"Implementation Analysis of Job Creation Strategies in Baltimore City"

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Summary and Findings: In Baltimore City, economic development is characterized by a hybrid of strategies whereby local government stakeholders use tax abatements and various kinds of subsidies and assistance to incentivize private developers and businesses to retain and create jobs. Yet in many municipalities, including Baltimore City, these outlays of public dollars and incentives have varying degrees of success. Benefits (jobs and revenue) often accrue disproportionately to communities and the residents who live in them, creating or reinforcing disparities in opportunity and access to jobs. Using Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics data, this implementation analysis measures the employment level and job flow of Baltimore City residents employed in local jobs, or "resident workers," in and near several existing economic development projects and investments in Baltimore City. In addition, the distribution of these resident workers based on residence in neighborhoods targeted for incentives and by wage category is explored with a paired analysis using the OnTheMap application.

Implications for Policy and Practice: In 2010, the selected Baltimore City economic development projects (and surrounding areas) employed between 22 and 47 percent local workers. Those projects utilizing strategies that specifically focused on targeting local workers for employment had higher rates of local employment than place-based strategies that focused on redevelopment and sector-based strategies that focused on high-growth sectors. Of those resident workers employed by these projects, few reside in neighborhoods targeted for various kinds of incentives (high poverty, LIHTC developments, home purchase assistance) and even fewer are low-wage or entry-level workers. Many Baltimore City residents face a myriad of employment challenges and barriers; therefore, there must be an intentional effort to facilitate pathways between residents and employment opportunities. This includes creating and supporting community-based workforce pipelines, financing development projects near transit, instituting local hiring goals for economic development initiatives, and connecting with anchor institutions and other major employers to identify employment and advancement opportunities for workers. This analysis of local employment in existing economic development initiatives could inform the kinds of analyses that could be used to evaluate the impact of local hiring policies, job creation strategies in Baltimore, and other efforts to increase local employment in future initiatives.