

State of Maryland

2014 Bond Bill Fact Sheet

1. Senate LR # Bill #		House LR # Bill #		2. Name of Project	
lr2908	sb1012	lr2902	hb1391	BARCO North Avenue Arts Building	
3. Senate Bill Sponsors				House Bill Sponsors	
Conway				M. Washington	
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 Baltimore Arts Realty Corporation for the acquisition, planning, design, construction, repair, renovation, reconstruction, and capital equipping of the BARCO North Avenue Arts Building.</p>					
7. Matching Fund					
Requirements: Equal			Type: The matching fund may consist of real property, in kind contributions, or funds expended prior to the effective date of this Act.		
8. Special Provisions					
<input checked="" type="checkbox"/> Historical Easement			<input checked="" type="checkbox"/> Non-Sectarian		
9. Contact Name and Title			Contact Phone		Email Address
Amy Bonitz			4432232369		amy@bonitzpalmer.com
10. Description and Purpose of Grantee Organization (Limit Length to Visible area)					
<p>The Baltimore Arts Realty Corporation (BARCO) is a nonprofit real estate development company whose mission is to acquire, develop, manage and lease safe, affordable, quality facilities for artists, performers and nonprofit arts organizations in Baltimore. BARCO meets the critical need for affordable work spaces for artists and creatives who are driving population gains in many of Baltimore's most distressed communities and are fueling Baltimore's dynamic and growing arts and creative economy sectors. By providing safe and permanent space for artists, BARCO directly addresses the problem many artists face in working in unsafe, non-code compliant buildings or being displaced as neighborhoods improve and landlords raise rents.</p> <p>Over the next 10 years, BARCO will develop 150,000 square feet of work and performance venues for artists and non-profit arts organizations in Baltimore. North Avenue Arts will be the first project that will establish BARCO as a model for financing and developing affordable and accessible facilities for urban artists and arts organizations.</p>					

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

North Avenue Arts will redevelop a historic, three story, 24,000 square foot building at 120 W. North Avenue as a permanent, affordable space for the arts in Baltimore's Station North Arts and Entertainment District. The project will: 1) showcase and promote Baltimore's vibrant and diverse urban arts scene; 2) attract, involve and support a culturally and racially diverse mix of artists, performers, curators and arts organizations; 3) provide Station North, the nation's first State-designated arts district, with an essential, exciting venue for urban arts, attracting audiences and art patrons from across the city and around the region; 4) and link this new hub for Station North to Baltimore's other official arts districts on the City's east and west sides.

The \$3.9 million project will include a 3,500 sf cafe and 100-seat performance venue on the first floor; 8,000 sf of studio space for artists on the second floor and 8,000 sf of offices for non-profit arts organizations on the third floor. More than 100 people will work at the building and it will serve more than 1,000 people in the region. The project will offer quality, safe facilities at annual rental rates that are affordable in an area witnessing significant commercial and residential revitalization and investment.

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	\$735,000
Design	\$225,000
Construction	\$3,000,000
Equipment	
Total	\$3,960,000

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

Source	Amount
State of Maryland Bond Bill	\$250,000
Baltimore Arts Realty Corporation Equity	\$1,000,000
M & T Bank loan	\$1,500,000
Local and national grants	\$1,110,000
State of Maryland Community Legacy grant	\$100,000
Total	\$3,960,000

14. Project Schedule (Enter a date or one of the following in each box. N/A, TBD or Complete)			
Begin Design	Complete Design	Begin Construction	Complete Construction
8/1/2013	6/2/2014	9/15/2014	9/14/2015
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
2600000.00		0	1,000
18. Other State Capital Grants to Recipients in Past 15 Years			
Legislative Session	Amount	Purpose	
n/a			
19. Legal Name and Address of Grantee		Project Address (If Different)	
Baltimore Arts Realty Corporation 1122 Kenilworth Dr., Suite 500 Towson, MD 21204		120 W. North Avenue Baltimore, MD 21201	
20. Legislative District in Which Project is Located	43 - Northern Baltimore City		
21. Legal Status of Grantee (Please Check one)			
Local Govt.	For Profit	Non Profit	Federal
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
22. Grantee Legal Representative		23. If Match Includes Real Property:	
Name:	Anthony Hawkins, President	Has An Appraisal Been Done?	Yes/No
Phone:	443-275-1144		No
Address:		If Yes, List Appraisal Dates and Value	
Baltimore Arts Realty Corporation 1122 Kenilworth Dr., Suite 500 Towson, MD 21204			

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	100	0.00	255000.00
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
Non-profit arts organizations	2-3 years	Subsidized	8,000 sf
Artists	2-3 years	Subsidized	8,000 sf
Cafe - TBD	10 years	Yes	3,500 sf
E. If property is leased by grantee – Provide the following:			
Name of Leaser	Length of Lease	Options to Renew	
n/a			
26. Building Square Footage:			
Current Space GSF	24,000 sf		
Space to Be Renovated GSF	24,000 sf		
New GSF	24,000 sf		
27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion		1913 - 2013	

28. Comments: (Limit Length to Visible area)

This project is located in an area of Baltimore that suffered 40 years of decline, but has undergone significant revitalization and reinvestment, aided by the Central Baltimore Partnership, a collaboration of area universities, commercial interests and neighborhood organizations promoting the Central Baltimore's development while protecting the interests of its long-term residents, businesses and homeowners. Over the past five years, \$65,000,000 has been invested in the area, including the building of 69 units of affordable artist rental housing, the redevelopment of a vacant industrial building into Maryland Institute College of Art's new Graduate Center, the opening of the city's innovative Design High School, and private investments in new restaurants, townhouses and artist live-work studios. During this time, the area also has seen a 60% increase in residents between the ages of 18 and 34, and an increase of college graduates from less than two percent to nearly 30%. Many of the new residents are the artists active in the Station North Arts and Entertainment District. Another \$35,000,000 of investments will transform two major buildings in the immediate area into commercial and entertainment venues. Johns Hopkins University has announced its intention to channel \$60,000,000 into housing, retail and commercial development along a corridor stretching south of its Homewood campus down through the Station North Arts and Entertainment District. Amtrak has also selected a major developer to transform Penn Station into a transit-oriented development.

These revitalization strategies and investments are raising property prices in and around the area where North Avenue Arts will be developed. Over the past decade, commercial property values have more than doubled, and demand for properties by commercial developers and speculators has increased. BARCO initiated this project at the request of leaders of the Station North Arts and Entertainment District and the Central Baltimore Partnership after city officials closed the building at 120 W. North Avenue due to code violations and safety hazards. For the prior five years, the building had been fully occupied by artists, theatre groups and arts organizations, all of whom were displaced when the owner was forced to close the property. The Station North Arts and Entertainment District estimates 500 artists reside in the project's immediate area, which also includes the Maryland Institute College of Art. Over 20 meetings have been held with district and city arts leaders and area artists to evaluate the future demand for performance, event, exhibition, studio, office and meeting spaces in the renovated facility and all have provided a consistent and strong endorsement for the project. Noting these trends, BARCO took action to acquire the 24,000 square foot building and secure it as a permanent, affordable arts anchor facility in the geographic heart of the city before prices further escalate.