



BALTIMORE
HOUSING

SHEILA DIXON
Mayor

PAUL T. GRAZIANO
Executive Director, HABC
Commissioner, HCD

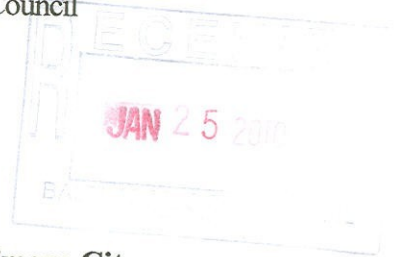
MEMORANDUM

To: The Honorable President and Members of the Baltimore City Council
c/o Karen Randle, *Executive Secretary*

From: Paul T. Graziano, *Executive Director*

Date: January 25, 2010

Re: **City Council Bill 10-0435 - Housing Authority of Baltimore City -
Amendment to 1950 Cooperation Agreement**



The Housing Authority of Baltimore City (HABC) has reviewed City Council Bill 10-0435, which was introduced for the purpose of approving and authorizing amendments to the 1950 Cooperation Agreement between the Mayor and City Council of Baltimore and the Housing Authority of Baltimore City, to include certain properties in the Barclay/East Baltimore Midway neighborhoods in Baltimore City.

If approved, the proposed legislation will allow for not more than 160 scattered-site, low-income housing units to be rehabilitated or constructed in the Barclay/East Baltimore Midway neighborhoods and included in the Cooperation Agreement. HABC offered for redevelopment its entire inventory of public housing in the Barclay and East Baltimore Midway neighborhoods in 2005. Vacant properties owned by the Mayor and City Council were also included for redevelopment, as well as the Barclay Townhouses development. The project was awarded to Telesis Corp., based out of Washington, DC and New York.

The redevelopment plan approved by HABC, the City, and the community calls for the rehabilitation and new construction of approximately 322 units. The project will include a mix of market-rate and affordable homeownership and rental. Approximately half of the project will be affordable. Hence, the ordinance calls for not more than 160 low-income units.

Included in the 160 low-income units, 91 of these units are replacement units for the Barclay Townhouses. This was a failed Section 8 development which HUD foreclosed on. HABC purchased it from HUD in 2005 and relocated all of the residents due to its poor condition. The contract of sale from HUD requires that the same number of units be replaced on site, or within the neighborhood.

The balance of the 69 units included in the 160 low income residences are replacement public housing units which will be constructed on scattered sites. Additionally, HABC owns 102 scattered site units in Barclay neighborhood, and 36 units at Homewood House located in the East Baltimore Midway



neighborhood at 2200 Homewood Avenue. Prior to commencing renovations of these units as part of Phase 1 of this project, HABC will relocate the remaining residents into replacement housing in Barclay, or in off-site locations of their choosing.

All 160 low-income units will be privately developed by Telesis Corp., and will be privately managed. HABC will provide an operating subsidy and will hold a 99 year ground lease on the properties. The Housing Authority of Baltimore City supports the adoption of City Council Bill 10-0435.

PTG:pmd

cc: Ms. Angela Gibson, *Mayor's Office of Government Relations*
Ms. Diane Hutchins, *Mayor's Office of Government Relations*
Mr. Andrew Frank, *First Deputy Mayor*