

State of Maryland

2006 Bond Bill Fact Sheet

1. Senate		House		2. Name of Project
LR #	Bill #	LR #	Bill #	
2014	SB178	0576	HB120	Creation of a State Debt – Baltimore City – Library Square Revitalization
3. Senate Bill Sponsors				House Bill Sponsors
Sen. Della				Dels. Hammen, Krysiak, and McHale
4. Jurisdiction (County or Baltimore City)				5. Requested Amount
Baltimore City				\$500,000
6. Purpose of Bill				
Authorizing the creation of a State Debt not to exceed \$500,000, the proceeds to be used as a grant to the Board of Directors of the Patterson Park Community Development Corporation for the acquisition, planning, design, construction, repair, renovation, reconstruction, and capital equipping of properties in the Library Square area of Patterson Park that is bordered by Linwood Avenue, Fayette Street, and Pulaski Highway.				
7. Matching Fund Requirements				
This bill requires matching fund that may consist of funds expended prior to the effective date of the Act.				
8. Special Provisions				
The bill requires the grantee to convey to the Maryland Historical Trust a perpetual preservation easement to the extent of its interest in the property.				

9. Description and Purpose of Grantee Organization (3000 characters maximum)

The mission of the Patterson Park Community Development Corporation is to develop and implement strategies so as to retain, attract and support good neighbors in the Patterson Park community.

Our primary initiative is the development of housing for sale and rent, wherein we try to intervene in the market to prevent acquisition by slumlords and speculators. Since 1996, we have invested approximately \$45 million in over four hundred houses, sold one hundred and sixty well-rehabbed homes, and created over one hundred and sixty affordable rental units.

The four hundred properties represent approximately 10% of the properties in our primary focus area; done on that large a scale, this initiative has stabilized the real estate market, allowing the neighborhood to benefit from the revitalization taking place in other areas of Southeast Baltimore. The neighborhood had suffered a steep decline from 1990 to 2000, primarily in the last half of the decade. Its central census tract lost 40% of its homeowners, and by 2000 almost one-fourth of our houses were unoccupied. Disinvestment accelerated as a result of massive white flight. The percentage of white households dropped from 90% to 38%, while the poverty rate increased from 18% to 29% in the same 10 year period.

Today, prices south of Orleans are rising dramatically, tripling in the last five years; the neighborhood is clearly reviving and is seen as desirable to people with choices. In fiscal 2005, we sold thirty-seven rehabbed houses, for an average price of almost \$213,000. In fiscal 2006, based on our production pipeline and existing contracts, we expect to sell forty rehabbed homes, for an average price of just over \$285,000. Also, continuing into fiscal 2007 and 2008, PPCDC will be launching two condominium projects and nearly a dozen new neighborhood-level commercial properties at the northern edge of the community in which we have worked for the last several years -- the Library Square Commerical Revitalization project.

10. Description and Purpose of Project (3000 characters maximum)

Library Square is the local name for the four-block-long strip of greenspace formed by the triangle of Linwood Avenue on the east, Fayette Street on the south, and Pulaski Highway sloping down on the north. The eastern base of the greenspace is anchored by the Patterson Park branch of the Enoch Pratt library, and the area is surrounded by a mix of storefront churches, a few existing stores, and a growing number of former commercial buildings. The goal of our Library Square project is to revitalize this commercial district around Library Square through a four-stage process:

1. acquiring troublesome, blighted, or significant properties
2. redeveloping the properties we own into a viable mix of retail, office, and residential space
3. beautifying the greenspace itself
4. working with existing commercial entities to improve their appearance where possible

The acquisition and redevelopment of properties is being planned with the overall vision of the CDC as a virtual “mall operator”, where we develop, maintain, and market the commercial space while recruiting commercial tenants into a retail mix designed to maximize their collective success. We have retained The Reinvestment Fund to perform a commercial market analysis this fall, helping us to determine the most-desirable short-term and long-term uses of the commercial properties surrounding Library Square.

We have also been notified of a \$500,000 grant earmarked for us in this year’s HUD budget, specifically to help us leverage the funds needed to acquire and redevelop property around Library Square. These funds should be available in January or February of 2006.

While there are still five or six properties remaining on the Square that we would like to add to our portfolio in order to strengthen our ability to provide a good mix of space, over the last few years we have already acquired a number of the key properties surrounding Library Square. Most are storefronts that we expect to remain retail on the first floor with apartments above, but some are row houses that can be used either as is for retail/office space, or combined for larger footprints.

On a parallel planning track, the CDC is working with a group called the Neighbors of Library Square, which is made up of community members from the different neighborhood bordering the Square. The Neighbors are putting together a landscaping plan which the CDC will support in its effort to beautify the greenspace itself, as well as to improve the streetscape and lighting adjacent to the Square.

Finally, we intend to develop the commercial equivalent of our Healthy Neighborhoods Initiative to promote reinvestment in existing good businesses by their operators. This will include both an effort on our part to focus existing small business resources and make them available to local owners, as well as an effort to provide additional support in the form of façade improvement grants and loans.

Round all amounts to the nearest \$1,000. The totals in Items 11 (Estimated Capital Costs) and 12 (Proposed Funding Sources) must match. The proposed funding sources must not include the value of real property unless an equivalent value is shown under Estimated Capital Costs.

11. Estimated Capital Costs

Acquisition	2,250,000
Design	400,000
Construction	5,400,000
Equipment	50,000

Total		8,100,000	
12. Proposed Funding Sources – (List all funding sources and amounts.)			
Source		Amount	
Requested state bond money		500,000	
Existing matching fund		500,000	
Existing equity in properties already owned		670,000	
Existing financing		605,000	
Add'l acquisition financing (currently being sought)		425,000	
Construction financing (currently being sought)		5,400,000	
Total		8,100,000	
13. Project Schedule			
Begin Design	Complete Design	Begin Construction	Complete Construction
9/1/2005	12/31/2006	10/1/2005	12/31/2009
14. Total Private Funds and Pledges Raised as of January 2006		15. Current Number of People Served Annually at Project Site	16. Number of People to be Served Annually After the Project is Complete
\$1,7775,000		0	24,000 day-trip patrons
17. Other State Capital Grants to Recipients in Past 15 Years			
Legislative Session	Amount	Purpose	
18. Legal Name and Address of Grantee		Project Address (If Different)	
Patterson Park CDC 2900 E. Baltimore St. Baltimore, MD 21224			
19. Contact Name and Title		Contact Phone	Email Address
Ed Rutkowski, Executive Director		410-732-1609	ed@ppcdc.org
Bill Henry, Deputy Director		410-732-1609	bill@ppcdc.org
20. Legislative District in Which Project is Located			46
21. Legal Status of Grantee (Please Check one)			
Local Govt.	For Profit	Non Profit	Federal
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Grantee Legal Representative		23. If Match Includes Real Property:	
Name:	Ed Rutkowski	Has An Appraisal Been Done?	Yes/No
Phone:	410-732-1609 x111		No
Address:		If Yes, List Appraisal Dates and Value	
Patterson Park CDC 2900 E. Baltimore St.			

Baltimore, MD 21224			
24. Impact of Project on Staffing and Operating Cost at Project Site			
Current # of Employees	Projected # of Employees	Current Operating Budget	Projected Operating Budget
0	5-7	0	425,000
25. Ownership of Property (Info Requested by Treasurer's Office for bond issuance purposes)			
A. Will the grantee <u>own</u> or <u>lease</u> (pick one) the property to be improved?			own
B. If owned, does the grantee plan to sell within 15 years?			no
C. Does the grantee intend to lease any portion of the property to others?			yes
D. If property is owned by grantee and any space is to be leased, provide the following:			
Lessee	Terms of Lease	Cost Covered by Lease	Square Footage Leased
not yet identified	n/a	n/a	28,000
CDC sales and commercial development staff	n/a	n/a	840
E. If property is leased by grantee – Provide the following:			
Name of Leaser	Length of Lease	Options to Renew	
26. Building Square Footage:			
Current Space GSF	39,300		
Space to Be Renovated GSF	47,000		
New GSF	7,700		
27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion			varies
28. Comments: (3000 characters maximum)			