

State of Maryland

2006 Bond Bill Fact Sheet

| 1. Senate | | House | | 2. Name of Project |
|--|--------|-------|--------|--|
| LR # | Bill # | LR # | Bill # | |
| 3151 | SB746 | 1597 | HB240 | Creation of a State Debt – Baltimore City - Diakon Housing and Development |
| 3. Senate Bill Sponsors | | | | House Bill Sponsors |
| Sen. McFadden | | | | Del. C. Davis, et al. |
| 4. Jurisdiction (County or Baltimore City) | | | | 5. Requested Amount |
| Baltimore City | | | | \$600,000 |
| 6. Purpose of Bill | | | | |
| Authorizing the creation of a State Debt not to exceed \$600,000, the proceeds to be used as a grant to the Board of Trustees of Diakon Housing and Development, Inc. for the planning, design, construction, renovation, and capital equipping of the Diakon Housing and Development multipurpose building. | | | | |
| 7. Matching Fund Requirements | | | | |
| This bill requires a standard match. | | | | |
| 8. Special Provisions | | | | |
| No part of the proceeds of the bonds or the matching funds may be used for sectarian religious purposes. | | | | |
| 9. Description and Purpose of Grantee Organization (3000 characters maximum) | | | | |
| <p>Diakon Housing and Community Development was born of the desire to help rebuild communities and to re-create neighborhoods. At the heart of Diakon Housing and Community Development is a faith-based mission to create affordable housing for people of all backgrounds and financial means and to help rebuild hope for those in need. Diakon Lutheran Social Ministries, the parent of Diakon Housing and Community Development, is also making a substantial commitment to this site, through the provision of its excellent social services. The Housing and Community Development arm of Diakon will be relocating its operation to Diakon Place, a critical decision for Diakon and the surrounding neighborhoods. The location is central to much of Diakon's work in center city neighborhoods and to its church and nonprofit partners. But, as importantly, the location decision affirms Diakon's long-stated commitment to focus on neighborhoods facing profound stresses. One of the primary functions of the staff of Diakon Housing has been its advocacy role in such under-represented communities. With regard to the project itself, Diakon's management team's combined experience in community planning, development, and property management brings peace of mind to a process in which knowledge and expertise are essential. Diakon Housing and Development works to combine community and partner strengths to build for the future. The Rev. G. Stanley Steele is Senior Vice President of Housing and Community Development for Diakon Lutheran Social Ministries.</p> | | | | |

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

Diakon Housing and Community Development in conjunction with Tressler Lutheran Services has purchased a vacant supermarket located at 1900 North Broadway and intends to transform the building into Diakon Place--a facility with a retail core and asset building services and training. Located in the Harford-North-Broadway Triangle, this project will stabilize the commercial, cultural and insitutional expansions happening around this very visible corner site. Diakon Place will provide childcare services for approximately 140 primarily low-income children. In addition, Diakon will provide resources to support and strengthen families, and to help reconstruct a stronger, more cohesive community by strengthening community leadership through this project and through the services the site will offer. Diakon Housing and Community Development and Family Life Services of Maryland will be locating their operations at Diakon Place. Diakon Housing and Community Development's presence in the facility will locate one of Baltimore City's emerging faith based affordable housing developers squarely in East Baltimore, a part of Baltimore that needs the kind of development and advocacy Diakon brings. All of this will be done through an outstanding renovation that sets a standard, creates a positive vision, encourages pride among the residents, demonstrates the practical role of the faith community in people's lives, and reinforces other groups and individuals investment in this community. Diakon recognizes that the statistical reality of this community is truly challenging. By too many measures it faces enormous obstacles. But there is a committed core of residents and institutional leaders who have found key assets and are developing ways to leverage those assets for the success of both the neighborhood and the families. Diakon is resolved to tracking the improvements among the children, in the families, on the blocks, and in the commercial life. Based on a strong commitment to a comprehensive community process that involves neighbors, and a dedication to build a truly outstanding facility, a powerful, positive impact will happen in three ways: First: Direct service through a quality childcare facility; Diakon will assist low income families to achieve greater interdependence and improved learning for children and parents, and provide nearby workers with quality childcare adjacent to their places of employment to tie the workplace closer to family life. Second: Direct service through a community development initiative; Diakon will provide a highly-skilled, neighborhood focused housing and economic development capacity with office and meeting facilities in the neighborhood, and allow for additional community support services such as financial literacy training, homeownership counseling, and similar individual skill building activities, and provide strategies of building community identity and leadership.

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 | \$1,478,000 |
| Design | \$44,000 |
| Construction | \$2,190,000 |
| Equipment | 200,000 |
| Total | \$3,912,000 |

12. Proposed Funding Sources – (List all funding sources and amounts.)

| Source | Amount |
|--|---------------|
| Tressler Lutheran Services | \$1,478,000 |
| The Harry and Jeanette Weinberg Foundation | \$1,000,000 |
| The Jacob and Hilda Blaustein Foundation, Inc. | \$50,000 |

| | | | |
|---|---|---|-----------------------------------|
| Rouse Company Foundation, Inc. | | | \$50,000 |
| MD Department of Housing - Legacy Application | | | \$300,000 |
| CDBG - Baltimore City | | | \$100,000 |
| Bond Bill | | | \$600,000 |
| Individual donors | | | \$10,000 |
| Congregational support | | | \$10,000 |
| Diakon Lutheran Social Ministries | | | \$314,000 |
| | | | |
| Total | | | \$3,912,000 |
| 13. Project Schedule | | | |
| Begin Design | Complete Design | Begin Construction | Complete Construction |
| 9/01/2005 | 12/31/2005 | 01/23/2006 | 5/31/2006 |
| 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 | |
| \$1,502,500 | 0 | 1,200 | |
| 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) | |
| Diakon Housing and Development 1900 St. Paul Street Baltimore MD 21218 | | 1900 North Broadway | |
| 19. Contact Name and Title | | Contact Phone | Email Address |
| The Reverend Stan Steele Senior Vice President | | 410-752-7013 | steeles@diakon.org |
| | | | |
| | | | |
| 20. Legislative District in Which Project is Located | | | 45th |
| 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: | Stevens and Lee | Has An Appraisal Been Done? | Yes/No |
| Phone: | 610-478-2226 | | Yes |
| Address: | | If Yes, List Appraisal Dates and Value | |
| 111 North 6 th Street P.O. Box 679 Reading PA 19603-0679 | | 06/2005 | 1,400,000 |
| | | | |
| | | | |
| | | | |
| 24. Impact of Project on Staffing and Operating Cost at Project Site | | | |
| Current # of Employees | Projected # of Employees | Current Operating Budget | Projected Operating Budget |
| 18 | 26 | 1,431,349 | 1,267,180 |

| | | | |
|---|------------------------|------------------------------|------------------------------|
| 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 |
| UNKNOWN TO DATE | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| E. If property is leased by grantee – Provide the following: | | | |
| Name of Leaser | Length of Lease | Options to Renew | |
| | | | |
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| | | | |
| 26. Building Square Footage: | | | |
| Current Space GSF | 50,000 | | |
| Space to Be Renovated GSF | 28,000 | | |
| New GSF | 28,000 | | |
| 27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion | | | 1971 |
| 28. Comments: (3000 characters maximum) | | | |
| The building at 1900 North Broadway in Baltimore City was purchased by Tressler Lutheran Services in conjunction with Diakon Housing and Development, Inc. in July, 2005. The property is zoned B22 Community Business District under the Baltimore City Zoning Ordinance. Childcare is permitted in this zoning district, under the City of Baltimore Zoning Ordinance | | | |