

**CITY OF BALTIMORE  
COUNCIL BILL 13-0113R  
(Resolution)**

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Introduced by: Councilmembers Stokes, Clarke, Henry, Holton, Branch

Introduced and read first time: June 24, 2013

Assigned to: Taxation, Finance and Economic Development Committee

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REFERRED TO THE FOLLOWING AGENCIES: Baltimore Development Corporation, Department of Finance

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A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Harbor Point Accountability for Perkins Homes**

3 FOR the purpose of calling on the Harbor Point development team to make good on their  
4 representations that Harbor Point will benefit the nearby pockets of poverty that allowed for  
5 its inclusion in Baltimore's Enterprise Zone by investing a fraction of the Enterprise Zone's  
6 projected tax savings into the Perkins Homes community.

7 **Recitals**

8 The Harbor Point development slated for construction on a currently vacant parcel between  
9 affluent Harbor East and Fells Point promises to once again transform Baltimore's waterfront.  
10 However, according to the property's developers, this project would not be possible without a  
11 variety of financial assistance from the City and State that they justify through arguments that the  
12 development will benefit the City as a whole, and many of our citizens, rather than just investors'  
13 bottom lines.

14 One key piece of assistance that the Harbor Point developers secured for their property was  
15 its designation last year as part of Baltimore's tax-reducing Enterprise Zone. Importantly, Harbor  
16 Point on its own would not have met the State's criteria for inclusion in this program, intended to  
17 support economic development in impoverished and disadvantaged areas.

18 Instead, once it became clear that an application for the luxury Harbor Point development  
19 alone would fail, project backers modified their application to include nearby poverty-stricken  
20 areas, such as the Perkins Homes public housing development, in the application as well. They  
21 justified this change through promises that the Harbor Point project would benefit these needy  
22 areas as well as its intended wealthy residents and white collar workers.

23 Now, nearly a year later, groundbreaking for Harbor Point is nearing and its planning is all  
24 but complete, but these plans include no tangible or identifiable benefits for the Perkins Homes  
25 residents. Without the developers' assurances that waterfront development would aid the  
26 children and families of this community, Harbor Point would have remained outside the  
27 Enterprise Zone, and, if its backers are to be believed, the billion dollar project would not be  
28 proceeding. Equity therefore demands that the developers make good on their promise that life  
29 will be made better in the Perkins Homes.

EXPLANATION: Underlining indicates matter added by amendment.  
~~Strike out~~ indicates matter deleted by amendment.

## Council Bill 13-0113R

1 Harbor Point's inclusion in the Enterprise Zone will save at least \$52 million in taxes - some  
2 estimates of the savings range as high as \$169 million. In order for its developers to demonstrate  
3 a genuine effort to aid the residents whose poverty has been used to advance a project that will  
4 likely make hundreds of millions of dollars for investors, they must commit to investing *at least*  
5 \$15.6 million, 30% of the low estimate of the Enterprise Zone's tax savings, into the Perkins  
6 Homes community. To do anything less would be to expose their Enterprise Zone application as  
7 a sham; and would raise serious questions about whether it is truly in the City's best interests to  
8 continue to support the Harbor Point development.

9 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the  
10 Council calls on the Harbor Point development team to make good on their representations that  
11 Harbor Point will benefit the nearby pockets of poverty that allowed for its inclusion in  
12 Baltimore's Enterprise Zone by investing a fraction of the Enterprise Zone's projected tax  
13 savings into the Perkins Homes community.

14 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the  
15 developers of the Harbor Point project, the President and CEO of the Baltimore Development  
16 Corporation, and the Mayor's Legislative Liaison to the City Council.