

State of Maryland

2010 Bond Bill Fact Sheet

1. Senate		House		2. Name of Project
LR #	Bill #	LR #	Bill #	
lr1830	sb0253	lr2270	hb0361	2101 - 2111 Pennsylvania Avenue Development Project
3. Senate Bill Sponsors				House Bill Sponsors
Jones				Haynes
4. Jurisdiction (County or Baltimore City)			5. Requested Amount	
Baltimore City			\$250,000	
6. Purpose of Bill				
<p>Authorizing the creation of a State Debt not to exceed \$250,000, the proceeds to be used as a grant to the Board of Directors of the Druid Heights Community Development Corporation for the planning, design, and renovation of the 2101 - 2111 Pennsylvania Avenue Development Project.</p>				
7. Matching Fund				
Requirements:		Type:		
Equal		The grantee shall provide and expend a matching fund		
8. Special Provisions				
<input type="checkbox"/> Historical Easement		<input checked="" type="checkbox"/> Non-Sectarian		
9. Contact Name and Title		Contact Phone	Email Address	
Roscoe Johnson, III		410-523-1350	rjohnson@druidheights.com	
10. Description and Purpose of Grantee Organization (Limit Length to Visible area)				
<p>Druid Heights Community Development Corporation (DHCDC) is a nonprofit community based organization whose mission is to cause, promote, and encourage community self-empowerment, create home ownership, affordable housing, and employment and community economic development opportunities. Since 1975, DHCDC has served the Druid Heights Urban Renewal Area by providing a host of social and community development services including transitional housing for families in crisis, youth development programs, re-entry programs for individuals with prison history's. DHCDC's community development projects include housing rehabilitation and new construction for low and moderate income buyers. DHCDC has expanded community development activities by spearheading commercial projects and incorporating "Main Street" development in overall operations including becoming fiduciaries for other community organizations bordering the neighborhood.</p>				

11. Description and Purpose of Project (Limit Length to Visible area)

The 2101-2111 Pa. Ave. Development Project is the rehabilitation and new construction of the lots located at 2101-2111 Pennsylvania Avenue. The project design will take the 12,000 square feet site and create a net square feet of 14,450 for restaurant/cultural arts venue, interactive B.A.L.L HOUSE Museum, business incubator office and retail space. To successfully complete this project, DHCDC will form a joint venture partnership with The Negro League Cafe - BALTIMORE and the B.A.L.L. Association, Incorporated.

The completion of the 2101-2111 Pa. Ave. Development Project will provide the "Pennsylvania Avenue Historical District" with an anchor to support the future development of small businesses, arts and cultural venues along the "The Avenue". The renovation of the Historic "Sphinx Club" and other vacant buildings in the 2100 block of Pennsylvania Avenue is in concert with current efforts spearheaded by public agencies, businesses and local residents to re-develop the commercial corridor to support the development activities in the 44th Legislative District of Baltimore City.

Round all amounts to the nearest \$1,000. The totals in Items 12 (Estimated Capital Costs) and 13 (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.

12. Estimated Capital Costs

Acquisition	\$75,000
Design	\$364,500
Construction	\$3,500,000
Equipment	\$600,000
Total	\$4,539,500

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

Source	Amount
Federal-New Market Tax Credits	\$2,000,000
Historical Tax Credits	\$840,800
Community Investment Tax Credits	\$100,000
Maryland State Bond	\$250,000
State Farm Insurance Companies (Community Investment Loan Fund)	\$1,348,700
Total	\$4,539,500

14. Project Schedule			
Begin Design	Complete Design	Begin Construction	Complete Construction
January,2010	May,2010	July,2010	September,2011
15. Total Private Funds and Pledges Raised		16. Current Number of People Served Annually at Project Site	17. Number of People to be Served Annually After the Project is Complete
1,348700.00 State Farm		0	25,000
18. Other State Capital Grants to Recipients in Past 15 Years			
Legislative Session	Amount	Purpose	
2000 - Project No. SL-080-001-038	\$200,000	Construct Druid Heights Community Center	
19. Legal Name and Address of Grantee		Project Address (If Different)	
Druid Heights Community Development Corporation 2140 McCulloh Street Baltimore,MD 21217		2101-2111 Pennsylvania Ave Baltimore,MD 21217	
20. Legislative District in Which Project is Located			44th
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:	Guy E. Flynn Partner	Has An Appraisal Been Done?	Yes/No
Phone:	410 580 4149		NO
Address:		If Yes, List Appraisal Dates and Value	
DLA Piper LLP (US) The Marbury Building 6225 Smith Avenue Baltimore, Maryland 21209-3600			

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	25 f/t 35 p/t	0	\$820,000 first year
25. Ownership of Property (Info Requested by Treasurer's Office for bond issuance purposes)			
A. Will the grantee own or lease (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
Negro League Cafe Restaurant	7 years	\$150,000	7025
B.A.L.L House Museum	7 years	\$50,000	5475
Projected Businesses Incubator Office Spaces	annual	\$12,000	1850
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	12,000		
Space to Be Renovated GSF	18,150		
New GSF	18,150		
27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion		2010	

28. Comments: (Limit Length to Visible area)

The 2101-2111 Pa. Ave. Development Project will have an immediate impact on quality of life issues in the Druid Heights/Upton Urban Renewal Areas and other local neighborhoods. The Druid Heights and Upton communities are experiencing a re-birth with the resources being provided by Druid Heights CDC, HUD, the City of Baltimore Department of Housing and Community Development, HABC, State of Maryland Department of Housing and Community Development and Baltimore Development Corporation.

The efforts of these agencies have also led to the re-investment of private sector funds from corporations such as the State Farm Insurance Companies and other non-profit groups like the Enterprise Community Partners. This project will also have an immediate economic impact in the areas of job creation in the construction trades, restaurant and retail components. Small business ownership opportunities will be created with the incorporation of The Negro League Café™ - Baltimore LLC and the relocation and expansion of the B.A.L.L. Association, Inc. The 2101-2111 Pa. Ave. Development Project will also impact the economic and social life for the bordering communities such as Reservoir Hill, Sandtown-Winchester, Bolton Hill and Marble Hill.

Another important area that this project will impact is the crime and sanitation issues. During the past decade DHDC and other stakeholders have organized their efforts with the Baltimore Police department and the Department of Public Works to reduce crime and considerably improve sanitation on “The Avenue”. It can not be overstated the importance of the Baltimore City’s capital improvements to the neighborhood commercial corridor on Pennsylvania Avenue. All these efforts have created the opportunity for the: 2101-2111 Pa. Ave. Development Project to become a reality and feasible financially.

Short-Term Measures of Economic Impact:

- Real Estate Development – rehabilitation of vacant buildings and the reduction of blight on “The Avenue” that will increase Baltimore City’s property taxes revenue base;
- Job Creation -The creation of skilled and unskilled construction trades employment opportunities;
- Entrepreneur Creation – The establishing of two new businesses on the “The Avenue”.
- Creation of Safe Green Spaces and buildings for youth activities and enrichment;

Long-Term Measures of Success:

- Increase educational and social choices for local and bordering neighborhood residents;
- Document local neighborhoods residents’ participation in community activities to reduce crime and sanitation problems;
- Document youth participation in project sponsored programs;
- Increase employment opportunities for ex-offender and decrease recidivism rate;