



May 23, 2023

Mayor and Commissioners of the City of Cambridge
City of Cambridge
410 Academy Street
Cambridge, MD 21613

Dear Mayor and Commissioners:

I would like to take this opportunity to again introduce myself. We met at a City Commissioners meeting this past winter. My name is David Layfield and I am the founder of Green Street Housing. We are located in Salisbury, Maryland and develop affordable workforce housing all over the State of Maryland and beyond. We are one of the largest affordable workforce housing developers in Maryland. Being from the Lower Shore, our focus has always been the Shore first and we have developed more affordable apartment units on the Eastern Shore than any other developer.

We were asked personally by former Secretary of DHCD, Ken Holt, to help him figure out how to save the building on Race Street known as The Hearn. We felt honored that he chose Green Street Housing among the many developers that work in Maryland. We made a commitment to him to figure out how to save this building.

My team has been working tirelessly toward that goal for more than a year. We are not the building owner, nor are we the developer that created the problem in the first place: we are the clean up specialists called in to solve a very difficult problem for the City and DHCD.

It was Green Street Housing, at considerable expense and effort, who devised a \$21.8 million dollar financing plan to redevelop the Hearn Building utilizing a unique resource from DHCD. It was Green Street Housing who first asked the structural engineers if it was feasible to remove the steel and open the sidewalk back up. It was Green Street Housing who crafted a plan to remove the steel from Race Street. It was Green Street Housing that applied for and received a grant for \$400,000, on behalf of NeighborGood Partners, the Owner, needed to pay for these renovations. It is Green Street Housing that found a capable general contractor and is presently administering the construction project. For it not for Green Street Housing, the steel would likely remain in the street for the foreseeable future, and the Hearn Building would remain undeveloped for years to come, just like it was before our involvement started.

Neither Green Street Housing, NeighborGood Partners, nor DHCD ever made any commitments to the City of Cambridge on construction timeframes. Green Street routinely

communicated updates with the construction effort to all stakeholders. We pledged to work diligently toward getting the steel removed. And we have kept our promise.

I'd like to turn my focus now to what I believe is unprofessional behavior on the part of your City Manager, Tom Carroll. While Mr. Carroll seemingly collaborated with Green Street at the start of our interaction, his tone shifted abruptly at a recent meeting with my staff and has morphed into bullying and mistruths.

When we were just days away from starting construction to stabilize the property and reopen the sidewalk, in a meeting to discuss the entitlement process and planning timelines he proclaimed that if we didn't start construction in 2 weeks "Green Street Housing would agree to never be welcome back to Cambridge again."

And then, last week, Mr. Carroll fired off an email that he has since made public, referring to his arbitrary deadline, and formally withdrawing any and all City support for the Hearn Building redevelopment, even though the general contractor had mobilized on site with materials and construction crews before his arbitrary date. He failed us anyway based on his "own observations".

Furthermore, he accused Green Street Housing (now publicly) of "failing to follow through on commitments not just to the City of Cambridge, but to the Maryland Department of Housing and Community Development." I spoke with both the Secretary and Deputy Secretary yesterday and they expressed their continued faith in our abilities to get the project done successfully.

Let me be clear: I was asked by the former Secretary of DHCD to assist the State of Maryland and the City of Cambridge to solve this problem. I was also asked by the current Secretary to do the same. Secretary Day and Deputy Secretary McEvoy just yesterday have reiterated their trust in our abilities to carry out this project. They have also reassured us that DHCD is committed to helping Cambridge build this workforce housing asset.

Tom Carroll, by withdrawing City support for the project, is squandering \$20 million in secured financing to redevelop a historic, community landmark that is instrumental in revitalizing the 500-block of Race Street. He is dismissing the opportunity to provide a new, mixed-use, mixed-income workforce housing opportunity to support the economic growth of the City. Your own independently procured market analyst confirmed a market rate execution was not feasible.

If this project fails, it will not be from Green Street Housing's ineffectiveness or lack of tenacity, and it will not be for a lack of financial support from DHCD. **It will fail for only one reason: the opposition it has received from Mr. Tom Carroll and the City of Cambridge.**

Mr. Mayor and Commissioners, I ask that you just be honest with us and the Citizens of Cambridge like we are being honest with you now. **If you don't want workforce housing, just say it. Publicly.** And we'll walk away. But if you really do want workforce housing, you should consider informing Mr. Carroll that big goals are achieved through partnerships and not through

adversarial rhetoric, and that you don't solve problems by turning away the partners most willing to fix them.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Layfield', with a long, sweeping flourish extending to the right.

David Layfield
Principal

CC: Tom Carroll, City of Cambridge
Jacob Day, Secretary of DHCD
Owen McEvoy, Deputy Secretary of DHCD
Senator Johnny Mautz, Maryland State Senate
Delegate Tom Hutchinson, Maryland House of Delegates
Dave Callahan, Loan Fund Director, NeighborGood Partners

Hearn Building Schedule:

Meeting with Tom Carroll and City: 4/19/2023

Harkins Mobilized: 5/3/2023

Secure Site, Install Protective Measures, Replace Plywood: 5/3/2023-5/15/2023

Steel Delivered: 5/15/2023 – 5/16/2023

Steel Installation: 5/16/2023 – 5/25/2023

Structural Engineer Inspection: 5/25/2023 @ 9AM

Daytime Lane Closure: Starting on 5/30/2023 7AM to 3:30PM

Crane Onsite: 5/30/2023 to 6/6/2023

Demo Existing concrete dead men: 5/30/2023 to 6/13/2023 as existing bracing is removed.

Demo Existing Bracing: 5/30/2023 to 6/13/2023

Demo Front Walkway: 6/13/2023 to 6/14/2023

Install New Front Walkway: 6/15/2023 to 6/21/2023

Cleanup and Demobilize: 6/22/2023 to 6/23/2023