

SB6 COALITION AND SAGAMORE DEVELOPMENT ANNOUNCE LONG-TERM PARTNERSHIP AND COMMUNITY BENEFITS AGREEMENT

Baltimore City, Md. -- The South Baltimore Six (SB6) Coalition, an organization that represents the South Baltimore communities of Brooklyn, Cherry Hill, Curtis Bay, Lakeland, Mt. Winans and Westport, today announced a historic, long-term investment partnership and community benefits agreement with Sagamore Development and its affiliates. The agreement outlines how the SB6 Communities will share in the economic, educational, cultural, environmental, and social benefits associated with a redeveloped Port Covington.

Outside Cherry Hill Elementary School, flanked by community leaders and elected officials, the SB6 Coalition lauded the agreement as the result of months of productive and in-depth dialogue and discussions between Sagamore and the SB6 Communities.

Michael Middleton, chairman of the Cherry Hill Community Coalition and spokesperson for the SB6 Coalition, said Sagamore has been a full partner with the SB6 communities since it first announced plans to redevelop Port Covington and transform land located on the South Baltimore peninsula into a thriving, active and inclusive community and economic center anchored by the future global headquarters for Under Armour.

“We’re proud to be here today with Sagamore to announce this unprecedented long-term investment partnership and community benefits agreement,” **said Middleton**. “As the most immediate neighbors of Port Covington, we will be the most impacted by this redevelopment and we have been working closely with the Sagamore team for months. We are excited about this long-term partnership. I can tell you, I’ve never seen before this type of commitment and dedication from a developer to working with our communities. This community benefits agreement ensures that Port Covington’s closest neighbors – Cherry Hill, Curtis Bay, Lakeland, Mt. Winans and Westport – will be partners in its success and share in its long-term prosperity and economic future.”

The SB6 coalition was represented by the Lawyers’ Committee for Civil Rights Under Law (Lawyers’ Committee). **Kristen Clarke, president and executive director of the Lawyers’ Committee**, stated “today’s historic agreement will help ensure that the Port Covington project produces meaningful benefits for the residents of South Baltimore, the vast majority of whom are African American. This agreement helps make clear that local communities must also be beneficiaries of the economic development projects that are carried out in their neighborhoods.”

“Our focus in Port Covington and in all of our other businesses and philanthropic initiatives has been investing in a brighter future for Baltimore” **said Tom Geddes, CEO of Plank Industries**. “We are committed to making investments that will truly make a difference. Working closely as partners with our neighboring communities, through months of productive discussions and dialogue, we have created a long-term community benefits agreement that will endure for decades. This will ensure that residents in the SB6 neighborhoods will share in the success of Port Covington for years to come.”

Highlights of the investment partnership and community benefits agreement include:

- The SB6 Coalition and Sagamore Development have agreed to form a partnership that will create a long-term, sustainable financing entity (“New Entity”) to fund the short-term, on-going, and long-term community needs identified by the SB6 leadership.
- Sagamore and its affiliates will provide \$10 million in baseline funding to support the operation of the New Entity over the next five years (\$5 million in direct payments; \$5 million in raised funds).
- Sagamore and the SB6 will also jointly endeavor to raise another \$10 million during the subsequent 5 years.
- The New Entity will be sustained over the life of the TIF bonds by receiving a share of the funding stream sourced from an annual per square foot fee and a surcharge applied to transfers of real property in Port Covington. As agreed, at least two-thirds of the revenues generated through these annual fees and surcharges will be devoted to funding the priorities of the SB6 communities. It is expected this will generate more than \$19 million to SB6 over the first 20 years of the development. The remaining balance will fund other city-wide initiatives, and programs focused on education, workforce development and youth empowerment.
- In addition, SDC has agreed that it will: be an advocate for SB6 Communities for city services, business and cultural attractions, and funding from public and private entities; as well as provide technical assistance on a variety of housing, economic development and community revitalization issues. While difficult to place a value on all of this, these commitments will yield the most to the SB6 communities and will, in and of themselves, equal and yield millions of dollars of time, expertise, funding and community productivity.

Sagamore Development’s partnership with the SB6 Coalition builds on several agreements Sagamore entered into earlier this year with the City of Baltimore. In April 2016, Mayor Stephanie Rawlings-Blake announced several commitments by Sagamore related to contractor diversity, local hiring and inclusionary housing. Among the commitments signed in April, Sagamore agreed to provide more than \$10 million over five years to fund citywide programs related to youth, education, and empowerment.

About the South Baltimore Six (SB6) Coalition: The SB6 Coalition is comprised of representatives from:

- Corporation of Concerned Citizens for a Better Brooklyn
- Cherry Hill Community Coalition
- The Community of Curtis Bay, Inc.
- Lakeland Coalition
- Mt. Winans Community Association
- Westport Community Economic Development Corporation

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.

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. For more information, visit www.buildportcovington.com.

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