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## Developers and city officials break ground on Poppleton housing development

By Yeganeh June Torbati, The Baltimore Sun

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Seven years after a group of Poppleton residents first decided that something should be done about their neighborhood's problems, city officials, developers and local residents gathered Friday to break ground on more than 100 units of affordable housing that they hope will help revitalize the struggling area.

The second phase of a three-part, \$60 million project spearheaded by developer Hampstead Companies Inc., called "Poppleton II," will knock down some existing housing units and renovate others in the Poppleton Cooperative housing development. Poppleton II, planned to accommodate 111 units, is slated to cost around \$28 million and was funded using a collection of federal, state, local and private resources.

The celebratory mood at the groundbreaking stood in contrast to the project's past troubles: The Poppleton development was almost thwarted by complications brought on by the recession and housing crisis. One of the company's equity partners backed out of the arrangement midway through, said Chris Foster, the president of Hampstead, and about a year ago, state funds that were supposed to go to the project were allocated elsewhere.

"I can't think of a more difficult time to try to put together a financing package," said Paul Graziano, the Baltimore housing commissioner.

Most of the current units in the cooperative currently sit vacant, Foster said.

Poppleton II will be Hampstead's fourth housing development in Baltimore in the past eight years and the second on the west side of town. The company also led the renovation of Poppleton Place, more than 120 units of affordable housing that sit adjacent to the cooperative.

Hampstead arranged funding for Poppleton II from multiple sources, Foster said, making it "probably one of the most complex financing packages I've ever been a part of."

Bank of America will lend money for some of the construction. Foster said two to three city loans and three federal loans will also cover some costs.

Audrey Robinson, a 30-year Poppleton resident and president of the community group that has pushed

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for the development, said she and other local residents started organizing for more investment in the neighborhood in 2003. Robinson said her group had to convince local officials that the development was still worthy after the recession wiped out some of the project's funding sources.

"They weren't sure if it was worth the effort," said Robinson, 70.

In addition, neighborhood residents decided to let go of one developer, The Finch Group, because of differences they could not solve, which Robinson declined to elaborate on. She credited Hampstead for arranging the creative financing structure, which also draws on \$1.5 million provided by the federal economic stimulus to retrofit units with energy-efficient technology.

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