

# State Of Maryland

## 2019 Bond Initiative Fact Sheet

|  |   |   |
|--|---|---|
| <b>1. Name Of Project</b>  |   |   |
| Paul's Place Culinary Arts Kitchen   |   |   |
| <b>2. Senate Sponsor</b>   | <b>3. House Sponsor</b>                                       |   |
| Hayes  | Mosby   |   |
| <b>4. Jurisdiction</b> (County or Baltimore City)  | <b>5. Requested Amount</b>                                    |   |
| Baltimore City   | \$1,000,000   |   |
| <b>6. Purpose of Bond Initiative</b>   |   |   |
| the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of a culinary arts kitchen facility   |   |   |
| <b>7. Matching Fund</b>  |   |   |
| Requirements:<br><br>Equal   | Type:<br>The grantee shall provide and expend a matching fund |   |
| <b>8. Special Provisions</b>   |   |   |
| <input type="checkbox"/> Historical Easement   |   | <input checked="" type="checkbox"/> Non-Sectarian |
| <b>9. Contact Name and Title</b>   | <b>Contact Ph#</b>  | <b>Email Address</b>                              |
| William McLennan   | 410-625-0775  | bmclennan@paulsplaceoutreach.org                  |
|  |   |   |
| <b>10. Description and Purpose of Organization</b> (Limit length to visible area)  |   |   |
| <p>Beginning in 1982 as a small soup kitchen to feed the local community twice a week, Pauls Place has blossomed into a catalyst for change and improvement for Southwest Baltimore. After 36 years of service to the community, Pauls Place now offers over two dozen services and programs to low income individuals and families in Washington Village/ Pigtown including food pantry services, laundry, literacy training, basic health services and comprehensive case management services to help individuals and families improve the quality of their lives.</p> |   |   |

**11. Description and Purpose of Project** (Limit length to visible area)

Paul's Place is developing a culinary arts training program to be housed in a newly constructed facility located in the heart of Pigtown. The facility will include a training kitchen and training rooms equipped with commercial grade appliances; a 40-seat restaurant to be used in conjunction with the culinary training program; a multipurpose room for catering and community use; and office space to house dedicated Kitchen/Restaurant staff. The training program will train 60 students each year in three 13-week sessions. Training will include sous chef marketable kitchen skills, front-of-house training, and Serve Safe Certification at the managerial level. Each student will be matched with a case manager to support their transition into the workforce. The restaurant will provide on-the-job experience for students and add a sit-down restaurant in the Washington Boulevard corridor.

*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**

|                     |             |
|---------------------|-------------|
| <b>Acquisition</b>  | \$425,000   |
| <b>Design</b>       | \$683,615   |
| <b>Construction</b> | \$6,615,738 |
| <b>Equipment</b>    | \$693,000   |
| <b>Total</b>        | \$8,417,353 |

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

|   |             |
|---|-------------|
| Bond Bill                                   | \$535,000   |
| Paul's Place Funds                          | \$468,000   |
| France-Merrick Foundation                   | \$150,000   |
| New Market Tax Credits                      | \$2,800,000 |
| Harry & Jeanette Weinberg Foundation        | \$2,500,000 |
| Abell Foundation                            | \$300,000   |
| Legg Mason                                  | \$75,000    |
| T. Rowe Price Foundation                    | \$150,000   |
| South Baltimore Gateway Partnership         | \$75,000    |
| Current and Former Board Members            | \$245,400   |
| Foundation, corporate and individual donors | \$1,118,953 |
| <b>Total</b>                                | \$8,417,353 |

| <b>14. Project Schedule (Enter a date or one of the following in each box. N/A, TBD or Complete)</b> |   |   |   |
|--|---|---|---|
| <b>Begin Design</b>  | <b>Complete Design</b>  | <b>Begin Construction</b>                             | <b>Complete Construction</b>  |
| 1/1/2018   | 2/28/2019   | 4/15/2019   | 12/31/2019  |
| <b>15. Total Private Funds and Pledges Raised</b>  | <b>16. Current Number of People Served Annually at Project Site</b> |   | <b>17. Number of People to be Served Annually After the Project is Complete</b> |
| 4287300  | NA  |   | 60  |
| <b>18. Other State Capital Grants to Recipients in the Past 15 Years</b>                             |   |   |   |
| <b>Legislative Session</b>   | <b>Amount</b>   | <b>Purpose</b>  |   |
| 2018   | \$35,000  | development of culinary arts training program         |   |
| 2006   | \$250,000   | doubling of program space for 1118 Ward Street facili |   |
|  |   |   |   |
|  |   |   |   |
| <b>19. Legal Name and Address of Grantee</b>   |   | <b>Project Address (If Different)</b>                 |   |
| 1118 Ward Street<br>Baltimore, MD 21230  |   | 925 Washington Boulevard<br>Baltimore, MD 21230       |   |
| <b>20. Legislative District in Which Project is Located</b>  | 40 - Baltimore City   |   |   |
| <b>21. Legal Status of Grantee (Please Check One)</b>  |   |   |   |
| <b>Local Govt.</b>   | <b>For Profit</b>   | <b>Non Profit</b>                                     | <b>Federal</b>  |
| [ ]  | [ ]   | [ X ]   | [ ]   |
| <b>22. Grantee Legal Representative</b>  |   | <b>23. If Match Includes Real Property:</b>           |   |
| <b>Name:</b>   | Kimberly J. Min, Esq.   | <b>Has An Appraisal Been Done?</b>                    | Yes/No  |
| <b>Phone:</b>  | 443-263-8551  |   | No  |
| <b>Address:</b>  |   | <b>If Yes, List Appraisal Dates and Value</b>         |   |
| Whiteford, Taylor & Preston<br>7 St. Paul Street, Suite 1300<br>Baltimore, MD 21202-1626             |   |   |   |
|  |   |   |   |
|  |   |   |   |
|  |   |   |   |
|  |   |   |   |

| <b>24. Impact of Project on Staffing and Operating Cost at Project Site</b>                 |                                 |                                 |                                   |
|---|---------------------------------|---------------------------------|-----------------------------------|
| <b>Current # of Employees</b>   | <b>Projected # of Employees</b> | <b>Current Operating Budget</b> | <b>Projected Operating Budget</b> |
| NA  | 9                               | 0                               | 415719                            |
| <b>25. Ownership of Property (Info Requested by Treasurer's Office for bond purposes)</b>   |                                 |                                 |                                   |
| <b>A. Will the grantee own or lease (pick one) the property to be improved?</b>             |                                 |                                 | Own                               |
| <b>B. If owned, does the grantee plan to sell within 15 years?</b>                          |                                 |                                 | No                                |
| <b>C. Does the grantee intend to lease any portion of the property to others?</b>           |                                 |                                 | No                                |
| <b>D. If property is owned by grantee any space is to be leased, provide the following:</b> |                                 |                                 |                                   |
| <b>Lessee</b>   | <b>Terms of Lease</b>           | <b>Cost Covered by Lease</b>    | <b>Square Footage Leased</b>      |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
| <b>E. If property is leased by grantee - Provide the following:</b>                         |                                 |                                 |                                   |
| <b>Name of Leaser</b>   | <b>Length of Lease</b>          | <b>Options to Renew</b>         |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
|   |                                 |                                 |                                   |
| <b>26. Building Square Footage:</b>   |                                 |                                 |                                   |
| <b>Current Space GSF</b>  | NA                              |                                 |                                   |
| <b>Space to be Renovated GSF</b>  | NA                              |                                 |                                   |
| <b>New GSF</b>  | 12,500                          |                                 |                                   |

**27. Year of Construction of Any Structures Proposed for Renovation, Restoration or Conversion**

NA

**28. Comments**

Pauls Place is planning the launch of a new culinary arts training program, restaurant, and catering business that will prepare young adults for careers in the growing food service industry and address one of the root causes of community poverty in Southwest Baltimore: lack of good paying jobs.

The unemployment rate in Pigtown is 14%, compared to 11% in Baltimore, but we know that more than 30% of working age adults are not in the workforce. One in three adults live in poverty and 42% of all low-income households are severely cost-burdened. With widespread poverty, limited job opportunities, and incomplete education, many Southwest Baltimore residents need extra support to access and succeed in the workplace.

The new culinary arts training program will be located at the gateway to Pigtown along Washington Boulevard. The facility will fill a vacant lot on the corner of Washington Boulevard and Cross Street and include a restaurant, training rooms equipped with stainless steel prep tables, a multipurpose room for community use and catering prep, and offices for staff. The new facility will be located one block from Pauls Place where trainees can access programs and services to address specific barriers preventing them from living a self-sufficient life.

The training component is based on a national, evidence-based model developed by Catalyst Kitchens, a team of social impact entrepreneurs who are committed to breaking the cycle of joblessness, poverty, and hunger. Catalyst Kitchens incubates, launches, and scales food-services based social enterprises that help people develop skills for life-changing careers. The restaurant and catering business will provide participants with meaningful, real-life work experience and will generate revenue to support and sustain the training program.

According to a 2018 Economic Impact Study by Sage Policy Group commissioned by Pauls Place, the culinary arts training program, restaurant, and catering business will support 81 jobs and nearly \$6.4 million in annual economic activity after the first year, due to operational spending and the spending of households positively impacted through job placement. First year annual wages for our program graduates will total nearly \$2.7 million.

Pauls Place spent over a year investigating the viability of a social enterprise venture to address this issue with support from a locally-based consultant, Income for Outcomes. Together, we conducted feasibility, market, and business development research on three earned income concepts that met needs within our service area and concluded that a community kitchen was a viable social enterprise option for Pauls Place. We also recognized that our current facilities would not accommodate a culinary training program and pursued property and options for a new facility.