

# PRESS RELEASE



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## Housing Authority of Baltimore City Celebrates Opening of First New Apartment Building in Multi-Year PSO Transformation Plan

*Ribbon-Cutting at 1234 McElderry was followed by groundbreaking for the next new phase*

**BALTIMORE – September 24, 2021** - The Housing Authority of Baltimore City today celebrated the Grand Opening of 1234 McElderry Apartments and the Groundbreaking of Somerset II Apartments, the first two new apartment buildings in the Perkins Somerset Oldtown (PSO) Transformation Plan.

“We mark two milestones today with the completion of this beautiful building and the beginning of construction on the next one, Somerset II, right across the street,” said HABC President and CEO Janet Abrahams. “We made a commitment to the residents who lived in this community that when we rebuild, they can come back, and as these first residents return today, they are finding amenities and features they could not even imagine at this site before. As this neighborhood develops further, they will see the whole plan come to fruition.”

The PSO Transformation Plan was made possible by a \$30 million Choice Neighborhoods grant from the U.S. Department of Housing and Urban Development (HUD).

“At HUD, we are proud to do our part to invest in communities and increase opportunities for people,” said HUD Deputy Secretary Adrienne Todman. “These sites are a testament to what happens when localities leverage federal funds awarded by HUD and other public and private resources with a shared vision and purpose. They are also the types of investments that will be made possible in even more communities with President Biden’s Build Back Better agenda. The Build Back Better agenda would dramatically increase our supply of affordable housing by producing or preserving millions of affordable places to live. By continuing to come together in support of investments and policies like those in the Build Back Better agenda, we can provide Americans with the chance to live each day with dignity and hope.”

1234 McElderry Apartments located at 1234 McElderry Street, is a 104 unit, mixed-income rental property, and the first completed community phase of the PSO Transformation Plan. The four-story apartment building features amenities for residents including a fitness center, club room, cyber lounge, two courtyards and 92 garage parking spots, as well as first-floor retail space. The community will serve individuals and families with a range of incomes.

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The development team also broke ground on Somerset II, a 240,000 sq. ft. mixed-income apartment community located at 520 Somerset and 525 North Aisquith Streets. This project will bring 196 mixed-income apartments, including 100 apartments to replace former public housing residences. The building features amenities for residents including a fitness center, club room, a spacious courtyard, garage parking, and first-floor retail space.

Somerset II is the first deal in Maryland that combines both 4% and 9% Low Income Housing Tax Credits.

The site is centrally located to many community amenities, designed to have the project fit into the fabric of the surrounding community. The development is one part of a masterplan to restore the street grid around Somerset Street and use the planned open space/park in front of the development as a connection to the community.

HABC's partners responsible for building and managing the Somerset properties, Mission First Housing Group and the Henson Development Co., joined in welcoming residents to their new homes.

"Mission First is grateful to the residents of Perkins and Somerset Homes who provided the vision for PSO and attended hundreds of meetings to share their vision and ensure that the PSO development occurs," said Sarah Constant, Senior Vice President, Real Estate Development for Mission First Housing Group. "It was important for us to ensure that the original residents had the opportunity to return to an affordable home in the neighborhood where they have lived, raised children and built community."

"The Henson Development Company (THC) and Mission First Housing Group have successfully partnered on award winning multi-family/mixed-income housing projects for over 17 years. We are excited to have added the Housing Authority, and Baltimore City to our team, who share our vision and purpose to provide luxury housing to all. The Perkins and Somerset residents and local stakeholders walked with us every step of the way, sharing their passion and commitment to this new neighborhood of choice. This project represents what can be achieved when you build for people with people," said THC's Principal, Dana Henson. "This project is the culmination of hard work and dedication coupled with exceptional teamwork."

The five-year PSO Transformation Plan will create 1,345 new apartments, doubling the amount of available, high-quality housing, including one-for-one replacement of 629 1940s-era public housing apartments. Located minutes from Downtown Baltimore and the thriving Fells Point waterfront, the plan spans 244 acres and is designed to create a diverse community that will enable residents to live in economically integrated, high-quality housing with exceptional amenities.

Somerset Homes also includes Somerset III and Somerset IV, projects that are in pre-development, as well as a 1.3-acre park along Central Avenue and retail space, featuring a much-needed grocery store.

The PSO team is also developing the southern portion of Oldtown Mall that will bring retail space, a 50,000 sq. ft. merchandise mall, a 120-room hotel, an Entrepreneurial Incubator HUB, office space, a 220 unit mixed-income apartment building and 2 parking garages.

"Perkins Homes once epitomized decades of intentional local and federal policies to concentrate poverty and disinvest in our communities. Our PSO Transformation Plan is about reversing years of inequity by creating a mixed-income community that will first and foremost benefit the physical,

environmental, social, and financial health of our public housing residents,” said Mayor Brandon M. Scott. “Today marks an important step in the realization of our mutual goal: providing quality affordable housing for our most vulnerable residents, all while advancing equity.”

Iris Bradford, former tenant council president of Somerset Homes, and the last person to leave that former 276-unit site before it was demolished in 2007, had her doubts when the PSO plan was announced.

“I’m overwhelmed because I never thought this day would happen,” she said. “When you have been told no, no, no, you start to believe it. I thank God that I can see that after all the labor pains, the baby is about to be born.”

For more information about the PSO Transformation Plan, visit the project website at <https://www.habc.org/habc-information/programs-departments/planning-development/pso-transformation/>.

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