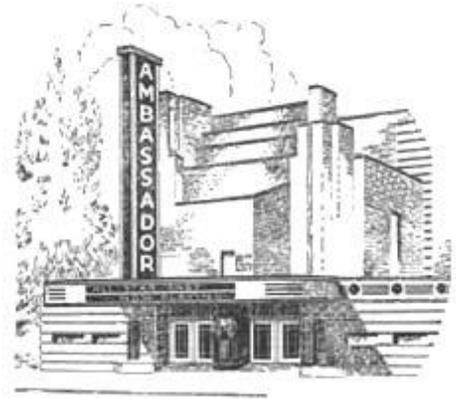


## Ambassador Update

February 2018

### Background

More than a year ago the city, as a step in the receivership process, engaged the Casey Group to market the Ambassador Theater to prospective bidders who would bid to acquire the property at a receivership auction. Casey concluded that cost of renovation of this historic building, the time, and legal complexity of tearing it down, lack of parking and the historic importance of the building to the community and the city and region limited its attractiveness to commercial developers.



Last Summer Healthy Neighborhoods took about 20 community leaders on a tour of several renovated theaters in Baltimore. The leaders were recruited by the presidents of the neighborhood associations. It was those leaders who were strongly supportive of a community arts center as an important and perhaps viable use. One image raised was one of a destination. Bringing more people to Liberty Heights Avenue is an important goal of developing the Ambassador.

In order to mobilize community stakeholders and engage as many supporters from the area as we could, we have identified a Core Group of stakeholders to work closely with all involved to make the success of this project a win for everyone. The preliminary approach was to gather as many facts as possible and begin to formulate a plan for community engagement.

In November 2017, the Howard Park Civic Economic Development Corp (HPCEDC) scheduled meetings with our 41<sup>st</sup> District State Delegates and the City Councilmembers for the 5<sup>th</sup>, 6<sup>th</sup>, 7<sup>th</sup> and 8<sup>th</sup> council district offices.

We met with elected officials to discuss the Ambassador Theater and find out the answer to questions like...

- What recommendations did they have on the project?
- How could they assist the citizens in their districts with this project?
- Could a bond be issued to revitalize the Ambassador?
- How could we as tax payers be ensured of a sustainable operations model with future public funding?

Our questions were deferred because it was too early in the process to get any formal commitments on the project from them. Because the State Legislature was to go into session in less than 60 days, in January 2018, and because no buyer/developer for the Ambassador had come forward, it was premature to ask for a sponsor of a Bond Bill for the Ambassador.

## The Evolving Situation

In a meeting held at City Hall recently, high ranking city officials, several City Council Members, Healthy Neighborhoods, Inc. (HNI) and HPCEDC were present and the following information was revealed and/or confirmed.

City Actions to Date: Mayor Pugh placed the Ambassador high on the list for revitalization. According to the Chief Operating Officer, Peter Hammen, the investment will be some \$550K by the City for roof and stabilizing work. This will create a lien against the property that will have to be assumed by the purchaser. There has been a small amount of work done to date, stabilizing the marquee, a couple thousand dollars, Michael Braverman, Baltimore City Commissioner, Department of Housing & Community Development, estimated.

Structural Status and Impact: It was noted that one of the load-bearing walls of the Ambassador needed attention. Mark Sissman, President of Healthy Neighborhoods, Inc., whom the Mayor appointed to manage the overall process of reclaiming the theater, expressed the belief that if there were a problem with more than one load-bearing wall, historic tax credits to support the rehabilitation project would be negatively impacted. Mark has significant experience in old theater renovation projects, most notably, the Hippodrome.

Cost: Based on development costs at similar theaters, for example... the Center Theater on North Ave, Mark estimated the Ambassador to be a \$15M project.

Prospective Developers: Presently, the only viable group expressing interest in purchasing and restoring the Ambassador is Artspace (visit them at [Artspace.com](http://Artspace.com)).

Artspace has send a letter to the Mayor/City Council formally indicating interest in the Ambassador. They haven't submitted any sort of *pro forma* yet or request for funding support. They will be coming back to Baltimore probably in the near future to discuss the project further.

Facility Use: **A Community Arts Center now seems firmly planted as the leading use for the Ambassador.**

Reasons:

- Credibility of ArtSpace
- Interest of Coppin and CRES as major tenants.
- Peter Hammen stressed the importance of bringing in schools to get community buy-in. Show local impact.

Financing and Requirements: The new tax law left the Historic and New Markets tax credits sufficiently intact so these mechanisms still remain the major pathway to funding.

There was discussion, initiated by a question from Leon Pinkett, 7<sup>th</sup> District Councilman, about how much of the building would have to be restored, strictly speaking, and how much could be new construction (interior). Apparently, this balance is negotiated on a case-by-case basis, according to what Mark related of his experience with the Hippodrome and others' experience with other theater restoration projects in Baltimore such as the Patterson and Everyman Theaters.

**Opinions Expressed Worth Noting**

Mark believes that rescued old buildings become the life of a region. He offered the opinion, one that has been previously expressed by several members of the Core Group as well, that the Ambassador has the capacity to be not simply a neighborhood attraction but a regional draw.

Regional traffic will do good things for the Greater Neighborhoods of Northwest Baltimore City (GNNBC), but several members of the City Council present cautioned that engaging local residents in this dialog was *essential* to assure that the very local community has a voice.

There are still a few who want the Ambassador simply torn down. The wisdom of many involved is that, at this juncture, that possibility is a long-shot. Given the building's historic designation, such an effort would likely be tied up in litigation for a very long time and hence, a non-starter.

Kris Burnett, 8<sup>th</sup> District Councilman, shared his perspective of the importance of including the business district in the overall planning. He has championed a similar campaign on Frederick Avenue. With collaboration between City Council, HPCEDC, HPCA, Baltimore Development Corp (BDC) we are optimistic about the outcome.

This has been his big effort on Frederick Avenue and he has ALREADY BEGUN getting businesses in the 4700 block to sign up. The HPCEDC has been also engaged in similar outreach and we are linking up with the councilman to share information and create synergy of effort

Philanthropic support is contingent on larger community involvement.

People walking in neighborhoods make them safer.

Parking may have impacted commercial salability of the Ambassador, a factor that adds strength to the Arts Center plan of use. However, no special provisions were available for either the Patterson or Center Theaters and they are considered successful enterprises.

**NEXT STEPS**

HPCEDC is now planning a meeting to cover specifics & discuss innovative ways of what we, as community stakeholders, can do to improve the chances of success of this project. We will keep you informed!