



Reservoir Hill Improvement Council Housing News and Notes – August 2011

RHIC distributes this periodic e-newsletter in order to update readers on real estate developments and other housing matters in the Reservoir Hill community.

Personnel Changes

Code Enforcement Legal has hired a new Central District attorney. Her name is Felicia Jackson-Taylor. She can be reached at Felicia.Jackson-Taylor@habc.org

Effective 2 May, Larry Grubb became Executive Director of One House at a Time. Mr. Grubb comes to One House at a Time from Habitat for Humanity.

The *Department of Housing & Community Development Code Enforcement* has assigned a new Inspector to Reservoir Hill. His name is Thomas Donaldson. He can be reached at (410) 396-4161, or by e-mail at Thomas.donaldson@baltimorecity.gov. Reservoir Hill's long standing inspector Tasha Neal has been transferred to a different district. Ms. Neal served Reservoir Hill well and we wish her the best in her new post.

Direct Purchase Program – Healthy Neighborhoods, Inc. – Interest in Reservoir Hill Remains High!

Through its NSP-2 Direct Purchase Program (DPP), Healthy Neighborhoods, Inc. (HNI) has (up to) \$25,000, for the zero percent, 10 year forgivable financial assistance. Potential homebuyers can help defray the cost of the purchase, renovation and closing costs for short sales, foreclosed, or abandoned homes in targeted census tracts in the following areas: Reservoir Hill, Better Waverly, Ednor Gardens, Coldstream Homestead Montebello, Belair-Edison, and Patterson Park/McElderry Park.

Reservoir Hill still garners the most interest of any neighborhood. Four purchases have closed in Reservoir Hill utilizing DPP assistance since the inception of the program, one each on Newington Avenue, Mount Royal Terrace, Lakeview Avenue, and Eutaw Place. Two more have contracts fully ratified and pending final approval, one each on Lennox Avenue and Callow Avenue. Five further offers are pending, one each on Mount Royal Terrace, Bolton Street, Callow Avenue, Chauncey Avenue, and Reservoir Street. Several additional houses are being closely examined by potential buyers for bank loans or short sales. Readers should be aware that the sales environment is very fluid and these numbers could change rapidly.

Eligible borrowers can earn no more than 120% of [2010 Adjusted Area Median Income](#), approximately \$101,400.00 for a family of four. The Direct Purchase Program relies on the commitment of home buyers who love city life and believe in the future of active and engaged urban communities. For information contact Rahn Barnes: (410) 332-0387 x 154; rbarnes@healthynighborhoods.org.

Madison Park North

As of this report, there has been no HUD response to Shelby Kaplan's appeal of the last HUD inspection of April 2011.

In the last week of June the Baltimore HUD office issued a memorandum asking for permission to abate the contract. There has been no response yet to that request either.

Development Projects

RHIC monitors a number of real estate development projects in Reservoir Hill. Each newsletter reports on a sampling of projects.

Whitelock & Brookfield, 2401 and 2405 Brookfield

The Cadogan Firm reports that the renovated apartment building on the northeast corner of Whitelock & Brookfield is almost fully occupied. One unit remains available.

RHIC assembled a meeting to review options for acquiring and funding the rehab of other buildings at or near the corner of Whitelock & Brookfield. Housing Commissioner Graziano, Peter Engel, HNI President Mark Sissman, and several RHIC staff and Housing & Development Team volunteers took part in the session. Discussions continue to address the vacant apartment building on the southeast corner of Whitelock and Brookfield, 914 and 916 Whitelock Street, and the former Masonic building on Brookfield.

German Park Playground

KCI Technologies donated their time to prepare engineering plans necessary to apply for the permits required to remove the concrete on the area from the new playground to the pergola. The plans were filed on 28 July 2011. Morgan State University's landscape architecture program is helping develop final design plans for the site, and the German Park Working Group is working to facilitate a meeting between City departments to plan for an effective demolition and rehab of the site. Funding will be the final determiner, but the German Park Working Group is expecting the project to be completed in late autumn 2011.

Code Enforcement Status Report

Standard Housing Cases

2125 Bolton - In court on May 6, 2011 for interior and exterior code violations. Property owner failed to appear and judgment entered against owner.

2260 Brookfield – In court December 22, 2010. Case dismissed because property is in foreclosure.

2220 Linden – In court June 29, 2011. Ordered to fully rehabilitate or sell property by February 1, 2012.

2216 Brookfield – In court May 3, 2011. Ordered to fully rehabilitate or sell property by December 1, 2011.

2018 Linden – In court June 14, 2011. Property sold at tax sale to the City.

2038 Linden - In court July 5, 2011 for interior violation. Case dismissed because the violation was corrected.

2313 Callow – In court May 17, 2011. Ordered to fully rehabilitate or sell by November 30, 2011.

2450 Lakeview – Court date set for July 12, 2011, Referred to receivership. Title has been ordered.

2528 Lakeview – Court date postponed from July 12, 2011 to August 30, 2011.

2224 Madison - In court on June 14 for interior violation. Property sold at foreclosure.

2300 Mount Royal – In court on June 2, 2011 for interior and exterior code violations. Ordered to make all repairs by December 2, 2011.

914 Newington – Property owner was under court order to fully rehabilitate or sell property by December 2010. Owner will donate property to City.

Receivership

Approximately ten (10) properties in the Reservoir Hill community have been forwarded to receivership for review. The addresses are not provided, because the Petitions have not been filed in the courts as the date of this report

Developments at One House at a Time

One House at a Time (OHAAT) receives nuisance properties that the Code Enforcement Legal Division of Baltimore Housing has pursued for receivership and that the courts have assigned to a receiver. OHAAT's charge is to abate the nuisance that resulted in the house being awarded by the courts to a receiver. They do not have to maximize income or be concerned about the fiduciary position of the owner.

If they believe that the owner can accomplish the needed repairs if given time, OHAAT can enter into a consent decree stalling action for a set period of time. Alternatively, they may auction the property, which may be done without the consent of the owner.

OHAAT can also place the property for a direct sale, which does not require the consent of the owner. Most houses available for direct sale are the result of a property failing to sell at auction. It is possible to send a property to direct sale without attempting to auction it, but the OHAAT Board has limited that because they are concerned about the appearance of collusion.

If the buyer fails to comply by getting a Use & Occupancy permit within the allotted 18 months from the date of settlement, OHAAT can negotiate an extension if they feel it is merited. Otherwise, Code Enforcement Legal must pursue the owner all over again. Also, the owner could sell the property. There are no clear benchmarks during the 18 month period, though if a buyer clearly makes almost no effort during the 18 months, Code Enforcement Legal could act to put the property back into receivership.

In a recent meeting with Larry Grubb, RHIC discussed two OHAAT sales that reflected two issues with the OHAAT process.

1. In the case of the Druid Park Lake Drive houses, while OHAAT was very easy to work with in getting updates and referring buyers to RHIC, the director at the time was bound by rules that would not allow her to reveal the interested buyer's name. Under those conditions, we have little input into the selection process.
2. In one case a buyer won a house at an auction only to find that he couldn't qualify for a sufficient loan to rehab the property. At one time, OHAAT qualified a buyer's financial capacity through the presentation to them of a letter from a financial institution indicating that they qualified the buyer for a certain size of loan. The final offer of the lending institution did not always end up being the same as they qualified the buyer to received. OHAAT had no mechanism for letting a buyer out of the sale if the buyer's financial conditions changed.

The Board of OHATT is taking steps to modify its processes.

First, OHAAT has changed its method of qualifying a buyer's financial capacity from using a lending institution statement regarding the buyer's ability to qualify for a loan to a review of the buyer's existing financial assets. In addition to financial capacity, the other major factors in qualifying a buyer are a) Demonstrated skill in rehabbing the kind of property being sold, and b) the buyer cannot have an environmental code violation on any property they own.

Second, the Board is considering changing the qualification process to require re-qualification every six months until settlement to ensure that a buyer's that cannot successfully fund a rehab does not end up in the purchase.

Third, The OHAAT Board is considering ways to increase the use of Direct Sale, possibly by publicly listing a property for 30 days to allow anyone the option to buy. Remember they do not have to take the highest bid or be guided by any responsibility other than choosing the developer they believe best able to abate the nuisance in the shortest time.

RHIC reached agreement with Mr. Grubb on several changes:

1. OHAAT will from here forward inform RHIC when any property is to be offered for Direct Sale. If we have a preferred buyer they will heavily weigh that preference in their decision.
2. OHAAT will reveal the names of the interested buyers of Direct Sales to RHIC and will require that the buyer meet with RHIC, after which we can issue comments back to OHAAT.
3. RHIC can file its geographic priorities as well as preferred developers with OHAAT and OHAAT will work with us to achieve community-based goals in those priority areas.

Neighborhood Stabilization Program–2 Update

Druid Heights CDC reports the following as of 2 August 2011:

Status of Acquired Properties

Druid Heights CDC has selected Urban Built as the contractor for the next four properties to undergo rehab. Urban Built will begin working on one house each week until the end of August. The properties they will be working on are 2517 Madison, 2211 & 2434 Linden, and 606 Lennox. All are slated to be done by the end of the year.

2553 Madison is entering its final stages of construction. The rehab should be completed before the end of August 2011.

Houses In the Pipeline

Druid Heights CDC did not move forward with the purchase of 2317 Linden Avenue due to complications with the title.

Reservoir Hill Real Estate Summary

The median sales price for homes in Reservoir Hill, Baltimore for May -July 2011 was \$72,942.00 based on 26 sales. The list of these sales appears below. This represents an increase of 15.7%, or \$8,947 compared to the prior week's median sales price and an increase of 57.87% compared to the prior year. Compared to the same period one year ago, the median sales price increased 12.1%, and the number of sales increased 28.3%.

There are currently 65 properties (resale, condo, and new home) for sale in Reservoir Hill, including three open houses, as well as six homes in the pre-foreclosure, auction, or bank-owned stages of the foreclosure process. The average listing price for homes for sale in Reservoir Hill was \$145,051 for the week ending July 20, 2011 which represents a decline of 2.7%, or \$3,981, compared to the week ending June 29. Housing inventory in Reservoir Hill is down 26% from May and 61% from this time last year. Sales prices to list prices are 89%. Information below provided by Trulia Real Estate Search and Redfin

ADDRESS	SALE DATE	SALES PRICE
2444 Callow Ave	5/17/2011	16,600
1910 Park Ave	5/12/2011	60,900
2126 Bolton St	5/26/2011	180,000
2444 Lakeview Ave	5/31/2011	56,500
2338 McCulloh St	5/27/2011	5,300
2229 Brookfield Ave	6/21/2011	18,000
809 Brooks Ln	6/14/2011	22,500
1904 Mt. Royal Ter	6/22/2011	175,000
2229 Brookfield Ave	6/27/2011	18,000
2243 Eutaw Pl	6/30/2011	99,000
1807 Park Ave	7/05/2011	166,250
603 Reservoir St	6/17/2011	124,900
2121 Bolton St	7/07/2011	110,000
2410 Linden Ave	7/01/2011	128,000
2240 Brookfield Ave	6/15/2011	41,000
2222 Eutaw Pl	5/26/2011	70,000
2415 Lakeview Ave	7/19/2011	32,000
604 Whitelock St # 18	5/31/2011	21,000
604 Whitelock St # 17	7/07/2011	19,000
2211 Linden	6/17/2011	74,250
1934 Mt. Royal Ter	6/1/2011	250,000
2437 Callow Ave # 3	6/10/2011	24,000
2202 Park Ave # 302	5/31/2011	159,900
758 Reservoir St	7/29/2011	8,499
602 Whitelock St # 21	5/31/2011	11,900
604 Whitelock St # 14	5/05/2011	4,000

Zoning Matters

The Baltimore City Municipal Zoning & Appeals Board hears and determines all zoning appeals from individuals requesting exceptions or variations for City Ordinances in regard to land use and building requirements, or from individuals who appealing a City decision regarding land use or building requirements.

The Board meets twice a month. Residents can keep abreast of upcoming dockets by going to: <http://baltimorecity.gov/Government/BoardsandCommissions/ZoningandAppealsBoard.aspx>

Housing & Development Team Update

The Housing & Development Team is at present working on the following:

- Participating on the CHOICE Neighborhoods Planning Committee, with a focus on developing a vision for North Avenue abutting Reservoir Hill.
- Supporting the development of public spaces by coordinating with the Green Team, German Park Working Group, Department of Recreation & Parks, and others, including:
 - A team comprised of Housing & Development Team, Green Team, Baltimore Jewish Environmental Network, and Morgan State University. Personnel are preparing a proposal to the TKF Foundation to develop a plan for a series of vacant lots in Reservoir Hill.
 - Supporting residents attempting to open the Druid Café.
 - Facilitating the renovation of the remaining concrete area on German Park.
- Monitoring City and HUD actions regarding Madison Park North.
- Communicating with the Department of Planning on the proposed zoning code.

Keep up with developments in the community through new blogs on the RHIC website:

Greening: <http://rhicgreen.org/>

Schools & Recreation: <http://rhicschools-recreation.org/>

Housing & Development Team members are: Chet Myers (RHIC Board Member), Carl Young, Carol Hall, Lafayette Grier, Arthur Shulman, Octavia Shulman, Judith McKenzie, Lars Peterson, Alan Pressman, Joan Pullian, Robert Ginyard, Ellis Brown, Rabbi Daniel Burg, Ruthie Wilder, Rick Gwynallen (RHIC staff).

Questions?

Contact Rick Gwynallen or Carl Cleary at (410) 225-7547
rgwynallen@reservoirhill.net, ccleary@reservoirhill.net



Reservoir Hill is a Healthy Neighborhoods community