Summary: Reporting Period 12/1/2009-12/31/2012

This Economic Inclusion (EI) Report Summary focuses on the results from EBDI’s activities between December 2009 and December 2012. It provides an overview of progress towards the Economic Inclusion goals established for projects within the EBDI footprint.

EBDI has made it a priority to ensure that a substantial amount of the business opportunities generated by East Baltimore revitalization projects go to minority-owned (MBE), women-owned (WBE) and local business (LBE) enterprises. EBDI is also committed to ensuring local residents are prioritized for new job opportunities in its projects. Recently, EBDI increased its contractually required inclusion goals to further focus on local businesses and residents. “Local” is defined as living in Baltimore City, with priority given to businesses and residents within the 88 acre footprint, then East Baltimore, then Baltimore City. There is now a 20 percent local business participation goal. In addition, the local hiring goals that were in place are now focused on local residents.

The inclusion of local, minority and women owned firms and local residents will continue to expand as EBDI’s policies improve and as new projects start under these new policies. EBDI’s Economic Inclusion goals are well observed by Forest City-New East Baltimore Partnership, the master developer, and participating contractors as they strive to achieve and even exceed the goals.

Achievement towards the EI Goals for Local, Minority and Women Businesses:

Year-to-date Growth through December 2012

Total Contracts Awarded totals $215.78 million, over a $130 million increase since Dec. 2011.

During the year 2012, MBE/WBE Contract total for:

Construction increased to $95.87 million from $23.63 million (48.9% of the $196.18 million total Construction Contracts Awarded);

Architecture/Engineering/Design (AED) increased to $6.45 million from $6.14 million (46.9% of the $13.77 million total AED Contracts Awarded);

Professional & General Services increased to 2.08 million from $1.11 million (35.7% of the total $5.83 million total Professional & General Services Contracts Awarded).

Contracts awarded to locally-owned businesses (LBES) increased to $81.52 million from $18.66 million (37.8% of the total $215.78 million Total Contracts Awarded), of which contracts for:

Local MBE totals $53.94 million (25.0%)

Local WBE totals $11.35 million (5.3%)

LBE totals $16.23 million (7.5%)

The chart below provides more detail for each active project:

![MBE/WBE EI Goals Achievement to Date by Project: December 2009 – December 2012](chart)

**After excluding deductibles such as insurance and bonding from the construction contract.**
WORKFORCE INCLUSION

Through its inclusion goals EBDI has made it a priority to ensure that job-seekers from the project area, East Baltimore and other parts of Baltimore City obtain jobs generated by its projects.

Workforce Achievement* between Dec. 2009 and Dec. 2012:

- Cumulatively, 1,954 workers obtained construction jobs (+915 new hires since Dec. 2011):
  - Baltimore resident: 460 workers or 23.5% of the total (+262 new hires since Dec. 2011);
  - East Baltimore resident: 290 or 14.8% of the total (+184 new hires since Dec. 2011)

- 108 workers obtained professional security services jobs (+15 new hire since Dec. 2011):
  - Baltimore Residents: 87 workers or 80.6% of the total (+13 new hires since Dec. 2011);
  - East Baltimore: 39 workers or 36.1% of the total (+7 new hire since Dec. 2011).

- The project associated with the East Baltimore Community School created 6 janitorial jobs for East Baltimore residents.

With an aim to enhance the hiring of local residents, EBDI initiated the Workforce Pipeline program which connects local residents to remedial education, job readiness, occupational training, and jobs in and out of the project area.

*NOTE: 10 Security employees also worked on a construction site. Of the 10 workers, 5 are Baltimore residents, and 2 are East Baltimore residents.

ANALYSIS

During the year 2012, EBDI managed new projects that added over $133 million in cumulative contract value. As a result, the total contract value of EBDI’s construction, AED, and professional services projects rose to $215.8 million. Of the total contracts issued, 48.4 percent of the total contract values was awarded to MBE and WBE firms. EBDI’s sector-wide Economic Inclusion Goals are satisfactorily met for all three categories, including Construction (49% achieved v. 35% Goal), AED (47% achieved v. 34% goal), and Professional & General Services (36% achieved v. 26% goal). MBE/WBE contracting goals were met in each of these industry segments with the exception of the WBE goal in Construction: Percentage of WBE contracts fell short of the 8 percent subsector goal.

Aggressive Goals

In interpreting the data presented in this report, it must be noted that EBDI’s inclusion goals are relatively aggressive in comparison to similar policies exercised by various levels of government. EBDI has established combined MBE and WBE participation goals that exceed 30% for both Construction and AED contracts. In comparison, the economic inclusion goal for the state of Maryland is 25 percent of total state contracts; and the equivalent requirement set by the federal government is 23 percent of total procurement.

Moving Towards Higher Results

Over the course of the East Baltimore project, the amount of contract awards to minority- or women-owned businesses has steadily improved, as did the hiring of local workers. This is due to a number of factors, including an active and engaged Economic Inclusion Advisory Committee that includes East Baltimore elected officials, community and business leaders, workforce partners, and representatives from The Annie E. Casey Foundation and Johns Hopkins. Plus, there has been improved outreach by EBDI and the developers and contractors in the project area. This has led to a growing awareness within the community about EBDI’s efforts to promote economic and workforce inclusion.

OPENING THE DOORS TO SUCCESS

Mr. Robert Traylor came to the EBDI Pipeline in January 2013 after being laid-off from his job as a Sous Chef at The Dogwood, a socially responsible, fine dining restaurant and catering service in Hampden. It was evident from the outset that Mr. Traylor would have no problem finding a new job. His enthusiasm and willingness to complete assignments and take advantage of every opportunity put him on an easy path to success. While he was actively searching for jobs and participating in mock interviews, Mr. Traylor successfully completed driver’s education and received his learner’s permit, compliments of the EBDI Pipeline. After engaging with the Pipeline for only one month, he received an interview with Apples & Oranges, a new grocery store and market opening at Broadway and North Avenue in March. Mr. Traylor endured three grueling panel interviews for Assistant Chef, which led to his full-time hire with the company, receiving competitive pay, benefits and an opportunity for a promotion to Head Chef after 90 days. Mr. Traylor is so beloved by Apples & Oranges that he has been asked to assist the company with building out their menu and store protocols prior to their grand opening in March.

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