

Anton/Lippitt Urban Conference

East Baltimore Development, Inc.



2003



2010

Presentation Overview

- Making the Case
- Timeline
- Creating and Implementing the Plan
- Accomplishments
- Revised Framework Plan
- Lessons Learned

MONDAY

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SUN

Will the east-side biotech park get off the ground?

“The city has unveiled an ambitious plan to revitalize the area north of the Johns Hopkins medical complex centered on a biotech park. But before the plan gets off the drawing board, legislative approval is needed to condemn properties, and money and housing has to be found for displaced residents. How much progress is made will help determine whether the plan is a pipe dream or a bona fide blueprint for renewal and economic development in one of Baltimore's most downtrodden areas.”

December 27, 2001

The Grand Piano – Original Master Plan





2000 Vacancy Rate – 70 Percent

80%
70%
60%
50%
40%
30%
20%
10%
0%

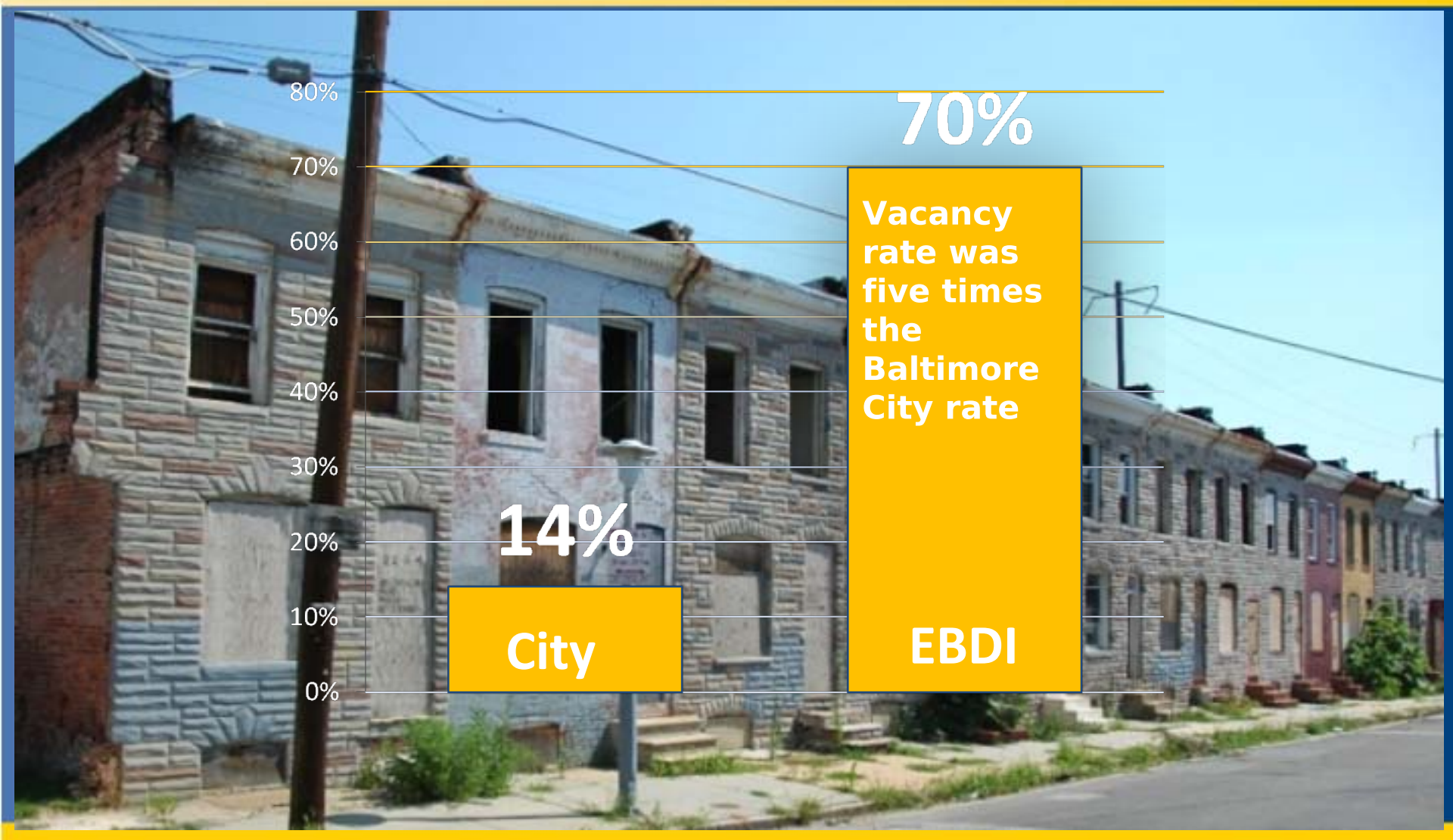
70%

**Vacancy
rate was
five times
the
Baltimore
City rate**

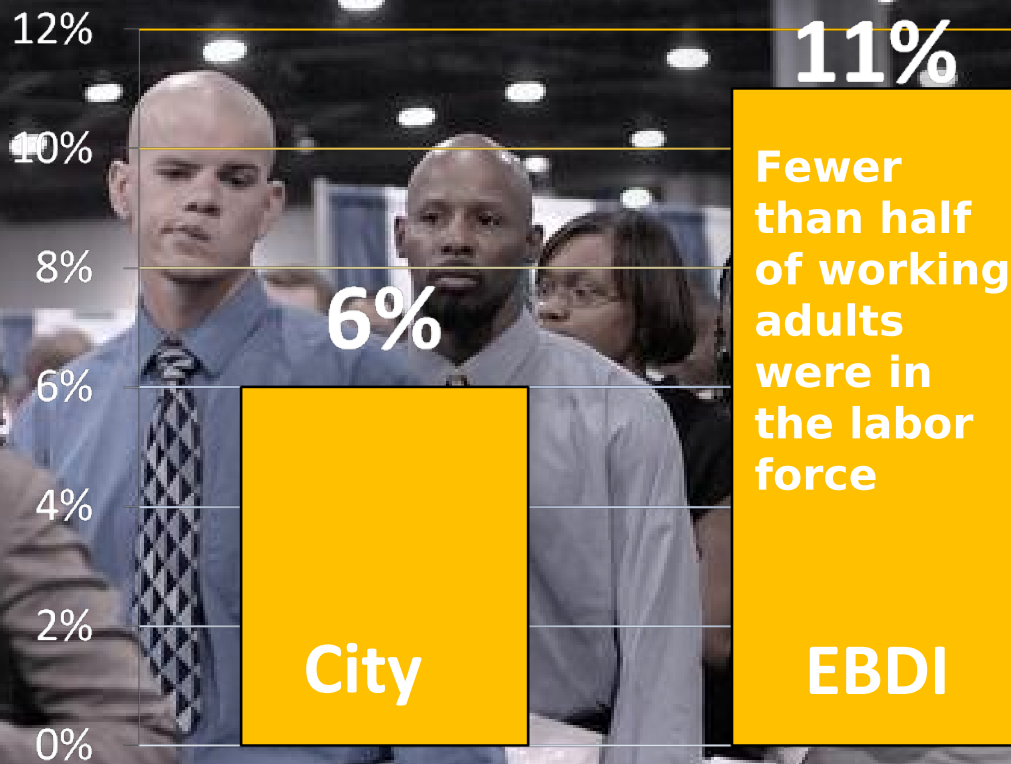
14%

City

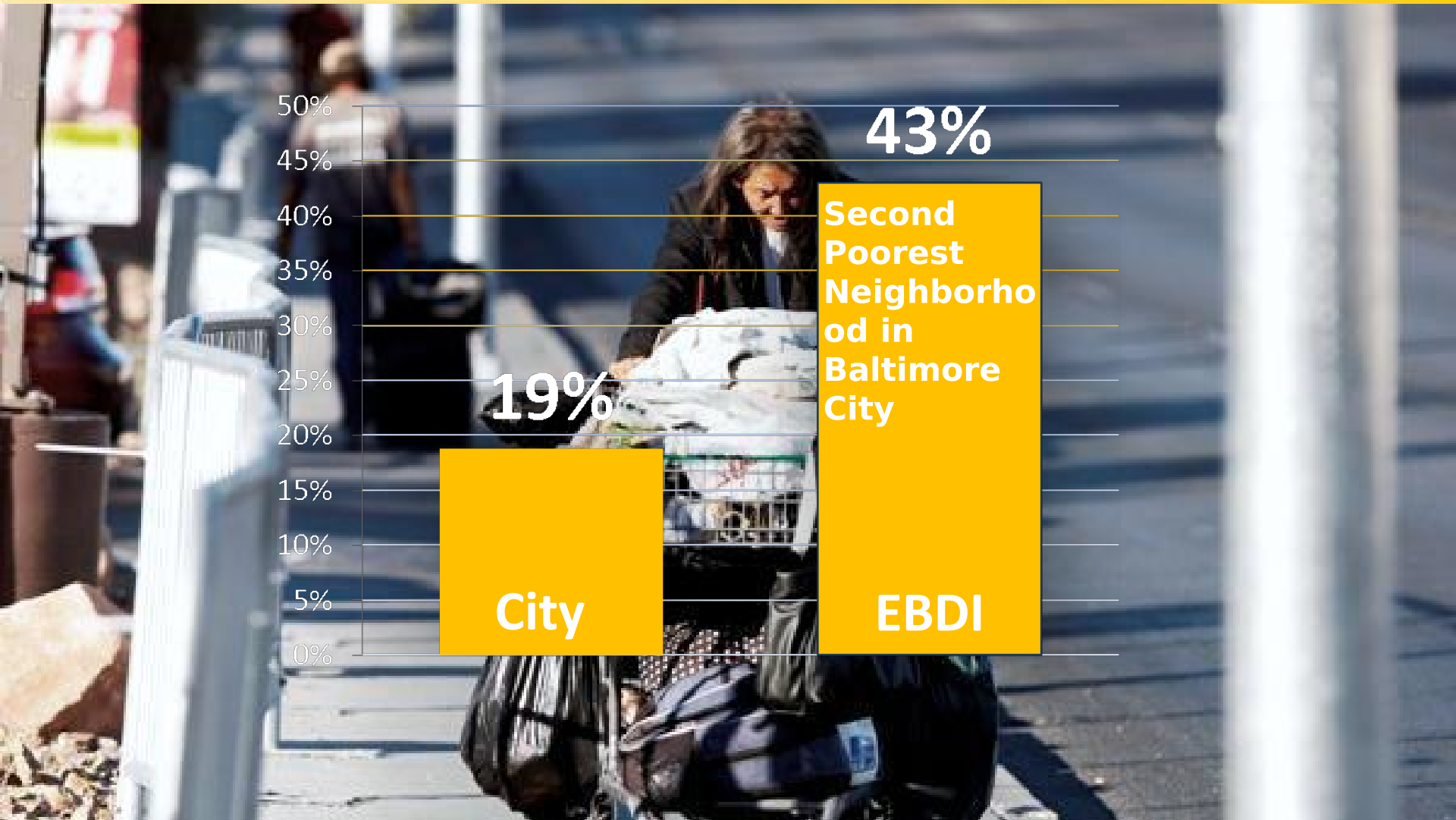
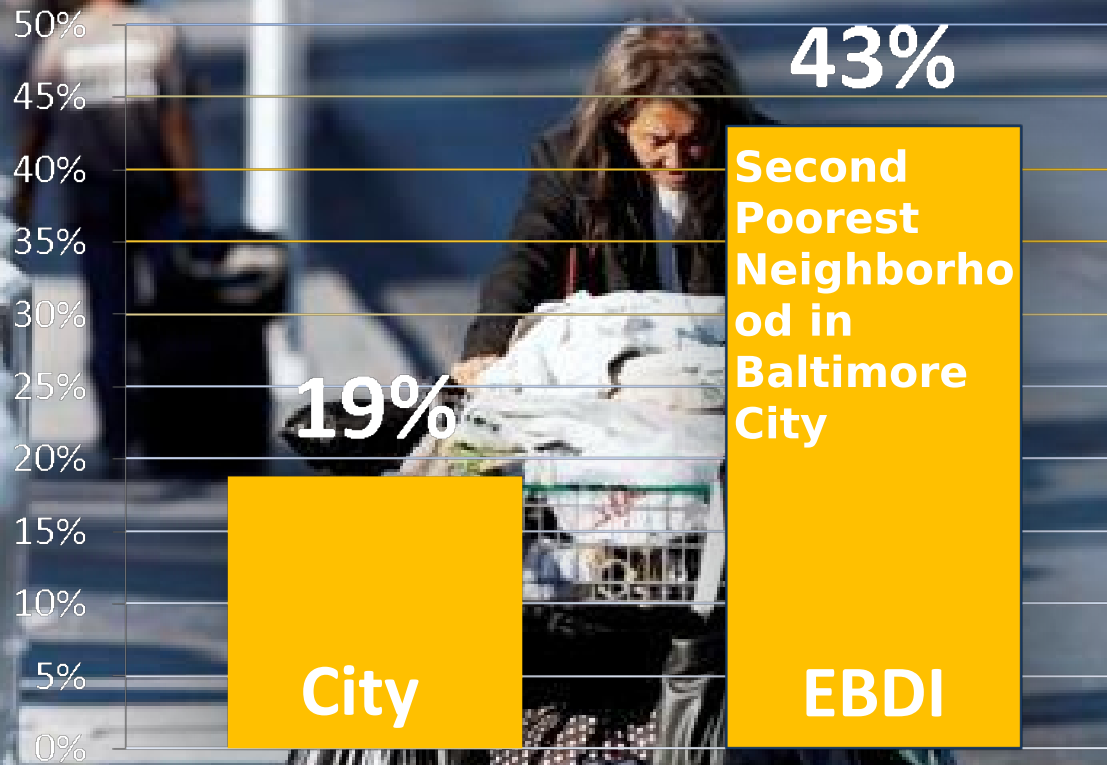
EBDI



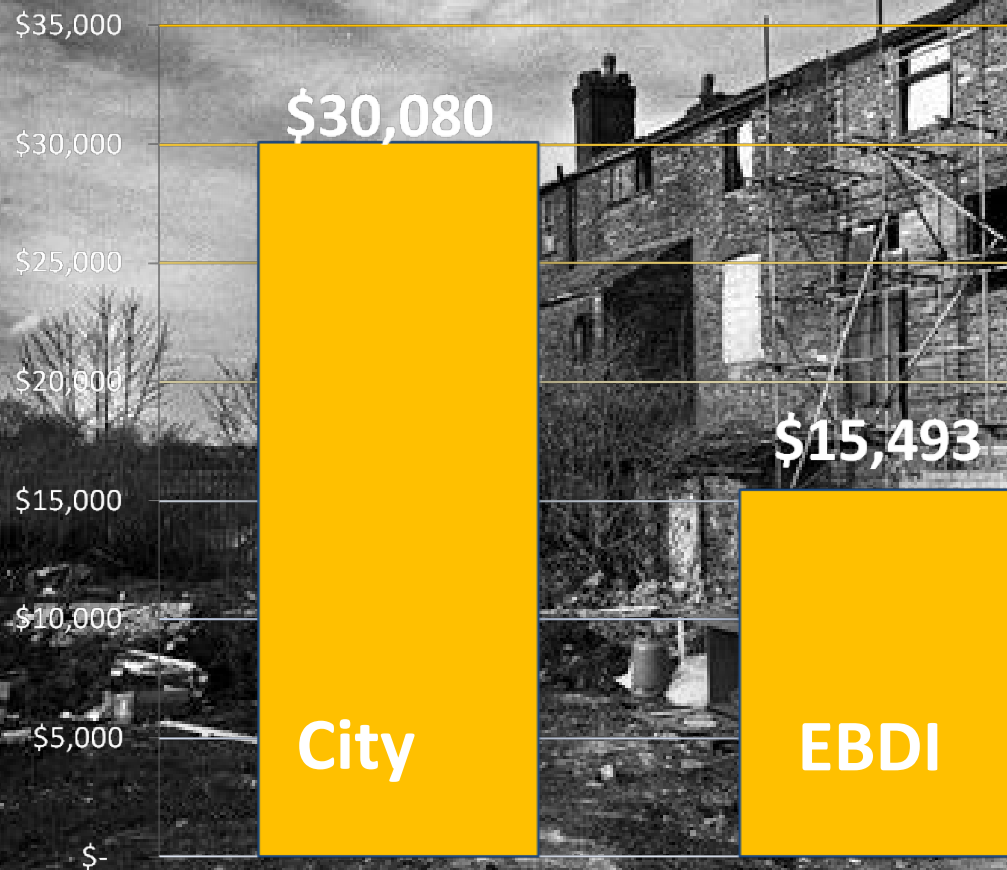
2000 Unemployment Rate



2000 Poverty Rate



2000 Median Household Income



Additional Metrics

| | Core East Baltimore | Baltimore City |
|--|---------------------|----------------|
| % of Population Age 16-64 Not Working and Not Looking for Work | 53% | 43% |
| % of Population Without H.S./GED Degree | 40% | 32.8% |
| Juvenile Arrest Record (per 10,000 age 10-17) | 232.3 | 111.4 |
| MSPAP: Gr. 3 reading (% scoring satisfactory) | 14.1 | 23.7 |
| MSPAP: Gr. 3 math (% scoring satisfactory) | 12.5 | 18.5 |
| Child Abuse and Neglect (per 1,000 children) | 14.3 | 4.5 |

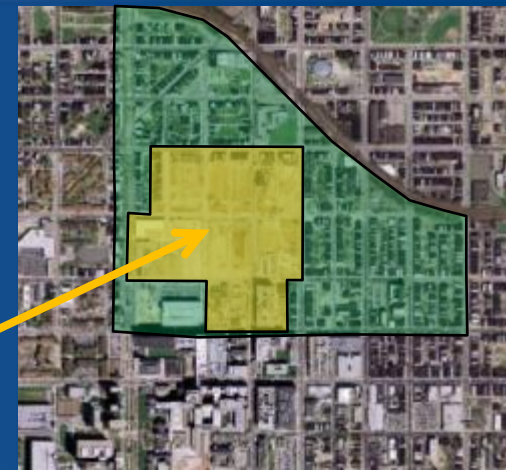
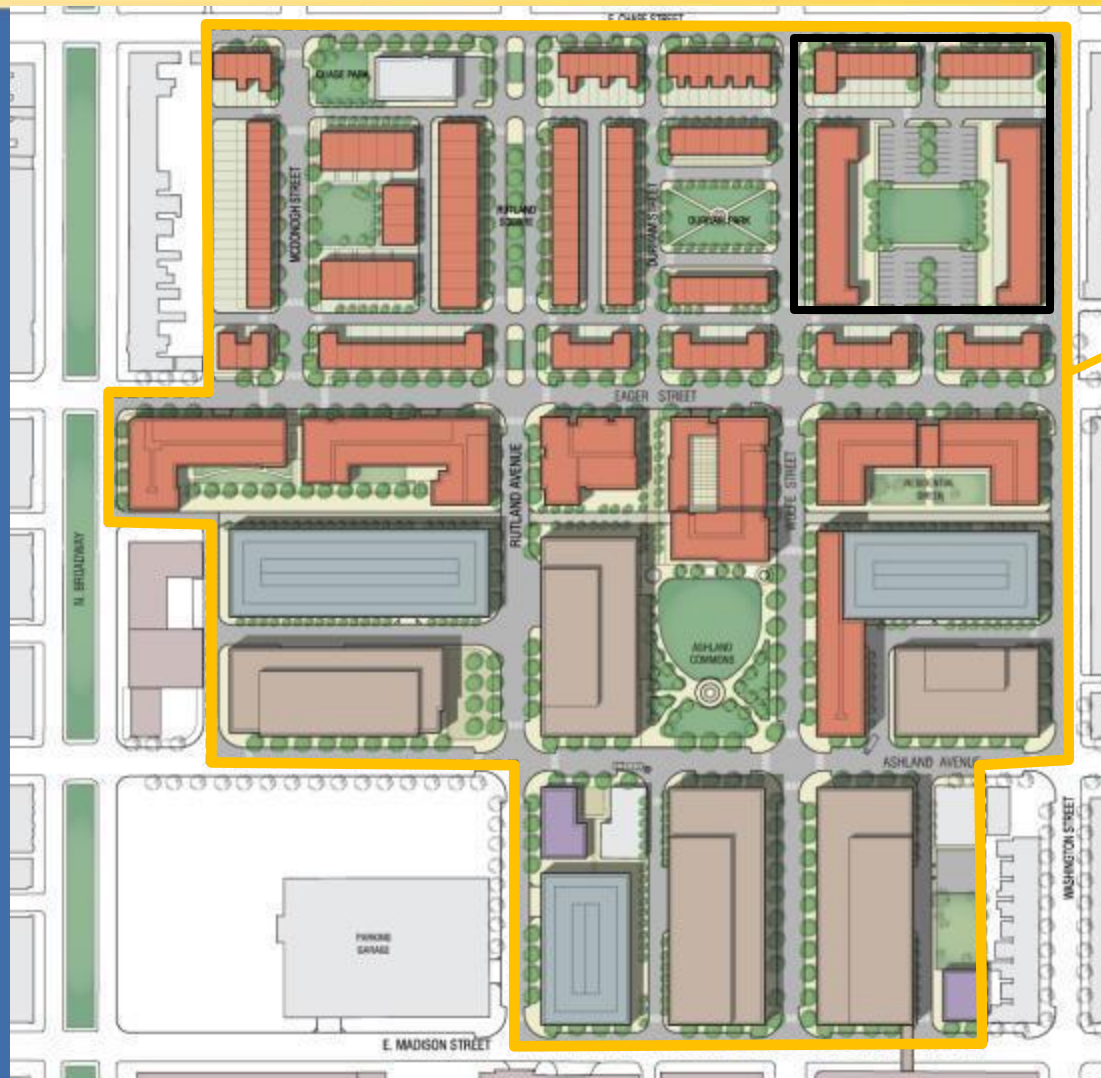
EBDI Timeline

- ▶ In 2000, Mayor O'Malley conceived a plan early in his administration to build market rate housing and biotechnology park.
- ▶ In 2001, Mayor forms North of Hopkins Steering Committee with representatives from stakeholder and community. Johns Hopkins a reluctant partner initially.
- ▶ In late 2001, the first East Baltimore conceptual plan released that calls for demolishing 88 acres and developing a new biotech park, mixed-income housing, supporting retail, and parking.
- ▶ In 2002, EBDI is established to oversee and manage revitalization.
- ▶ Annie E. Casey Foundation President named to the EBDI. Casey becomes a forceful advocate for responsible relocation, providing funding for family advocates and other services.

EBDI Timeline

- In 2003, East Side elected officials and residents negotiate relocation benefits.
- Johns Hopkins and Casey agree to fund relocation supplemental benefits.
- In 2003, City Council approves legislation allowing for the acquisition of 2,000 properties.
- In 2004, EBDI selects Forest City – New East Baltimore Partnership as the master developer for 25 acres. FC – NEBP proposes a 1.1 million square foot biotech park, 700 housing units (economically diverse), first floor retail in commercial buildings, and structured parking.

Phase I – 35 Acres (FC-NEBP)



-  80 Acre Site
-  Science + Tech Park and Phase I





- 1.1 million sq. ft. of lab/biotech space (6,000 jobs)
- 2,000 mixed-income residential units (1/3 low; 1/3 workforce; 1/3 market)
- 50,000 sq. ft. of retail space
- Charter School
- Open space

Sources and Uses of Funds

| Total Committed and Planned | | | | |
|-------------------------------------|--------------------|------------------------------|-------------------|--------------------|
| | Public | Philanthropic/ Foundation | NMTC and Other | TOTAL |
| Acquisition/Relocation | 109,330,545 | 26,800,000 | 131,248 | 136,261,793 |
| Demolition | 19,836,461 | - | 11,101,535 | 30,937,996 |
| Infrastructure and Site Preparation | 43,427,323 | 10,000,000 | 2,648,225 | 56,075,548 |
| Programmatic | 12,423,046 | 27,951,144 | 1,871,438 | 42,245,628 |
| Core Operating Support | - | 22,852,500 | 17,867,581 | 40,720,081 |
| Interest Expense/Loan Repayments | 15,000,000 | 5,374,590 | 6,655,000 | 27,029,590 |
| Total | 200,017,375 | 92,978,234 | 40,275,027 | 333,270,636 |

\$80 million in Tax Increment Financing (TIF) bonds

Johns Hopkins Investment

Private Philanthropy

- Johns Hopkins Institutions
- Casey Foundation
- Weinberg Foundation
- Rouse Foundation
- Goldseker Foundation
- Abell Foundation
- Atlantic Philanthropies

Johns Hopkins has funded \$22 million through 2010



Selected Accomplishments

- 1,800 of 2,000 properties acquired
- 522 properties demolished; 200 underway – new demolition protocol
- 726 of 741 households relocated (to better housing in safer neighborhoods)
- Family advocate assigned to every family – before, during and after relocation
- On average, homeowners received 5-fold increase in equity wealth from \$29,000 to \$153,000.
- 59 renters became homeowners

Selected Accomplishments

- Of 229 relocated homeowners, only three experienced foreclosure (1/5 the citywide rate)
- Economic Inclusion – \$67.2 million (37% of all contracts) to M/WBE; 57% of construction hours worked were
- Created workforce pipeline for employers and residents – 1,000 jobs placements
- Right of Return for renters and homeowners (House for a House and Home Repair Program)
- Three resident satisfaction surveys (80% satisfied with how they were treated)

Progress Ahead



Affordable Rental and Homeownership

74 units



78 units



63 units



5 units



Rangos Building Retail

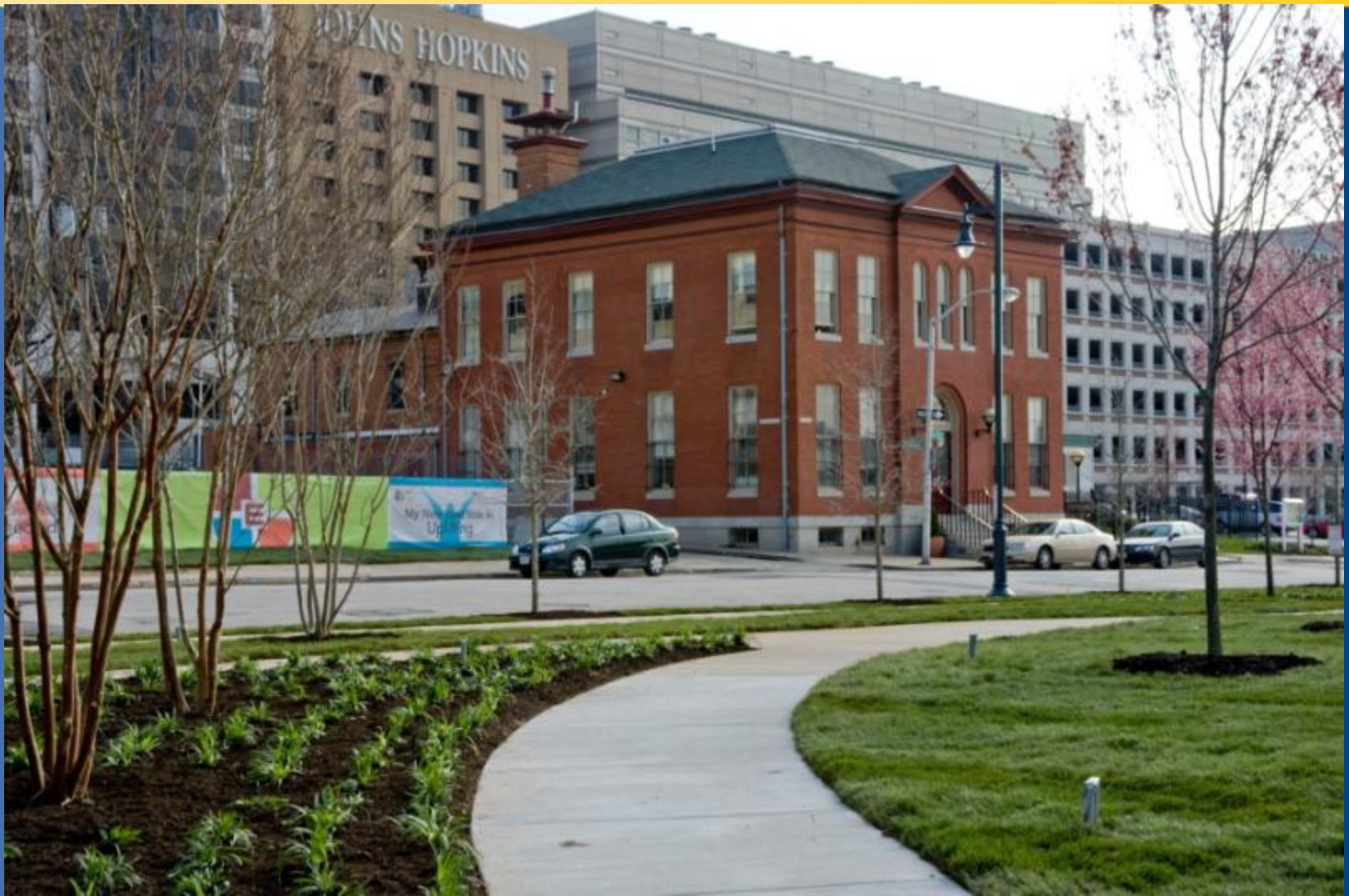


- Atwaters
- Teavolve
- Cuban Revolution
- Harbor Bank

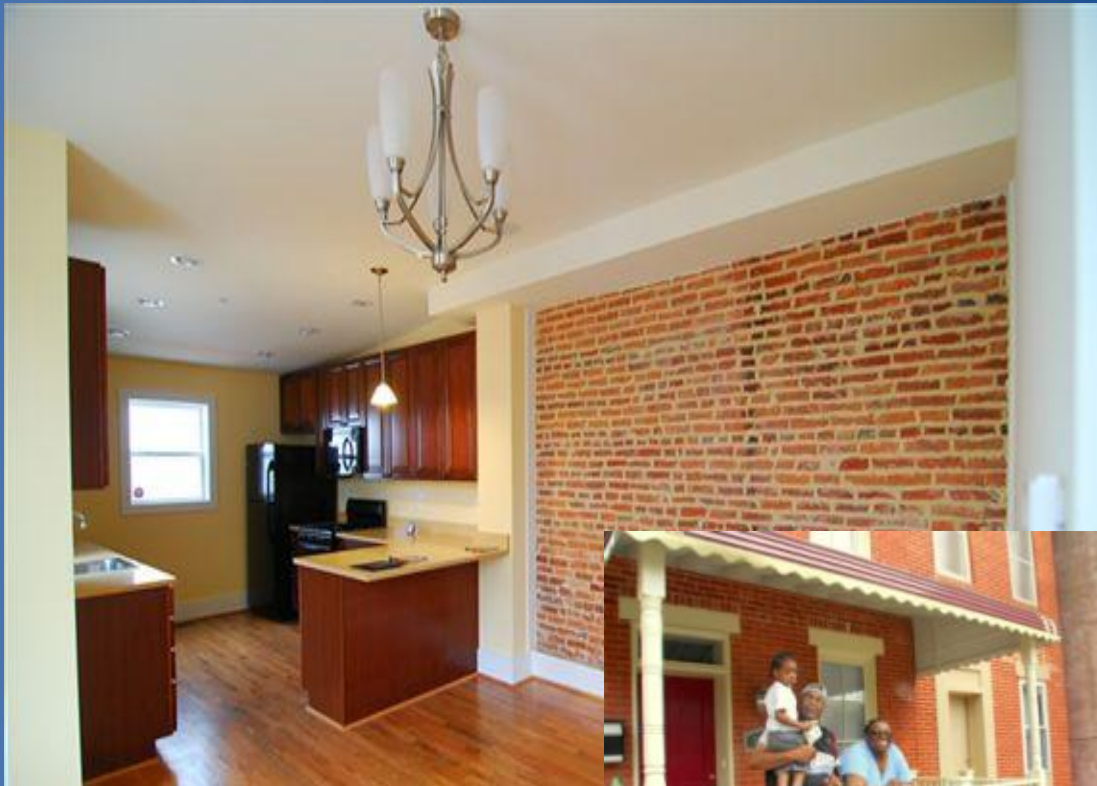
MICA Place



Deering Hall



House for a House and Home Repair Program



Graduate Student Housing



- 321 units
- 573 beds
- \$60 million
- Open August 2012



1,500 space Parking Garage

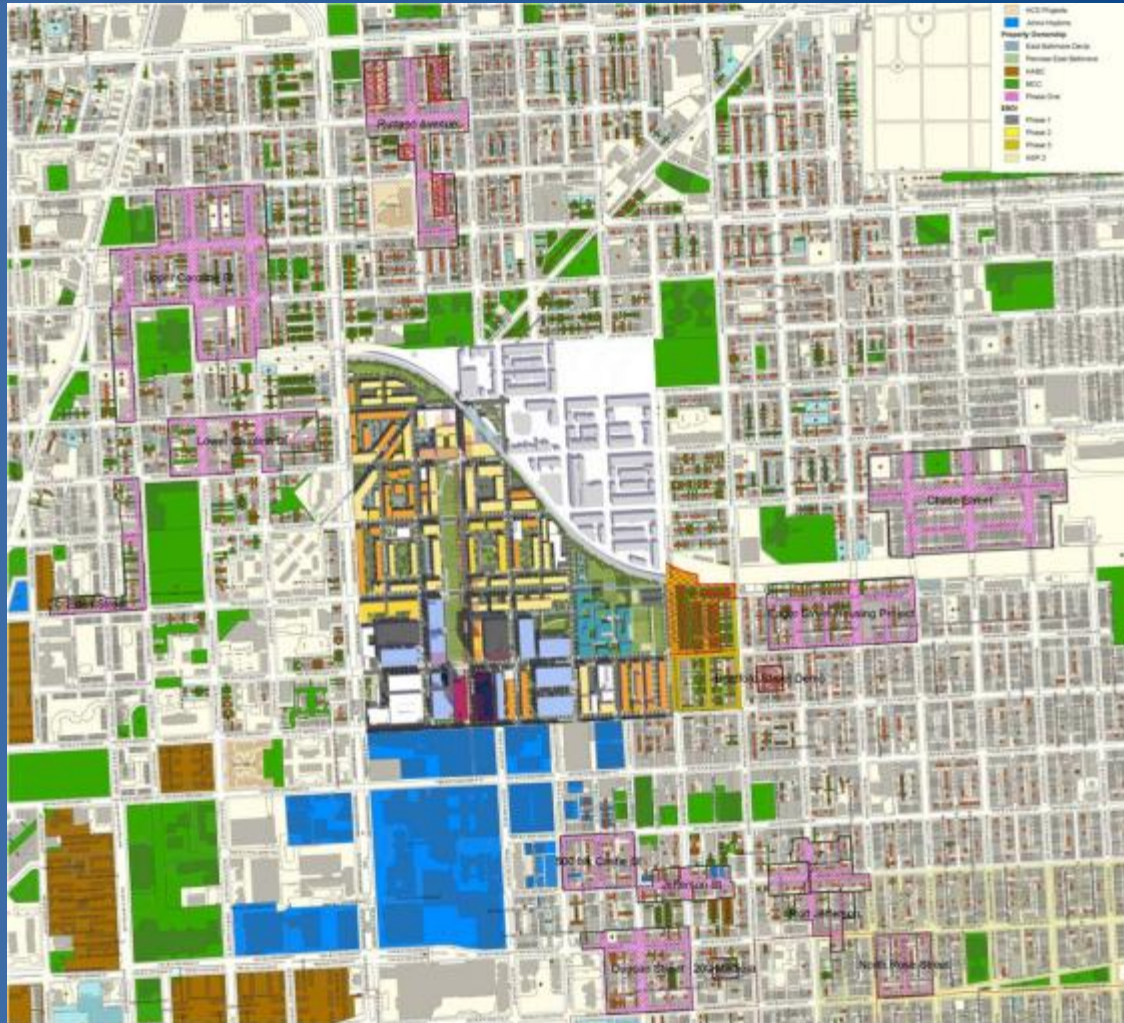


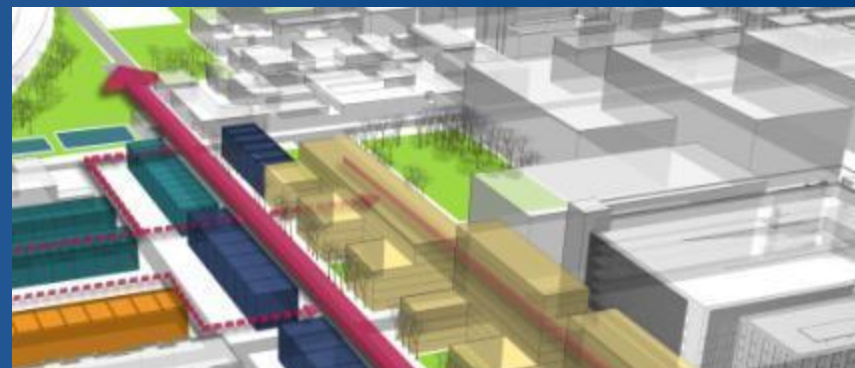
Maryland Public Health Lab



- 130,000 sq. ft.
- \$160 million
- 350 jobs
- 2011 second quarter ground breaking

Spin-Off Development



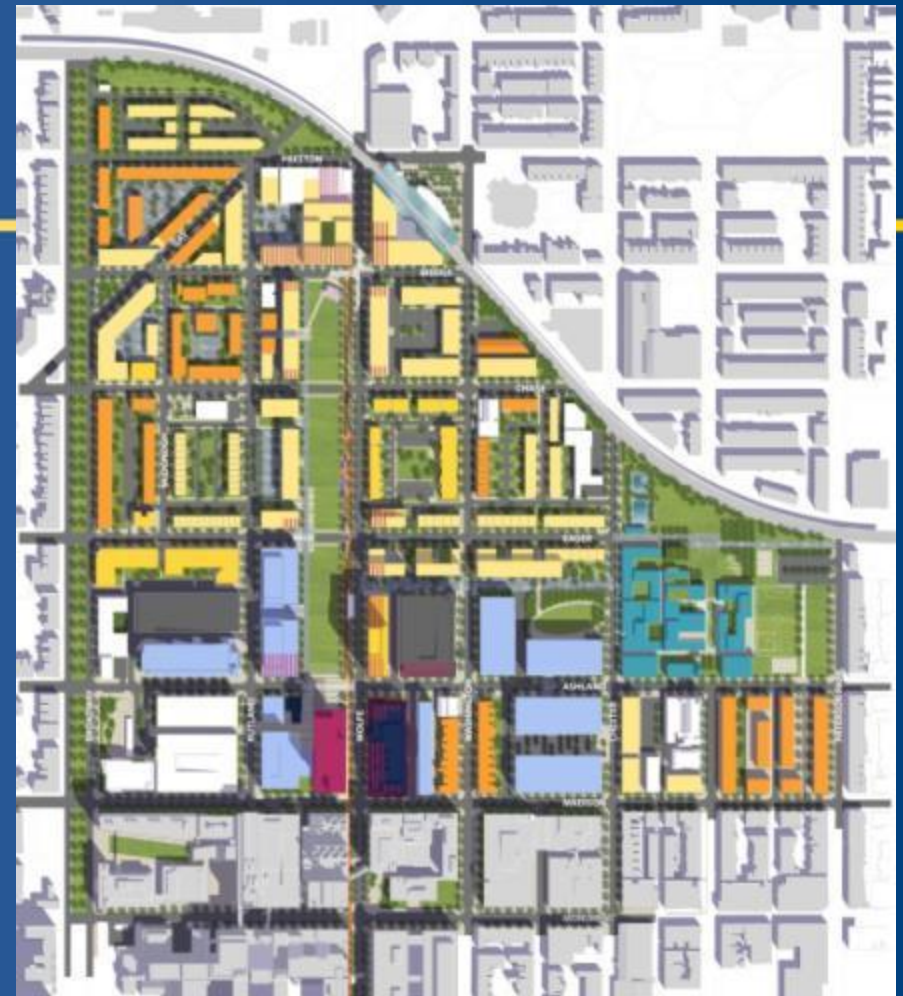


FOREST CITY NEW EAST BALTIMORE
2011 **SUMMARY**
PARTNERSHIP
21 August 2011
RECOMMENDATIONS





2006 PLAN

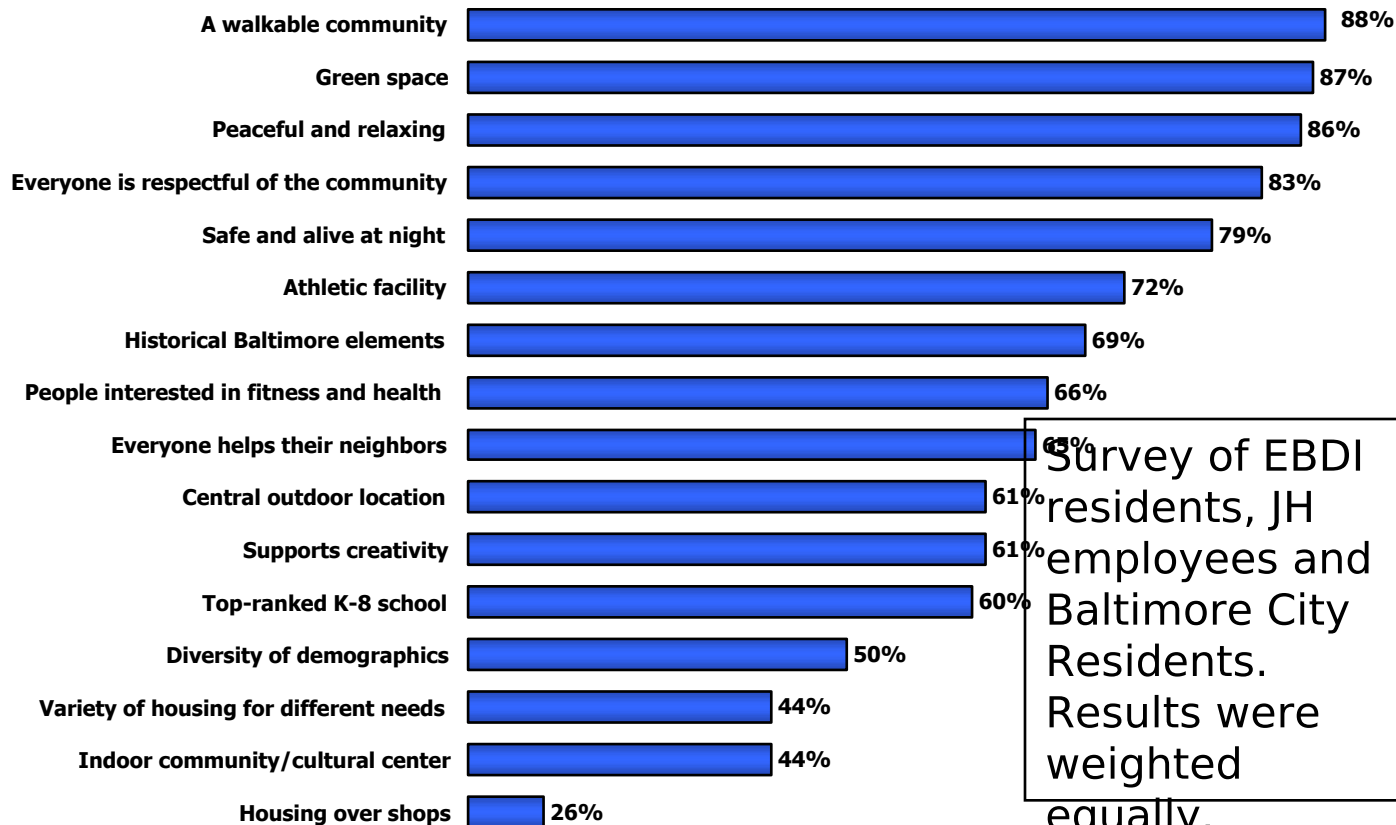


2011 FC-NEBP
RECOMMENDATIONS

- Retail
- R&D Proposed
- R&D Built
- Hotel
- School
- Parking Garage
- New Residential
- Rehab Residential
- Completed Residential

Visioning: Highly Desirable Attributes

Percentage of Respondents “very interested”



Survey of EBDI residents, JH employees and Baltimore City Residents. Results were weighted equally.

Perception of Safety is the #1 Barrier

69% of those who reject the location cite “risk/safety” as the reason

The Arguments for Wellness

Demand:

- ▶ Market research identified wellness most desirable theme
- ▶ Marketability of Beacon Park as a cutting-edge, model wellness community

Need:

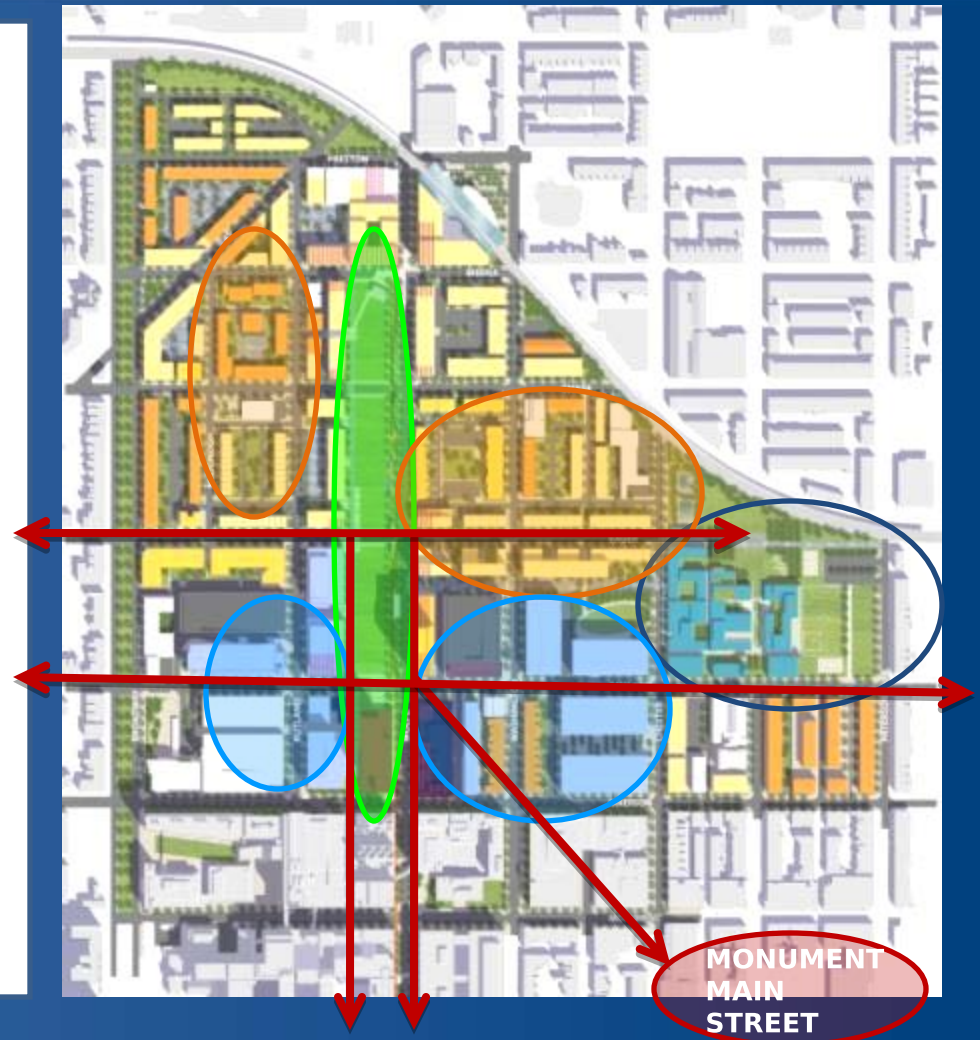
- ▶ Urban/Suburban health disparity
- ▶ Preventative medicine can lower healthcare costs

Opportunity:

- ▶ Proximity to JHMI is a unique opportunity to partner in pioneering wellness research
- ▶ Current political attention means opportunity for logistical and financial support
- ▶ Successes could be replicated throughout Baltimore, and even nationally

Big Moves

- ▶ **Hotel gateway and a central park**
- ▶ **Next phase residential**
- ▶ **Retail connections to community and campus**
- ▶ **Commercial development strategy**
- ▶ **East Baltimore Community School**





Park Looking South to Gateway Block







Ashland Street at Wolfe Street Looking West



EAGER STREET RESIDENTIAL STRATEGY

- Develop mix of rental and for-sale unit types
- Use architecture to enhance series of open spaces, creating a pedestrian-friendly community
- Eager Street as major link between central park and school

-  Commercial
-  Apartments / Lofts ()
-  Stacked Duplex (34)
-  SF Townhouse (28)
-  SF Townhouse Rent
-  SF Townhouse Reha

EAGER STREET RESIDENTIAL PROGRAM

1st Phase Eager Street Buildings
Expected to Stimulate Demand

TOTAL UNIT TYPE COUNT

| | |
|------------------------------|-----|
| Apt / Loft Rental: | 236 |
| SF Townhouse For Sale: | 28 |
| Stacked Duplex For Sale: | 34 |
| SF Townhouse For Rent: | 7 |
| SF Rehab Townhouse For Sale: | 40 |

Total Residential Units: 345

UNIT TYPE BREAKDOWN

- 1 Bedroom Apt / Loft Rental:
 - Eager Street: 155
- 2 Bedroom Apt / Loft Rental:
 - Eager Street: 81
- SF Townhouse For Sale:
 - Eager Street: 10
 - UME / Mews: 18
- Stacked Duplex For Sale:
 - Eager Street: 34
- SF Townhouse Rental:
 - UME / Mews: 7
- SF Rehab Townhouse For Sale:
 - UME / Mews: 15
 - McDonough: 25



- Apartments / Lofts (236)
- Stacked Duplex (34)
- SF Townhouse (28)
- SF Townhouse Rental (7)
- SF Townhouse Rehab (40)



RETAIL SPACE PLAN



**Completed, Under Dev.,
and Next Phase Dev.**

| USE | # | SQUARE FEET | | % OF TOTAL |
|-------------------|-----------|----------------|-------------|------------|
| | | | | |
| Restaurants | 4 | 25,724 | 21% | |
| Cafes | 5 | 11,863 | 10% | |
| Grocery | 1 | 12,000 | 10% | |
| Retail Anchor | 0 | 0 | 0% | |
| Apparel/Specialty | 0 | 0 | 0% | |
| Service Retail | 0 | 28,891 | 24% | |
| Fitness/Wellness | 1 | 44,000 | 36% | |
| Total | 16 | 122,478 | 100% | |

Retail success depends on drawing shoppers from larger trade area beyond the 88 acres.





COMMERCIAL

Completed
 R&D: 280,000 sf.

Under Development
 R&D:
 Retail: 235,000 sf.
 Parking Garage (spaces): 1,400

Next Phase Development
 R&D: 435,000
 Commercial: sf.
 - Hotel 160,000 sf.
 - Retail 160,000 sf.

Future Pipeline
 R&D: 60,000 sf.
 Parking Garage (spaces): 815,000 sf.

1,000

TOTAL (GSF):

TOTAL (SPACES):

1,055,000



PROJECT GROWTH
Completed

| | |
|------------|-------------|
| R&D: | 280,000 sf. |
| Retail: | 18,000 sf. |
| New Res: | 478 units |
| Rehab Res: | 68 units |

Under Development

| | |
|-----------------|--------------|
| R&D: | 235,000 sf. |
| Retail: | 11,000 sf. |
| Parking Garage: | 1,400 spaces |
| School: | 540 students |

Next Phase Development

| | |
|------------|-------------|
| R&D: | 435,000 sf. |
| Retail: | 92,000 sf. |
| Hotel: | 160,000 sf. |
| New Res: | 305 units |
| Rehab Res: | 40 units |

Future Pipeline

| | |
|-----------------|--------------|
| R&D: | 815,000 sf. |
| New Res: | 900 units |
| Rehab Res: | 281 units |
| Parking Garage: | 1,000 spaces |

- R&D Proposed**
- R&D Built**
- Hotel**
- School**
- Parking Garage**
- New Residential**
- Rehab Residential**
- Completed Residential**



Completed

Under Development



Next Phase Development

Future Pipeline



PROJECT PHASING

Completed

| | |
|------------|-------------|
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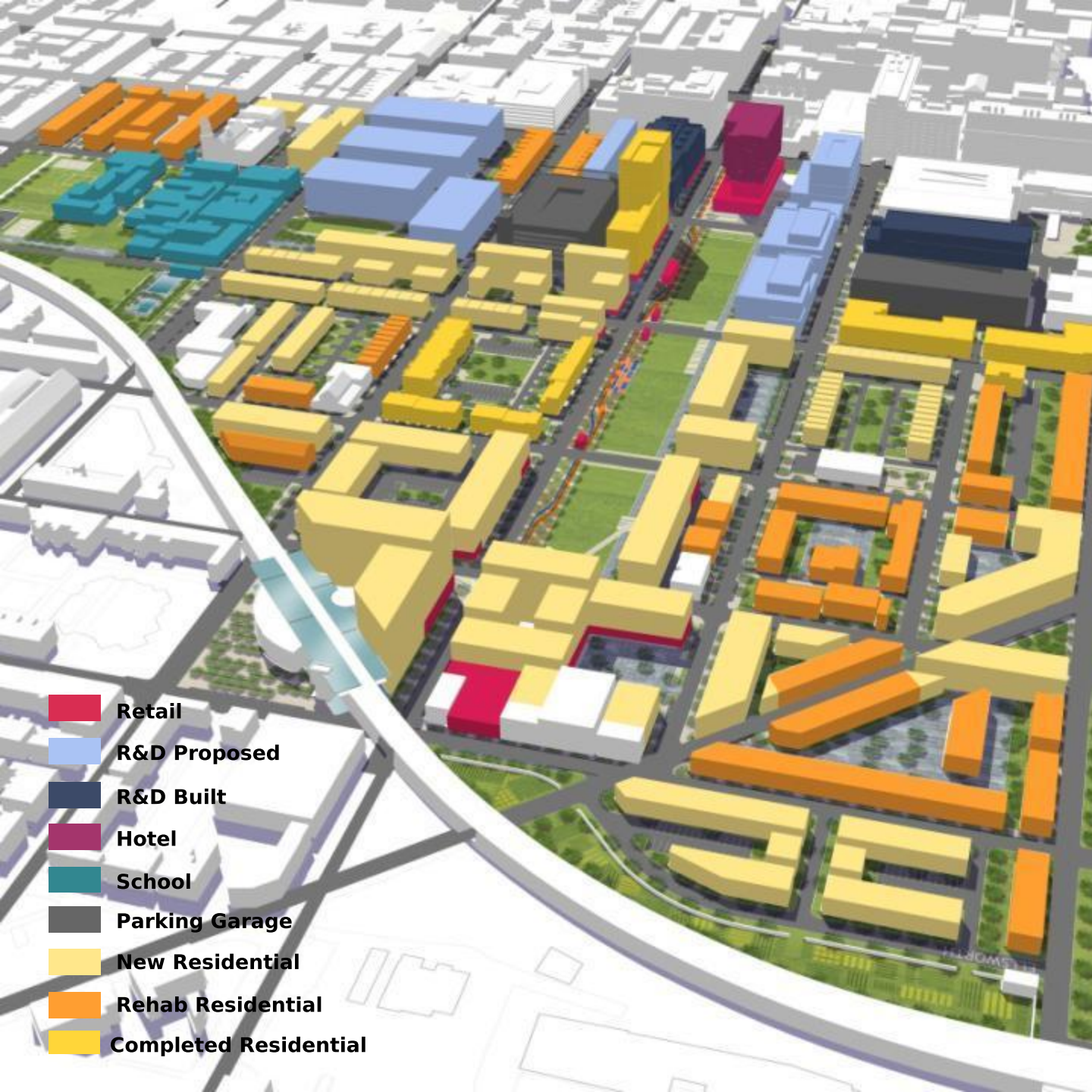
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- R&D Proposed**
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- Retail
- R&D Proposed
- R&D Built
- Hotel
- School
- Parking Garage
- New Residential
- Rehab Residential
- Completed Residential

PROJECT BUILDOUT

PROJECT PROGRAM TOTALS

Completed R&D (sf.):
280,000

Proposed R&D (sf.):
1,485,000

Retail (sf.):
171,678

Hotel (sf.):
160,000

Parking Garage (spaces):
2,400

School (students):
540

New Res (units):
1,205

Rehab Res (units):
321

Completed Res (units):
546





**EAST BALTIMORE
COMMUNITY SCHOOL
SITE**

SCHOOL SITE

- Historic street grid
- Retain special character street
- Retain existing architecture
- Community engagement process will continue





Lessons Learned

- ▶ First three residential projects – 100 percent low income
- ▶ School is 100 percent “free and reduced lunch”
- ▶ Setting unrealistic job creation expectations
- ▶ Ill prepared to managed negative public relations
- ▶ Botched effort to name and brand the new neighborhood
- ▶ Original plan lacked connectivity to Hopkins East Baltimore Campus
- ▶ Hopkins low profile efforts failed