

## **Immigration and its impact on Baltimore City**

The view from the perspective of Southeast Community Development Corporation

On January 21, 2015 Christopher Ryer, President and CEO of Southeast Community Development Corporation, visited with the Baltimore Chapter of LAI and shared his views on immigration and its impact on the City of Baltimore.

Some background history on Southeast Community Development Corporation (“SECDC”) was provided by Mr. Ryer to provide context for his talk. SECDC started life as an outgrowth of the Southeast Baltimore Community Coalition that was formed in the 1970’s to oppose the extension of Interstate I-70 through the neighborhoods that comprise Southeast Baltimore (A much younger Senator Barbara Mikulski was a key part of this neighborhood effort, which effectively launched her political career). Those SE neighborhoods consist primarily of Little Italy, Harbor East, Fells Point, Greektown, Highlandtown, and Canton (see attached map). SECDC evolved in the 1980’s into an active developer of affordable rental housing around Johns Hopkins Hospital. A change in how Federal Block Grants are awarded in the 1990’s greatly diminished SECDC’s ability to produce affordable rental projects, although the non-profit still acts as a “land bank” for future affordable projects and still undertakes some development of affordable projects within SE Baltimore, but now only does so one project at a time. At present SECDC has approximately 15 employees who are active in three primary endeavors including (i) providing individual counseling for low income residents, (ii) creates and supports community revitalization programs, and (iii) undertakes the development of affordable rental housing, one project at a time.

Mr. Ryer began by referencing a 2002 report commissioned by The Abell Foundation which addressed the role of immigration in mitigating Baltimore’s population decline. This study reached a clear conclusion that cities such as Baltimore must encourage immigration if they hope to stabilize their populations. Therefore the Abell Foundation recommended that Baltimore City’s government actively encourage immigrant in-migration as way to stabilize and improve the City. Since that Abell Foundation study was published, immigrant in-migration into the NW and SE portion of Baltimore increased approximately 134% (during the 2000 – 2010 decade).

The immigrant in-migration in SE Baltimore has been primarily Latino. Mexican immigrants comprised the bulk of the first wave of Latino populations into the City, establishing a critical mass. Hondurans and immigrants from El Salvador followed, with the El Salvadorians eventually becoming the top population of Latinos in SE Baltimore.

Mr. Ryer provided some historical context to the seemingly unprecedented in-migration of Latinos during the first decade of the 21<sup>st</sup> Century by stepping back in time approximately 100 years. He reminded the audience of LAI members and guests that European immigrants settled in large numbers in SE Baltimore in the 1800’s. These early immigrants were primarily Catholic and settled around churches, creating tight knit, clannish neighborhoods. SE Baltimore remained clannish and insular longer than other parts of the City. This situation didn’t start to change markedly until the 1990’s. At that time the European population had become predominantly a “seniors aging in place” population. And as this population began to die off, young immigrant Latino families began to take their place. This trend continues today, and coupled with Millennials who have moved from surrounding Counties, is

largely responsible for the relative health of SE Baltimore. As indicators of the health that these new immigrants bring to SE Baltimore, Mr. Ryer cited the following:

- Retail and commercial strips in Highlandtown, which were experiencing substantial vacancies (~30%) 10 years ago and now averaging about 14% total vacancy.
- The SE portion of Baltimore had the second highest rate of property appreciation in the City during 2014
- Every public school in SECD's footprint are currently at capacity, with one school, which had formerly been closed, now reopened. Another new school is under construction, and there will remain a need for an additional new school after the new one is open.

It was abundantly clear from Mr. Ryer's presentation that continuing to attract immigrant populations to Baltimore City is essential to maintaining and improving upon the renaissance that the City has been experiencing during the 21<sup>st</sup> Century.

Mr. Ryer highlighted one particularly thorny issue that is hampering the continuing stabilization of SE Baltimore, namely the increasing difficulty in obtaining mortgage financing for house purchases. Since 2008 a non-citizen effectively cannot obtain a mortgage loan. "In the past, you didn't need a Social Security number to buy a house" pointed out Mr. Ryer. Now, mortgages for immigrants are almost impossible to obtain, which reduces the tendency of homeownership to stabilize neighborhoods, including SE Baltimore. As a result SECD sponsored Agatha So, a community organizer at SECD, who successfully applied for a Soros Fellowship to study the issues revolving around the difficulty of recent immigrants in obtaining a mortgage. "Itin" (Individual Tax Identification Number) mortgages are a possible solution which might afford a middle ground whereby a non-citizen might still obtain a mortgage to purchase a home without full citizenship. Such creative solutions will be important if the City will be successful in improving the stability of its neighborhoods by continuing to attract hard working immigrant populations.



*(In photo, second from left is Mr. Ryer, CEO of SECD)*