

FOR IMMEDIATE RELEASE:  
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## **CITY OF BALTIMORE, SAGAMORE DEVELOPMENT, COMMUNITY LEADERS ANNOUNCE HISTORIC AND UNPRECEDENTED \$100 MILLION CITY-WIDE BENEFITS COMMITMENT**

### ***City Officials, Sagamore and Community Leaders Negotiated Largest City-wide Benefits Package in Baltimore's History***

**Baltimore, Maryland** – The City of Baltimore, Sagamore Development Co. (Sagamore) and Community Leaders today announced a historic City-wide Benefits Commitment and Memorandum of Understanding, including over \$100 million in commitments for Baltimore made by Sagamore Development and its affiliates. The City-wide Benefits Commitment, codified in a legally-binding and enforceable MOU with the Mayor and City Council of Baltimore, is extraordinary and unprecedented in scale and impact. It is the largest city-wide benefits package negotiated in Baltimore's history.

"Thanks to the historic agreement reached between the City, developer and community members, Baltimore's workforce is positioned to benefit from employment opportunities that will stretch across a generation," **Baltimore City Council President Bernard C. "Jack" Young said.** "In addition to providing meaningful jobs, the benefits agreement pumps tens of millions of dollars into programs to support workforce development initiatives, education programs, college scholarships and improvements to recreation facilities. Port Covington will serve as a true model for economic development throughout our region and nation."

**Baltimore City Mayor Stephanie Rawlings-Blake said:** "The City-Wide Community Benefits Commitment sets forth an unprecedented agreement to grow Baltimore, and ensures that Port Covington's development is a success for surrounding communities and our city at-large. Sagamore is a true partner with Baltimore and today's agreement solidifies our mutual commitment to accelerating meaningful progress that strengthens our local economy, workforce, affordable housing market and growth as a sustainable city. I am proud of the cooperation that has shaped this historic agreement and look forward to the tremendous opportunity that will be created for all City residents as we move the Port Covington project forward."

Assuming authorization and issuance of Tax Increment Financing for the Port Covington redevelopment, the total City-wide Benefits Commitment by Sagamore will be over \$100,000,000. This includes, among other items detailed in the attached summary:

- \$39,000,000 in direct benefits to the six surrounding communities of Port Covington (The SB6);
- \$55,000,000 in other direct city-wide benefits including workforce development initiatives, education programs, college scholarships, recreation facilities and youth summer jobs; and
- \$6,500,000 in incremental costs for prevailing wages agreed to by Sagamore.

Adding the land previously privately held by Sagamore that will now be owned by the City, the total value of the commitment could be \$135,900,000 at full build-out. While agreements with developers usually mean that funds are disbursed out of future profits, Sagamore is in a position – due to the personal philanthropy of Under Armour Founder and CEO Kevin Plank – to begin funding some of these

initiatives immediately. Approximately \$20,000,000 of this benefits agreement is projected to be paid out in the first five years following TIF authorization, several million of which will be paid immediately following authorization and long before any profits are realized. This, like so many aspects of this City-wide Benefits Commitment, is unprecedented.

In addition, with regards to local hiring, Sagamore has agreed to a mandate that 30% of all on-site infrastructure work will be performed by Baltimore City residents. Also, Sagamore has agreed it will work to exceed a goal of 30% permanent job hours performed by City residents. Relating to inclusionary housing, Sagamore is now doubling its commitment and has agreed to provide income-restricted residential units equal to 20% of all residential units at Port Covington, including units for very-low income households with incomes at or below 30% of area median income. At least 60% of these units must be provided on-site, while the balance may be developed off-site to address affordable housing needs in other City neighborhoods. Regarding school funding, Sagamore has also made a binding and enforceable commitment not to request issuance of any TIF Bonds if there is a projected negative impact on State education funding for Baltimore City Schools, unless there is a clear plan in place to mitigate the projected negative impact. Additional details regarding local hiring, inclusionary housing and school funding are included in the attached summary.

“BUILD is proud to stand with Sagamore Development to announce an historic agreement that will change the paradigm of development in Baltimore that over the years has created two Baltimores,” said **Rev. Glenna Huber, BUILD Co Chair**. “Together, we took historic steps to guarantee local hiring, affordable housing and workforce development that will forever alter the way development deals will be made in Baltimore. We moved from goals to mandates, from promises to strict accountability. Never again will there be public financing without corporate responsibility to meet the needs of all Baltimoreans. BUILD is committed to work with Sagamore Development to hold them accountable and for them to hold us accountable to make this vision to build One Baltimore a reality.”

**Tom Geddes, CEO of Plank Industries said:** “From the very beginning of this process, we have made clear that we want the Port Covington redevelopment to provide the greatest possible benefit to the city and its residents. It is why we are doing this in Baltimore in the first place; we are committing to Baltimore, doubling-down on Baltimore. Our community partners and elected officials have been instrumental in helping us find the balance between unprecedented inclusivity on the one hand and economic viability for the project on the other. The result is a collective vision that we will all be proud of for a very long time and a community benefits commitment unprecedented in scale, timeline and financial impact. This is an extraordinary moment in the history of development in Baltimore, and we are grateful to our partners and proud of this remarkable outcome.”

This historic City-wide Benefits Commitment and MOU was the result of negotiations by Baltimore City officials and leaders from Sagamore, The South Baltimore Six Communities (SB6), Baltimoreans United in Leadership Development (BUILD), as well as input and ideas from over 90 other groups comprised of workforce training providers, faith leaders, housing advocates, education advocates and local neighborhood community leaders.

A full Summary of Terms of the City-Wide Benefits Commitment and MOU is attached.

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**About Port Covington:** As one of the largest urban renewal efforts in America, Port Covington will have a fundamental and far-reaching positive impact on Baltimore, its economy and its future. Backed by \$5.5 billion in total investment, including \$4.4 billion in private investment, a redeveloped Port Covington will mean thousands of new jobs, new businesses, better transit to jobs, 42 acres of parks, new space for manufacturing, fresh opportunities for innovation and entrepreneurship, new ways to reach the waterfront and more for Baltimore City residents. For more information on plans for Port Covington, visit [www.buildportcovington.com](http://www.buildportcovington.com).

**About Sagamore Development Company:** Sagamore Development is a Baltimore-based commercial real estate development company. Sagamore is the master developer for Port Covington, a planned mixed-use redevelopment and park system in South Baltimore.