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McCormack Baron Salazar Closes on Financing for Phase III of Perkins Homes Redevelopment in Baltimore

Construction of 152 Mixed-Income Apartments Has Begun as PSO Transformation Plan

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McCormack Baron Salazar, in collaboration with its codeveloper, the Housing Authority of Baltimore City (HABC), proudly announces the financial closing and construction commencement of Phase III in the Perkins Homes Redevelopment. This pivotal phase involves the construction of two buildings, encompassing 152 mixed-income units, and marks a significant stride in revitalizing the Perkins, Somerset, and Oldtown (PSO) neighborhoods in Baltimore.

Perkins Phase III is part of the mixed-use, multi-phase community-wide redevelopment of the Perkins, Somerset, and Oldtown (PSO) neighborhoods and made possible by a joint award to the City of Baltimore and the Housing Authority of Baltimore of a federal \$30 million Choice Neighborhood Implementation grant in 2018.

To win the federal award, HABC and its partners leveraged more than \$540 million in committed funding and investments from public, private, and nonprofit partners. The demolition and redevelopment of the Perkins Homes, an obsolete 629-unit public housing development built in 1942, is at the heart of the PSO effort.

Phase III is funded by \$3.5 million from Maryland's Community Development Administration, \$8.5 million in ARPA funds from the City of Baltimore and an additional \$4.5 million from Baltimore's Department of Housing and Community Development. Furthermore, as part of the PSO Transformation Plan, the project has been awarded \$2.4 million in Choice Neighborhood grant funds.

HABC Executive Director, Janet Abrahams, said, "The significant investment in the PSO project, highlighted by the recently awarded \$10 million in supplemental CNI funds from HUD, magnifies the impact of this initiative on Baltimore's redevelopment. Phase III is a crucial component to achieving our overarching goal of fostering a sustainable, mixed-income community."

The total PSO redevelopment includes one-for-one replacement of the Perkins public housing units interspersed with workforce and market rate units throughout the community. A range of housing types will replace the homogeneous public housing community with a mix of replacement public housing units, additional affordable (utilizing Low Income Housing Tax Credits), and market-rate rental housing. All units will be indistinguishable with identical finishes and access to community amenities, including a fitness

McCormack Baron set to deliver Perkins Homes Phase I in February 2024

Phase I, consisting of 103 units, is on schedule to deliver in early February. The development team is eager to welcome both legacy and new residents alike to their new homes in early 2024! On this phase, McCormack Baron and Commercial Construction have exceeded all federal and local MBE/WBE and Section 3 requirements, underscoring our shared commitment to supporting minority and women-owned businesses and offering employment opportunities in the Baltimore community.



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center, community spaces, and security. Urban Strategies, Inc. will continue to provide comprehensive supportive services, embracing a holistic approach to community development.

"The start of Phase III is a significant milestone in reshaping Perkins. It's a testament to our commitment to building more than just structures, but an inclusive community where all families and children can thrive. As construction gets underway, we could not be more pleased to work with Kevin Johnson and his Commercial Construction Group team. Through our work and partnership with HABC, we're actively contributing to a brighter future for Baltimore," said Vincent Bennett, Chief Executive Officer of McCormack Baron Salazar.

About McCormack Baron Salazar

McCormack Baron Salazar is one of the nation's leading developers, property managers, and asset managers of economically integrated urban neighborhoods. Since 1973, the firm has been an innovator of community development and urban revitalization in 48 cities, having built more than 25,000 high-quality homes with total development costs of over \$5 billion.