

923 S. East Avenue

Options

1) Do nothing

Jubilee did not study this option

2) Sell the building

Jubilee did not study this option

3) Develop building for rental

Advantages

- Lower risk
- Small Cash flow
- Federal Tax Credit
- Church remains owner of building
- Church retains control of bell tower, has community space, has cell tower proceeds
- Possible State Credits (not guaranteed)
- Quicker turnaround relative to condos

Disadvantages

- Lower projected return than condos
- Likely battle with community over parking. Parking variance needed and difficult to get.
- Building will not get repaired
- Little control over tenants

4) Develop building for condos

Advantages

- Likely Higher Return
- Building completely repaired and upgraded
- More winnable battle over parking
- City tax credit likely

Disadvantages

- Riskier
- Lose control of building (bell tower, cell tower, community room)
- Probably no state or definitely no federal tax credit
- Longer project than rental

Questions

Why does Jubilee recommend a condominium project over a rental project?

Jubilee believes a rental project has the advantage of having the church retain control of the property. However, Jubilee believes the parking situation makes rentals infeasible. Zoning requires one designated space per unit. The revenue for rentals will not cover the cost of building interior parking. If there were 7-10 rentals in the building, the neighborhood would assume they were getting 10-20 more cars on the street. We think the neighborhood would not accept this and getting a city zoning parking variance would be unlikely. If the church knows of a place where potential tenants could park offsite nearby, that would make a rental project more feasible. An upscale condominium project, we believe could support interior parking and would generate lots of tax dollars, which makes the project more likely to be accepted by the community and by the city, if a small variance is needed.

Why does Jubilee not recommend senior housing?

The building is too small to receive the type of financing needed to make senior housing work. The margin of return would not benefit the coffers of the church.

Why does Jubilee recommend that the condominium project assume control of the bell tower?

Jubilee believes that the individual rooms within the bell tower are charming and would be very useful spaces within the condominiums as small offices or computer rooms. This would improve the condominiums sale value and return more dollars to the church. Also, the bell tower would make the condominium more unique among its competitors, which would help sales. If the bell tower were to remain in the church possession and the bells rung, it detracts from the marketability of the project. Some people simply would not buy a condominium knowing that bells will be ringing or it could become an issue of contention moving forward. The condominium could also be concerned about maintenance. If the bell tower and steeple were not properly maintained in the future the condo owners would suffer by not controlling it. Lastly, for the church to have access to the bell, a series of ladders would need to be created from the bottom floor with holes punctured in the concrete floor levels two, three, and four. This would be moderately costly and destroy the usefulness of the rooms on the second, third, and fourth floor. Jubilee recommends that if the church regards bells as essential, that the condo proceeds provide for a "new bell tower" erected elsewhere.

What does Jubilee think regarding the future of the cell tower?

This is complicated. Jubilee recognizes the cell tower provides valuable revenue to the church. However, the equipment essentially rests on what would be the condo building, This creates all kinds of issues regarding access, rights, etc. The best solution is one in which the condo takes control of the cell tower rights, but the church is appropriately compensated. Jubilee does not know how that would work at this point.

Would the church have any access to the condo building for community space or other uses?

Jubilee recommends full separation. To maximize the return of the building, all the space should be utilized for the condominium. There are lots of condo choices, a complicated situation of shared premises would tilt buyers toward other condominiums. The revenue of the sale of the condominiums be used to build or retrofit space within the church for public space.

What is good about the building?

The building is made of concrete, which has good load bearing. The building has many spectacular views including the roof. The building is old and distinctive. The bell tower adds lots of character.

What are the challenges of developing the building?

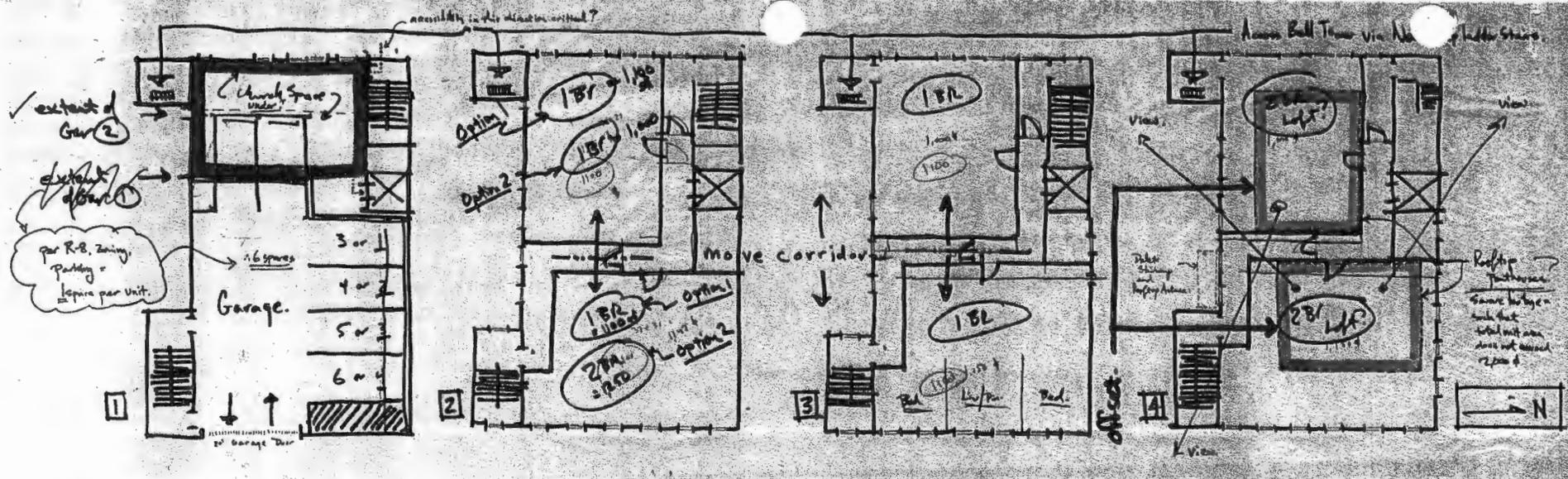
Parking is a huge challenge. Parking is a requirement by code (1 space per dwelling unit) The only place for parking is in the basement below grade. The basement is 6-10 feet below the alley. This will require an engineering solution to make work, which always costs money. Furthermore, the architects agree the best access point is from the rear alley, which has a very small turning radius. Another group of issues relates to separating the church use from the condo use, which has been discussed above. Adding space on the roof looks like a worthwhile development option because of the spectacular views, but will require another engineering solution. In a condominium building, an elevator is a market requirement. An elevator is feasible according to our structural engineer, but of course, it is an additional expense.

Other challenges include that the windows on the north facing wall violate code because technically that wall is a fire wall. This means no units can be exclusively north facing because you cannot have a unit without windows.

All units must have two forms of egress not including the elevator. This means that if you have more than one unit per floor, than you have to have a hallway connecting the stairs. This reduces the core factor.

Why are the proposed units so expensive?

Jubilee believes a unit mix with a small number of big units makes sense over a big number of small units because of parking restrictions. With a small number of big units, they need to be expensive to offset the costs of development challenges such as the on site parking, elevator, etc. Jubilee feels that because of the spectacular views, the rise of the neighborhood and new high paying jobs that the high prices are feasible if an excellent product is delivered.



Level 1 & Building Common Areas

Parking per R-8 zoning district: 1 space per dwelling unit. Six (6) dwelling units requires six (6) parking spaces. Configuration shown assumes that a 20' doorway is structurally feasible and that the entire parking area is located on a newly constructed parking deck.

The "market" expectation for parking, however, may be two (2) spaces per dwelling unit. This would suggest a need for twelve (12) spaces which is not practical given the building constraints.

Spaces 1 and 2 are marginal due to "straight-in" approach.

Spaces 1 and 2 as shown would be "above" a marginalized church space of 600 to 800sf. The church space would be located partly under the elevated parking deck.

Elevator is assumed to fit between existing north-south beams - east of the northwest stairway. It is not known if the pattern of the existing beam layout is consistent on all floors allowing the elevator hoistway to be constructed in its entirety without disrupting the existing structural configuration.

Access to the bell tower would be accomplished through the tower itself via new ship ladder stairways.

NOTE: Existing drawings used for this analysis suggest that the stairways are not of uniform size. The elevator location is shown in a position that would remain outside of the existing stairway AND still allow four parking spaces along the northern face of the building.

Level 2 & Level 3

In order to provide an egress pathway to the existing stairways and to provide access to the new elevator, a corridor system will divide the space in a way that a maximum of two (2) units are feasible per floor.

The unit located to the front (west) will likely be a 1,100 sf 1 bedroom unit. This is due to lack of sufficient width and windows needed for two bedrooms.

The unit located to the rear (east) could either be a 1,100 sf - 1 bedroom unit or a 1,250 sf - 2 bedroom unit depending on market preferences.

The square footage and the 1 or 2 bedroom status for these two units can be adjusted by moving the north-south corridor to the east or west as needed.

NOTE: The building codes do not permit a building of this height (nor with more than four (4) units) to be served by a single stairway. (Reference 2006 IBC Section 1019.2)

Level 4 & Rooftop

The two units on Level 4 each have the potential to be two story - 2 bedroom units depending on the feasibility of a rooftop addition or additions.

The size of the rooftop addition for each unit should be such that the total unit size does not exceed 2,000 sf. A unit size in excess of 2,000 sf would require two (2) independent means of egress from the unit itself to the corridor system.

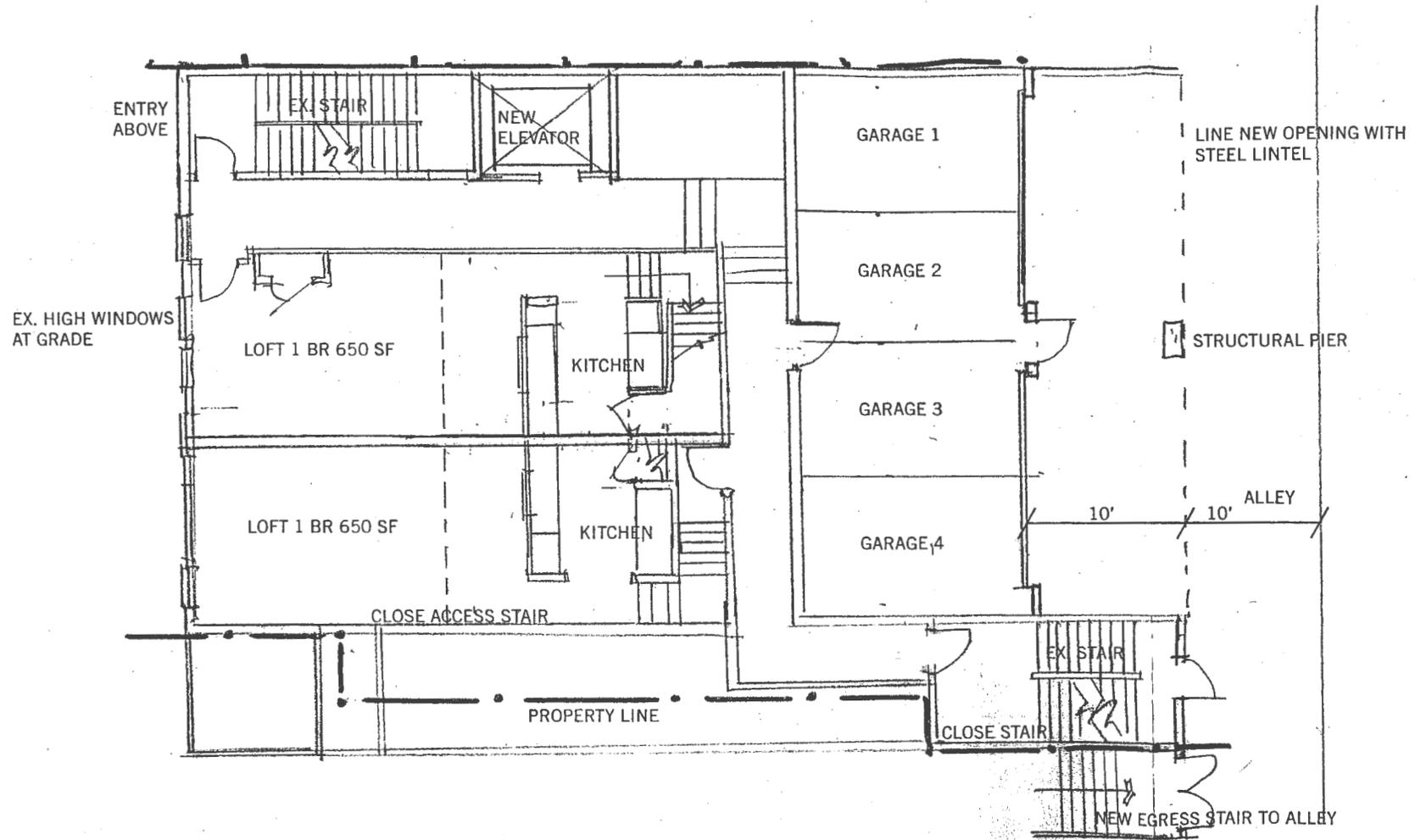
Conceptually, the two rooftop additions would be constructed in an "offset" pattern in order to allow maximum view corridors.

NOTE: A stairway within each unit would provide access to the second level of each unit. Ideally, the design would avoid a requirement to access either or both existing stairways by providing access to the roof area from within each unit. This does not include the need for access to the rooftop for mechanical purposes.

United Evangelical Church - Concept Plan : January 2007 : (not to scale)

robertson DESIGN

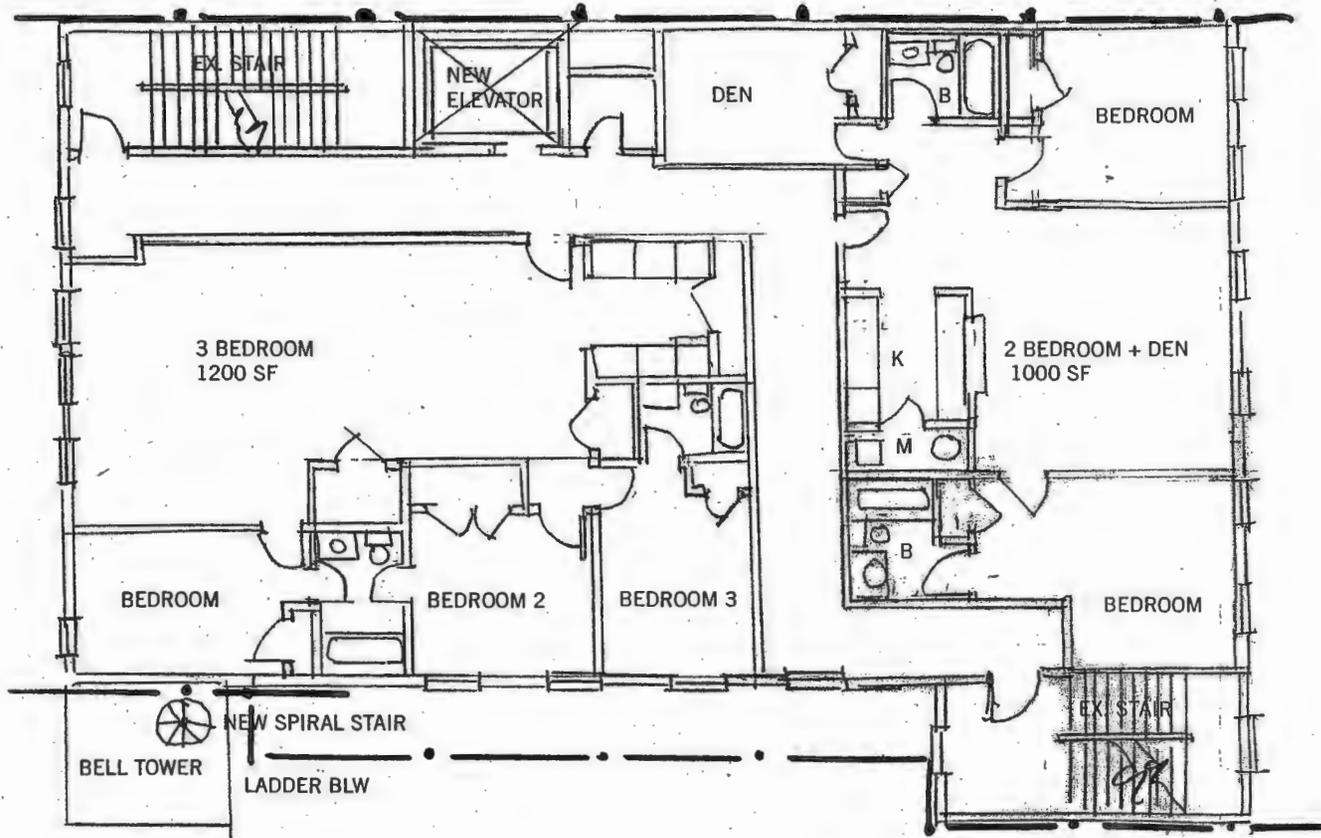
202 Kali Court : Parkton, MD 21120 : 410.357.8206 ph : 410.357.8206 fax www.robertson-design.com



JUBILEE
BALTIMORE
923 EAST ST

LOWER LEVEL

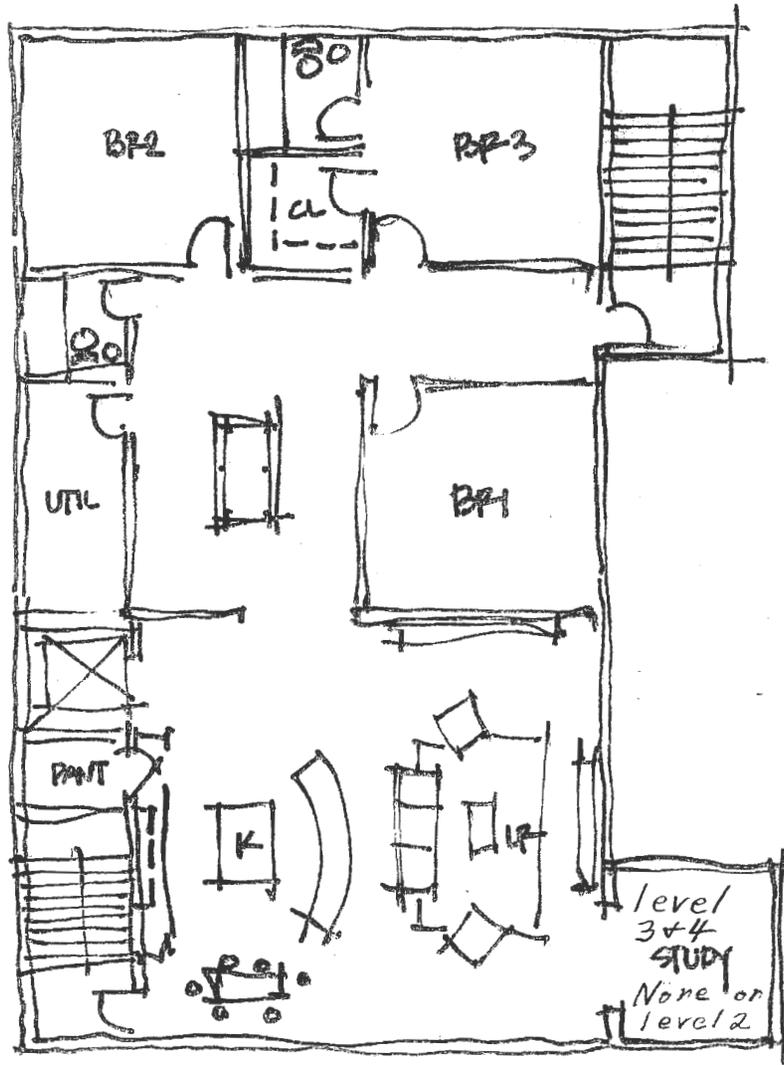
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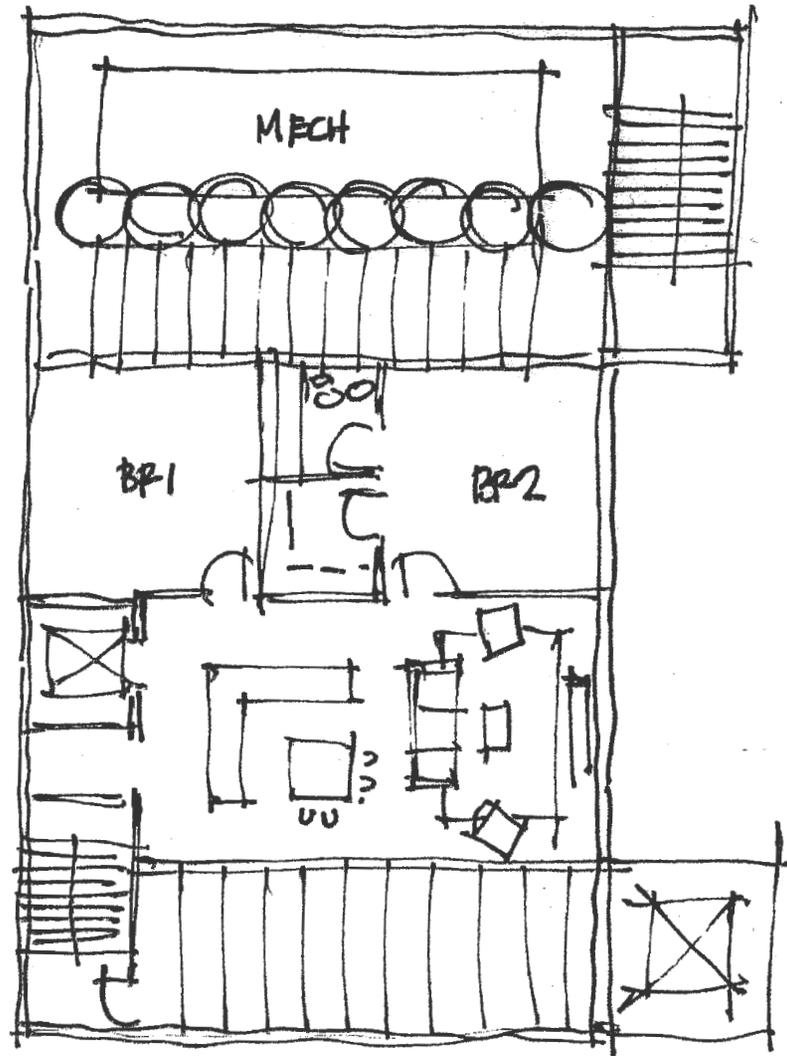
UBI LEE
 ALTIMORE
 23 EAST ST

TYPICAL UPPER FLOOR — OPTION 3

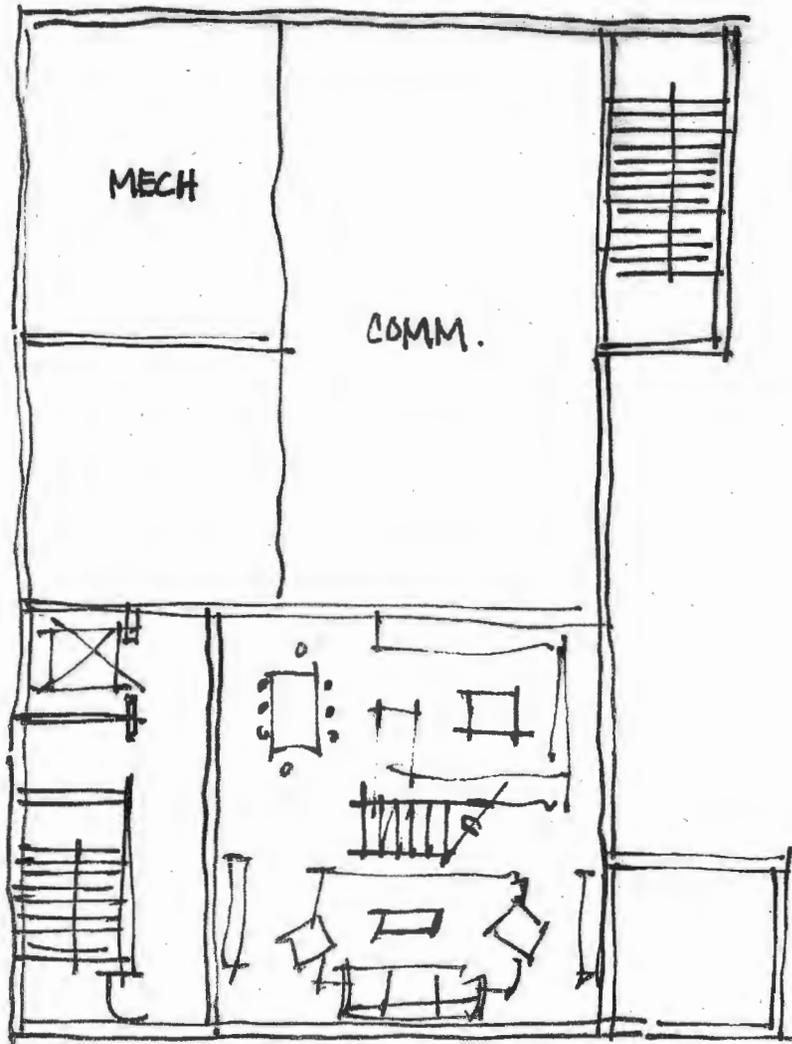
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 Associates
 INCORPORATED



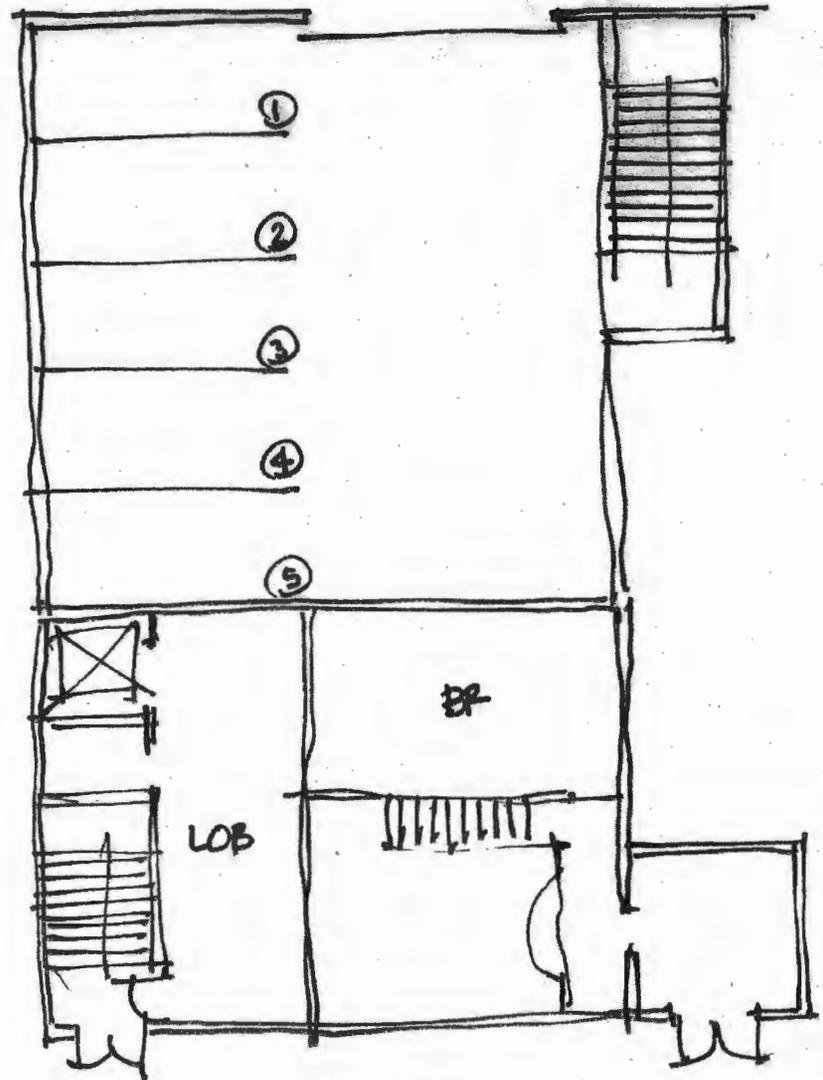
TYP. UNIT PLAN
(level 2.3.4)



ROOFTOP



BASEMENT PLAN
(loft, community)



LEVEL ONE A PLAN
(parking, loft)

Level One - Ground Floor/Basement	
Community Room, Weight Room, Storage	1,940 SF
1 dwelling unit (2 story loft)	960 SF
Level One A	
5 enclosed parking spaces on new concrete deck (2nd story of unit below)	1,940 SF 960 SF
Level Two	3,280 SF
1 dwelling unit (3 bedroom)	
Level Three	3,280 SF
1 dwelling unit (3 bedroom)	
Level Four	
1 dwelling unit (3 bedroom)	3,280 SF
Level Five (Penthouse)	
1 dwelling unit (2 bedroom)	1,500 SF
Summary	
5 dwelling units	
5 parking spaces	

Based upon the previous noted program, we foresee the following challenges and opportunities for the project which would require further analysis and development to assess their impact on the overall budget and scope;

1. Historical Character

Consideration of how the structure might be altered internally to accommodate a residential layout vs. the existing corridors, etc. for the classrooms. This may be a consideration if applying for historic tax credits.

2. Parking

While we believe it dimensionally feasible to provide 5 parking spaces, a thorough structural analysis would be required to determine economical feasibility of constructing an internal parking deck. Given the finish floor elevations, we do not feel it is feasible to provide a ramp down to the existing grade for parking. However, there appears to be sufficient headroom to create an intermediate level within the current auditorium.

3. Roof

A thorough structural analysis of the existing roof would be necessary, but given the location and views, it appears to be an excellent opportunity to provide rooftop units and/or terraces. Consideration will need to be given to setbacks from parapet lines to reduce visibility of any structures from the street. In addition, proximity to the bell tower should be considered when locating terraces, etc.

4. Bell Tower

The architectural significance of the bell tower for both the church and the potential development of the school should not be overlooked. The possibility of using the bell tower as entrance to the projects creates a strong identifiable symbol, while allowing the church to maintain access, etc.

5. Building Systems

The current mechanical systems would need to be analyzed in detail. The current system and its location are problematic in terms of location of new units and also regarding the location of a new elevator.

Structural Report

The building was looked at by Majid Mirza of Adams-Mirza Engineering, Inc. Majid's report was not ready by the February 11, 2007 presentation.

From a discussion with Majid the following conclusions are likely:

Parking is feasible, but will require either a lift or an elevated deck. The building would need two long structural cuts supported by an I-beam to create turning radius.

An elevator is feasible. A 4-5 foot pit will be needed and shaft that cuts through the concrete floors.

The masonry on the building needs some repointing and repair. Repairs could include stars that pull the masonry back into the structure.

The building is likely to support a residential load.

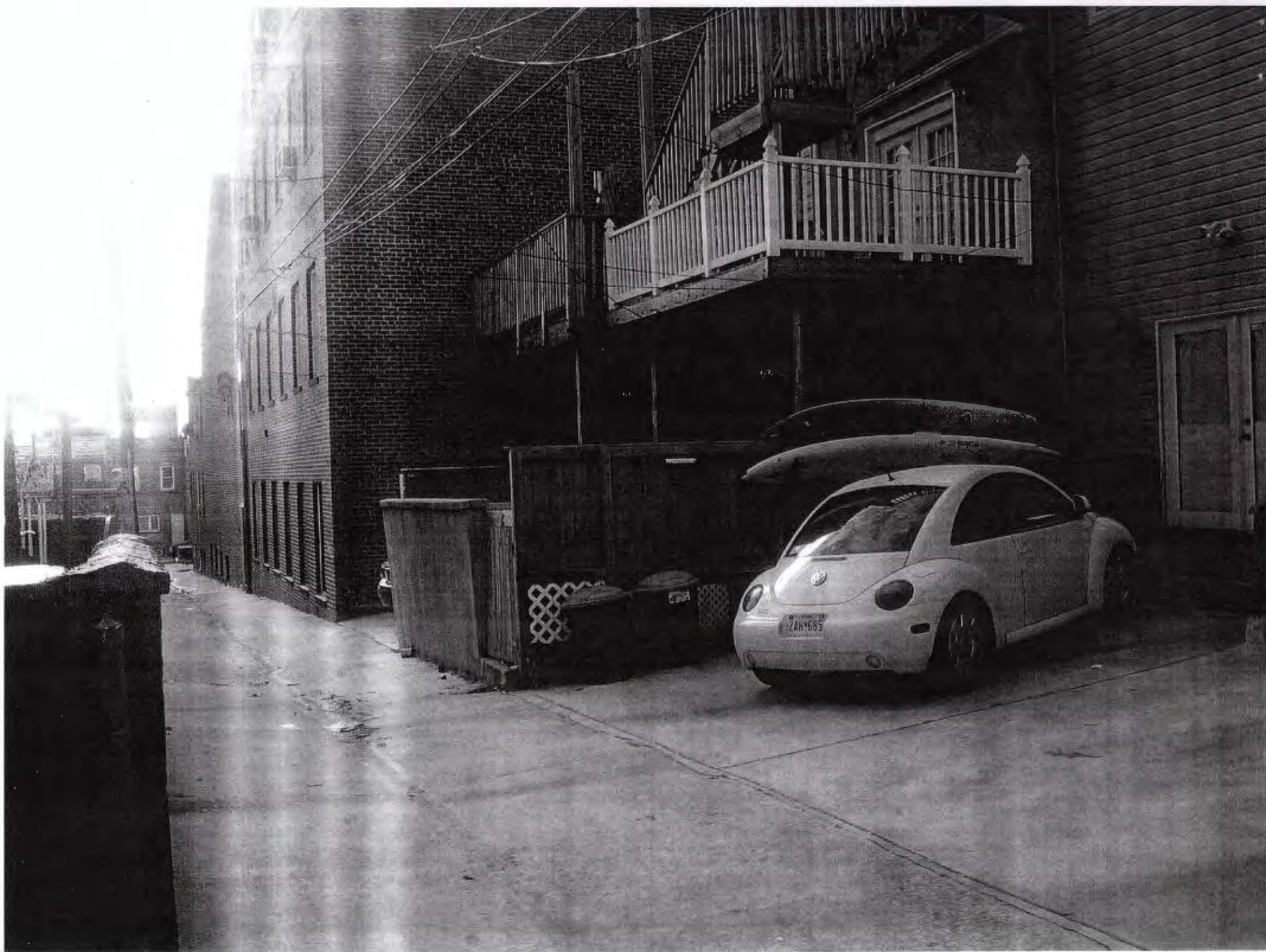
The roof material was not possible to reveal so its structure was unknown.

There is cracking from settling. The building is likely settled, but not 100%

Rental Pro-Forma				
Costs				
Floor	sq. feet			
	1	3200		
	2	3200		
	3	3200		
	4	<u>3200</u>		
		12800		
Cost per square foot		\$50		
Rehab Cost		\$640,000		
			Interest Rate	Term
P+I	\$4,045		6.5	30
Miscellaneous	\$1,000			
Total	\$5,045			
Revenue				
# of units		7		
Rent per unit		<u>1100</u>		
Total		7700		
Monthly Net	\$2,655			
Annual Net	\$31,860			
Tax Credits				
<i>Federal</i>				
Return	0.12	\$76,800		
<i>State</i>				
Return	0.2	\$128,000		
****Cannot be guaranteed				
Potential tax Credits		\$204,800		
Summary				
****Total Package		\$204,800		
Annual Profit Stream		\$31,860		
***This scenario will require a parking variance and will likely meet neighborhood resistance.				
****The state tax credit is not guaranteed. You have to win to get it.				

Condominium Pro-Forma			
2/11/2007			
923 S. East Avenue Condo Pro Forma			
Floor	sq. feet		
1	3200		
2	3200		
3	3200		
4	3200		
Roof	1800		
Total	14600		
Costs			
Renovation Cost			
per sq. ft.			
Low	\$130	\$1,898,000	
High	\$170	\$2,482,000	
Revenue			
Core Factor	0.75	10950	
Sell Low	\$260	\$2,847,000	
Sell High	\$280	\$3,066,000	
Revenue -Cost		Avg	
Low-Low	\$949,000	\$766,500	
High-Low	\$1,168,000		
High-High	\$584,000		
Low-High	\$365,000		

Condominium Pro-Forma							
2/11/2007							
Proposed unit scheme							
7 Unit proposal							
				Sq. Feet			
Floor	sq. feet	Sale Price per sq. foot	Units #	1	2		
1	3200	\$200		1100	\$220,000		
2	3200	\$250		1200	\$300,000	1000	\$250,000
3	3200	\$280		1200	\$336,000	1000	\$280,000
4	3200	\$320		2000	\$640,000	1800	\$576,000
roof	1800				\$1,496,000		\$1,106,000
	14600						
						Total	\$2,602,000
6 Unit proposal							
				Sq. Feet			
Floor	sq. feet	Sale Price per sq. foot	Units #	1	2		
1	3200	\$200		1100	\$220,000		
2	3200	\$250		1200	\$300,000	1000	\$250,000
3	3200	\$230		2800	\$644,000		
4	3200	\$320		2000	\$640,000	1800	\$576,000
					\$1,804,000		\$826,000
						Total	\$2,630,000
5 Unit proposal							
				Sq. Feet			
Floor	sq. feet	Sale Price per sq. foot	Units #	1	2		
1	3200	\$200		1100	\$220,000		
2	3200	\$210		2800	\$588,000		
3	3200	\$230		2800	\$644,000		
4	3200	\$320		2000	\$640,000	1800	\$576,000
					\$2,092,000		\$576,000
						Total	\$2,668,000





Next Steps

2/11/07

I. Condo Track

Continue to develop a proposal for a condo project

II. Rental Track

- Further investigate a parking variance (This will not be greeted well with the community and may not be permitted with the city)
- Prepare and submit a state tax credit application immediately. (Needs to be submitted by March.)

III. Do nothing

February 20, 2007

Kenneth A. Bourne, Jr.
Chairman

Charles B. Duff
President

J. Joseph Clarke
Vice President

Jay Naish
Treasurer

Ed Hord
Secretary

Robert R. Kern, Jr.
Counsel

B. Neal Harris, Jr.
Founder
(1919-1995)

DIRECTORS

Kenneth A. Bourne, Jr.

Paul Brophy

J. Joseph Clarke

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Robert R. Kern, Jr.

Maureen Flynn Kozelski

Richard Manekin

Ed Rutkowski

Wim Wiewel

Harvey Jacob
United Evangelical Church
3200 Dillon Street
Baltimore, MD 21224


Dear Mr. Jacob,

At our meeting on February 11, there was expressed concern about spending church money on development of 923 S. East Avenue. After reviewing the matter with Charlie Duff, Jubilee's President, I am glad to report that Jubilee would be willing to assume all pre-development costs on the project.

Pre-development costs will include:

- architecture and engineering fees
- lawyer fees
- surveyor fees
- condo regime set up fees
- an environmental report
- permit fees
- appraisal fees
- loan filing fees
- there will also be some miscellaneous expenses

Jubilee customarily assists its non-profit clients in this way, by lending funds at or near Jubilee's cost of funds.

Best,


Jeff La Noue



Rev. Catherine Oatman
www.united-evangelical.com

United Evangelical Church

3200 Dillion Street
Baltimore, Maryland 21224



Office 410-276-0393
Fax 410-276-0788

3/12/2007

Dear Neighbor,

As many of you are aware, over the past several years we have been exploring different options in attempting to find the best future use of our under-utilized four story education building.

The many changes through the years in the make up of our neighborhood has many churches searching for ways to serve with a continuing presence in the community and United Evangelical is one of them. Some churches have not been able to make the transition. Our congregation has made a commitment to stay in Canton. We have been studying and working on ways to increase our membership and continue to serve our congregation and neighborhood. The results of our efforts have recently been evident as we are seeing more new faces. Many more are certainly welcome!

Our parsonage at 945 S. East Ave. has been rented for the past year. This has been working well for the church and the community as we were not comfortable with it standing there vacant. The income is helping, of course.

The education building at 923 S. East Ave. is becoming an ever increasing burden financially with maintenance and utility costs constantly rising. With the demise of the Boy Scout troop the top floor has been vacant for the last several years. The entire building is not being used in a manner that the upkeep expense justifies.

Over the past year the building was listed for sale with a realtor specializing in the sale of church properties with the thought that it would be sold to a developer who would create condominium apartments. We only had one offer that we eventually turned down due to financial and other considerations desired by the developer.

Last November, we engaged Jubilee Baltimore, a highly recommended non profit organization that developed Messiah Lutheran's education building into senior housing as well as numerous other properties in Baltimore to do a feasibility study on the building.

We now have the results of their study and are having two information meetings with our congregation and the neighborhood to share the results of Jubilee's study and

discuss our options for the future development or use of the building. These meetings will both be at 11:40 a.m., with the first on Sunday, March 18th and the second the following Sunday, March 25th. The meetings will be in our church Fellowship Hall with the closest access being by the handicapped ramp entrance on S. East Ave. Please consider attending one of these very important meetings.

If you are planning to attend we ask that you call the church office at 410-276-0393 in order that we can plan on the number of people to be expected. Office hours are Tuesday – Friday, 8 – 4. We look forward to seeing you.

Best Regards,

The United Evangelical Church Congregation

Bell Tower, 1957, (2) 11'10" X 11'9" Rooms, 3rd & 4th Floor
Bells (1) 29" 600#, (1) 35" 1000# McShane 1874, w/carriages
Clock (4) 54" dia. Face, Elderhorst mechanism 1995
Access Opening 22½" X 22½" height: Bell Tower Room
Subdivide Bldg Property Line as built 1937 w/stairway
Shared access to rear stairway
Perpetual use agreement For 2 rooms, long as UEC owns.
Fire doors required (South wall of adjoining property)?
Block up windows on North wall or Grandfather in.
Higher end rentals? Transient Professionals, Hopkins
Replace all windows & lintels
Concrete Beams same location all three Floors
No supporting beams under roof. How roof supported?
Sprint supported by W24 X 62# beams, span roof, outer walls.
How support penthouse rooms. setback required?
Consider shared roof deck. setback required
Access bell tower machinery room thru bldg parapet.
Shared Deck access by extending stairway. no elev.
Sprint agreement 19 yrs = 228 mo. = \$440,880.00
Sprint agreement considered short term, (cancell clause)
Separate electric meter For Sprint
What neighborhood hearings required?
Is hallway required between front & rear units?
Is rear alley elevation same as East Ave?
Condo development would require moving cooling tower.
Alley 10' wide. Can Board override 10-306 of Code (15' wide)
First Floor 16' high, 14' 2" under beam. Parking deck, 15"
Condos or Rentals - Incorporate Project?
How much does alley drop over proposed width of parking?
Sprint agreements says they can restrict access to roof
When would we do Predevelopment Review with City
Informal Neighborhood Meeting - Canton Association
UEC developing Condos hard sell to Congreg., Sell Bldg.

Tax Credits - Fed + State - City.

4 - 6 parking spaces

Bell Tower access thru roof parapet.

750 sq. Footprint

Bell Tower

Another Location For Bells?

Sell Sprint Site - to Condo - 20 yrs left

Upgrade - Balance of Property.

10' wide alley, 8' above grade - 15' wide code?

North Side - No Window Allowed - Grandfather?

2 means egress.

Core Factor - usable space - sellable space

Elevator - High End Units - to pay for

Air Rights

R-8 zone

Incorporate

Tax Credits on Condo - who gets

Syndication on Tax Credit Sell

1 - Church Finances

Bldg. Maint Cost

Cost of Studies

Need to Focus on what now -

Renovate building as is - Fundraiser -

Capital Expendature - Jim Bell

Cost of Modifying Bldg For Parking.

Letter to neighborhood. 18th x 25th

Keep one or two floors -

Bells =

Sprint

Condo For members

Rob - Bells - Audio

Tues 10:30 Jim Ball
Fri 6:00

Lorraine Jones, Kerrie Deegan, Dale Boden

zoning ^{parking} ~~over~~ space / dwelling unit - for rental

4-6 parking spaces less units, but good unit

5-8 unit

6 condos

- ✓- develop condos right now in market?
- ✓- p - w/ 2 units
- ✓- where is kitchen on rooftop
- ✓- What is a high core factor? .90 - .92
- ✓- ★ - explain
- ✓- evaluated for tax credit - what did, per unit
- ✓- bell tower - 2nd floor is our sanctuary, 1st floor entrance

come to market in 2 years

slice it up

Process for financing project

- Build assessed
- Architect plans appraised
- take to bank for loan, will need working capital
- ↳ will bank loan 100% of project?



Rev. Catherine Oatman
www.united-evangelical.com

United Evangelical Church

3200 Dillion Street
Baltimore, Maryland 21224



Office 410-276-0393
Fax 410-276-0788

October 11, 2005

Dear Neighbor:

It's hard to ignore all the changes that are taking place around us. It seems that buildings in our area are being renovated and sold at a fast pace. Our church has also been affected by the demographic shifts. Many churches are searching for ways to ensure a future in their communities and United Evangelical is no exception.

Our congregation has made a commitment to stay in Canton. We hope to increase our membership and also serve community needs. In order to do this, we have decided to use our assets in a different way. As you are aware, our parsonage is for rent. We are hoping for a tenant who feels comfortable with a church as a neighbor. In addition, we have an under-utilized education building that has become a financial concern to us.

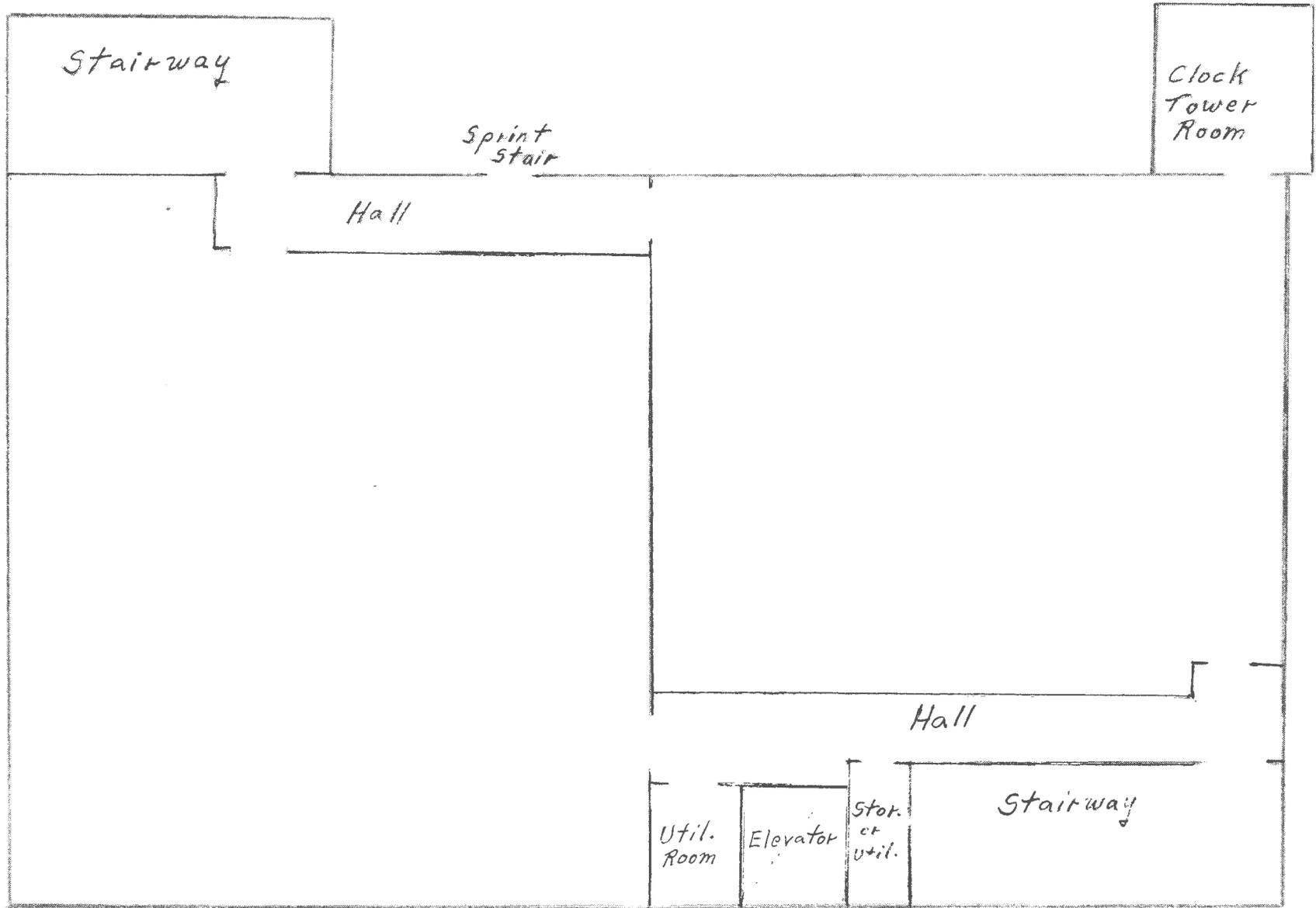
Consequently, our congregation has decided to sell the top 3 floors to a developer who will undoubtedly create 6 market-rate condominiums. We will retain the ground floor to serve as our Sunday school location and also the P.A.C.T. program. We will renovate that space to fit our needs.

If you are interested in hearing the details of this venture, join us in the church Fellowship Hall on Sunday, October 23rd at 9:15 A.M. We will be enjoying our regular church coffee hour. The hall is closest to the East Avenue handicapped ramp. You will be able to ask questions and offer your suggestions for us to consider. Please consider attending this most important meeting.

If you are planning to attend, we ask that you call the church office at 410-276-0393 with the number of people who expect to come. We hope you will call by Friday, October 21st. Office hours are Tuesday-Friday, 8-4. We look forward to seeing you.

Best Regards,

The United Evangelical Church congregation



EAST AVE

Stairway

Sprint
Stair

Clock
Tower
Room

Hall

EAST AVE



**LONG & FOSTER
REAL ESTATE, INC.**

WILLIAM CASSIDY
Branch Manager / Vice President

Office: 410-675-5500

Fax: 410-675-8136

Home: 410-534-0272

Toll Free: 888-436-1093

Email: william.cassidy@longandfoster.com

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701 South Broadway / Baltimore, Maryland 21231



**LONG & FOSTER,
REALTORS**

FRANCES DUGAN
REALTOR®

Office: 410-675-5500

Fax: 410-675-8136

Home: 410-547-1095

Toll Free: 888-436-1093

Cellular: 410-627-4944

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FELLS POINT OFFICE

701 South Broadway / Baltimore, Maryland 21231



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From : "harvemd@juno.com" <harvemd@juno.com>
To : jeff@jubileealbaltimore.org
Subject : PreSchool Hours
Date : Tue, Jan 30, 2007 08:04 PM

Hello Jeff: Here is the information on the P.A.C.T. PreSchool we spoke about:

Monday 9:15 to 11:15 & 12:30 to 2:30

Tuesday 9:30 to 11:00 & 12:30 to 2:30

Thursday 9:15 to 11:15 & 12:30 to 2:30

No sessions on Wednesdays or Fridays

Administrator is: Concetta Clark, phone 410-804-0666. Call her if you need to get into the 2nd floor while the school is in session. See you Sunday 2/11, 11:45AM

Harvey Jacob, United Evangelical Church

February 20, 2007

Harvey Jacob
United Evangelical Church
3200 Dillon Street
Baltimore, MD 21224

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- loan filing fees
- there will also be some miscellaneous expenses

Jubilee customarily assists its non-profit clients in this way, by lending funds at or near Jubilee's cost of funds.

Best,

Jeff La Noue