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## Building a Technology Park in Baltimore by Rehabilitating a Neighborhood

By EUGENE L. MEYER

BALTIMORE — Bulldozing entire neighborhoods to revitalize them seemingly went out of fashion decades ago, after the first mid-20th-century efforts at urban renewal were denounced as failures.

But in the blocks just north and east of the vast and expanding Johns Hopkins Hospital here, that is precisely what is happening. The medical institution and Forest City Enterprises, a Cleveland-based building company, have joined forces to demolish a neighborhood to save it. Huge blocks of row houses have been razed, and many more are destined for the bulldozer.

As it was, the neighborhood — a shooting location for the [HBO](#) series “The Wire” — stood in sharp contrast to the gentrifying neighborhoods of Butchers Hill and Canton to the south.

The hospital, now undergoing a \$1.2 billion expansion, seemed perfectly positioned to inspire a renewal.

“It was obvious the community was falling apart,” said Dr. Edward D. Miller, dean of the medical faculty and chief executive of the hospital since 1997. “I could see drug deals from my office.”

Now, the area, sometimes referred to as Middle East Baltimore, is re-emerging as the New East Baltimore, offering the promise of turning what had become an urban wasteland into a vibrant 88-acre community centered on a medical science and technology office park, which includes laboratory space.

In the first phase, 1,200 houses, three-fourth of them vacant, were acquired and torn down. A 278,000-square-foot building, called the John G. Rangos Sr. Building, opened in April and now has five tenants. Slightly more than half of the space is still available, although other leases are said to be close to signing.

This is the first of five planned buildings. Work on the second is expected to get under way early next year. The first four buildings are to be devoted largely to lab facilities and science and technology companies. The fifth is to include more traditional office tenants.

One tenant in the first building is BioMarker Strategies, which is developing a cancer diagnostic device. Its president, Scott Alloco, said the company’s decision to lease there was based in part on proximity to Hopkins.

There are also 152 units of subsidized housing with one, two or three bedrooms in two four-story buildings; they are 12 percent occupied by people who were living in the area previously. There are also 63 town house apartments under construction: 14 are to be for rent and 49 for sale; some are to be at market rate and others will be subsidized.

Ultimately, the development is expected to have 2,400 units of mixed-income housing, 1.4 million square feet of laboratory and office space, and up to 400,000 square feet of retail and small commercial space for businesses like a dry cleaner. As many as 4,000 people are expected to work there.

The entire project, which is expected to take 10 to 15 years to complete, will also have green space, graduate student housing, and, on seven acres, what will be the first new public elementary and middle school in Baltimore in 30 years. The total investment is said to be \$1.8 billion.

The lead developer, Forest City, owns and manages more than \$10.5 billion worth of development in the United States. One

of its affiliates, Forest City Ratner, was the development partner for the new [Manhattan](#) headquarters of The [New York Times Company](#).

For the Baltimore project, Forest City has joined with Presidential Partners, a consortium of local builders and developers. One company in the consortium is Harrison Development, whose president and chief executive, Dean Harrison, grew up in the city. East Baltimore, he recalled, “was on the wrong side of the political fence.”

But right in the middle sat [Johns Hopkins University](#), its hospital and medical school, with 30,000 employees and growing.

“Academic institutions are economic drivers,” said Frank C. Wuest, president of Forest City’s Science and Technology Group, which undertook a similar project in Cambridge, Mass., where space for science and technology companies was developed next to [M.I.T.](#) “The jobs are following the brain power.”

To accumulate land for the site, the city, state and Johns Hopkins in 2003 created East Baltimore Development Inc. to acquire buildings, tear them down, and then sell the land to developers. Hopkins put in \$15 million, and \$20 million more came from the Annie E. Casey Foundation.

Enthusiasm for the project has not been universal. Initial opposition came from lower-income residents and their advocates, who sought a greater voice and compensation for their displacement.

At least some residents welcomed the change, however, accepting relocation packages — 153 homeowners received an average of \$153,000 a house, and moving expenses, and 243 renters received \$50,000.

The cynical view expressed by some community activists and academics is that local government and the hospital teamed up not to save the neighborhood but to annex it.

“Now government is almost a surrogate of private industry in gentrifying” neighborhoods, said Ray Winbush, director of the Institute for Urban Affairs at Morgan State University, which is in Baltimore.

Dr. Miller confirmed that the university did acquire properties “whenever we had the opportunity,” with an eye to the future, but only those that were already vacant.

“A neighborhood changes incrementally,” said Scott Levitan, Forest City senior vice president and development director for the project. “It’s filled with people who’ve owned their house, meticulously maintained it, and you wake up one morning and the neighborhood has disintegrated around it. It’s not anyone’s fault. Hopefully, this is the last time we’ll have to demolish a neighborhood in order to save it.”

Baltimore’s bank account also stands to benefit. Properties in the first phase were assessed at \$4 million, yielding only \$90,000 in taxes, before redevelopment. When redeveloped, the same land is projected to yield \$9.6 million in property taxes, and that’s just for the first 31 acres.

That was not the primary goal, however, Mr. Levitan said. “This is not just about money but about a new economy for the city,” he said. “It’s a real opportunity to create a new model of inclusive city rebuilding.”

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