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FROM	NAME & TITLE	Robert Cename, Chief	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 22-0194 – Charles Village Community Benefits District and Management Authority		

DATE:

TO

The Honorable President and  
Members of the City Council  
City Hall, Room 400

April 8, 2022

**Position: Does Not Oppose**

The Department of Finance is herein reporting on City Council Bill 22-0194, Charles Village Community Benefits District and Management Authority, the purpose of which is to reauthorize the Charles Village Community Benefits District (the “District”) and its Management Authority (the “Authority”) through June 30, 2026.

**Background**

The District was created in 1995 and is managed by the Authority and its Board of Directors. The Board of Directors prepares the annual operating budget and manages funds received from a property tax surcharge, which is approved by the District’s property owners by vote. These funds are used to provide additional services within the District that are related to sanitation and safety such as street cleaning, graffiti removal, abandoned vehicle removal, crime alerts, and safety patrols.

**Fiscal Impact**

The Authority is funded primarily by a property tax surcharge of \$0.125 per \$100 of assessed value imposed to each taxable property within the District. This surcharge is approved annually by the Board of Estimates. As of March 2022, the District has 3,430 total properties, 3,180 of which are taxable and 250 that are not taxable. The Fiscal 2023 estimated revenue from this surcharge is \$874,829.

**Conclusion**

The Charles Village Community Benefits District represents an agreement between the area’s property owners and the District, in which property owners pay a supplemental tax rate, in addition to the City’s property tax rate, for additional services. While there is no direct cost or revenue impact to the City, these additional surcharges add to an already high tax burden on property owners and have the potential to discourage investments. This increased tax burden has the potential to limit the City’s flexibility to increase General Fund revenues in the future.

**For the reasons stated above, the Department of Finance does not oppose City Council Bill 22-0194.**

cc: Henry Raymond  
Natasha Mehu  
Nina Themelis