Introduction and Executive Summary

The GBC Perspective

The business leadership of Greater Baltimore has compelling reasons to articulate a vision, backed by community goals and priorities, to candidates in this fall's Baltimore City mayoral and city elections. The policies of future city leaders will impact not only Baltimore City, but also the economic health of the region. City policy will also affect relationships among the region's jurisdictions and the top elected officials who will lead the region into the 21st century.

Regions, not individual jurisdictions, are becoming the primary economic competitors in the global economy.

Central cities play critical roles in regions' economic successes. Strong evidence from all over the country shows that regions with declining core areas do not perform as well as regions with healthy and viable cores.

The synergism between central cities and the regions around them works in both positive and negative ways. A thriving urban area energizes a region and serves as a catalyst for economic and cultural growth. If a central city is in decline, there are real and serious adverse consequences, both within the city and in the suburban areas surrounding it.

Baltimore has significant strengths and economic assets -- many of which are nationally recognized and celebrated. Baltimore City and the Greater Baltimore region clearly have substantial potential for global business prominence in the 21st century. For that potential to be fully realized, however, Baltimore's future leaders must squarely address three key issues -- public safety, education and population decline.

This report represents the best effort of the business and civic leaders who make up the membership of the Greater Baltimore Committee to articulate top priorities and goals for
Baltimore at a particularly important time of transition and opportunity.

The most obvious transition before us is the election of a new mayor and all city-wide office holders in Baltimore this fall. The early announcement by Mayor Kurt L. Schmoke that he will not seek re-election affords the Baltimore business community a unique opportunity to propose goals and objectives for consideration by all candidates who seek to set a new agenda for the city. But, in addition to electoral politics, other developments and trends are converging in our city, such as:

-- a resurgence of commerce in downtown Baltimore that is spreading outward from the Inner Harbor to both the east and the west;

-- strong growth and expansion among our city's major health, medical and academic institutions; and

-- a growing demand for a diverse range of affordable residential housing in the city.

These and other recent trends beg for public and private sector leaders, and the citizens of our region, to take full advantage of the opportunities before us on the eve of the 21st century.

The GBC arrived at the recommendations that follow by studying and identifying pressing problems facing Baltimore City and through our active involvement during the past four years of working on regionalism, public safety, education, downtown development and many other public policy issues that impact Greater Baltimore's business climate.

In 1995, the leadership of the GBC identified crime as one of the most serious issues facing our region and acted on that finding by developing and implementing a public safety strategy known as "Smart on Crime." Since then, the GBC has championed increased availability of drug treatment as a crime-fighting strategy throughout the region, begun implementation of the community court and supported construction of the juvenile justice center in Baltimore and the Police Athletic League after school programs.

The GBC has also been substantially and visibly involved in initiatives to restore the Hippodrome Theater as a catalyst for redevelopment on Baltimore's west side, to reform Baltimore's public schools, and to promote problem-solving from a regional approach.

To gain further insight and perspective in developing these recommendations, members of our board and other leading GBC members consulted during the last several months with top city officials in public safety, education, economic development and housing, and other leaders in the region and state.

The GBC would like to thank the members and public officials who graciously gave of their time to discuss the important issues facing our city and region. We are grateful for the insight and valuable experience that they shared with us.
Crafting A Plan of Action for Baltimore

First and foremost, the political leadership of Baltimore City must recognize and embrace the direct correlation that exists between reducing crime, improving education and growing the population and economy of Baltimore City.

Public safety and slow employment growth were clearly identified as the two top challenges to our region by the "State of the Region" report, published jointly by the GBC and the Greater Baltimore Alliance in July 1998. That report also noted that Greater Baltimore otherwise possesses substantial economic development strengths that include low cost of living, quality health care, superior cultural assets and high quality of life.

As the GBC noted at its May 26, 1999 annual meeting, reducing crime must become the city's top priority. It is the prerequisite for other economic growth strategies to be successful.

Baltimore City's murder rate, in addition to bringing almost daily tragedy to city neighborhoods, has become a nationally recognized detraction from the strengths of our entire region. By far the largest incidence of violent crime in our region occurs in Baltimore City. It is fed by a virulent and stubbornly resilient illegal drug culture that, according to some estimates, costs the citizens of Baltimore up to $2.5 million per day in property loss to crime. Just as Baltimore's reputation for violent crime works against it now, so will our success in reducing violent crime work for us as we compete for business and job growth in the future.

Meanwhile, the GBC led a chorus of business support for the Baltimore City Public Schools' restructuring process now in place, which we consider to be the linchpin of any long-term strategy for employment growth and workforce development in Baltimore City. The deterioration of Baltimore's public school system has also figured prominently in middle-class flight from the city, which in turn has exacerbated a concentration of poverty within the city.

The correlation between the issues of public safety, education, and population growth is clear and compelling. Here are eight basic goals the GBC recommends for Baltimore City to achieve its full economic potential:

Recommended Goals for the City

PUBLIC SAFETY

1. Reduce homicides and violent crime in Baltimore City by 50 percent. To dramatically reduce Baltimore City's homicide rate, which in 1998 was 314, we favor the employment of a "focused deterrence" strategy similar to Boston's successful homicide reduction effort. In Baltimore, a Violence Reduction Task Force, comprised of key city, state and federal law enforcement officials, is crafting such a strategy. While we await specific details, we agree that government leaders, public safety officials and the business
community must commit to a research-based, strategic and collaborative intervention to reduce homicide in our city.

2. **Reduce the total crime rate by 25 percent by 2004.** Coordinate all public safety agencies, deter nuisance crime through the operation of a community court, and strengthen effective preventative programs and youth programs, such as the Police Athletic League.

3. **Fully fund effective drug treatment on request.** We believe that drug treatment resources must be strengthened to eventually ensure the availability of treatment on request. Drug use produces crime, and the most effective strategy to reduce that crime is a public health strategy that increases drug treatment and prevention. Treatment must be available to offenders, both in prison and in the community.

**EDUCATION**

1. **Double the number of Baltimore City Public School (BCPS) students who score "satisfactory" on the Maryland State Performance Assessment Program (MSPAP) by the year 2004.** Achieve the statewide average in MSPAP scores by 2006. The new city school administration should arduously follow its master plan to improve teacher quality and instruction, and to nurture strong reading and math skills in the early grades, building subsequent student achievement on that foundation. In doing so, school leaders should set clear, measurable interim objectives to gauge progress along the way.

2. **Increase school attendance by the year 2004 to achieve the statewide average and increase Baltimore City's graduation rate to at least the regional average by the year 2011.** The school system's strategy must be founded on the fundamental principle that students can only learn if they are in school. Then, a key long-term measure of the effectiveness of school reform efforts will be the graduation rate of the Class of 2011, which will be the first to have had the full benefits -- from the 1st to 12th grades -- of the education reform measures launched in 1999.

3. **Increase local funding resources.** Baltimore City must fully commit to improving its education system by increasing its local funding share to the fullest extent that is practical and feasible. Meanwhile, it must find creative and effective ways to address the system's substantial capital and school renovation needs.

**POPULATION AND ECONOMIC GROWTH**

1. **Slow, and eventually reverse, Baltimore City's current population decline by 2004.** Strategies should focus on creating a diverse and affordable housing market and attracting and keeping more middle class homeowners in the city. Neighborhoods with strong residential home ownership must be supported with services. In relocating residents from high-rise public housing, steps must be taken to avoid creating new concentrations of poverty.

2. **Achieve positive job growth in Baltimore City by the year 2004.** Strategies should
include enactment of tax increment financing and other effective economic development tools. All of the city's industrial and commercial areas should be included in an enterprise zone. Also, consideration should be given to raising the city's self-imposed debt ceiling to allow borrowing for key economic development purposes.

For a printed copy of the full report, contact Don Fry at 410-727-2820.