

2015 ANNUAL REPORT



SOUTHEAST
community development corporation



MESSAGE FROM OUR CHAIR

Our job is to spur investment in areas where the private market may hesitate to go.

This year we invested over a million dollars in the neighborhoods of Southeast Baltimore, and the results; a robust real estate market and increased private investment, speak for themselves.

I am grateful to all of those that help us, from the volunteers on the Board and in the neighborhoods, to our generous investors and funders, to be able to participate in the revitalization of Southeast Baltimore.

Doug Schmidt, Chair, Board of Directors

2015 HIGHLIGHTS

Five façade grants totaling \$29,506.56 of investment were completed in Highlandtown's commercial district.

\$13,992.40 in recovery funds were raised following the civil unrest in Baltimore. Funds were used to restore four facades, replace interior displays and inventory, install security cameras, print new menus and marketing materials, and hold two re-opening celebrations.

6,000 visitors attended Highlandtown for the annual holiday festivities, which includes Small Business Saturday, Tree Lighting Kick-Off Event, and the Highlandtown Train Garden.

\$100,000 of creative placemaking projects installed including a two-story painted screen; six new custom die cut, hot pink trash receptacles; 15 new LED lighting fixtures at four locations, one new mural and one new bike rack.

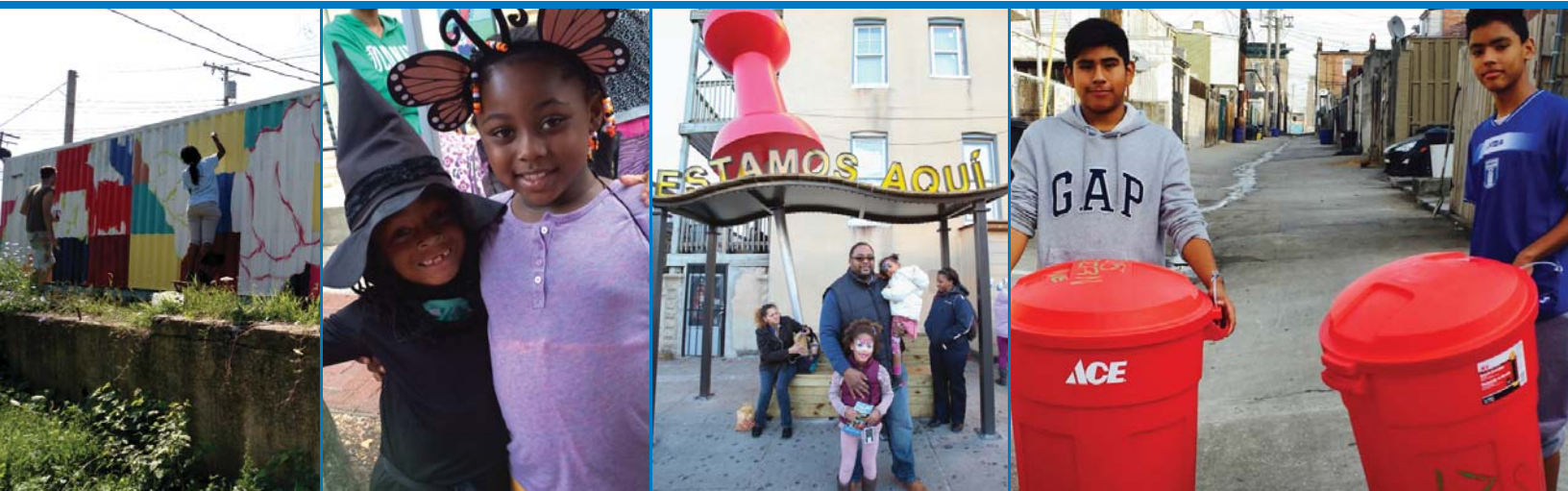
400 people attended Trick-or-Treat on Main Street—doubling attendance from last year's event.

110 residents participated in three clean-ups and recycling demonstrations in partnership with the Waterfront Partnership of Baltimore.

400+ community members and volunteers created three green spaces in Baltimore-Highlands, Greektown, and Highlandtown. Projects included creation of a school bird habitat, a bird and community garden in Greektown, and raised garden plots for English and Spanish speaking residents and worldwide clients of the International Resettlement Center.

100 new painted screens installed in Highlandtown for a walking tour and brochure.

250 residents celebrated the construction of Estamos Aquí, a bus stop sculpture on Highland Avenue and E. Baltimore Street.



Left to right: YouthWorkers painting a neighborhood mural; Trick O' Treat on Highlandtown Main Street; Estamos Aquí, sculptural bus stop at Highland Avenue and Baltimore Street; Baltimore Street alley makeover with Highlandtown Elementary/Middle School #215 and Healthy Harbor Initiative. Cover: Highlandtown Train Garden

COMMUNITY INVESTMENT PROJECTS

1. Funding for a housing market stimulus package near Johns Hopkins Hospital including incentive funds, construction financing and funding for community art projects.

2. A multi-partner street tree planting initiative to establish a tree canopy in Southeast Baltimore.

3. Renovation to enhance the south end and loading dock of the Northeast Market, one of the city's most historic public markets.

4. Infrastructure, façades, signage and a model home for Station East, a Vacant to Value project, by the Historic East Baltimore Community Action Coalition.

5. Interior and exterior repairs at The Door, a nonprofit in the CARE community, to expand their after school and summer programming.

6. Exterior repairs to the McElderry Park Community Center to reduce water infiltration and energy consumption.

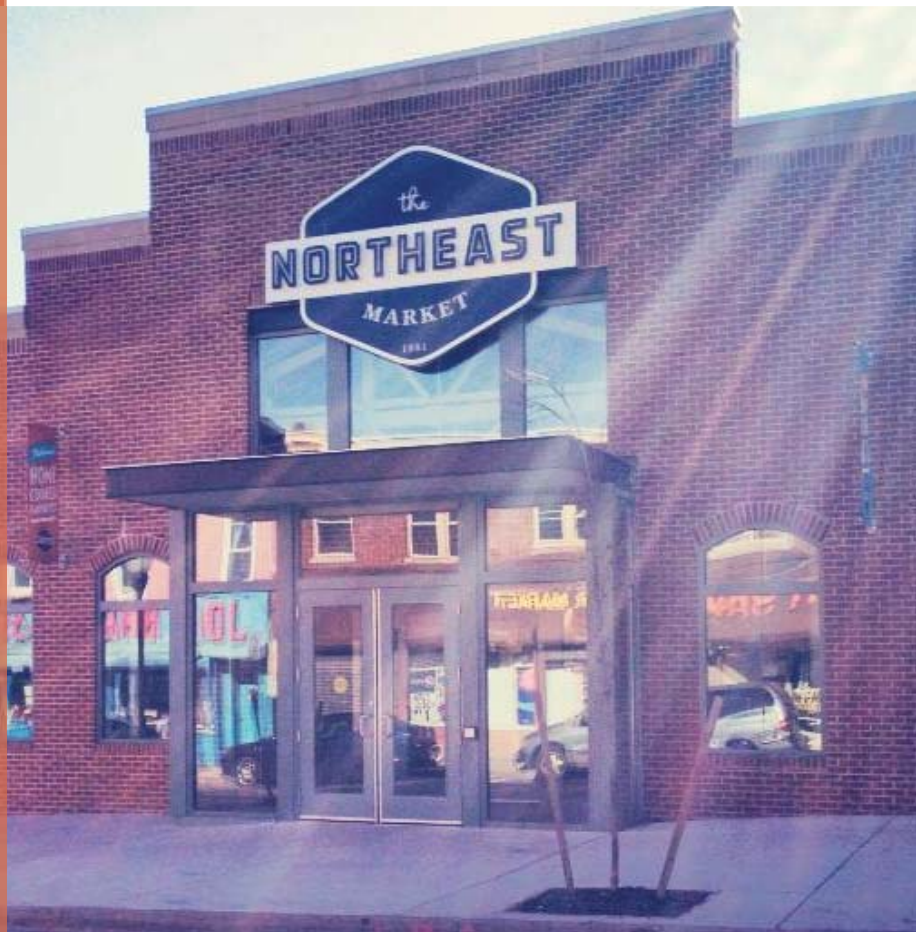
7. Interior repairs to the Center for Graceful Living to enhance their community after school, education and mobilization programs.

8. Open space improvements in the CARE community as part of an AmeriCorps workforce program at Civic Works.

9. Façade improvements for Sokol, a centuries-old gymnastics organization in the Patterson Park community.

10. Public space improvements, including lighting, signage, custom furniture and public art within the Highlandtown Main Street District.

11. Renovation of vacant, but historic carriage houses into artists' work space in Highlandtown.



Bolstered by state money, Southeast CDC expands its revitalization work

"Bernie" is the popularly-adopted pronunciation of the acronym BRNI, the Baltimore Regional Neighborhood Initiative.

The initiative, created in 2013, is a pilot program Maryland House of Delegates Speaker Michael Busch and Delegate Pete Hammen, to "demonstrate how strategic investment in local housing and businesses can lead to healthy, sustainable communities with a growing tax base and enhanced quality-of-life."

While all the BRNI projects will add to the revitalization of the neighborhoods north and west of Patterson Park, programs that promote homeownership are critical.

"People are worried about gentrification," explains Chris Ryer, director of the Southeast CDC, adding that the best solution is to help them become homeowners, so that when housing prices go up, the residents will build equity and capture the value of the appreciating asset.

In addition to the BRNI funding, the Southeast CDC also received three 2015 Community Legacy grants. Combined, the BRNI and Community Legacy projects total \$1 million in support--enough to make a real difference in these neighborhoods.



25

active projects to improve public spaces, building facades, and green spaces.



Highlandtown’s business bounce-back is a community effort

Imagine arriving at the business you had built up over 15 years, and discovering your inventory had been wiped out overnight.

On April 28, Mario Diaz, who owns an athletic shoe and apparel shop in Highlandtown, was faced with this exact situation.

He immediately understood that giving up on Sneaky Feet, his shop at 3223 Eastern Ave., was not an option.

He obtained assistance from the city. He also received help from the Southeast CDC, which had received a \$10,000 grant from the Baltimore Community Foundation’s Fund for Rebuilding Baltimore to support the Highlandtown Main Street recovery initiative.

The hardest-hit businesses used the funds for interior repairs, facelifts, and to replace destroyed displays.

“It helped give us a whole new face for the store,” said Diaz, indicating a new display of hard-to-find soccer and running shoes behind him.

For some businesses, Amanda Smit-Peters, Highlandtown Main Street Manager, noted, insurance had covered a large portion of losses.

“But they needed marketing to let people know they were still open,” she said. “When you’re fixing your business, you can’t always get to marketing, to get momentum going again, and that’s what it takes.”

Diaz said that he can feel the momentum returning.

“I believe in the neighborhood, and I believe that we have hope that everything will be well again,” he said.



Sneaky Feet features fresh window signage and displays thanks to recovery funds.



Highlandtown Main Street and the first annual Community Chicken Dinner event were featured on MSNBC’s “Your Business” on November 15, 2015.

Southeast CDC fosters immigrant homeownership

"A Japanese corporation can buy Rockefeller Center, but a guy from Honduras can't buy a row house," says Chris Ryer, president of the Southeast Community Development Corp., shaking his head.

But he's not throwing up his hands. Ryer and others at the Southeast CDC have been dedicating time and energy toward rendering it a garden-variety falsehood.

Helping immigrants in the process of attaining home-ownership has long been a tenet of the Southeast CDC. The release of a report by the New Americans Task Force, in collaboration with the Mayor and the Abell Foundation, has both affirmed the Southeast CDC's mission in that arena and clarified some of the pathways toward fulfilling it.

The report, titled "The Role of Immigrants in Growing Baltimore: Recommendations to Attract and Retain New Americans," points to immigrants' vital contributions to this city to explain why the Southeast CDC and other organizations have adopted such a mission.

Ensuring that New Americans "decide to make Baltimore their long-term home is a win-win situation--benefitting both New Americans and Baltimore as a whole."

In 2015, Southeast CDC implemented some of those strategies.



Southeast CDC tackles tax sale foreclosure

"How can I be going through foreclosure when my mortgage is paid off?"

It's not a question that Claudia Wilson Randall, housing counseling director for the Southeast Community Development Corp., likes to hear.

In Baltimore City, the asker is often an older person who has lived in her home for years, and just recently fallen behind on paying property taxes.

If she fails to pay her July 1 tax bill by October 1, it becomes delinquent, incurring fees and penalties. If by April 30 she hasn't paid off the total debt, then the city auctions off the right to collect it to the highest bidder.

The new tax lien certificate holder can then charge the homeowner all of what he or she owes plus 18 percent interest, legal fees and other costs.

"A lot of people who end up in this situation don't know they're in it until their house is on Baltimore's tax sale foreclosure list, or they're contacted by the lien holder," Wilson Randall said.

"Now they owe thousands of dollars in legal fees, as well as the late fees."

If the homeowner doesn't pay the new lien holder after six months, then foreclosure proceedings on the property may be initiated.

"Now they stand to lose their house," Wilson Randall said.

As an organization that promotes neighborhood revitalization and stability through homeownership, "the Southeast CDC is concerned," she added.

"It's one thing for the city to want to do this for a vacant property; it's a whole other thing if the property is occupied."



1203

people attended our Group Home Buyer Education Classes

909

households received 1-on-1 Housing Counseling

197

Spanish speaking and immigrant home buyers received services

500+

households obtained Down Payment and Closing Cost assistance



Southeast coalition commits to youth employment

"Yeah, I'll tell you if I hear something."

Mark Parker, pastor of Highlandtown's Breath of God Lutheran Church, wants to give neighborhood youth more than that answer when they ask him if he knows of any jobs.

"That's the one thing they always ask for," he says.

It's a problem with which southeast Baltimore's activists have been struggling for some time now. A couple years ago, The Intersection, a youth advocacy group led by Zeke Cohen, noticed it while engaging the city in a larger conversation about gun violence.

"We asked people what we could do to reduce gun violence in the city," recalls Cohen. The answer was "more jobs."

In the Southeast, the discussion started in the

winter of 2014, following a couple high-profile incidents of youth violence. While residents engaged the police department to answer safety concerns, "the local nonprofits were also getting together," remembers Kari Snyder, director of neighborhood programs for the Southeast CDC.

The Southeast CDC convened Parker's Breath of God Church and Cohen's The Intersection, as well as Banner Neighborhoods and the Creative Alliance to come up with two major objectives, Snyder says.

First, they are working on increasing the number of jobs for youths with businesses in YouthWorks, a five-week job-placement program.

To that end, Cohen and Parker have been seeking businesses willing to hire local youths

for the summer.

The coalition's second goal is to ensure a solid return for any business willing to invest in the program. To that end, the coalition has established a one-week, pre-employment training course for youths enrolled in the program.

"The youth should be equipped with the skills they need to conduct themselves at work, with a minimum of negativity," says Waverly "Coach" Carter of Banner Neighborhoods.

Will the initiative establish more and better employment prospects for youth and lead to their greater integration into the larger community?

"We see it as a civic imperative," Cohen says. "It's about crime reduction. It's about violence reduction. It's about helping kids find work."



Southeast CDC employed teens from Southeast Baltimore, who maintained gardens, greens spaces and trees. On rainy days, they assisted with office work.

360
volunteers helped
Southeast CDC in 2015!

FINANCIALS

SOUTHEAST COMMUNITY DEVELOPMENT CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of June 30,	2015	2014
ASSETS		
Cash and Cash Equivalents	\$ 242,326	\$ 181,735
Investments	1,094,623	1,023,169
Property and Equipment	2,479,687	2,538,066
Other Assets	921,568	651,906
TOTAL ASSETS	\$ <u>4,738,204</u>	\$ <u>4,394,876</u>
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 115,083	\$ 94,999
Long-Term Liabilities (Rental Property)	1,948,751	1,648,000
Other Liabilities	244,341	89,942
TOTAL LIABILITIES	<u>2,308,175</u>	<u>1,832,941</u>
Unrestricted Net Assets	2,430,029	2,561,935
TOTAL NET ASSETS	<u>2,430,029</u>	<u>2,561,935</u>
TOTAL LIABILITIES AND NET ASSETS	\$ <u>4,738,204</u>	\$ <u>4,394,876</u>

FINANCIALS

SOUTHEAST COMMUNITY DEVELOPMENT CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF ACTIVITIES

For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>
SUPPORT AND REVENUES		
Grants and Contributions	\$ 1,042,947	\$ 672,426
Earned Income	268,563	363,833
TOTAL SUPPORT AND REVENUES	<u>1,311,510</u>	<u>1,036,259</u>
EXPENSES		
Program Expenses	1,343,340	1,198,610
Management and General	100,076	107,467
TOTAL EXPENSES	<u>1,443,416</u>	<u>1,306,077</u>
*Income (Loss) Before Assignment of Net Assets	(131,906)	(269,818)
	<u>-</u>	<u>(240,294)</u>
CHANGE IN NET ASSETS	(131,906)	(510,112)
Unrestricted Net Assets - Beginning of Year	2,561,935	3,170,465
Change in Reporting	<u>-</u>	<u>(98,418)</u>
UNRESTRICTED NET ASSETS - END OF YEAR	\$ <u>2,430,029</u>	\$ <u>2,561,935</u>

*Note #1: \$131,906 intercompany losses of \$221,120 and Southeast CDC's net income of \$89,214

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and Marketing

Claudia Wilson Randall
Director of Housing Counseling
and Operations

**We thank our funders for
their generous support!**

Abell Foundation

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Joseph and Harvey Meyerhoff
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and Community Development

Johns Hopkins Bayview
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Baltimore Housing

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Baltimore Development
Corporation

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B B & T

United Way of Central Maryland

Enterprise Foundation

TD Charitable Foundation

Equitable Foundation

PNC Bank

Family League of Baltimore

Wells Fargo Housing Foundation

Goldseker Foundation

Highlandtown Business Association



Southeast CDC staff lend a helping hand at the Kaboom playground build day at Tench Tilghman Elementary-Middle School in October 2015.



SOUTHEAST

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