

State of Maryland

2006 Bond Bill Fact Sheet

1. Senate		House		2. Name of Project
LR #	Bill #	LR #	Bill #	
3564	SB991	2199	HB679	Creation of a State Debt – Baltimore City - Historic East Baltimore Community Action Coalition
3. Senate Bill Sponsors				House Bill Sponsors
Sen. McFadden				Del. Harrison, 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 Directors of the Historic East Baltimore Community Action Coalition, Inc. for planning, design, construction, repair, renovation, reconstruction, and capital equipping of the commercial and community building.				
7. Matching Fund Requirements				
This bill requires a standard match.				
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 Historic East Baltimore Community Action Coalition (HEBCAC) is a community based non-profit whose mission is to enhance the quality of life for all those who live, work, and visit East Baltimore. HEBCAC's professional staff and board of directors facilitate cooperation and communication, provide and broker services and advocate for positive change to achieve sustained community revitalization. Founded in 1994, the organization's service area is bounded by Edison Highway on the east, Aisquith Street on the west, North Avenue on the north, and Fayette Street on the south. HEBCAC is governed by a sixteen member board of directors, has a professional staff of twenty-five and an annual operating budget of \$2.5M. Some of HEBCAC's most notable achievements have been in creating effective collaborations and applying new approaches to community development. Workforce Development- Bridges-to-Work was a 4-year demonstration project where HEBCAC placed and transported over 900 inner city residents in suburban jobs and proved the market viability of reverse-commute transportation services. When we began operating no one was in the business, when the demonstration was over there were 8 transportation providers serving the community. Housing- HEBCAC developed a program to assist families relocating due to City-sponsored demolition by providing soft second mortgages up to \$40,000 to families and thereby qualifying them to relocate to newly rehabbed housing in the community. This program established a new benchmark for relocation assistance in Baltimore and has forced higher assistance standards for later redevelopment projects in the area. Community Capacity Building- HEBCAC organizers worked with residents to take on self-help projects to improve their communities. In 2.5 years over 70 projects were completed involving hundreds of residents. Monument Street Renaissance- HEBCAC has successfully applied the Main Street program (an initiative of the National Trust for Historic Preservation developed for small rural communities) to an inner city retail district. This initiative has helped bridge the historic divisions within the business community and between merchants and their residential neighbors. Current HEBCAC programs include:

Dee's Place- provides support for those seeking recovery from addiction to drugs with hourly peer support/NA meetings available when they are most at risk of relapsing and when no other services are available. Dee's Place is one of four substance abuse centers that have formed an innovative collaboration known as "Threshold to Recovery", a project recently awarded a 3-year \$500,000 grant from the Robert Wood Johnson Foundation. Youth Opportunity Center- provides wrap-around case management, literacy/GED services, job readiness training, employment opportunities and youth development services for out of school youth, ages 16-22. Over 700 area youth have been engaged in the HEBCAC center over the past 4.5 years.

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

HEBCAC boundaries encompass all of Historic East Baltimore and our board has chosen to focus on 2 key neighborhoods at this time, in order to make best use of our limited resources and to capitalize on the investment being made in the EBDI/Bio Tech Park project. Those target neighborhoods are the McElderry Park/CARE community and the Madison East End community. Our feeling is that these neighborhoods are more stable and have stronger neighborhood leadership, therefore allowing our work to have a better chance of creating real impact. These neighborhoods also are adjacent to the BioTech development, enabling us to capitalize on the energy created by that project. One item that has been high on the Madison East End neighborhood's priority list for a long time is the redevelopment of the commercial building on the west edge of the area, namely the 901 N. Milton Ave. property. This building is a 68,612 square foot, three-story brick and masonry structure built in 1914. It was the home of the L. Grief & Brothers Apparel Manufacturing Co. until 1985. Over the past 8 months, HEBCAC has formally worked with members of the community and other stakeholders to create a viable redevelopment plan for the building. What has emerged is a plan that will cost \$6M and take approximately 12 months to complete. The resulting structure will create 54,411 square feet of rehabilitated commercial space that will be occupied by HEBCAC and other commercial tenants. A portion of the building (3500-4000sf) will also be reserved for use by the community itself, for such things as community meetings and other programmatic activities that are either currently operating or might in the future. HEBCAC anticipates that this plan will qualify for approximately \$2.5M in financing through New Market Tax Credit and Historic Tax Credit equity funding. HEBCAC is also working to secure additional funds from private foundation grants and city/state funding sources. To date, approximately \$750,000 of funding has already been secured and we have been invited by three major local foundations to submit proposals for funding. In addition to addressing a priority issue for the community, the activity of this redevelopment project is creating a renewed sense of energy within the community. The dramatic transformation of such a key property creates a tremendous anchor in this corner of Madison East End, and creates a much more favorable environment for progress on other revitalization priorities such as housing, recreation and public safety. These activities together create a real opportunity for this neighborhood to rebuild, and the catalyst for all is the redevelopment of the 901 N. Milton Ave. property. As previously mentioned, major foundations here in Baltimore have shown a keen interest in supporting his project, and we are confident that they will be generous in their support. Our case to them is only strengthened by the participation of the state by providing bond funds.

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	\$320,000
Design	\$255,000
Construction	\$5,025,400 (hard and soft costs)
Equipment	\$0
Total	\$5,600,400

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

Source	Amount
Federal Historic Tax Credit Equity	\$1,000,000
New Market Tax Credit Equity	\$1,500,000
State Bond Funds	\$600,000
Private Foundation Support	\$2,500,000

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
Johns Hopkins University Urban Health Institute-East Baltimore Technology Resource Center	5-year	100%	14, 800
Moveable Feast	15-year	100%	18,012
Historic East Baltimore Community Action Coalition	15-year	100%	2,000
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	54,411		
Space to Be Renovated GSF	54,411		
New GSF	54,411 (45,000 GLA)		
27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion			1914
28. Comments: (3000 characters maximum)			