

ZA00B
Miscellaneous Grant Programs

East Baltimore Biotechnology Park (Baltimore City)

General Obligation Bonds **\$5,000,000** **Recommendation: Approve**
Nonbudgeted **\$221,104,000**

Bill Text: Provide a grant to the Mayor and City Council of the City of Baltimore for property acquisition, demolition, and site improvements in the East Baltimore Biotechnology Park area, subject to the requirement that the grantee provide an equal and matching fund for this purpose.

Program Description: The East Baltimore Biotechnology Park involves the redevelopment of an 88-acre site which will include 1.2 million square feet of biotechnology space, up to 500,000 square feet of commercial space, 2,100 units of mixed-income housing, a K-8 public charter school, public parks, and a regional rail station. Located north of the Johns Hopkins Medical Institutions, this project is expected to add more than 500,000 square feet of commercial space, improve public safety and community services, provide up to 8,000 jobs, and provide more open space.

Prior Authorization and Capital Improvement Program

Authorization Uses
(\$ in Millions)

| <i>Fund Uses</i> | <i>Prior Authorization</i> | <i>2011 Allowance</i> | <i>2012 Estimate</i> | <i>2013 Estimate</i> | <i>2014 Estimate</i> | <i>2015 Estimate</i> |
|------------------|----------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| Acquisition | \$107.595 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Planning | 16.200 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Construction | 225.130 | 226.104 | 383.752 | 265.713 | 161.758 | 590.145 |
| Other | 71.800 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total | \$420.725 | \$226.104 | \$383.752 | \$265.713 | \$161.758 | \$590.145 |

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**Authorization Sources
(\$ in Millions)**

| <i>Fund Sources</i> | <i>Prior Authorization</i> | <i>2011 Allowance</i> | <i>2012 Estimate</i> | <i>2013 Estimate</i> | <i>2014 Estimate</i> | <i>2015 Estimate</i> |
|---------------------|----------------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| GO Bond | \$26.000 | \$5.000 | \$5.000 | \$5.000 | \$5.000 | \$0.000 |
| PAYGO GF | 5.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| PAYGO SF | 2.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Nonbudgeted | 387.725 | 221.104 | 378.752 | 260.713 | 156.759 | 590.145 |
| Total | \$420.725 | \$226.104 | \$383.752 | \$265.713 | \$161.759 | \$590.145 |

Program Analysis and Performance

State support is budgeted at \$53 million, or 2.68%, of the total. State investment will concentrate on the acquisition and demolition of property which was nearly 70.0% vacant at the start of the project, infrastructure, and other public improvements. The State has also designated the area as an Enterprise Zone which makes available various State tax credit programs as additional State support.

The project has been divided into two phases. The first phase includes a 31-acre area roughly bounded by Broadway, East Madison Street, North Washington Street, and East Chase Street. Within this area 916 properties have been acquired, 396 households have been relocated, and 550 structures have been demolished. The first life sciences building opened in April 2008 and is 80% leased. Construction is complete on three residential developments comprising 220 units: an age-restricted apartment building for low income seniors, an affordable rental building for workforce families, and a mixed income rental complex that includes both townhomes and apartments. Each is 100% leased. In addition, the East Baltimore Community School – a public contract school – was opened in August 2009 to serve neighborhood children.

The second phase of the project includes a 57-acre area roughly bounded by Broadway, East Madison Street, North Patterson Avenue, and the Maryland Rail Commuter train line right-of-way. Acquisition of vacant properties began in summer 2007. To date, 529 of the planned 955 acquisitions and 222 of the planned 310 family relocations have been completed. Fiscal 2011 funds will be used to further the acquisition of the remaining 426 properties and for site development and infrastructure improvements.

The 2010 *Capital Improvement Program* (CIP) includes \$5 million in general obligation bonds. This is consistent with the amount programmed in the 2009 CIP.

The East Baltimore Development Corporation should comment on the extent to which it has been able to encumber and spend previously allotted State funds.

Recommended Actions

Approve.