

NEIGHBORHOOD IMPACT INVESTMENT FUND

Baltimore, MD



OVERVIEW

Launched in 2019, and certified as a CDFI in 2021, The Neighborhood Impact Investment Fund (NIIF) delivers capital and promotes inclusive, equitable growth in Baltimore's historically disinvested neighborhoods. Initially capitalized with a \$51.7 million loan from Baltimore City, NIIF supports communities by providing loans and investments that accelerate economic growth, catalyze business activity, deliver needed services, and create greater economic opportunity for residents. NIIF is a place-based fund with investments targeting specific Eligible Neighborhoods defined by Baltimore City. Located outside the downtown core and waterfront areas, these neighborhoods have suffered for decades from a lack of investment, segregation, and racial discrimination. NIIF, in collaboration with public and private sector partners, works to support these communities with affordable, flexible financing that is not otherwise available.

IMPACT SINCE INCEPTION

- ▶ \$52.5 million in loan commitments
- ▶ A majority of borrowers are minority-led organizations
- ▶ Jobs created: 2,494 FTE construction jobs and 649 FTE permanent jobs

Housing Financing:

- ▶ 1,761 rental units (1528 affordable);
- ▶ 364 for-sale units (208 affordable)

Green Financing

- ▶ Predevelopment of affordable, IECC-compliant multi-family housing buildings

NONPROFIT SAVES AREA 405, CONTINUING A LONGSTANDING ARTIST STUDIO COMPOUND

Over two decades, a group of artists transformed the AREA 405 building in Greenmount West from a blighted industrial warehouse into a vital and beloved component of the City's arts community. Local creatives were attracted to this inexpensive, functional space in downtown Baltimore and a vibrant neighborhood amenity was born. The building offered affordable studio space, a large exhibition gallery, and the Station North Tool Library, a small nonprofit that provided residents with over 3,000 tool rentals, 30 classes, a woodworking shop, a DIY workspace, and a home repair classroom.

The building went up for sale in 2021 and marketers painted a very different picture. Promotional materials rebranded the property as "Oliver Street Lofts", a fix-and-flip luxury apartment investment opportunity that would attract "sophisticated urban renters" thanks to the "greater regional connectivity" promised by the ongoing renovation of Penn Station. Longtime artist tenants and neighborhood residents feared displacement and the dissolution of their community.

Recognizing the urgency of the situation and the importance of this asset, the Central Baltimore Partnership collaborated with local developer Ernst Valery to acquire and preserve the building as an affordable workspace for Baltimore's artists. "Together with Ernst, our team plans to work with the current tenants, members of the Station North Arts District, and the Greenmount West Community Association to both protect the existing uses and activate the building to enhance its contribution to both the arts and the broader community," said Ellen Janes, Executive Director of the CBP. "We have a strong track record of creating opportunities for Black-and women-owned enterprises in Central Baltimore, and we will give priority to emerging Black and Brown artists and makers in recruitment and support for new tenants."

The new owners received support from the State of Maryland, the City of Baltimore, and several foundations to make the development possible. NIIF joined Reinvestment Fund, a national CDFI focused in Baltimore, to provide approximately \$2.7 million in acquisition and renovation financing to support the total development costs of \$5.9 million. Post acquisition, initial stabilization work is being completed to bring the building to code and activate ground floor gallery and event space. Longer term, the new owners intend to expand the number of artist studios in the building, add retail or other offerings at the street level and create affordable apartments for artists.