Title: State Center Transit-Oriented Development Strategy

Authors: Maryland Department of Transportation
City of Baltimore - Planning Department
Maryland Department of Planning

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Abstract: The State Center Transit-Oriented Development Strategy is an initial assessment of the planning and policy options for attracting Transit-Oriented Development (TOD) to a 110-acre study area that includes the State Center Metro Station, State Center government complex, McCulloh Homes, and the Cultural Center Light-Rail Station. The Strategy includes a summary of the background, site-specific analyses, and resulting vision and development concept for the study area. The development concept consists of recommended land uses, with accompanying infrastructure and services to accommodate these uses. The Strategy also explores actions necessary for the successful implementation of the development concept.
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State Center Illustrative Plan
The State Center Transit-Oriented Development Strategy envisions a vibrant cultural, residential and employment center, called the “Eutaw District”, on 110 acres of land located in the heart of historic midtown Baltimore. Transit-Oriented Development (TOD) principles - such as improving access, mobility, long-term sustainability, and quality of life - were the foundation of this effort. Specific elements of the preferred development concept include:

- Integration of the Eutaw District with adjacent neighborhoods to further stimulate revitalization and help meet the goals and objectives of the local neighborhood plans;
- A world-class cultural and regional destination (“Cultural Core”) that unifies and promotes interaction between the existing cultural and institutional venues in the area;
- Activity throughout the day resulting from a market-supported four-phase development program that includes:
  - 3,200 new mixed-income residential units in a variety of housing types;
  - Redevelopment of 1.3 million square feet of office space;
  - 60,000 additional square feet of institutional space;
  - The creation of 600,000 square feet of retail, cultural and entertainment uses including a supermarket, cineplex, sit-down dining, and a hotel with 200 rooms;
  - 3,000 additional parking spaces (5,800 total);
  - A linked and integrated open space system, including a new 3-acre park.
- An improved and rebalanced transportation system that provides superior access to and within the site for all modes of transportation through streetscape improvements, transit station enhancements, reconfigured street networks, and creation of well defined and desirable thoroughfares;
- Fully integrating the McCulloh neighborhood into the fabric of the city through its redevelopment as mixed-income community housing with a range of affordable and market-rate housing choices for existing and new residents; and
- Creation of a new public benefit corporation, the Eutaw District Development Corporation, to coordinate and facilitate the activities of the State, City, and other large institutional landowners in the study area and nearby. This new entity will be modeled on Baltimore’s successful history of revitalization through district-based public benefit corporations.
Due to the complex nature of the effort, a unique planning and design approach was employed that was dynamic, asset-based, and took advantage of the unique character of the site and its many resources - especially the two existing rail transit stations: State Center Metro and Cultural Center LRT. Stakeholder input was sought and provided invaluable insight through local knowledge. The five-month process focused on gathering public input and compiling site, market, economic, financial and technical analyses and led to an intensive week-long “charrette” where issues, wants and needs could be explored and addressed credibly and feasibly. To ensure that the plan accurately reflected the values of the community, open houses were held each night of the “charrette” for public input and feedback on each day’s work. Only with the contribution of the public was the team able to continue with the design process the next day and advance the Strategy until overall consensus was found. The consensus is represented in this document as the Preferred Development Concept.

The following report describes the detailed process by which the Preferred Development Concept was created, the Concept’s features, and outlines the recommended next-steps for successful implementation. The Strategy development was led by PB PlaceMaking and received significant support from the city staff and residents of Baltimore, the Maryland Department of Transportation (MDOT), and the Maryland Department of Planning (MDP).
Increasingly, Transit-Oriented Development (TOD) has grown to become one of the principal driving strategies for economic revitalization, job creation, and quality mixed-use development in the greater Baltimore / Washington Metropolitan Region. Although Baltimore has historically been under-recognized as a target for this type of development activity, this attitude is changing as recent events suggest there is substantial interest, opportunity and unrealized capacity for TOD at strategically located sites.

In response to this, the Maryland Department of Transportation (MDOT) and the Maryland Department of Planning (MDP) have been working with the Baltimore City Planning Department to identify TOD opportunities in the City. At the same time, the Maryland Department of General Services (DGS) concluded that surplus land at the State Center Complex should be made available for redevelopment and asked MDOT for assistance because of its TOD experience in the Washington region. State agencies recognized the potential of redeveloping the State Center Complex site as a TOD for two primary reasons:

1. Strengthening the quality of the overall community would increase the value of the State’s assets; and
2. Creating a more community-friendly design throughout would increase the desirability of transit use in the area.

Both the State of Maryland and City of Baltimore seized the opportunity to understand how the redevelopment of State Center might strengthen the community, increase transit access and use, and increase the land value of their assets by sponsoring the State Center Transit-Oriented Development Strategy.
The City of Baltimore has a key role in supporting the transformation of the State Center Complex and strengthening the surrounding neighborhoods. As such, the City of Baltimore was a partner in the development of this Strategy and, although not a regulatory document, this Strategy is designed to help frame future city discussions on TOD planning, design and implementation. Specific local community planning efforts that this Strategy recognizes and seeks to support include the Midtown Community Plan and the Upton Master Plan, especially in regard to:

- Preserving the existing strengths of surrounding neighborhoods;
- Reforming traffic and transit in the area to better serve residents;
- Providing a range of affordable housing choices to allow existing residents to remain in the area;
- Stimulating renovation of vacant and dilapidated buildings;
- Improving safety through techniques such as better street lighting and generation of activity throughout the day;
- Reconnecting with the area’s history while looking to the future; and
- Supporting the continuation of a truly mixed-income community.

In addition to State and City support, the Housing Authority of Baltimore City (HABC) sees the opportunity to better integrate its adjacent McCulloh Homes properties into the fabric of the city furthering their commitment to building and sustaining safe, livable and quality communities, while providing access to adequate and affordable housing opportunities.
Overall Process

The overall process included three key steps: 1) Analysis, 2) Preferred Concept Development and 3) Plan Implementation. Given the complexity of the effort and its fast-track schedule, the overall process was structured around a week long workshop—called a charrette—that provided a dynamic process for effective and efficient problem solving over a short period of time. Each step of the overall process is briefly described here:

1. **Analysis:** As a precursor to the charrette, details about the planning area were identified, through stakeholder interviews, site character and conditions analysis, and a market analysis of support for new types of development. Opportunities and challenges of the site were explored and further revealed during the charrette when alternative development concepts were created. The Site Context section, pages 11-19, describes in more detail the findings of the analysis.

2. **Preferred Concept Development:** At the charrette and with the help of all participants, various alternatives were created and weighed against the initial site analysis. Evaluation criteria were determined along with design elements worthy of incorporation into a preferred development concept. Once the preferred development concept was selected, it was further refined after the charrette to verify viability of proposed elements with technical feasibility and stakeholder interest. A more detailed discussion of the charrette process is described in the next subsection, and the Preferred Development Concept is described on pages 20-40.

3. **Plan Implementation:** After the preferred concept was refined, phasing was explored, opinions of cost generated, financial feasibility and fiscal analyses were conducted, and a series of coordinated strategic actions to implement the plan were identified. Plan Implementation is outlined on pages 49-50.
Charrette

As an efficient and effective means to explore multiple development options for the plan area, a week-long charrette was held. Charrettes are open, holistic planning techniques that combine intense, creative work sessions with public open houses. They are collaborative processes that bring together a variety of planning and design professionals with a broad range of stakeholders to create a feasible, credible plan for transformative change. The participants at the State Center TOD charrette included key stakeholders, citizens, state and city planning staff and a team of professional urban designers, planners, engineers, architects and real estate economists.

Key steps undertaken at the charrette included:

- **Project Introduction and Site Visits:** After an introductory presentation, and when needed throughout the week, team members conducted site visits to gain a better understanding of the existing built environment, activities, specific issues and community needs.

- **Theme Exploration:** Six thematic land uses - residential, office/institutional, public realm, retail, recreation, and entertainment - were explored as the emphasis of separate, initial concepts to better gauge the proper intensity that each component could contribute in a final balanced and holistic plan.
Methodology

- **Initial Concept Development:** After the intensities of the six thematic land uses had been explored, they were combined into one of two development alternatives. The two development alternatives were differentiated by their development strategies. A “transform” group explored a complete tear-down scenario, in which they took a more aggressive approach to redeveloping the site. A second alternative, dubbed the “reform” approach, sought to minimize the impact on the existing built environment while still making significant positive changes.

- **Synthesis:** The best aspects of each of the two initial concept alternatives were identified, discussed and determined to merit inclusion, when compatible, into a preferred development concept.

- **Preferred Development Concept Review and Technical Team Analysis:** The preferred development concept was studied in more detail for initial technical and market feasibility.

- **Preferred Development Concept Refinement:** A development program was created and, along with the preferred development concept, further refined and graphically illustrated.

- **Evening Pin-ups and Open Houses:** Each night, the team’s progress was displayed and presented for public viewing and comment. The input was noted and then evaluated on following days for merit and feasibility, and incorporation into the strategy.

Stakeholder Involvement

Stakeholder involvement was inherent to the creation of this TOD Strategy and incorporated at every step of the process to ensure that it reflects local priorities, fits with the local planning process, and complements other TOD efforts in Baltimore. At early stages of the project, stakeholders assisted with the identification of the physical limits of the study area boundary. As the process developed, many stakeholder interviews were conducted with representatives of the City of Baltimore, local institutions, organizations, and residents to identify the opportunities and challenges in the study area. In addition to the stakeholders that were invited to participate in the week-long charrette, a significant outreach effort was deployed to inform the public of the process and invite them to participate at the open houses that were held each evening. Public input was fundamental to the design and planning process and was well represented by the increasing numbers of participants throughout the course of the charrette.
Alternatives

Two main development concepts were explored during the charrette: “transform” and “reform”. Both concepts accommodated the existing employees and residents located in the State Center Complex and McCulloh Homes. The “transform” alternative assumed a more aggressive approach to redevelopment, while the “reform” alternative sought to minimally change the built environment while creating maximum positive impact. The “transform” and the “reform” alternatives were analyzed simultaneously and the strengths of each, where compatible, were merged to produce the initial “rough cut” alternative, as shown on page 9. The “rough cut” alternative was then further refined to create the final preferred alternative which is described in the section, Development Concept on page 20.
Methodology

Day 4 Rough Cut Alternative Illustrative Plan

Day 5 Preferred Alternative Illustrative Plan

Preferred Alternative Concept Diagram
Site Context

Maryland State Offices
Armory
I-83
Meyerhoff Symphony Hall
Lyric Opera House
University of Baltimore
Penn Station
Washington Monument
Preston St
Mt. Vernon Neighborhood
Charles St
Mt. Vernon
Bolton Hill Neighborhood
JD Briscoe Special Ed Middle School and High School
Maryland General Hospital
Seton Hill Neighborhood

110 acre Study Area
Maryland Symphony Center
Lyric Opera House
University of Baltimore
Penn Station
Washington Monument
Preston St
Mt. Vernon Neighborhood
Charles St
Mt. Vernon
Bolton Hill Neighborhood
JD Briscoe Special Ed Middle School and High School
Maryland General Hospital
Seton Hill Neighborhood

St Mary's

State Center Metro
Transit Oriented Development Study

L LRT Station
M Metro Station

10 State Center Transit Oriented Development Strategy
Study Area

The study area encompasses 110 acres of land in the midtown area of Baltimore including, at the center, land owned by the State of Maryland (State Center Complex) and the Housing Authority of Baltimore City (McCulloh Homes). In determining study area boundaries, consideration was given to the maximum distance (one-half mile) people are typically willing to walk to obtain goods and services as well as to what became known to the study team as the “Penn to Penn” corridor (the area between Penn Station and Pennsylvania Avenue).
State Center Transit Oriented Development Strategy

Context

Connections and Destinations
State Center is strategically located within close proximity to downtown Baltimore and the Inner Harbor. In addition to the existing State Center Office complex, a few of the numerous local destinations include:

- Maryland General Hospital
- Lyric Opera House
- Meyerhoff Symphony Hall
- University of Baltimore
- Maryland Institute College of Art
- St. Mary’s Seminary Complex
- Arena Players Theater

Convenient connections to other areas within the city and region is possible via the Metro Green Line (with a possible future extension) and the Light Rail Line to places such as the BWI Corridor (for employment and air travel), Johns Hopkins, and Penn Station (where Amtrak and MARC connect the area to Washington, D.C. and points such as New York, N.Y.). Additional future transit connections may be realized through development of the proposed Street Car Project, Red Line Transit Project and/or a proposed Yellow Line.

Existing Uses
The State Center Complex is the largest concentration of State government offices in Maryland and is comprised of approximately 24 acres of land around the State Center/Cultural Center Metro station, and across the street from the Cultural Center LRT station. The site is surrounded by several major streets: Martin Luther King, Jr. Blvd.; Howard Street; Hoffman Street; and McCulloh Street. These streets serve as thoroughfares to and from I-83, I-95, US 40 and the Baltimore-Washington Parkway (I-295). The State Center Complex has three mid- to high-rise state office buildings housing approximately 3,500 employees. The offices were constructed approximately 30-50 years ago and in their current configuration will soon surpass their productive lifespan. Two large surface parking lots for the public and state employees occupy 5 of the 24 acres.

The nearby Penn Station is within a ten-minute walk of the site and serves as a major multi-modal transportation hub in Baltimore, with access to the LRT, Amtrak, MARC commuter rail, as well as several local and express bus routes.
McCulloh Homes, a public housing project serving low-income residents, is located on approximately 31 acres adjacent to the State Center Complex. It is bordered by Pennsylvania Avenue and Martin Luther King Jr. Blvd. McCulloh Homes consists of several blocks of low-rise apartments as well as two residential towers that house approximately 800 residents. These apartments range in age from 40 – 60 years old and are also beginning to require significant and increasing amounts of maintenance.

The four adjacent neighborhoods (Bolton Hill, Seton Hill, Mt. Vernon, and Upton-Marble Hill) maintain historical significance for a variety of reasons including: notable past residents, historic uses, and architecture. The primary land use in these neighborhoods is residential, with some commercial uses.
Site Context

History

The mid-20th century modern buildings of the State Center office complex, give few hints to the long and rich history of the diverse neighborhoods that surround the site. Just looking at a present day map gives clues to the unusual character of the area – where the north-south street grid of old Downtown Baltimore meets the diagonal street grid of the later residential neighborhoods. For this reason, State Center is situated at a unique historic and cultural crossroad.

It is here that older early 19th century neighborhoods of Mount Vernon and Seton Hill and the younger late 19th century residential communities of Bolton Hill, Upton-Marble Arch and Madison Park eventually grew together. However, rather than forming a true crossroads, the State Center complex, with its large high rise offices and expansive parking lots, combined with the scale and orientation of adjacent roadways have formed barriers separating surrounding neighborhoods. The construction of McCulloh Homes further compounded separation, by isolating its residents from the nearby communities.
Site Context

Market Research
Research was conducted prior to the charrette to identify the market potential for various uses in the local market area and to formulate a development program for the study area. The final development program is based on the analysis of what types of development could be supported over a four-phase implementation period spanning 15 to 20 years.

The local market area, which extends in an approximately one-half mile radius from the State Center Metro station, contained in 2000 approximately 22,300 persons in 12,100 households. Compared with the rest of the City of Baltimore and the surrounding region, it has smaller households, a considerably higher proportion of persons employed in professional or management occupations, and a much higher proportion of persons age 20 – 34. These factors, successful new apartment and condominium developments in adjacent areas, and the high-quality and expensive housing in adjacent neighborhoods such as Bolton Hill and Madison Park, suggest strong potential for a range of housing types for younger and empty-nester households. The development of a range of workforce and market-rate housing can provide choices for existing residents and area workers seeking more affordable housing as well as attract those seeking the amenities and convenience of in-town living.

Baltimore’s office market appears to be stabilizing. The Midtown area, including State Center, has the potential to attract tenants seeking new high quality offices with excellent accessibility at a slightly lower cost than downtown. Aside from individual office tenants with large space requirements, the greater potential for office development will be in the medium- to longer-term. Increased office development, as well as existing area educational and medical institutions, will provide support for the development of new middle- to upper middle-range lodging in the local market area.

The extensive amount of existing regional-serving retail means that local-serving retail has the greatest potential in the local market area. An immediate opportunity is for a new, modern supermarket—the local market area currently lacks one even though there is ample market support. There is also strong potential for certain entertainment-oriented uses. The nearest multi-screen cineplex is nearly seven miles away, creating a significant opportunity for a theater operator familiar with urban markets. A new cineplex could support additional entertainment and dining uses and complement existing cultural activities, including other art house theaters in the area.
Opportunities and Challenges

Analysis of the site context shows that the existing State Center area presents a number of significant opportunities, as well as significant challenges, that have been addressed in the preparation of this Strategy. Significant opportunities that create potential for large-scale revitalization include:

- The existing diversity of cultural, civic and educational uses are regional assets with the potential to provide a catalyst for development.
- Significant redevelopment potential on both the State Center Complex and McCulloh Homes sites given the age of existing buildings and the amount of underdeveloped/underutilized land (i.e., surface parking lots).
- Limited ownership of large parcels limits requirements for land acquisition.
- Greater interest in urban living, renewed interest in renovation of existing buildings in surrounding neighborhoods, and rising values create a favorable environment for complementary new development that mixes households of different income levels.
- Unmet demand for retail, particularly for basis services such as a supermarket, as well as for entertainment uses such as a movie theater.
- The proximity of the area to Penn Station, Metro and LRT is already attracting an increasing number of residents that commute to Washington D.C. and seek an urban lifestyle that is more affordable.
- The merging street grids and presence of high traffic volumes could benefit from improved organization/orientation as well as providing more pedestrian and bicycle amenities.
- The pedestrian environment could be enhanced to provide improved connectivity such that the transit system may see increased utilization and offer alternatives to increasing traffic congestion.
- Vacant and/or underutilized land could be redeveloped to provide more desirable uses.
- The strength of adjacent neighborhoods, and existing neighborhood plans, provides needed local support.

At the same time, there are significant challenges that need to be addressed before successful revitalization can occur, including:

- Creating a high-quality urban environment with attractive public spaces and streetscapes that mitigates impacts from automobile traffic and an outdated built environment.
Site Context

- Demonstrating market success for the types of new rental and for-sale developments that have been successfully developed in nearby areas but not yet in the State Center area.
- Replacing the concentration of obsolete public housing in a manner that assures existing public housing residents that they can remain in the area and move into new, well designed family housing.
- Changing negative perceptions and a lack of positive identity for the area.
- Coordinating the activities of multiple large public agency landowners (State, City, universities, etc.) that may have different objectives and timelines for action.
- Financing public investment in physical improvements and assistance to early catalyst projects that set the stage to attract substantial new private investment.

By building on the existing cultural and educational institutions of the increasingly vibrant Cultural Center to the east, the opportunity exists to strengthen the area to become one of the city’s most attractive arts, entertainment, retail and residential districts. This new and vibrant multi-use area could serve as a bridge to reconnect and reenergize some of the city’s most diverse and historically significant communities and resources.

This ambitious project has the potential to:

- Provide for the adaptive reuse of one of Baltimore’s most distinctive historic structures – the 5th Regimental Armory;
- Build a linkage between the grand landscaped pedestrian boulevards that run from Mount Vernon’s Washington Square along Eutaw Place to Druid Hill Park;
- Reconnect the classic row house neighborhoods and gracious public spaces of Bolton Hill and Seton Hill, now isolated urban islands;
- Provide new housing choices that allow existing residents to remain, while attracting a broad range of new households to the area; and
- Provide a spark for the renaissance of Baltimore’s most storied Afro-American cultural neighborhoods, the famous music and dance district that once graced Pennsylvania Avenue in Upton-Marble Arch.

One reason that the proposed redevelopment project holds such promise is that it could provide a new connection between these communities without changing the rich and diverse historic character that make them unique and important parts of Baltimore City’s heritage.
Area Map 1896
Preferred Development Concept

Legend

- Commercial
- Institutional
- Residential - Higher Density
- Residential - Medium Density
- Residential - Lower Density
- Office
- Mixed-Uses
- Proposed Streets
- Plaza
- Parks

- Existing Metro Station
- Proposed Metro Portal
- Enhanced Light Rail Station
- Bus Transit Plaza
- Parking Structure

1. Plaza D’Art
2. Hotel
3. Redeveloped Armory
4. Information Center
5. Neighborhood Park
6. Intersection Realignment
7. Pedestrian Improvements
8. MLK Enhancements
9. Pennsylvania Ave. Enhancements
Vision Statement

The State Center Transit-Oriented Development Strategy envisions a vibrant cultural, residential and employment center called the “Eutaw District”.

Located in the heart of historic midtown Baltimore, the Eutaw District has become a regional cultural, residential and employment center concentrated near three existing transit stations. The District is a vibrant 24-hour center that offers lifestyle options and opportunities to accommodate work, play, and living in a high quality urban environment. New housing is a modern complement to the historic character of the area and includes everything from family-oriented townhouses to apartments, condominiums and popular live/work residences - offering many lifestyle choices. The wide range of housing options provide opportunities for all income levels from below market-rate to higher-end units. The district’s retail mix includes a neighborhood supermarket and local-serving retail, as well as entertainment-oriented uses providing for area residents and attracting regional visitors. Community life abounds in the District: in outdoor cafes, restaurants and a new 3-acre neighborhood park. Patrons of the adjacent cultural institutions, such as the Meyerhoff Symphony and the Lyric Opera, arrive early for performances and stay late to enjoy the full urban cultural experience. A diverse and exciting place to live, to entertain and be entertained, and to linger well into the night, that is the Eutaw District.
Concept Principals and Features

The Eutaw District’s land use pattern encourages and supports bus and rail transit ridership and creates an integrated, efficient, multi-modal circulation system. It envisions a community of complementary parts that function to foster human interaction and create an inviting, pleasant, and high quality urban environment. Stated simply, the Eutaw District is based on four key elements: Neighborhoods, Environment, and Transportation, sensitively orchestrated to create a successful TOD.

Transit Oriented Development

Transit Oriented Development (TOD) – the stated focus of this effort - is moderate to higher density development, located within an easy walk of a major transit stop, generally with a mix of residential, employment and shopping opportunities, designed for pedestrians without excluding the automobile. TOD can be new construction or redevelopment in which community design and orientation encourage and facilitate transit use. Parking design and management is especially important to the success of any TOD, to manage its function, visual appearance and financial requirements. TOD design is evident in the following Eutaw District features:

- A variety of uses integrated into one compact area;
- Building orientation towards adjacent streets and transit facilities;
- Small block sizes; and
- Parking in structures, behind buildings, and on-street.
Neighborhoods

Neighborhoods are essential to the Eutaw District. Definable neighborhoods encourage citizens to take responsibility for their governance, maintenance and evolution. Generally, they should be compact, mixed-use and pedestrian friendly so that many activities of daily living are within close proximity. Safe, comfortable, and interesting, they are defined as much by the quality of their open spaces as by the quality of their buildings. In order to achieve strong neighborhoods, the following features are proposed:

- A wide range of housing choices to serve diverse populations and needs, including townhomes, live/work lofts, and high-density mid-rise apartments and condominiums; and
- Family-friendly features, including on-site childcare and recreational courtyards.
- A rebirth of architectural excellence in projects that focus on creating continuity, human scale and pedestrian activity;
- A performing arts theme hotel that anchors and enhances adjacent cultural institutions;
- Ground floor retail in office and mixed-use buildings to serve both local and regional needs, including a modern neighborhood supermarket;
- Entertainment attractions, such as a cineplex, cafes and performance venues, ensuring the area is active at night;

Environment

Natural features and processes, including: air and water quality, wildlife habitat, parks, recreation and public open space are all part of the urban natural environment. Planning and development that respect the environment can significantly improve quality of life. Squares, gardens, tot lots, sports fields and dog parks are neighborhood amenities that bring nature into the city. Parks and open spaces also create neighborhood focal points and help reinforce neighborhood boundaries. By linking parks and open spaces, desirable pedestrian routes are created, connecting neighborhoods to significant destinations and each other. In order to achieve a healthy environment, the following concept features are proposed:

- A significant public plaza at the Metro entrance;
- A three-acre regional park with playing fields, and dog-friendly area;
- A linear green street (“Green Necklace”) linking the Eutaw Place medians and the Washington Monument; and
- “Green” buildings using construction methods, such as vegetated roofs, drought tolerant landscaping, bio-swales, and non-toxic and/or sustainably harvested materials create a better
Development Concept

living and working environment both indoors and out. Quickly becoming standard industry practice due to cost effectiveness and ability to provide environmental benefits, it is proposed that new development meet US Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) certification requirements.

Transportation

Transportation elements - especially streets - provide the organizing structure of a community. The best streets are places of shared use that balance the needs of pedestrians, bicycles and vehicles. When properly designed and constructed, they facilitate independent mobility for all residents - especially important to the young, the elderly and persons with disabilities. Well-designed streets are also beautiful as well as functional, and provide a graceful setting for a community’s architecture.

Bio-swales capture stormwater and can be attractive landscape amenities.

Sustainable landscape design, such as the use of bio-swales and native plants can provide aesthetic and environmental benefits.
Development Concept

To achieve a balanced transportation system, the Eutaw District will include:

- Rail transit stations that are physically and visually linked to one another and that portray a sense of arrival and activity through architecture and landscaping;
- Streets as places of shared use, including improvements such as landscaping, street trees, sidewalk widening, attractive pedestrian-scaled lighting, street furniture and clear, well-organized signage;
- Reconfiguration of major automobile thoroughfares into boulevards, allowing traffic to coexist with pedestrian-oriented development;
- Well defined pedestrian thoroughfares, including a connection from Penn Station to Pennsylvania Avenue along West Preston Street;
- Concentrating commercial parking into structures and locating residential parking behind buildings to improve the pedestrian streetscape;
- Reconfiguration of Dolphin Street to reflect the historic grid, improving access and intuitive orientation for pedestrians and all modes of transportation; and
- Reconfiguration of the intersection of MLK Boulevard and Howard Street.
Development Concept

LAND USE PLAN

HIGH
MEDIUM
LOW DENSITY
HSG
COMMERCIAL
OFFICE
INSTITUTIONAL/CULTURAL
PARK/OPEN SPACE
MIXED USE
LRT STATION
MRT STATION

DAY 5
Development Concept

Land Use

The Eutaw District embraces all of the principles of transit-oriented development while addressing site-specific qualities and assets. Included in the district are: high-quality workforce and market-rate housing, office space, retail uses, culture and entertainment destinations; all of which are connected by attractive and well-utilized pedestrian and transit network. The result is a mixed-use, mixed-income area that seizes the opportunities afforded by existing development to create a sustainable neighborhood.

Higher density housing, commercial and office land uses are concentrated in the center of the district and along Martin Luther King Boulevard. In the core of the district, residential and employment mixed-use buildings line Eutaw and Preston Streets. Medium and low density housing as well as institutional and cultural land uses surround the center of the district. Mixed-use development is also proposed along Pennsylvania Avenue at the southwestern edge of the district.

Parking is concentrated in four parking structures, located near the northeast edge of the district and the Cultural Core. They are designed to serve the entire district, rather than individual commercial, residential or office buildings. They are located within a 5-minute walk of the district’s core, connected by an enhanced pedestrian network.
Development Concept

Circulation
- Local Roads
- Collectors
- Pedestrian Emphasis
- Arterials
- LRT
- Metro Station
- 1/4 mile radius from Transit Station
- Core Study Area
Circulation

The success of the Eutaw District is inextricably linked to transportation. Although traffic congestion in the city will continue to increase, the majority of trips to and from the district will remain auto-dependent. Finding a peaceful coexistence with the automobile will be crucial and only achieved by providing a balanced system that offers residents and visitors alike the choice of auto, transit, bicycle or pedestrian access. While travel by automobile is essential to the vitality of the district, poorly planned streets and/or parking facilities can create a level of inconvenience that will deter shoppers, art patrons and other visitors.

The creation of an accessible and attractive transportation system benefits the district and surrounding neighborhoods in two ways:

- Superior accessibility to the district – with a combination of street, transit, bicycle and pedestrian improvements, the district can enjoy substantial accessibility advantages.
- Superior accessibility within the district – regardless of how visitors get to the district, or for those who live in the district, being able to walk easily and safely to multiple destinations is a necessity.

Street Network

A return to the historic street grid is proposed to encourage walking, biking and transit use and to provide better connectivity. Research and experience indicates that street patterns can greatly influence travel behavior. Residents in communities with a tight grid of streets and a mix of land uses walk more, use transit more, and take up to half as many automobile trips than those in a typical suburb of disconnected streets and uses. Measures that reduce the number of automobile trips, such as the reinstatement of the street grid, will help ease congestion and improve traffic flow. These include:

- The curved section of Dolphin Street, west of Howard, will be removed to reinstate perpendicular street geometry at the critical intersection of Preston and Howard.
Development Concept
Development Concept

- Order is created at the intersection of North Howard Street and Martin Luther King Jr. Boulevard by widening the block of Chase Street between Howard Street and Park Avenue to accommodate two-way traffic and then eliminating the one-way westbound segment of Martin Luther King, Jr. Blvd. east of Howard Street. This will allow for a more organized traffic flow and better pedestrian crossing supporting revitalization of North Howard Street as a pedestrian-oriented boulevard connecting to the Cultural Core.

Transit

The concentration of land uses in the core of the Eutaw District will be within easy walking distance of the Cultural Center and State Center rail transit stations, as well as several bus lines, making transit a viable option for residents and visitors to the district. Not only do the land uses and street network facilitate the ease of using transit, but the existing stations will be enhanced to ensure that people have a safe, efficient and pleasant experience.

The Metro station will be an architectural jewel set in the dynamic Plaza ‘D Art heightening the sense of arrival for transit users arriving, departing, or transferring to one of the many transit routes that converge here. The Cultural Center LRT stop will be reconstructed as a full-fledged station noted for its innovative design. The stations will appeal not only to the eye, but to all of the senses: they will be tactile, auditory and fully accessible to persons with disabilities. They will become the gateways to this new and dynamic destination.

Together, the increased walkability of the district and the welcoming design of the transit stations should entice new visitors to use the transit system and encourage continued use for repeat trips to and from the district.
**Pedestrians, Bikes and the Public Realm**

Once people arrive in the district, they need to be able to easily walk to any destination. West Preston Street will be restored and enhanced as a pedestrian-oriented route that links Penn Station to Pennsylvania Avenue and allows easy access to and through the site upon arrival from other regional destinations. Several pedestrian oriented streets link the area’s open spaces including a “green necklace” that extends from Eutaw Street to the Washington Monument.

Making the district pedestrian-friendly requires designing buildings and streets to be pleasant and safe. Retail streets need to be a continuous line of stores that entice the shopper to continue along the street. Attractive streetscape designs should unify the district with distinctive lighting, benches, plantings and other public amenities that enhance the quality of the environment and encourage use day and night.

Incorporating the needs of bicyclists will also be important. Key streets are envisioned as including striped bike lanes and will provide the primary bicycle connections. Other streets will accommodate bicycle traffic through shared travel lanes. This network will connect to the existing Jones Falls Bikeway. Bicycle parking will include bike racks, lockers, and will be incorporated in parking structures.

Destinations should draw people to explore the area on foot. Pleasant neighborhood streets will link the ‘Plaza D’Art’ to surrounding communities. Local residents and visitors will be drawn to the nearby attractions along the District’s tree-lined streets. The restored sidewalks will provide connections to regional destinations including nearby university and college campuses and Maryland General Hospital.
Public gathering places will comprise several key destinations in the District:

- The ‘Plaza D’Art’ at the center of the Cultural Core will be an important junction where the District’s functions come together. The Plaza will encourage people to gather both day and night, activated by a hotel, restaurants and artist venues.
- A strengthening of connections between the Meyerhoff Symphony, Lyric Opera and other venues.
- At the intersection of Howard Street and Martin Luther King Jr. Boulevard, a spacious public plaza provides a gateway to the District from the East and includes eye-catching art and an information/orientation center with box office.
- A three-acre park with play fields, dog run, skate park, and arboretum serves as the centerpiece of the reborn McCulloh Homes community.
- The dignity and grace of the existing Eutaw Place park medians extend through the District, by way of careful streetscape design, creating a pedestrian link to the Washington Monument.

Left: Illustration of Preston street spine linking Pennsylvania Ave to Penn Station. Above: Example of pedestrian linkage
Parking Strategy

Reducing automobile dependency, a basic principal of TOD, requires minimizing and consolidating parking. A viable, comprehensive parking management program for commercial and residential development will be essential to the Eutaw District’s success. The program must consider and include three key features:

1. **Increased transit use.** The two rail transit stations located on the site will serve the increased numbers of employees, residents and visitors that utilize the new development. It is anticipated that a number of the new residents will work in nearby areas connected to the State Center Complex by LRT or Metro. In addition, the marketability of the area as a bedroom community for the DC Metro Area, coupled with the site’s proximity to Penn Station, will facilitate use of commuter rail.

2. **Reduced vehicle use.** TOD allows people living and working in the District to walk, bike or use transit to satisfy many of their daily needs, thus reducing auto use and the corresponding demand for parking.

3. **Shared parking.** Land uses with different peak parking demand periods can share the same parking spaces over a longer period of each day. For instance, a movie theater primarily needs parking in the evenings and on weekends, while an office chiefly requires daytime weekday parking. The concentration of cultural activities and office space in close proximity to one another facilitates shared parking, reducing the need for individual parking for each use.

Due to the region’s existing reliance on the use of automobiles, it is recommended that adequate parking remain available until the plan area has established itself and the benefits of the TOD are apparent. The parking strategy will work in accordance with the TOD strategy as whole; existing land used for parking will become more valuable and converted to development as the benefits of TOD become more established.
Core Areas

- Core Study Area
- LRT Station
- Metro Station
Core Areas
Several core areas emerged from the planning and design process. These areas are key neighborhoods and/or vibrant corridors that attract pedestrian- and transit-oriented activity. Each is integrated with the overall urban environment, complementing one another and promoting long-term sustainability.

Cultural Core
The core of the Eutaw District is bound by two rail transit stations and features the highest density of development. Designed to be active both day and night, there is an intense mix of offices, high-density housing, a Cineplex, ground floor retail, new supermarket, restaurants and cafes, shops, and specialty stores, such as a bookstore. A new hotel will serve the many visitors of the local cultural and institutional venues. These lively uses surround a large urban plaza, the ‘Plaza D’Art, that accommodates a variety of public uses throughout the year.

McCulloh Village
The aging buildings of McCulloh Homes will be reborn as a new mixed-density, mixed-income and amenity-rich residential community oriented to urban and family life. The new housing will allow existing public residents to remain and enjoy new family housing with private yards; seniors and the disabled will also benefit from modern, accessible homes. New housing choices will attract both renters and owners establishing a diverse, mixed-income neighborhood. Varying building typologies will create a transition from the activity of the center’s core to the residential focus of the village.
Development Concept

New buildings stress a vertical integration of uses, with offices or residential above and neighborhood amenities at street level such as: day care, a dry cleaner, a health club and a grocery store. Nearby, the original structure of the historic Briscoe School will be renovated into lofts to provide housing options for young professionals. Mixed-income units offering both workforce and market-rate housing will be dispersed throughout the village and include housing types such as: townhouses, both traditional and one-over-one; loft (live/work style) units; and apartments.

Howard Street and MLK Boulevard.
The Howard Street and Martin Luther King Jr. Boulevard corridors will be revitalized through commercial and residential redevelopment. Building activity will open onto the street, providing a lively streetscape for pedestrians and motorists.

Sidewalks will be enhanced for pedestrians to stroll and browse the numerous stores on Howard Street’s Antique Row. As Maryland General Hospital continues to grow, new building additions will be more open and oriented towards adjoining streets, encouraging more visual and functional integration with adjacent uses.

Development Program

<table>
<thead>
<tr>
<th>Use</th>
<th>Existing Development</th>
<th>Total Development</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>State Center &amp; McCulloh</strong></td>
<td><strong>Eutaw District</strong></td>
</tr>
<tr>
<td>Office</td>
<td>1.2 million sq. ft.</td>
<td>1.1 million sq. ft.</td>
</tr>
<tr>
<td>Institutional</td>
<td>0 sq. ft.</td>
<td>63,000 sq. ft.</td>
</tr>
<tr>
<td>Retail, Culture</td>
<td>1000 sq. ft.</td>
<td>630,000 sq. ft.</td>
</tr>
<tr>
<td>&amp; Entertain.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential</td>
<td>970 dwelling units</td>
<td>3,200 dwelling units</td>
</tr>
<tr>
<td>Hotel</td>
<td>0 rooms</td>
<td>200 rooms</td>
</tr>
<tr>
<td>Parking</td>
<td>est. 2,500 spaces</td>
<td>5,500 spaces</td>
</tr>
</tbody>
</table>
Development Concept

Mixed-use building incorporating ground floor retail, office space and residential

Building Typologies

**Mixed-use buildings** typically combine residential units or offices over shops, restaurants, community or recreational uses. Successful, vertically mixed-use buildings typically:

- have separate entries for upper story uses so that they do not break up the ground floor retail continuity;
- provide secure parking areas for residential tenants;
- position service and rubbish areas to the rear and mitigate any adverse noises or smells;
- provide adequate sound insulation between uses; and
- vent pollutants, such as parking garage exhaust, away from housing.

**Townhouses** are single-family dwelling units, typically two stories in height, that are attached to three or more similar dwellings. Residents typically own the lot on which the townhouse is located. Townhouses generally have both a front and back yard, with parking contained behind or within the building.
Development Concept

Mixed-use apartment building

One-over-one townhouses are attached multiple-family units that are two stories or more in height. Each one-over-one townhouse is comprised of a single-family townhouse that is located either above or below another single-family townhouse. The typical one-over-one townhouse can be:

- a two-level unit over a one-level unit;
- a one-level unit over a two-level unit; or
- a two-level unit over a two-level unit.

Each dwelling unit has its own separate entryway and address.

Apartments are single-family dwelling units that are attached, both vertically and horizontally, to other similar units in a multi-family residential building. All apartments in a building typically share a single entrance on the ground floor.

Live/work lofts are condominiums that typically have high ceilings and open floor plans. These “work at home” units accommodate residential and commercial uses in a single space.
Key Findings

The proposed development program exceeds $1 billion over four phases, and creates approximately:

- 1.1 million square feet of new or rehabbed office space (with approximately half of that consisting of continued tenancy by State agencies).
- 630,000 square feet of new retail and entertainment uses, including a new 200-room hotel.
- 3,200 new residential units that include townhouses, condominiums, and apartments, with 10 percent of new units, excluding the McCulloh Homes site, at below-market rates.

The Strategy calls for McCulloh Homes to be redeveloped to better meet the needs of its residents and enhance new residential and commercial development on adjacent blocks. McCulloh Homes would become a mixed-income, mixed-tenure community, with units for residents who wish to remain.

- Approximately 100 units of the new or renovated rowhouses already planned by the City for the Upton neighborhood would be made available to interested McCulloh Homes residents.

There is an approximately $81 million feasibility gap for all four phases. Public financing sources are needed to close this gap and make new development possible. The feasibility gap is primarily due to the high costs associated with redevelopment of McCulloh Homes and its replacement housing.

- Redevelopment of State-owned property is feasible overall as well in each of the phases, except for the first phase that has a $4.2 million gap due to up-front infrastructure costs.

New development, and adding State- and HABC-owned property to the property tax rolls, means that it is feasible to finance $81 million in Tax Increment Finance (TIF) bonds to close the feasibility gap, while still generating close to $10 million in additional annual property tax revenues for the City.
Feasibility Analysis and Economic Benefit

Phasing Legend
- Phase 1
- Phase 2
- Phase 3
- Phase 4

LRT

Core Study Area
Methodology & Limitations

BAE separately tested the financial feasibility of the current development program by phase for property owned by: (1) the State; (2) HABC; and (3) other property owners as a group. Static pro-formas by product type, ownership and project phase calculated the cost to develop, required project return and potential feasibility gap. Infrastructure improvement costs were allocated by ownership and phase. Reduced parking requirements were identified using shared parking arrangements based on complementary peak demand periods for mixed-use development.

The financial analysis as presented is based on a conceptual development program. It should be expected that the pro-formas will need to be revised as the objectives and requirements of each of the three ownership entities is refined, and work to implement the TOD Strategy proceeds. Changes in market conditions or cost assumptions will also affect the validity of our findings.

Development Program

Table 1 summarizes the overall development program for all three of the ownership entities (State Center, HABC, other property owners):

<table>
<thead>
<tr>
<th>Commercial - Sq. Ft.</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase3</th>
<th>Phase4</th>
<th>All Phases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>359,000</td>
<td>332,000</td>
<td>134,000</td>
<td>312,000</td>
<td>1,137,000</td>
</tr>
<tr>
<td>Institutional</td>
<td>24,000</td>
<td>16,000</td>
<td>0</td>
<td>23,000</td>
<td>63,000</td>
</tr>
<tr>
<td>Retail/Entertainment</td>
<td>68,000</td>
<td>220,000</td>
<td>320,000</td>
<td>22,000</td>
<td>630,000</td>
</tr>
<tr>
<td><strong>Total Square Feet</strong></td>
<td><strong>451,000</strong></td>
<td><strong>568,000</strong></td>
<td><strong>454,000</strong></td>
<td><strong>357,000</strong></td>
<td><strong>1,831,000</strong></td>
</tr>
<tr>
<td>Residential - Units</td>
<td>647</td>
<td>673</td>
<td>1,071</td>
<td>772</td>
<td>3,163</td>
</tr>
</tbody>
</table>

Source: Parson’s Brincherhoff; Bay Area Economica (BAE), 2005

Important assumptions for the development program include:

- Office development is split approximately 50/50 between rehabilitation / replacement of existing State Center office buildings with continued occupancy by State agencies, and construction of new office buildings. The total net increase in office use is no more than 600,000 square feet.
- State office buildings with continued State use are fully renovated or replaced by private developers through use of a capitalized lease or other technique that preserves State ownership.
- Residential development includes a mix of various types of townhouses, condos, and apartments. The residential development program includes both for-sale and rental residential. Approximately 10 percent of the units in the State Center and “Other” areas are below-market rate units.
• McCulloh Homes is replaced by a mixed-income, mixed-tenure community. Replacement on-site housing will be provided for existing McCulloh Homes residents who wish to remain. Slightly more than 100 residents will be housed in the Upton neighborhood in new or renovated row houses that are part of the City’s already planned redevelopment for this area.

This development program was used to estimate “hard” construction costs based on 2005 data from R.S. Means Company. BAE calculated typical “soft” development costs based on industry standards, including typical City fees. Infrastructure costs, including new roads and utilities, as well as demolition of existing structures, were based on estimates for each ownership entity by phase by PB Placemaking. A summary of total infrastructure costs, by phase, is presented in Table 2:

Table 2: State Center TOD Strategy Infrastructure Costs by Phase

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Maryland</td>
<td>$13,461,379</td>
<td>$8,143,882</td>
<td>$29,116,919</td>
<td>$17,892,777</td>
<td>$47,000,966</td>
</tr>
<tr>
<td>HABC</td>
<td>$258</td>
<td>$252</td>
<td>$320</td>
<td>$168</td>
<td>$998</td>
</tr>
<tr>
<td>Other Properties</td>
<td>$62</td>
<td>-</td>
<td>$388</td>
<td>$351</td>
<td>$801</td>
</tr>
</tbody>
</table>

Source BAE, 2005

Since the cost of parking has a significant impact on project feasibility, BAE evaluated options to reduce the required parking for the project. The City has low parking requirements; BAE assumed higher ratios that correspond to other TOD projects and would be likelier to meet developer and lender expectations. The parking ratio per 1,000 square feet for office is 2.0 spaces, for retail 2.5 spaces, for entertainment uses 4.0, and for residential one space per unit. The resulting requirement was then adjusted because of the parking efficiencies possible in mixed-use projects (e.g. daytime office parking can be used by entertainment uses in the evening). This resulted in the following parking requirements shown in Table 3:

Table 3: State Center TOD Strategy Parking Program by Phase and Existing Ownership

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Maryland</td>
<td>1,220</td>
<td>1,235</td>
<td>699</td>
<td>801</td>
<td>3,955</td>
</tr>
<tr>
<td>HABC</td>
<td>258</td>
<td>252</td>
<td>320</td>
<td>168</td>
<td>998</td>
</tr>
<tr>
<td>Other Properties</td>
<td>62</td>
<td>-</td>
<td>388</td>
<td>351</td>
<td>801</td>
</tr>
</tbody>
</table>

Total Spaces 1,540 1,487 1,407 1,320 5,754

Notes: Includes shared parking assumption for retail uses.

Source BAE, 2005

This analysis assumes implementation of a “parking district” or other management entity to coordinate sharing of parking between different areas and property owners.
Pro Forma Analysis and Feasibility Gap

Using current market rents and sales prices, except as noted below, BAE prepared separate pro-formas for each ownership entity by phase showing the difference between the value of each ownership entity’s completed project and its total cost to develop, including land acquisition and developer profit. If the value is less than development cost (i.e. negative), there is a feasibility gap and a project will likely not be built without some form of public support (positive values mean that there is excess profit above the level typically required to attract developer interest). The pro-forma analysis is summarized in Table 4:

Important assumptions for the pro-forma analysis include:

- Office rents are assumed to be $28 per square foot per year, full service gross. This is above current market levels, but the higher figure was assumed because (1) it is necessary for new development to occur; and (2) office rents are likely to rise to this level by the time projects are ready to proceed. If these assumptions do not hold, office development can be delayed to future phases.

- Replacement parking spaces used by State employees generate the same $65 per space per month in parking revenues charged to other office tenants. This amount could either be paid by State employees using parking, or by the State on the employees’ behalf.

- There is an assumed 10 percent increase in market-rate sale prices and rental rates by Phase 2, reflecting the increased value generated by TOD, as shown in studies of completed TOD projects throughout the U.S.

- Developers are assumed to purchase (or ground lease) land for projects from the State, HABC, and other property owners at an average land value of approximately $30 per square foot.

- McCulloh Homes is redeveloped through use of HUD Section 8 project-based assistance and does not require financial contributions from HABC. This technique has been used to redevelop public housing in a number of other cities.

Table 4: State Center TOD Strategy Summary of Project Returns by Existing Ownership and Phase

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Surplus or Value</td>
<td>Surplus or Value</td>
<td>Surplus or Value</td>
<td>Surplus or Value</td>
<td>Surplus or Value</td>
</tr>
<tr>
<td>HABC</td>
<td>$68,912,249</td>
<td>$(27,621,1222)</td>
<td>$19,211,985</td>
<td>$(25,378,317)</td>
<td>$18,857,322</td>
</tr>
<tr>
<td>Other Properties</td>
<td>$13,637,213</td>
<td>$1,554,337</td>
<td>$116,789,373</td>
<td>$1,653,461</td>
<td>$91,246,449</td>
</tr>
<tr>
<td>Total</td>
<td>$(30,248,7777)</td>
<td>$(15,085,820)</td>
<td>$(23,786,865)</td>
<td>$(11,64,466)</td>
<td>$80,766,937</td>
</tr>
</tbody>
</table>

Source: BAE, 2005
Feasibility Analysis and Economic Benefit

The pro-forma analysis results in the following conclusions:

- The total value of new development is slightly more than $1 billion. However, the TOD Strategy has an overall feasibility gap of slightly less than $81 million spread over four phases. The largest gap is in the first phase. Without some type of public assistance, this new development is unlikely to occur.

- Redevelopment of State-owned properties is feasible in Phases 2 through 4 without financial assistance to developers from the State or the City. However in Phase 1 there is a feasibility gap of approximately $4.2 million because of up-front infrastructure costs.

- The biggest feasibility gap is associated with redevelopment of McCulloh Homes, at approximately $105 million. One key to making the TOD Strategy work is to find a way to transfer the approximately $24 million in extra value from State Center and other properties to the HABC site.

Sources of Public Subsidy

The City has long-standing experience with using Tax Increment Finance (TIF), which uses the additional property taxes created by new development, after deducting increased costs for additional public services, to repay TIF bonds that help finance development costs. Another commonly used technique is Payment in Lieu of Taxes (PILOT) that gives developer property tax breaks for a negotiated amount and time period to make new development more feasible.

The use of Tax Increment Financing (TIF) is particularly appropriate for projects with high infrastructure costs (including parking) or projects that create significant public benefit. While this funding source is recommended as the primary method to support the program, the City can ultimately use a combination of TIF and PILOT to make new development feasible.

BAE used current property tax rates and assessed values to analyze the feasibility of using TIF bonds to cover the feasibility gap associated with the new development called for in the TOD Strategy. The results of this analysis is presented in Table 5:
Table 5: State Center TOD Strategy Estimated Supportable TIF Bonds by Phase and Ownership

<table>
<thead>
<tr>
<th></th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Center</td>
<td>$162,522,095</td>
<td>$177,065,842</td>
<td>$176,615,439</td>
<td>$100,392,918</td>
<td>$645,801,864</td>
</tr>
<tr>
<td>HABC</td>
<td>$40,430,020</td>
<td>$19,211,985</td>
<td>$18,857,322</td>
<td>$22,635,631</td>
<td>$106,660,223</td>
</tr>
<tr>
<td>Other Properties</td>
<td>$23,808,000</td>
<td>$ -</td>
<td>$17,624,682</td>
<td>$84,711,898</td>
<td>$132,051,609</td>
</tr>
<tr>
<td><strong>Total Estimated Assessed Value</strong></td>
<td>$226,760,115</td>
<td>$196,277,827</td>
<td>$213,097,443</td>
<td>$194,726,447</td>
<td>$884,513,696</td>
</tr>
<tr>
<td>Less Current Assessed Value</td>
<td>$2,058,000</td>
<td>$ -</td>
<td>$ -</td>
<td>$13,014,000</td>
<td>$15,072,000</td>
</tr>
<tr>
<td><strong>Net Increase Assessed Value</strong></td>
<td>$224,702,115</td>
<td>$196,277,827</td>
<td>$213,097,443</td>
<td>$194,726,447</td>
<td>$869,441,696</td>
</tr>
<tr>
<td>Supportable TIF Bonds</td>
<td>$47,954,999</td>
<td>$47,606,121</td>
<td>$47,010,308</td>
<td>$32,846,562</td>
<td>$175,417,989</td>
</tr>
<tr>
<td>TIF Bonds Used for Feasibility Gaps</td>
<td>$(30,248,777)</td>
<td>$(15,085,828)</td>
<td>$(23,786,865)</td>
<td>$(11,645,466)</td>
<td>$(80,766,937)</td>
</tr>
<tr>
<td>Surplus TIF Bond Capacity</td>
<td>$17,706,222</td>
<td>$32,520,292</td>
<td>$23,223,442</td>
<td>$21,201,096</td>
<td>$94,651,052</td>
</tr>
<tr>
<td><strong>Net Available Tax Increment (c)</strong></td>
<td>$1,869,777</td>
<td>$3,434,143</td>
<td>$2,452,396</td>
<td>$2,238,836</td>
<td>$9,995,151</td>
</tr>
</tbody>
</table>

Notes

(a) Includes the following assumptions:

- Dept to Coverage Ratio: 1.20
- Interest Rate / Loan Constant: 5% 8.0%
- Underwriting & Insurance Fees: 10%
- 20 year term with semi-annual payments, provides a dept constant of 8.0%

(b) Assumes use of project-based Section 8 vouchers, resulting in the property returning to the tax roll.

(c) Property tax revenues not obligated to repay TIF bonds that is available for other purposes.

Source BAE, 2005
The conclusions from the TIF analysis include:

- The conversion of much of the State-owned and HABC property to new development that pays property taxes is a key factor in generating an increase in assessed values of well over $800 million.

- This in turn would potentially support more than $175 million in TIF bonds, considerably more than the approximately $81 million needed to close the identified feasibility gap.

- The amount of TIF financing required by phase range from just over $30 million in Phase 1 to nearly $12 million in Phase 4.

- Even after deducting the cost of TIF bond debt service, the City would still generate nearly $10 million in annual new property taxes at full build-out of the TOD Strategy.

It should be noted that an important goal for redevelopment is to strengthen local markets so that less public assistance is needed in later phases. Thus, the eventual total TIF bond requirement may be considerably less than the identified $81 million.
Challenges Presented by the Strategy

The State Center TOD Strategy outlines how a 110-acre area in the center of Baltimore can be revitalized to stimulate economic development, increase employment, provide a diverse range of housing options, and enhance local fiscal revenues. The Strategy will catalyze development of a new thriving mixed-use neighborhood that is integrated with and supports adjacent neighborhoods. The proposed development program will attract substantial new private investment to the area, and sufficient new revenues to repay required supporting public investment.

The Strategy, while feasible from a market and financial perspective, still faces significant hurdles that must be addressed before it can be successfully implemented. These include:

- **Multiple Institutional Owners** – The State of Maryland and the Housing Authority of Baltimore City own a majority of the land in the study area. These agencies have their own mandates and institutional objectives that do not necessarily mesh with market considerations or investor expectations. The plans and actions of other large land owners in the area, such as the University of Maryland and the Baltimore City Public School System, also affect this Strategy. Coordination of decision-making by these institutional owners is necessary for the Strategy to succeed.

- **Creative Financing Techniques** – The financial analysis shows that there is a need for significant public investment to fund infrastructure and capital improvement costs. Although many of the funding sources appear to be potentially available, efforts will be required to obtain them, as well as determine the optimal mix of TIF bonds, Payments-in-Lieu of Taxes (PILOT), and other potential City, state, and federal funding sources.

- **Parking Management** – The Strategy calls for more parking to be provided than is required by City codes to meet investor expectations and lessen potential impacts. At the same time, it assumes that the various uses and their locations can be chosen to offset peak parking requirements and reduce the number of needed spaces. The phasing and operation of parking will require careful coordination by an experienced and empowered entity.

- **Need for Innovative Partnerships** – The institutional, financing, and parking challenges, as well as overlapping City and State jurisdictions suggest the need for an innovative approach to implementation of this TOD Strategy.
Eutaw District Development Corporation

Baltimore has an extensive and successful history in using a variety of dedicated district-based public benefit corporations to stimulate revitalization of defined areas, as well as provide enhanced services through improvement districts and other supporting activities. Notable examples include the Charles Street Development Corporation; Westside Renaissance; Downtown Partnership; Midtown Community Benefits District; and Mount Vernon Cultural District, among others.

Because of the unique issues associated with current ownership patterns, the Strategy recommends the creation of a new public benefit corporation, the Eutaw District Development Corporation. Its members would include all of the landowners within the study area, as well as other property-owning educational and other institutions adjacent to the area with a stake in the revitalization of the area. The purpose of this new corporation would include:

- Facilitate Policy Goals – The new entity will need to facilitate and coordinate the diverse policy goals and objectives of its members while enabling them to realize maximum benefits from their properties and promote successful realization of the Strategy.

- Provide Expertise to Lead the TOD Strategy to Fruition – Staff with expertise in TOD and urban revitalization through mixed-use development is needed to enhance the capabilities of each of the member organizations and balance public and institutional interests.

- Coordinate Public Investments, Secure Debt, and Other Financing – A distinct entity will be best positioned to work with the Baltimore Development Corporation to arrange TIF bonds and PILOTs, secure additional debt and grant financing sources from City, State, and federal sources, as well as potentially receive tax surcharges to support additional services in the area.

- Attract Private Investment – This is vital for implementation of the Strategy, and will require a combination of planning, marketing, and facilitation activities.

There are a variety of options for how the Eutaw District Development Corporation could be organized. The potential members of this new entity, with leadership from the City and State, should convene a stakeholder committee as soon as possible to work through these choices and decide on how the new entity should be incorporated and governed. This will also require the provision of “seed money” from the stakeholders for the Corporation’s start-up.
Urban Design Principles

The design of buildings and streets between them create the identity and quality of a place. A combination of good design, durable materials and a commitment to long-term maintenance will be critical to the success of the Eutaw District. Although the following section does not provide definitive design guidelines, it does provide an overview of the type of details that will require thoughtful consideration.

Positive Outdoor Space
Buildings must define and shape outdoor spaces. Some considerations include:

- Providing enclosure;
- No ‘left over’ spaces – every space has a purpose;
- Create common “build to” lines;
- Define character, such as “informal recreation” or “formal civic space”;
- Buildings that front the public realm.

Animated Edges
Public spaces function successfully when the building edges that define them, contribute to the overall activity within the space. Some considerations to create active public spaces include:

- Activate building frontages;
- Articulate facades to reflect human scale;
- Include views into and out of buildings;
- Orient the most active building functions prominently along the street edge;
- Respect neighboring buildings;
- Reflect local building traditions; and
- Create building facades that are attractively detailed when viewed close up as well as from a distance.
Building Size and Scale

A building’s height, depth, width and corner treatments all need to be carefully planned to be compatible with their neighbors and to create positive pedestrian spaces between. Considerations include:

- Use building height to signify important focal or activity areas, such as the ‘Plaza D’Art’;
- Medium-rise buildings typically provide optimum urban form and enclosure;
- Wrap large, utilitarian buildings, like parking garages, with thin ‘liner’ buildings that contain active ground floor and upper-story uses;
- ‘Step down’ large building masses to blend with smaller neighboring buildings;
- Focus on the ground level most relevant to pedestrian experience to make it as active and interesting as possible;
- Avoid overly deep building dimensions, they reduce the opportunity for naturally lit and ventilated spaces; and
- Celebrate important corners with prominent architectural treatments.

Adaptable Building Form

If consideration is given to the need for buildings to change use over time, then form becomes more important than function. For example:

- Most uses are compatible side by side, especially with the advent of cleaner technologies;
- Flexible building spaces allow for a variety of use and response to changing market conditions;
- Buildings should be physically accessible to everyone; and
- Building ‘preservation’ sometimes means ‘adaptive reuse’.
Public Realm
Social interaction is encouraged by comfortable and stimulating streets and open spaces. Considerations include:

- Balance active focal areas with quite zones for rest and people watching;
- Open spaces need to be visible with views across;
- Provide seating area choices;
- Take advantage of solar orientation;
- Consider the needs of all users, including children, the elderly and physically impaired;
- Activate spaces with programming and events; and
- Recognize natural, pedestrian desire lines.

Safety
Vital to the success of any urban environment are safety and security. The creation of lively, urban areas which are easy to overlook and oversee, have been demonstrated as the most effective measures for community safety and crime prevention. Safety consideration should include:

- Ensuring natural surveillance and human presence;
- Providing safe routes that minimize conflict;
- Designing in community ‘ownership’ of public spaces;
- Creating physical security measures that are ornamental in their design; and
- Exits and entries to buildings should be visible and easily monitored.