.33	15-12	4.66	23-1	27.49	27-8	6.02
5-2	41.07	11-3	39.65	15-13	5.40	23-2	12.07	27-9	9.11
6-1	11.09	11-4	39.31	16-1	38.12	23-3	10.42	27-10	9.42
6-2	12.00	12-1	5.70	16-2	54.72	24-1	14.52	27-11	5.12
6-3	15.14	12-2	8.92	16-3	39.06	24-2	12.16	27-12	4.65
6-4	18.81	12-3	13.77	16-4	12.33	24-3	13.03	27-13	4.04
6-5	38.57	12-4	20.58	16-5	8.51	24-4	12.73	27-14	7.46
7-1	10.06	12-5	23.92	16-6	10.40	25-1	5.79	27-15	12.29
7-2	10.38	12-6	15.15	16-7	7.40	25-2	5.03	27-16	6.41
7-3	16.65	12-7	20.61	16-8	6.27	25-3	14.53	27-17	8.65
7-4	28.04	13-1	6.26	17-1	64.26	25-4	12.84	27-18	14.07
7-5	30.65	13-2	5.52	17-2	48.43	25-5	11.53	27-19	10.38
8-1	4.09	13-3	26.82	17-3	51.70	25-6	21.99	27-20	6.38
8-2	13.08	13-4	11.18	18-1	46.36	26-1	7.58	28-1	6.65
8-3	11.16	13-5	15.54	18-2	39.64	26-2	11.41	28-2	5.53
8-4	17.83	13-6	8.72	18-3	27.73	26-3	8.48	28-3	3.62
8-5	8.43	13-7	11.40	19-1	40.04	26-4	12.32	28-4	4.08
8-6	12.83	13-8	6.33	19-2	39.00	26-5	18.75		
8-7	28.47	14-1	15.86	19-3	20.00	26-6	7.40		
9-1	7.42	14-2	48.45	19-4	18.27	26-7	13.54		

Source - Health Department, Statistical Section

APPENDIX B

COMPARISON OF PROPERTY ASSESSMENTS BY WARDS FROM 1938 TO 1945

Ward No.	Assessment 1938	Assessment 1945	Loss		Gain	
			In Dollars	In Percent	In Dollars	In Percent
* 1	\$ 23,485,960	\$ 22,888,490	\$ 597,470	2.54		
* 2	10,103,740	10,608,180			\$ 504,440	4.99
* 3	10,942,110	9,905,800	1,036,310	9.47		
* 4	130,705,330	117,125,385	13,579,945	10.39		
* 5	12,940,950	11,833,470	1,107,480	8.56		
* 6	15,182,240	16,074,920			892,680	5.88
* 7	19,726,480	22,036,010			2,309,530	11.71
* 8	36,362,490	39,238,090			2,875,600	7.91
* 9	45,537,250	52,065,140			6,527,890	14.33
*10	10,438,530	9,161,910	1,276,620	12.23		
*11	38,975,690	37,076,310	1,899,380	4.87		
*12	62,905,070	59,808,175	3,096,895	4.92		
*13	42,287,910	40,924,190	1,363,720	3.22		
*14	16,979,650	17,257,300			277,650	1.63
*15	79,250,580	82,164,410			2,913,830	3.68
*16	36,895,900	39,034,090			2,138,190	5.79
*17	9,892,710	9,761,200	131,510	1.33		
*18	9,145,090	8,772,320	372,770	4.08		
*19	10,829,290	10,787,080	42,210	0.39		
20	36,393,422	39,518,402			3,124,980	8.59
*21	17,751,620	19,194,900			1,443,280	8.13
*22	15,456,660	14,882,760	573,900	3.71		
*23	14,443,370	12,335,310	2,108,060	14.59		
*24	24,985,270	22,512,890	2,472,380	9.89		
25	31,009,560	42,198,090			11,188,530	36.08
26	75,542,780	91,542,070			15,999,290	21.18
27	136,851,581	153,514,982			16,663,401	12.18
28	28,067,665	29,753,130			1,685,465	6.00
Total	\$1,003,088,898	\$1,041,975,004	\$29,658,650	2.90	\$68,544,756	6.80

* Wards in which blight exists

APPENDIX C

CITY OF BALTIMORE - DEPARTMENT OF EDUCATION - BUREAU OF RESEARCH

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CURRENT OPERATING EXPENDITURES FOR PUBLIC SCHOOL PUPILS LIVING IN SELECTED CENSUS TRACTS, 1940

Tract	Type of School	Unit Cost (ANR)	White Pupils	Total Expenditures	Colored Pupils	Total Expenditures	Grand Total Expenditures
4-2 UNIVERSITY	Elem.	\$69.89	173	\$12,090.97	535	\$37,391.15	
	Jr. H.	97.41	77	7,500.57	71	6,916.11	
	Sr. H.	127.56	43	5,485.08	33	4,209.48	
	Voc.	161.14	6	966.84	5	805.70	
	Occ.	111.46	4	445.84	..	.....
	Total		303	26,489.30	644	49,322.44
7-4 BROADWAY	Elem.	69.89	188	13,139.32	1,097	76,669.33	
	Jr. H.	97.41	60	5,844.60	1	97.41	
	Sr. H.	127.56	25	3,189.00	1	127.56	
	Voc.	161.14	13	2,094.82	4	644.56	
	Occ.	111.46	1	111.46	..	.....
	C.T.C.	144.82	..	.....	7	1,013.74	
Total	.....		287	24,379.20	1,110	78,552.60	102,931.80
9-4 SO. WAVERLY	Elem.	69.89	234	16,354.26	145	10,134.05	
	Jr. H.	97.41	78	7,597.98	49	4,773.09	
	Sr. H.	127.56	53	6,760.68	1	127.56	
	Voc.	161.14	5	805.70	1	161.14	
	Occ.	111.46	1	111.46	..	.....
	C.T.C.	144.82	..	.....	1	144.82	
Total	.....		371	31,630.08	197	15,340.66	46,970.74
11-4 ARMORY	Elem.	69.89	11	768.79	570	39,837.30	
	Jr. H.	97.41	23	2,240.43	80	7,792.80	
	Sr. H.	127.56	8	1,020.48	62	7,908.72	
	Voc.	161.14	3	483.42	16	2,578.24	
	C.T.C.	144.82	..	.....	5	724.10	
Total	.....		45	4,513.12	733	58,841.16	63,354.28
22-2 CAMDEN	Elem.	69.89	66	4,612.74	639	44,659.71	
	Jr. H.	97.41	57	5,552.37	108	10,520.28	
	Sr. H.	127.56	12	1,530.72	25	3,189.00	
	Voc.	161.14	7	1,127.98	8	1,289.12	
	C.T.C.	144.82	..	.....	1	144.82	
Total	.....		142	12,823.81	781	59,802.93	72,626.74

Source - Department of Education

APPENDIX E
(1 OF 2)

F. Gilbert Flowers, Registrar
DEPARTMENT OF PUBLIC WELFARE
1944 BUDGET
COMPARED WITH 1940, 1941, 1942 and 1943 BUDGETS

Appropriations	1944	1943	1942	1941	1940
Destitute and Neglected Children	\$100,000.00	\$105,000.00	\$125,000.00	\$280,000.00	\$205,000.00
Medical and Surgical Patients	360,000.00	360,000.00	360,000.00	360,000.00	364,000.00
Private Dispensaries	3,101.00	3,101.00	3,101.00	3,101.00	3,101.00
Council of Social Agencies	11,533.60	10,000.00	11,777.00	11,777.00	9,250.00
Psychopathic Patients	500,000.00	535,000.00	525,000.00	530,000.00	530,000.00
Rosewood Training School	82,000.00	82,000.00	82,000.00	87,250.00	157,512.38
Reformatories	165,000.00	165,000.00	195,000.00	210,000.00	224,000.00
Salvation Army Shelter	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00
Md. League for Crippled Children	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Md. School for the Blind	10,000.00	10,000.00	10,000.00	10,000.00	-----
	<u>1,241,134.60</u>	<u>1,279,601.00</u>	<u>1,321,378.00</u>	<u>1,501,628.00</u>	<u>1,502,363.38</u>
Old Age Assistance:					
1/6 City	305,833.00	315,000.00	330,000.00	349,720.00	378,474.00
2/6 State	626,667.00	630,000.00	660,000.00	699,441.00	756,948.00
3/6 Federal	917,500.00	930,000.00	969,150.00	1,049,161.00	1,111,422.00
	<u>1,850,000.00</u>	<u>1,875,000.00</u>	<u>1,959,150.00</u>	<u>2,098,322.00</u>	<u>2,246,844.00</u>
Aid to Dependent Children					
1/2 Tax - City	124,742.00	124,742.00	116,242.00	116,242.07	115,418.78
1/2 Less City - State	325,258.00	490,258.00	701,628.00	837,437.93	838,291.00
1/2 Federal	450,000.00	615,000.00	817,870.00	953,680.00	953,709.00
	<u>900,000.00</u>	<u>1,230,000.00</u>	<u>1,635,740.00</u>	<u>1,907,360.00</u>	<u>1,907,418.78</u>
Aid to Blind					
35% City	\$35,000.00	\$39,012.75	\$40,449.00	\$41,984.60	\$41,900.00
15% State	15,000.00	16,960.00	17,505.00	17,993.40	18,664.00
50% Federal	50,000.00	55,492.25	57,630.00	59,978.00	59,214.00
	<u>100,000.00</u>	<u>111,465.00</u>	<u>115,584.00</u>	<u>119,956.00</u>	<u>119,778.00</u>
General Public Assistance:					
City	587,500.00	687,500.00	770,000.00	1,034,007.00	1,275,864.00
State	587,500.00	687,500.00	770,000.00	965,993.00	1,024,136.00
	<u>1,175,000.00</u>	<u>1,375,000.00</u>	<u>1,540,000.00</u>	<u>2,000,000.00</u>	<u>2,300,000.00</u>
Boarding Home Care: City	110,000.00	95,000.00	84,450.00	-----	-----
State	110,000.00	95,000.00	84,450.00	-----	-----
	<u>220,000.00</u>	<u>190,000.00</u>	<u>168,900.00</u>		
Relief Overdraft - GPA	-----	-----	-----	-----	680,000.00
Administrative Costs: (Exclusive B. C. H. & Cylburn)					
Salaries:					
City	124,609.00	107,509.52	112,928.31	114,596.48	104,235.14
State	340,831.00	332,868.08	335,410.29	345,093.92	308,287.26
	<u>465,440.00</u>	<u>440,377.60</u>	<u>448,338.60</u>	<u>459,690.40</u>	<u>412,522.40</u>
Expenses:					
City	20,690.00	37,700.00	52,500.00	52,500.00	43,000.00
State & Federal	56,800.00	56,800.00	48,000.00	48,000.00	40,000.00
	<u>77,490.00</u>	<u>94,500.00</u>	<u>100,500.00</u>	<u>100,500.00</u>	<u>83,000.00</u>
Cylburn Home					
Salaries	11,267.00				
Expense	13,700.00				
	<u>24,967.00</u>				
City Hospitals Division:					
Salaries	873,579.50	741,530.00	659,710.00	557,306.00	527,662.00
Expenses	250,180.00	400,000.00	447,000.00	422,000.00	416,000.00
	<u>1,123,759.50</u>	<u>1,141,530.00</u>	<u>1,106,710.00</u>	<u>979,306.00</u>	<u>943,662.00</u>
Total	<u>7,177,791.10</u>	<u>7,737,473.60</u>	<u>8,396,300.60</u>	<u>9,166,742.40</u>	<u>10,195,588.56</u>
SUMMARY: City	3,598,235.10	3,827,595.27	3,934,657.31	4,189,964.13	3,084,917.30
State & Federal	2,479,556.00	3,909,878.33	4,461,643.29	4,976,778.25	5,110,671.26
Total	<u>7,177,791.10</u>	<u>7,737,473.60</u>	<u>8,396,300.60</u>	<u>9,166,742.40</u>	<u>10,195,588.56</u>

APPENDIX E
(2 OF 2)

DEPARTMENT OF PUBLIC WELFARE
1944 CITY BUDGET
COMPARISON OF APPROPRIATIONS WITH REQUESTS

ITEM	REQUESTED	APPROPRIATED	DIFFERENCE
Destitute & Neglected Children	\$ 105,000.00	\$ 100,000.00	\$ - 5,000.00
Medical & Surgical Patients	360,000.00	360,000.00	--
Private Dispensaries	3,101.00	3,101.00	--
Council of Social Agencies	11,533.60	11,533.60	--
Psychopathic Patients	535,000.00	500,000.00	-35,000.00
Rosewood Training School	82,000.00	82,000.00	--
Reformatories	165,000.00	165,000.00	--
Salvation Army Shelter	3,500.00	3,500.00	--
Md. League for Crippled Children	6,000.00	6,000.00	--
Md. School for the Blind	10,000.00	10,000.00	--
	<u>1,281,134.60</u>	<u>1,241,134.60</u>	<u>- 40,000.00</u>
Old Age Assistance	1,875,000.00	1,850,000.00	- 25,000.00
Aid to Dependent Children	900,000.00	900,000.00	--
Aid to Blind	109,127.40	100,000.00	- 9,127.40
General Public Assistance	1,177,129.80	1,175,000.00	- 2,129.80
Boarding Home Care	247,912.00	220,000.00	- 27,912.00
	<u>4,309,169.20</u>	<u>4,245,000.00</u>	<u>- 64,169.20</u>
 <u>Administrative Costs: (Exclusive of B. C. H. & Cylburn)</u>			
Salaries	469,847.50	465,440.00	- 4,407.50
Expenses	78,300.00	77,490.00	- 14,510.00
	<u>548,147.50</u>	<u>542,930.00</u>	<u>- 18,917.50</u>
 <u>Cylburn Homes</u>			
Salaries	19,960.00	11,267.00	- 8,693.00
Expenses	44,900.00	13,700.00	- 31,200.00
	<u>64,860.00</u>	<u>24,967.00</u>	<u>- 39,893.00</u>
 City Hospitals Division	 1,147,384.00	 1,123,759.50	 - 23,624.50
 Totals	 7,350,695.30	 7,177,791.10	 -172,904.20
 <u>SUMMARY</u>			
City	3,834,893.84	3,698,235.10	-136,658.74
State & Federal	3,515,801.46	3,479,556.00	- 36,245.46
Total	<u>7,350,695.30</u>	<u>7,177,791.10</u>	<u>-172,904.20</u>

APPENDIX F

STATEMENT FROM MR. A. F. HINRICHS, ACTING
COMMISSIONER OF LABOR STATISTICS, BUREAU
OF LABOR STATISTICS, U. S. DEPARTMENT OF
LABOR
July 11, 1944

"We enclose a table showing the trend in employment in manufacturing industries as estimated by the Bureau from reports received currently from cooperating employers in the Baltimore Metropolitan Area. (This is the Metropolitan Area as defined by the Census Bureau.)

"We have recently estimated total employment in Baltimore City and County in November 1943 to have been 570,000, an increase of 165,000 or 41% over April 1940. It is believed that about 149,000 of this increase took place in the manufacturing industries. It seems that there was a small decrease however both in total and in manufacturing employment from November to May of this year. Our estimate of manufacturing employment for November 1943 may differ somewhat from that obtained by applying the percentage increase between April 1940 and November 1943 shown by the Bureau of Labor Statistics employment index for the metropolitan area to the April 1940 manufacturing total from the Census of Population, because (1) the Baltimore Metropolitan Area is not co-extensive with Baltimore County (including Baltimore City), the area for which the above estimate was made, (2) the index measures changes in wage earner employment rather than in total employment, (3) the index is based on a selected sample of firms, that is, on those that voluntarily report employment to the Bureau of Labor Statistics, and is not weighted by industry, with a consequent tendency to overestimate the effect of employment changes in some firms and industries and to underestimate it in others, (4) the estimates used in the Baltimore study are based to a considerable extent on the ES-270 reports received by the War Manpower Commission and are least reliable for those industries in which ES-270 coverage is poorest - the non-munitions industries - where employment expansion has been smallest or where perhaps declines have occurred.

"Women, who filled 20% of the factory jobs in 1940, were reported as 27% of the force in major war plants in November 1943. How many were employed throughout the city at the latter date is not known.

- - - - -

"As to post-war trends, few agencies have the temerity to predict what is to happen in single areas, and it seems to us that local groups are in the best position to weigh all the factors involved."

APPENDIX G

TABLE SHOWING 1945 ASSESSED VALUE OF BROADWAY AREA

CENSUS TRACT 7-4

Block No.	ASSESSED VALUE 1944		ASSESSED VALUE 1945	
	Land And Buildings	Per Sq.Ft.	Land And Buildings	Per Sq.Ft.
	\$	\$	\$	\$
1191	183,730	1.70	224,850	2.09
1193	89,310	2.72	99,730	3.04
1194	257,930	2.10	274,840	2.23
1211	33,390	3.02	39,280	3.56
1212	227,060	2.47	266,350	2.90
1213	111,350	2.21	119,540	2.38
1214	100,150	2.01	110,740	2.22
1215	115,800	2.24	125,920	2.44
1564	171,820	2.18	188,990	2.40
1565	129,175	1.73	150,410	2.01
1566	238,530	2.27	277,700	2.65
1567	177,130	1.62	211,060	1.93
1568	198,800	1.37	204,700	1.41
1581	56,340	2.67	65,660	3.11
1582	65,240	2.43	68,940	2.57
1583	101,110	2.13	106,430	2.24
1584	114,300	2.10	115,010	2.11
1585	225,435	1.91	240,560	2.04
1586	233,440	2.04	256,480	2.24
1587	285,370	1.92	304,870	2.05
Total	3,115,410		3,452,060	

Note: Tax Exempt Properties not included.

APPENDIX H

REDEVELOPMENT OF UNIVERSITY PROJECT AREA

<u>Total yearly rental value</u>	\$509,292
Predicted occupancy ratio	95%
<u>Effective yearly gross income</u>	\$483,828
* Total yearly operating expenses	<u>185,633</u>
Estimated yearly net income	\$298,195

ESTIMATE OF MAINTENANCE AND MANAGEMENT

<u>Renting and Administrative Expense:</u>	
Advertising, Commissions and Management	\$ 24,100
<u>Regular Operating Expense:</u>	
Gas, Heating and Lighting	
Power for electrical apparatus	
Water and Exterminating	
Grounds, Janitorial and Janitors Supply	75,690
<u>Repairs, Maintenance and Replacements:</u>	
Repairs to structure and equipment	
Exterior painting and interior decorating	
Structural and Equipment replacements	38,864
Hazard Insurance	<u>6,178</u>
Total Maintenance and Management	\$144,832
Taxes, Real Estate	<u>40,801</u>
* TOTAL YEARLY OPERATING EXPENSES	\$185,633

TOTAL COST	\$5,643,084
(Includes Cost of Buildings, Land and Site Development, as well as Realtor and Lawyers Fees, Architect Fees and Builders Profit)	

APPENDIX H

REDEVELOPMENT OF BROADWAY AREA

<u>Total yearly rental value</u>	\$743,128
Predicted occupancy ratio	95%
<u>Effective yearly gross income</u>	705,972
* Total yearly operating expenses	<u>321,478</u>
Estimated yearly net income	\$384,494

ESTIMATE OF MAINTENANCE AND MANAGEMENT

Renting and Administrative Expense:

Advertising, Commissions and Management \$ 31,281

Regular Operating Expense:

Gas, Heating and Lighting
Power for electrical apparatus
Water and Exterminating
Grounds, Janitorial and Janitors Supply 119,104

Repairs, Maintenance and Replacements:

Repairs to structure and equipment
Exterior painting and interior decorating
Structural and equipment replacements 73,286

Hazard Insurance 8,304

Total Maintenance and Management \$231,975

Taxes, Real Estate 89,503

* TOTAL YEARLY OPERATING EXPENSES \$321,478

TOTAL COST \$8,229,725

(Includes Cost of Buildings, Land and Site
Development, as well as Realtor and Lawyers Fees,
Architect Fees and Builders Profit)

APPENDIX I

Frozen Real Estate Taxes

Fig. 49 shows the effect on City income of giving assistance to a rehabilitation project by "freezing" the taxes at the level of the average receipts from the project area for the preceding three years.

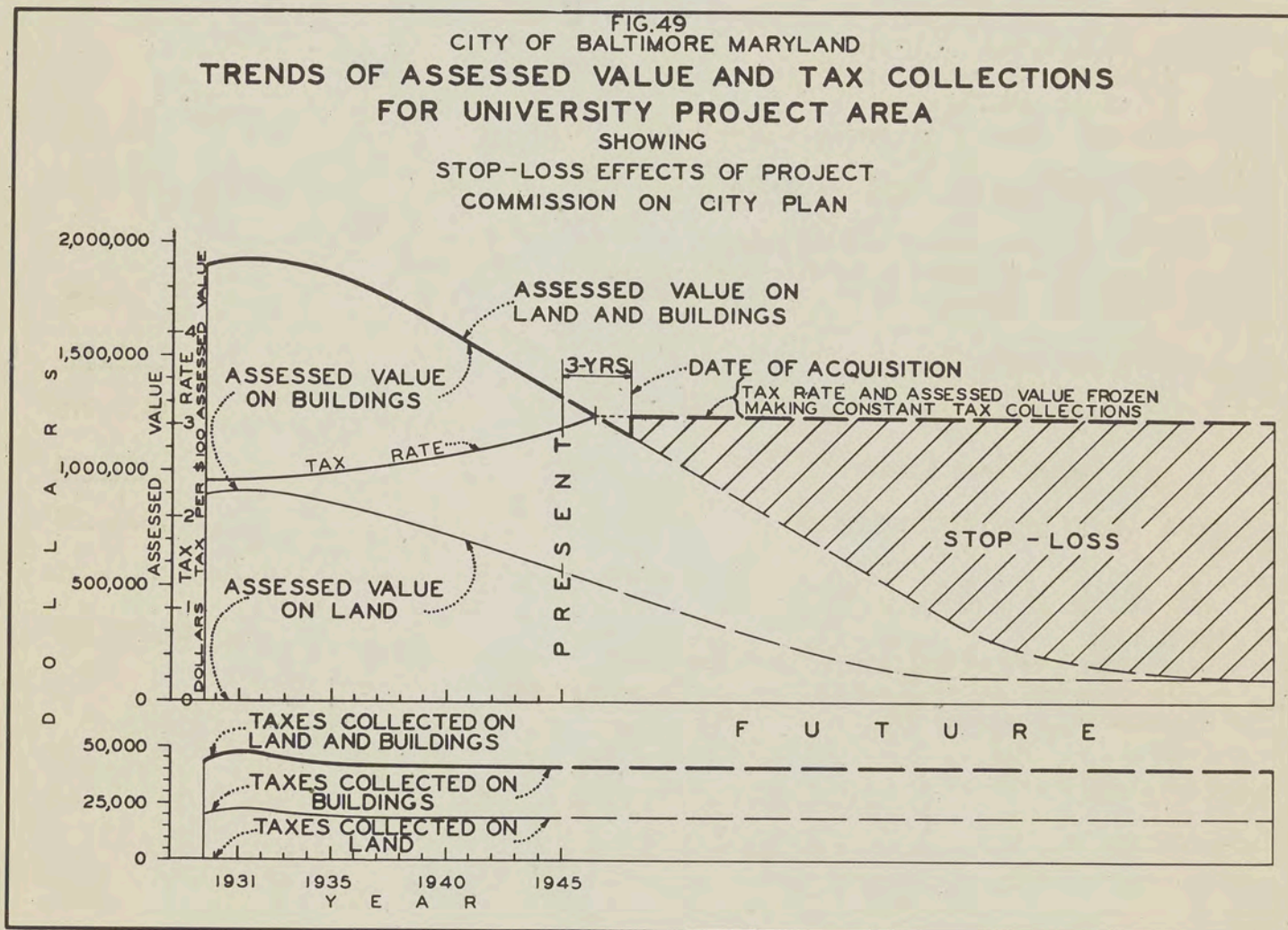
The real values of the property are declining rapidly. The assessed values are inevitably declining, though usually with some time lag. The tax rate has in recent years risen enough to keep the City receipts from the project about the same, but obviously this balance cannot be indefinitely maintained.

Unless some drastic remedy is applied, the City

receipts from the area will continue to decline, and the City expenditure for the area will presumably continue to rise.

If, as a subsidy to an approved public purpose, the City agrees with the Redevelopment Corporation to hold the City tax bill at its present amount, which means in effect freezing both the assessment and the tax rate for the project, the City thus stops a future loss, and to some extent, by making possible a good development, diminishes its present wasteful outgo.

The developer, on the other hand, is not taxed on the improvements which he makes which increase the present value of the property, and he has security as to the amount of his real estate taxes for whatever is the duration of this mutually beneficial agreement.



APPENDIX J

POPULATION DENSITY PER GROSS ACRE

<u>Project</u>	<u>Gross Area of Project</u>	<u>Population Before</u>	<u>Population Now or Proposed</u>	<u>Density Before</u>	<u>Density After</u>
Latrobe	22.0 Acres	2,053	2,242	93	102
McCulloh	13.6 "	1,255	1,356	92	100
Perkins	24.3 "	2,304	2,232	94	91
Poe	8.8 "	1,140	915	129	103
Douglass	15.8 "	1,210	1,311	76	83
Gilmor	14.8 "	1,441	1,942	97	131
O'Donnell	66.8 "	None	3,678	0	55
Somerset	10.4 "	1,199	1,348	115	126
Cherry Hill	62.75 "	None	2,400	0	38
University	32.18 Acres	3,453	3,744	107	116
Broadway	63.18 "	7,775	7,608	122	120

APPENDIX K

TAX REVENUE RECEIVED BY CITY FROM PUBLIC HOUSING PROJECTS

<u>Name</u>	<u>Acreage of Project</u>	<u>D.U.</u>	<u>A S S E S S M E N T</u>			<u>Estimated Revenue if Property were Taxed at Full City Rate</u>	<u>Revenue Rec'd 1944</u>	<u>Kind of Housing</u>
			<u>Land</u>	<u>Improvement</u>	<u>Total</u>			
Latrobe	18.6	701	\$213,460	\$2,181,930	\$2,395,390	\$68,268.615	\$16,216.000	Low Rent
McCulloh	9.2	434	109,200	1,295,160	1,404,360	40,024.260	9,939.000	Low Rent
Perkins	16.7	688	202,600	1,955,800	2,158,400		61,514.400	War Industry
Poe	7.5	298	84,960	771,700	856,660	24,414.810	6,381.000	Low Rent
Gilmor	11.8	587	128,500	1,447,170	1,575,670		44,906.595	War Industry
Douglass	10.5	393	126,500	1,177,600	1,304,100	37,166.850	7,764.000	Low Rent
Somerset	8.7	420	103,200	1,162,800	1,266,000		36,081.000	War Industry
O'Donnell Heights	62.8	900	120,620	4,254,000	4,374,620		124,676.670	War Industry
Aircraft Workers Homes)			132,640	3,096,400	3,229,040		92,027.640	War Industry
Aircraft Workers Homes)			21,870	-	21,870		623.295	War Industry
Armistead Gardens)	151.9	1,696	120,000	1,454,900	1,574,900		44,884.650	War Industry
Armistead Gardens)			40,500	996,300	1,036,800		29,548.800	War Industry
Brooklyn Homes	32.6	515	33,500	1,830,100	1,863,600		53,112.600	War Industry
Curtis Bay (Brooklyn Demountables)	70.0	985	115,960	2,838,400	2,954,360		84,199.260	War Industry
Banneker Homes	27.25	248	See Note	517,000	517,000		14,734.500	War Industry
Fairfield Homes	20.8	300	30,860	1,108,230	1,139,090		32,464.065	War Industry
Marfair Homes (Tr. Camp)	4.25	1,095	5,320	140,300	145,620		4,150.170	War Industry
Westport Homes	11.3	200	11,280	486,470	497,750		14,185.875	War Industr
Total	463.9 or 0.724 sq.mi.	9,460	\$1,600,970	\$26,714,260	\$28,315,230	\$169,874.535	\$677,445.520	

NOTE: Land under Banneker Homes assessed to F.A. Furst Realty Company
Cherry Hill Homes 62 Acres, 600 D.U. now under construction

APPENDIX L

HOUSING AUTHORITY OF BALTIMORE CITY
Statement of Project Factual Data prepared as of 3-15-45

Project Name	LATROBE	McCULLOH	PERKINS	POE	DOUGLASS	GILMOR	O'DONNELL HTS.	SOMERSET	CHERRY HILL
Project Number	MD 2-1	MD 2-2	MD 2-3	MD 2-4	MD 2-5	MD 2-6	MD 2-9	MD 2-10	MD 2-11
Building Acreage	4.48	2.94	4.55	2.03	2.66	3.02	9.60	2.62	7.38
Maintenance Acreage	14.19	6.34	12.20	5.46	7.86	8.86	53.20	6.01	71.69
Total Acreage	18.67	9.28	16.75	7.49	10.52	11.88	62.80	8.63	79.07
Dwelling Units 1 Bed Room	266	236	292	164	186	254	136	106	60
" " 2 Bed Rooms	332	148	302	108	170	277	452	197	326
" " 3 Bed Rooms	103	50	94	26	37	56	244	93	166
" " 4 Bed Rooms	---	---	---	---	---	---	68	24	48
Total	701	434	688	298	393	587	900	420	600
Total Rooms	2,991.5	1,767	2,898	1,203	1,619.5	2,344.5	4,294	1,893	2,602
Construction Contract Signed	3-16-40	4-29-40	8-26-40	9-22-39	5-21-40	1-10-41	7-28-42	10-2-42	6-23-44
Initial Dwelling Released for Occupancy	8-18-41	8-4-41	3-17-42	9-30-40	8-26-41	6-9-42	6-10-43	11-1-43	NONE
Final Dwelling Released for Occupancy	11-21-41	10-28-41	6-13-42	9-30-40	10-21-41	9-6-42	10-1-43	1-7-44	NONE
Development Cost									
Administration	\$ 56,518	43,932	61,280	20,742	38,026	35,569	45,773	33,001	73,954
Carrying Charges	112,706	64,247	98,467	70,458	58,550	66,371	69,883	40,020	35,874
Architectural & Engineering	150,274	106,410	149,715	79,569	99,761	121,452	99,501	74,142	104,524
Acquisition of Site	1,078,555	599,812	1,153,816	454,505	686,629	757,171	140,078	584,305	56,650
Relocation of former tenants	5,764	5,190	5,562	3,970	2,965	6,033	---	8,144	---
Demolition	17,036	26,069	53,522	10,122	19,921	26,432	9,703	18,840	---
Site Improvements	227,982	138,865	214,734	122,292	120,198	221,676	721,737	197,637	569,899
Structure & Equipment	2,215,313	1,209,774	2,252,322	1,021,742	1,192,827	1,729,600	3,467,564	1,719,952	2,750,869
Net Income during Development	87,088	(42,565)	(323,599)	(34,003)	(20,568)	(254,574)	(189,625)	(85,395)	30,900
Total Development Cost	\$ 3,777,060	2,151,734	3,665,819	1,749,397	2,198,309	2,709,730	4,360,614	2,590,646	3,622,670
Total Development Cost per room	\$ 1,263	1,218	1,265	1,454	1,357	1,156	1,016	1,369	1,392
Total Development Cost per Dwell. Unit	5,388	4,958	5,328	5,870	5,594	4,616	4,845	6,168	6,038
Acquisition of Site Cost per Acre	\$ 57,769	64,635	68,885	60,682	69,269	63,735	2,231	67,706	716
Tenant Families									
Current Population	White 2,242	Negro 1,356	White 2,232	Negro 915	Negro 1,311	Negro 1,942	White 3,678	Negro 1,348	Negro NONE
Estimated Average Annual Revenue	\$ 165,837	103,076	156,374	67,600	86,027	132,756	199,536	111,540	NOT PREPARED
Estimated Average Annual Expense	116,737	71,728	113,214	51,444	67,716	95,021	175,728	88,260	"
Estimated Average Annual Income	\$ 49,100	31,348	43,160	16,156	18,311	37,735	23,808	23,280	"
Estimated Debt Service Expense	113,312	64,552	109,975	52,482	65,949	81,292	130,818	77,719	"
F.F.H.A. Subsidy	\$ 64,212	33,204	66,815	36,326	47,638	43,557	107,010	54,439	"
Estimated Revenue P.U., P.M.	\$ 19.71	19.79	18.94	18.90	18.24	18.85	18.48	22.13	"
Assessed Valuation of Project	\$ 2,317,470	1,404,360	2,198,400	856,660	1,304,100	1,575,670	3,163,948	1,266,000	NONE
STATEMENT OF FACTUAL DATA IN CONNECTION WITH CONDITIONS EXISTING PRIOR TO DEMOLITION OF FORMER STRUCTURES ON SITE									
Occupied Dwelling Units	511	443	751	340	389	352	---	356	---
Vacant Dwelling Units	74	6	48	4	44	6	---	14	---
Total Dwelling Units	585	449	799	344	433	358	---	370	---
NON DWELLING STRUCTURES									
Commercial	13	4	5	9	20	11	---	2	---
Industrial	6	0	1	1	2	0	---	0	---
Clubs and Churches	2	4	4	0	1	0	---	0	---
Schools	1	1	0	0	0	3	---	2	---
Garages	26	2	18	4	10	4	---	0	---
Stables	1	0	3	2	0	0	---	0	---
Population	2,053	1,255	2,304	1,140	1,210	1,441	---	1,199	---

APPENDIX M

STATEMENT OF RENTS AND INCOME OF LOW RENT HOUSING PROJECTS

<u>Project</u>	<u>No. of D.U.</u>	<u>Average Mo. Rent per D.U.</u>	<u>Average Yearly Rent per D.U.</u>	<u>Estimated Annual Shelter Rent</u>	<u>*P.I.L.O.T. 10% Basis</u>
Latrobe	701	\$14.06	\$168.68	\$118,245	\$11,825
McCulloh	434	14.34	172.03	74,664	7,466
Perkins	688	13.58	162.95	112,130	11,213
Foe	298	12.63	151.57	45,170	4,517
Douglass	393	12.31	147.71	58,050	5,805
Gilmer	587	13.57	162.88	95,610	9,561
O'Donnell	900	13.75	164.99	148,490	14,849
Somerset Court	<u>420</u>	16.16	193.97	<u>81,470</u>	<u>8,147</u>
	4,421			\$733,845	\$73,383

* - Payment in Lieu of Taxes

Note - Average Monthly Rental of 4,421 Dwelling Units - \$13.80

APPENDIX N

House Calendar No.....
Introduced by Mr. Bandiere.

Senate Calendar No.....

CHAPTER.....⁶⁴⁹.....

House Bill 731

AN ACT to propose an amendment to the Constitution of Maryland, by adding a new Article thereto, to follow immediately after Article XI-A, and to be known as Article XI-B, and to provide for the submission of said Amendment to the qualified voters of the State of Maryland, for adoption or rejection.

By the HOUSE OF DELEGATES, March 25, 1943.

Introduced, read first time and referred to the Committee on Ways and Means.

By order, DANIEL J. LYONS, Chief Clerk.

REPORT OF COMMITTEE.

Favorable.

JOHN S. WHITE, Chairman.

By the HOUSE OF DELEGATES, March 30, 1943.

Reported favorably by the Committee on Ways and Means, read second time and ordered printed for third reading.

By order, DANIEL J. LYONS, Chief Clerk.

APPENDIX N

House Bill No. 731

CHAPTER NO.....

A BILL ENTITLED

AN ACT to propose an amendment to the Constitution of Maryland, by adding a new Article thereto, to follow immediately after Article XI-A, and to be known as Article XI-B, and to provide for the submission of said Amendment to the qualified voters of the State of Maryland, for adoption or rejection.

1 SECTION 1. *Be it enacted by the General Assembly of Mary-*
2 *land, (three-fifths of all members of each of the two Houses*
3 *concurring), That the following Article to follow immediately*
4 *after Article XI-A, and to be known as Article XI-B, be and*
5 *the same is hereby proposed as an amendment to the Consti-*
6 *tution of Maryland, which Article, if adopted by the qualified*
7 *voters of the State of Maryland, as herein provided, shall*
8 *thereby, by such adoption, be and become a part of the Con-*
9 *stitution of Maryland.*

XI-B.

BALTIMORE REDEVELOPMENT COMMISSION.

1 SECTION 1. The General Assembly of Maryland, by public
2 local law, may authorize the Mayor and City Council of Balti-
3 more to create a Baltimore Redevelopment Commission. Any
4 public local law authorizing the creation of the Baltimore Re-
5 development Commission shall contain the following provi-
6 sions:
7 (a) The Baltimore Redevelopment Commission shall come
8 into being only when the City Council of Baltimore shall pass
9 a resolution that there is need for the establishment of such
10 a Commission in the City of Baltimore. When the City Coun-
11 cil of Baltimore adopts such a resolution, it shall promptly
12 notify the Mayor of Baltimore City of such adoption. Upon
13 receiving such notice and approving said resolution, the Mayor
14 shall appoint five persons (or such additional number of per-
15 sons as the General Assembly may provide in said public local
16 law), as Commissioners of the Baltimore Redevelopment Com-
17 mission. The Commissioners shall serve for such terms and shall
18 receive such compensation the General Assembly may provide
19 in said public local law.

APPENDIX N

2

HOUSE BIL LNO. 731.

20 (b) The Baltimore Redevelopment Commission, when cre-
21 ated, shall have power and authority to acquire land in slums
22 and blighted areas in Baltimore City by purchase, lease or
23 condemnation, and to reconvey any such land by sale or lease
24 for redevelopment, in accordance with a redevelopment plan
25 for Baltimore City, provided that such redevelopment plan
26 has first been approved by the Commission on City Plan of
27 Baltimore City; and provided further that no such slum or
28 blighted area to be acquired shall be less than eight acres or
29 more than eighty acres. The term "slum" shall mean any
30 area where dwellings predominate, which by reason of depre-
31 ciation, overcrowding, faulty arrangement or design, lack of
32 ventilation, light or sanitary facilities, or any combination of
33 these factors, are detrimental to the public safety, health or
34 morals. The term "blighted area" shall mean an area in
35 which a majority of the buildings have declined in produc-
36 tivity by reason of obsolescence, depreciation or other causes
37 to an extent they no longer justify fundamental repairs and
38 adequate maintenance.

39 (c) The Baltimore Redevelopment Commission shall have
40 authority to use the power of eminent domain to acquire any
41 land needed for any redevelopment project; provided, how-
42 ever, that the Baltimore Redevelopment Commission shall
43 have first obtained options upon or shall have purchased at
44 least 50 percentum of such land area required for any such
45 redevelopment project. Property already devoted to a public
46 use may be acquired by the Baltimore Redevelopment Com-
47 mission; provided, however, that no real property belonging
48 to the State of Maryland or the Mayor and City Council of
49 Baltimore may be acquired without the consent of said State or
50 of said City, as the case may be. No property taken by the
51 Baltimore Redevelopment Commission, by exercise of the
52 power of eminent domain, shall be taken without just compen-
53 sation, as agreed upon between the parties, or awarded by a
54 Jury.

54 (d) The Baltimore Redevelopment Commission shall have
55 power to petition the United States of America for loans of
56 money and to receive from the United States of America such
57 loans to be used in the acquisition of land in slums and
58 blighted areas for redevelopment and for use in the preparation
59 of any redevelopment plan.

60 (e) The Baltimore Redevelopment Commission shall have
61 power to reconvey any land acquired by it, either by purchase,
62 lease or condemnation to any private corporations, companies,
62 partnerships, or persons, for redevelopment and rebuilding, at
63 a price consistent with the new uses which the Commission
64 on City Plan shall prescribe for such land, even though such
65 price may be below the original cost of acquisition. The Bal-
66 timore Redevelopment Commission shall have power to
67 include in the terms of sale or leases of land to private cor-
68 porations, companies, partnerships, or persons, provisions ob-
69 ligating the purchasers or lessees of such land to begin the
70 building of improvements within a reasonable period of time;
71 and to include in such contracts, appropriate covenants and
72 restrictions to maintain standards of population density, prop-
73 erty maintenance, character of the use of land, and architec-
74 tural standards established in the redevelopment plan and
75 approved by the Commission on City Plan of Baltimore City.

76 (f) The Baltimore Redevelopment Commission shall have
77 no power to pledge the credit of, or in any way bind the Mayor

APPENDIX N

HOUSE BIL LNO. 731.

3

78 City Council of Baltimore, and the Mayor and City Council
79 of Baltimore shall not be liable in any way or manner what-
80 soever, for any of the obligations, contracts, or undertakings
81 of the Baltimore Redevelopment Commission.

1 SEC. 2. The General Assembly of Maryland may grant the
2 Baltimore Redevelopment Commission, any and all additional
3 powers necessary and proper to carry into effect the above
4 mentioned powers and purposes of said Commission, provided
5 such additional powers are not inconsistent with the terms
6 and provisions of this Article XI-B, and with any other pro-
7 visions of the Constitution of Maryland. The General As-
8 sembly may add such other and further limitations upon the
9 powers and the exercise of such powers of the Baltimore Re-
10 development Commission as it may deem proper and expedient.

1 SEC. 3. *And be it further enacted,* That the foregoing
2 Article hereby proposed as an amendment to the Constitution
3 of Maryland, shall, at the Election to be held in November,
4 1944, be submitted to the legal and qualified voters of the
5 State of Maryland, for their adoption or rejection, in pursu-
6 ance of the directions contained in Article XIV of the Consti-
7 tution of Maryland, and at the said General Election, the vote
8 on the said proposed amendment to the Constitution shall be
9 by ballot; and upon each ballot there shall be printed the
10 words "For Constitutional Amendment", and "Against Con-
11 stitutional Amendment", as now provided by law, and im-
12 mediately after said Election, due return shall be made to
13 the Governor of the vote for and against said proposed amend-
14 ment, as directed by Article XIV of the Constitution, and said
15 proceedings had in accordance with said Article XIV.

APPENDIX O

House Calendar No.....
Introduced by Mr. Bandiere.

Senate Calendar No.....

CHAPTER...1012...

House Bill 385

AN ACT to repeal Sub-section (13A) of Section 6 of Article 4 of the Code of Public Local Laws of Maryland and Baltimore City Charter (1938 Edition), title "Baltimore City", sub-title "General Powers", as said sub-section was enacted by Chapter 664 of the Acts of 1943, and to enact in lieu thereof a new Sub-section (13A), authorizing the Mayor and City Council of Baltimore to establish a Baltimore Redevelopment Commission with certain powers and subject to certain limitations.

By the HOUSE OF DELEGATES, February 14, 1945.

Introduced, read first time and referred to the Baltimore City Delegation.

By order, JOHN A. MENTON, Chief Clerk.

REPORT OF COMMITTEE.

Favorable.

JAMES E. KEARNS, Chairman.

By the HOUSE OF DELEGATES, February 27, 1945.

Reported favorably by the Baltimore City Delegation, read second time and ordered printed for third reading.

By order, JOHN A. MENTON, Chief Clerk.

APPENDIX O

House Bill No. 385.

CHAPTER NO.....

A BILL ENTITLED

AN ACT to repeal Sub-section (13A) of Section 6 of Article 4 of the Code of Public Local Laws of Maryland and Baltimore City Charter (1938 Edition), title "Baltimore City", sub-title "General Powers", as said sub-section was enacted by Chapter 664 of the Acts of 1943, and to enact in lieu thereof a new Sub-section (13A), authorizing the Mayor and City Council of Baltimore to establish a Baltimore Redevelopment Commission with certain powers and subject to certain limitations.

1 SECTION 1. *Be it enacted by the General Assembly of Mary-*
2 *land,* That Sub-section (13A) of Section 6 of Article 4 of the
3 Code of Public Local Laws of Maryland and Baltimore City
4 Charter (1938 Edition), title "Baltimore City", sub-title
5 "General Powers", as said sub-section was enacted by Chapter
6 664 of the Acts of 1943, and to enact in lieu thereof a new Sub-
7 section (13A), to read as follows:

6.

1 (13A). (Baltimore Redevelopment Commission.) (a) As
2 used in this Paragraph (13A), the term "blighted area" means
3 any area in Baltimore City in which a majority of the build-
4 ings have declined in productivity by reason of obsolescence,
5 depreciation or other causes to an extent that they no longer
6 justify fundamental repairs and adequate maintenance. The
7 term "slum" means any area in Baltimore City where dwell-
8 ings predominate which, by reason of depreciation, over-crowd-
9 ing, faulty arrangement or design, lack of ventilation, light or
10 sanitary facilities or any combination of these factors, are
11 detrimental to public safety, health or morals. The term "Re-
12 development Area" means any slum or blighted area, or any
13 part thereof, designated in accordance with the provisions of
14 this paragraph as an appropriate area for redevelopment in
15 accordance with an approved Redevelopment Plan. The term
16 "Redevelopment Plan" means a plan for the redevelopment of
17 an entire Redevelopment Area, including amendments thereto,
18 and shall include, among other things, a site and use plan for
19 the redevelopment of the area, showing the approximate loca-
20 tions and extents of all proposed land uses and all proposed
21 improvements, public and private, and specifications of stand-
22 ards of population density and shall be within the limits of all
23 applicable Master Plans and Detailed Plans, zoning laws and
24 building and health codes for Baltimore City. The term "pro-
25 ject area" means a tract of land of at least eight acres, forming
26 the whole or a part of a Redevelopment Area and acquired by
27 the Baltimore Redevelopment Commission for redevelopment.
28 (b) The Mayor and City Council of Baltimore may, by
29 passage of a resolution by the City Council of Baltimore that
30 there is need for the establishment of such a Commission in the
31 City of Baltimore, create a public corporation for Baltimore

APPENDIX O

2

HOUSE BILL NO. 385.

32 City, said corporation to be known as the "Baltimore Rede-
33 velopment Commission" (hereafter referred to as "Commis-
34 sion"), to be composed of five persons to be appointed by the
35 Mayor of the City, for terms of five years, but of those first
36 appointed, one shall be for a term of one year, one for a term
37 of two years, one for a term of three years, one for a term of
38 four years, and one for a term of five years. One of said per-
39 sons shall be designated by the Mayor as Chairman of said
40 Commission. Their successors shall be appointed for terms of
41 five years each and all vacancies shall be filled by appointment
42 by the Mayor for the unexpired term. Three of the persons so
43 appointed shall have had at least five years of professional or
44 vocational activity in work relating to urban land use, archi-
45 tecture, development engineering, city planning, land develop-
46 ment, mortgage financing, or real estate, and the other two
47 shall be representative citizens who are interested in com-
48 munity and civic affairs. The members of said Commission
49 shall serve without compensation, but it may appoint an execu-
50 tive-secretary to conduct the administrative details of its work
51 and such other assistants and employees as may be necessary
52 to perform the duties imposed upon said Commission all of
53 whom, including the Executive Secretary, shall be appointed
54 under the rules and regulations of the City Service Commis-
55 sion. Sufficient funds may be appropriated by the city to pay
56 the compensation of such employees and the other expenses of
57 the Commission. The Mayor and City Council may advance
58 to and appropriate for the use of the Commission such other
59 funds as are needed to carry out the purpose of this Paragraph.

60 (c) Upon creation of the Baltimore Redevelopment Commis-
61 sion as provided by this Paragraph, the Commission on City
62 Plan of Baltimore City and the Baltimore Redevelopment Com-
63 mission shall have the following powers and authorities:

64 1. The Commission on City Plan of Baltimore City

65 (i) may designate as a Redevelopment Area, any area of
66 not less than eight acres nor more than eighty acres, which
67 the Commission on City Plan of Baltimore City determines to
68 be the whole or any part of a slum or blighted area and to be
69 an appropriate area for redevelopment, and shall designate in
70 detail the boundaries of any such Redevelopment Area, on a
71 Master Plan of Blighted and Slum Areas, and may from time
72 to time modify such boundaries. Such designations and modi-
73 fications shall be final only after approval by the Mayor and
74 City Council, by ordinance;

75 (ii) shall determine for each Redevelopment Area the needs
76 for streets and all other public uses, and designate the portions
77 of such areas to be so used, in conformity with any existing
78 Master Plan or Detailed Plan.

79 2. The Baltimore Redevelopment Commission

80 (i) shall determine and define for each Redevelopment Area
81 proper densities of population, land uses, land coverage and
82 standards and limitations upon physical structures and im-
83 provements, and, in making such determinations, shall be
84 guided by the need for the harmonious development of the city,
85 the elimination of existing slum and blighted areas and of
86 causes for the possible development of future ones, and the pro-
87 motion of the public safety, health, and welfare;

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HOUSE BILL NO. 385.

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88 (ii) shall receive or prepare a detailed plan for the rede-
89 velopment of any Redevelopment Area, and, subject to the
90 final approval of the Commission on City Plan of Baltimore
91 City, may adopt such a plan as the Redevelopment Plan for
92 such Redevelopment Area, and may from time to time, subject
93 to the same approval, adopt amendments thereto;

94 (iii) shall prepare or obtain a complete financial plan of
95 operation for the redevelopment of such Redevelopment Area
96 or project comprising a part thereof;

97 (iv) may acquire by purchase, lease or condemnation real
98 estate in any Redevelopment Area for redevelopment in accord-
99 ance with the applicable Redevelopment Plan;

100 (v) after the acquisition, by purchase or option, of at least
101 50% of the land in any Redevelopment Area, may exercise, in
102 accordance with Article 33A of the Annotated Code of Mary-
103 land, the power of eminent domain to condemn and acquire the
104 other land in such Redevelopment Area, for redevelopment in
105 accordance with the applicable Redevelopment Plan;

106 (vi) may preserve for, sell, lease, transfer and convey to the
107 United States, the State of Maryland, the Mayor and City
108 Council of Baltimore, or any department or agency of said
109 Governments, such portions of real estate in any project area,
110 or any rights therein, as are required for public use; and may
111 sell, lease, transfer and convey for redevelopment in accordance
112 with the applicable Redevelopment Plan, any portions of the
113 real estate in such project area, not required for public use, to
114 one or more persons, firms, and corporations, at prices con-
115 sistent with the new uses prescribed for such land, but only
116 after the Board of Estimates has been satisfied as to the finan-
117 cial and legal ability of each such person, firm and corporation
118 to carry out the purposes of this Paragraph (13A);

119 (vii) may petition for and accept from the appropriate
120 Federal Department, the State of Maryland, the Mayor and
121 City Council of Baltimore, or any other source or agency, loans
122 or grants of money for the preparation of Redevelopment Plans
123 and for the acquisition of land and improvements comprising
124 any Redevelopment Area;

125 (viii) shall require in any sale or lease of land to any private
126 corporation, firm or person, provisions obligating the pur-
127 chasers or lessees of such land to begin the building or im-
128 provements within a reasonable period of time, and appro-
129 priate covenants and restrictions in the contract of sale or
130 lease to maintain the standards of population density, property
131 maintenance, type of land use and other standards established
132 as above provided, and such covenants and restrictions shall
133 be made binding on any subsequent transferee, purchaser,
134 lessee, or other successor in interest.

135 (d) The Commission shall have no power to use the faith
136 and credit of Baltimore City or State of Maryland in acquiring
137 land either by purchase, lease or condemnation and shall not
138 have or exercise any taxing power.

139 (e) No member of the Commission on City Plan or the Balti-
140 more Redevelopment Commission and no employee of either
141 Commission shall be or become interested in any way in any
142 of the properties acquired, or in any of the corporations, firms
143 or persons who undertake the redevelopment of any area under
144 the authority of this paragraph.

1 SEC. 2. *And be it further enacted*, That this Act shall take
2 effect June 1, 1945.

APPENDIX P

House Bill No. 351.
Introduced by Mr. Bandiere.

Examined by Committee on Printed Bills:

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Sealed with the Great Seal and presented to the Governor, for his
approval this.....day of.....
at.....o'clock,M.

.....
Chief Clerk.

CHAPTER...659...

AN ACT to propose an amendment to Section 1(c) of Article 11B of the Constitution of Maryland, title "Baltimore Redevelopment Commission", relating to the use of the power of eminent domain, and to provide for the submission of said Amendment to the qualified voters of the State of Maryland, for adoption or rejection.

1 SECTION 1. *Be it enacted by the General Assembly of Mary-*
2 *land* (three-fifths of all members of each of the two Houses
3 concurring), That the following be and the same is hereby
4 proposed as an amendment to Section 1(c) of Article 11B of
5 the Constitution of Maryland, title "Baltimore Redevelopment
6 Commission", the same, if adopted by the qualified voters of
7 the State of Maryland, as herein provided, to become a part
8 of the Constitution of Maryland.

1.

1 (c) The Baltimore Redevelopment Commission shall have
2 authority to use the power of eminent domain to acquire any
3 land needed for any redevelopment project within the cor-
3a porate limits of the City of Baltimore. Property already
4 devoted to a public use may be acquired by the Baltimore Re-
5 development Commission; provided, however, that no real
6 property belonging to the State of Maryland or the Mayor and
7 City Council of Baltimore or of the Baltimore Housing Au-
8 thority may be acquired without the consent of said State or
9 of said City or of said Baltimore Housing Authority, as the
10 case may be. No property taken by the Baltimore Redevelop-
11 ment Commission, by exercise of the power of eminent domain,
12 shall be taken without just compensation, as agreed upon be-
13 tween the parties, or awarded by a Jury.

1 SEC. 2. *And be it further enacted*, That the foregoing
2 Article hereby proposed as an amendment to the Constitution
3 of Maryland, shall, at the Election to be held in November,

APPENDIX P

2

HOUSE BILL NO. 351.

4 1946, be submitted to the legal and qualified voters of the
5 State of Maryland, for their adoption or rejection, in pur-
6 suance of the directions contained in Article 14 of the Consti-
7 tution of Maryland, and at the said General Election, the vote
8 on the said proposed amendment to the Constitution shall be
9 by ballot, and upon each ballot there shall be printed the
10 words "For Constitutional Amendment", and "Against Consti-
11 tutional Amendment", as now provided by law, and imme-
12 diately after said Election, due return shall be made to the
13 Governor of the vote for and against said proposed amend-
14 ment, as directed by Article 14 of the Constitution, and said
15 proceedings had in accordance with said Article 14.

APPENDIX Q

Introduced by the President, by request.

City Council 373

RESOLUTION NO. 10

A Resolution declaring that there is need for the establishment of a Re-Development Commission for the City of Baltimore, as defined in Chapter 649 of the Acts of 1943 and as defined by Sub-section (13A) of Section 6 of Article 4 of the Code of Public Local Laws of Maryland and Baltimore City Charter (1938 Edition), title "Baltimore City", sub-title "General Powers", as said sub-section was enacted by Chapter 664 of the Acts of 1943 and amended by House Bill 385, adopted by the General Assembly of the State of Maryland at the 1945 Session.

By the CITY COUNCIL OF BALTIMORE, April 9, 1945.

Introduced, read first time and referred to the Committee on Legislation.

By order, EDWARD P. O'MALLEY, Chief Clerk.

REPORT OF COMMITTEE.

Favorable.

JEROME SLOMAN, Chairman,

CHARLES E. FALTER,

ELLA A. BAILEY,

FRANK J. BOCEK,

MAXWELL ALPERT,

JAMES F. ARTHUR,

SAMUEL N. FRIEDEL,

Committee.

APPENDIX Q

By the CITY COUNCIL OF BALTIMORE, June 4, 1945.

Reported favorably by the Committee on Legislation,
read second time and ordered printed for third
reading.

By order, EDWARD P. O'MALLEY, Chief Clerk.

APPENDIX Q

RESOLUTION

No.

A Resolution declaring that there is need for the establishment of a Re-Development Commission for the City of Baltimore, as defined in Chapter 649 of the Acts of 1943 and as defined by Sub-section (13A) of Section 6 of Article 4 of the Code of Public Local Laws of Maryland and Baltimore City Charter (1938 Edition), title "Baltimore City", sub-title "General Powers", as said sub-section was enacted by Chapter 664 of the Acts of 1943 and amended by House Bill 385, adopted by the General Assembly of the State of Maryland at the 1945 Session.

1 WHEREAS, Chapter 649 of the Acts of 1943 pro-
2 posed an amendment to the Constitution of the
3 State of Maryland, to enable the General Assem-
4 bly of Maryland, by public local law, to authorize
5 the Mayor and City Council of Baltimore to create
6 a Baltimore Re-Development Commission; and

7 WHEREAS, Chapter 649 of the Acts of 1943, pro-
8 posing this amendment to the Constitution of
9 Maryland, was, at the general election held in
10 November, 1944, submitted to the legal and quali-
11 fied voters of the State of Maryland, for their

APPENDIX Q

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12 adoption or rejection, in pursuance of the direc-
13 tions contained in Article XIV of the Constitution
14 of Maryland; and

15 WHEREAS, the legal and qualified voters of the
16 State of Maryland voted at this election to adopt
17 this constitutional amendment; and

18 WHEREAS, Chapter 664 of the Acts of 1943, as
19 amended by House Bill 385, enacted by the General
20 Assembly of Maryland at the 1945 Session, au-
21 thorizes the Mayor and City Council of Baltimore
22 to provide for the elimination of certain blighted
23 areas and slums in Baltimore City, and for the
24 creation of a public corporation for Baltimore
25 City, said corporation to be known as the "Balti-
26 more Re-Development Commission"; and

27 WHEREAS, it is provided in Chapter 664 of the
28 Acts of 1943, as amended by House Bill 385, en-
29 acted by the General Assembly of Maryland at the
30 1945 Session, that the Mayor and City Council of
30a Baltimore, may, by the passage of a resolution by
31 the City Council of Baltimore, stating that there
31a is need for the establishment of such a corporation
32 in the City of Baltimore, create a public corpora-
33 tion for Baltimore City, said corporation to be

APPENDIX Q

(Page 3)

34 known as the "Baltimore Re-Development Com-
35 mission"; now, therefore, be it

36 *Resolved*, That the Mayor and City Council of
37 Baltimore hereby declares that there is need for a
38 Baltimore Re-Development Commission; and be
39 it further

40 *Resolved*, That there is hereby created a public
41 corporation to be known as the "Land Develop-
42 ment Commission of Baltimore City", to be ap-
43 pointed and to exercise powers pursuant to
44 Chapter 664 of the Acts of 1943, as amended by
45 House Bill 385, enacted by the General Assembly
46 of Maryland at the 1945 Session.

PUBLICATION PAGE,
Baltimore 2, Maryland