

## **Beatty Development - New Projects in the Works**

An Overview of Two New Potentially Transformative Projects for Baltimore

LAI Baltimore Chapter – May, 2018 Meeting

Joe Nathanson – Substitute Scribe

On May 16<sup>th</sup>, Nate Betnun opened the program portion of the meeting by explaining that our originally scheduled speaker, Bill Struever, had a schedule conflict. Although he is not available for today's meeting, he will be rescheduled for fall, 2018.

We were pleased that Tim Pula, Vice President for Community Development, Beatty Development Group was available to make a presentation to our luncheon group. Those who had attended the recent LEW awards dinner met Tim, who accepted the LAI International Skyline Award on behalf of Beatty Development for its Harbor Point project.

As Tim Pula went on to introduce himself, he explained that while he is not Bill Struever, he worked with Bill in the past and now has the opportunity to work with him again in his current projects. Pula described his role at Beatty as "vice president of everything that is not Harbor Point."

He proceeded to describe two of those projects, both quite considerable in scope and in the prospective investment they represent.

### **PENN STATION REDEVELOPMENT**

Amtrak has recently awarded a team headed by Beatty Development the opportunity to develop the lands owned by the railroad near its Baltimore passenger terminal, Penn Station. The principal redevelopment site is the Lanvale Street surface parking lot north of the station. Other smaller parcels, to the east and south of the station, are also involved. Other members of the development team include Armada Hoffler Properties, Cross Street Partners, Cho Benn Holback, Stifel, Nicolaus & Company, RK&K and Younts Design, among others.

Preliminary concepts include a hotel in the historic station head house, as well as office and residential space to the north along Lanvale Street connected by an expanded concourse with new retail opportunities. The overall development is expected to provide 1.6-million square feet of new uses at an investment estimated at about \$800-million. A rendering of the expanded concourse with the historic station building in the background is shown below.



Rendering of expanded passenger concourse at Penn Station. Credit: Beatty Development

## **PERKINS HOMES – SOMERSET – OLD TOWN**

The second major endeavor is a set of development challenges involving the transformation of the existing Perkins Homes public housing project in Southeast Baltimore into a mixed-use, mixed-income community, along with the redevelopment of the nearby former site of Somerset Homes and the long-neglected Old Town Mall.

Pula explained that after an earlier venture headed by Bethesda-based Clark Construction was abandoned, the Housing Authority of Baltimore City (HABC) contacted the Beatty firm as second place finishers to take up the assignment, known as the “Perkins Transformation Project.”

As in the case of the Penn Station project, Beatty Development has many partners in this venture. They include Mission First Housing Group, the Henson Development Company, Cross Street Partners, Bank of America CDC and St. Louis-based McCormack Baron Salazar, national experts in affordable housing.

## East Baltimore targeted for redevelopment

Housing officials plan to seek a public subsidy of between \$50 million and \$100 million to redevelop a swath of East Baltimore, including the Perkins Homes public housing complex. A proposed tax incentive for a developer could go before the city's spending board next month.

SOURCE: Housing Authority of Baltimore City, Mapzen, Open Street Map

BALTIMORE SUN GRAPHIC



Project location map. Credit: Baltimore Sun

HABC and the City of Baltimore intend to jointly submit a \$30-million Choice Neighborhoods Initiative (CNI) grant proposal to the U.S. Department of Housing & Community Development (HUD) to redevelop the Perkins site. The CNI program supports locally-driven strategies to transform neighborhoods of extreme poverty into sustainable, mixed-income communities. (Pula noted that the median household income for the Perkins Homes community was \$12,500.) The \$30-million federal grant would allow officials to begin building housing units and raze the 688-unit Perkins Homes. With a 1-to-1 housing unit replacement requirement for the Perkins project plus replacement of the number of units formerly associated with the Somerset site, a total of 1,400 housing units would be developed in total. Pula estimated that the overall investment projected for this area of Southeast Baltimore would exceed that at Penn Station -- \$860-million.



Rendering of redeveloped Perkins Homes site. Credit: Beatty Development

As part of the process of securing the HUD funding, the development team recently met with a HUD project review team. Participating at the end of the meeting were seven students of the neighborhood's City Springs Elementary/ Middle School and their teacher, "Mr. O" The students had written essays about their neighborhoods and their hopes for it. The students read their essays. At the conclusion, the members of the HUD review team hugged each of the students. Pula expressed high hopes for receiving the Choice Neighborhood funding.